

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF GUAN HUAT SENG HOLDINGS BERHAD ("GHS HOLDINGS" OR THE "COMPANY") DATED 5 JANUARY 2026 ("PROSPECTUS").

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.

1. OPENING AND CLOSING OF APPLICATION

Opening of the Application period: 10.00 a.m., 5 January 2026

Closing of the Application period: 5.00 p.m., 9 January 2026

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

Late Applications will not be accepted.

2. METHODS OF APPLICATIONS

2.1 Application for our IPO Shares by the Malaysian Public and Eligible Parties

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed.

Types of Application and category of investors	Application method
Applications by Eligible Parties	Pink Application Form only
Applications by the Malaysian Public: (i) Individuals	<ul style="list-style-type: none"> • White Application Form; or • Electronic Share Application; or • Internet Share Application
(ii) Non-individuals	White Application Form only

2.2 Application by identified institutional and/ or selected investors and identified Bumiputera investors approved by MITI via private placement

Types of Application and category of investors	Application method
Applications by:	
(i) Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instruction.
(ii) Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

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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 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.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATION DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

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 the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) You must submit an Application by using only one of the following methods: -
 - (a) White Application Form; or
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

3.3 Application by Eligible Parties

The Eligible Parties will be provided with Pink Application Forms and letters from us detailing their respective allocations. The applicants must follow the notes and instructions in those documents and where relevant, of our Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

Eligible Parties 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, the Issuing House, TA Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or members of the Malaysian Investment Banking Association.

4. PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

Each application for our IPO 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 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 TA Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association, the Issuing House and our Company.

- (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 change 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Method below is relevant for White Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Company, through the Human Resources or Finance Department.

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO.690**" 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 (national registration identity card ("**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 an 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 any 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: -

1. despatched by **ORDINARY POST** in the official envelopes provided to the following address: -

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

2. **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

so as to arrive not later than **5.00 p.m.** on **9 January 2026** 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 the 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 the Issuing House.

5. APPLICATIONS 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 through the ATMs of the following Participating Financial Institutions and their branches. 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.

5.2 Procedures for Electronic Share Application

The procedures 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 SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATMS CAREFULLY PRIOR TO MAKING 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 Institutions and an ATM card issued by that Participating Financial Institutions 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

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**");
- **MIH Share Issue Account No. 690;**
- 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 the 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 INSTITUTIONS, 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: -
 - (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 Institutions and Bursa Depository, to the Issuing House and other relevant authorities.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

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 the Issuing House or any relevant authority.

- (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 Institutions at the time of the Electronic Share Application, to cover and pay for our IPO 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 IPO 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 IPO 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.
- (vi) The 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

- (viii) You acknowledge that your Electronic Share Application is subject to risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of the Issuing House, Bursa Depository or the Participating Financial Institutions, and irrevocably agree that if: -
- (a) our Company or the Issuing House does not receive your Electronic Share Application and/or payment; or
 - (b) any data relating to your Electronic Share Application is wholly or partially lost, corrupted, or otherwise inaccessible, or not transmitted or communicated to our Company or the Issuing House,
- you will be deemed not to have made an Electronic Share Application and will not make any claim whatsoever against our Company, the Issuing House and/or the relevant Participating Financial Institutions 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 Institutions at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, the Issuing House and the relevant Participating 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.
- (x) You must ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in your 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;
 - (b) we, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delay, failure or inaccuracy 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 renounee any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

- (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) the Issuing House, acting on the authority of our Board, reserves the right to reject Applications which do not conform to these instructions.

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

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

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 Institutions or Participating Securities Firms	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	eipo.cgsi.com.my	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
Hong Leong Investment Bank Berhad	https://www.hlebroking.com/v3/	RM1.00
iFAST Capital Sdn Bhd	https://www.fsmone.com.my	Free
Kenanga Investment Bank Berhad	https://kentrade.com.my/	Free
Malacca Securities Sdn Bhd	https://eipo.mplsonline.com	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com/my/invest/ipo	Free
Public Bank Berhad	www.pbebank.com	RM2.00

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Internet Participating Financial Institutions or Participating Securities Firms	Website address	Fees charged
RHB Bank Berhad	https://www.rhbgroup.com/index.html	RM2.50

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 Institutions or Participating Securities Firms. 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 services 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

- (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 Institutions or Participating Securities Firms) 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 read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) The Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;
 - (e) You authorise the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions;
 - (f) You give consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Service Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Internet Participating Financial Institutions or Participating Securities Firms, the Authorised Financial Institutions and/ or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institutions or Participating Securities Firms, to the Issuing House the Authorised Financial Institutions, and any other relevant authorities;
 - (g) 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; and
 - (h) You authorise the Internet Participating Financial Institutions or Participating Securities Firms 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 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 Institutions or Participating Securities Firms, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institutions or Participating Securities Firms will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions or Participating Securities Firms in connection with the use of the Internet Share Application services.

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- (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 Institutions 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 Institutions or Participating Securities Firms 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 the 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 relevant Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions 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 will 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 Institutions or Participating Securities Firms, 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.

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 IPO 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 Institutions or Participating Securities Firms, the Authorised Financial Institutions, the Issuing House, Bursa Depository and our Company and irrevocably agree that if: -
- (a) our Company, the Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and/ or the Authorised Financial Institutions 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 wholly or partly lost, corrupted, destroyed or otherwise not accessible, 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, the Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and/ or the Authorised Financial Institutions for 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 Institutions or Participating Securities Firms at the time of making your Internet Share Application shall be deemed to be true and correct, and our Company, the Issuing House, the relevant Internet Participating Financial Institutions or Participating Securities Firms 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

- (xi) You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institutions or Participating Securities Firms are correct and identical. Otherwise, your Internet Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter on successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

7. AUTHORITY OF OUR BOARD AND 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 IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. The 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 the 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 the 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 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

The basis of allocation of Shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website www.mih.com.my within 1 market day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's total number of 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 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, subject to the re-allocation as set out in **Section 4.3.3** 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.

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DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

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 Form

- (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 ten (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 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) 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 the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The 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 ten (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) The 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 two (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 two (2) Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

- (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 the 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 ten (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 two (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 two (2) Market Days after the receipt of confirmation from the 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 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 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 the Rules.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No 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 your Applications may be directed as follows: -

Mode of Application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. 03-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 p.m. Alternatively, you may contact any of the ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)**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 BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No. : 03 – 7710 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No. : 03 – 2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No. : 03 – 9130 8803	068-018
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No. : 03 – 2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam 22, Jalan Perak Kuala Lumpur 50450 Kuala Lumpur Tel No : 03 – 2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor 2 & 4 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No. : 03 – 9132 7424/7428/7429	065-001
CIMB SECURITIES SDN BHD (formerly known as Kaf Equities Sdn Bhd)	14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No. : 03 – 2171 0216	053-001
FA SECURITIES SDN BHD	A-10-1 & A-10-17 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
<u>KUALA LUMPUR (cont'd)</u>		
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
BERJAYA SECURITIES SDN BHD (formerly known as 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
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Ground Floor, 7-0-8, Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No. : 03 – 7984 7796	054-003
IFAST CAPITAL SDN BHD	Level 28, Menara AIA Sentral No. 30, Jalan Sultan Ismail Kuala Lumpur Tel No. : 03 – 2149 0660	039-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No. : 03 – 2172 2888	073-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 and 43-6 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel No. : 03 – 2282 1820	057-002
M & A SECURITIES SDN BHD	22A-1 Jalan Kuchai Maju 1 Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel No. : 03 – 7983 9890	057-004
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
<u>KUALA LUMPUR (cont'd)</u>		
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
MALACCA SECURITIES SDN BHD	No 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) Setapak 53300 Kuala Lumpur Tel No. : 03 – 4144 2565	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No.1, Jalan Maarof 59000 Kuala Lumpur Tel No. : 03 – 2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No. : 03 – 2059 1888	098-007
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	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No. : 03 – 9212 0718	062-001
PHILLIP CAPITAL SDN BHD	B-3-6, Block B, Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No. : 03 – 2783 0361	076-001
NEWPARADIGM SECURITIES SDN BHD	Level 12, EXSIM Tower (Block D) Millerz Square @ Old Klang Road Megan Legasi, No. 357, Jalan Klang Lama 58000 Kuala Lumpur Tel No. : 03 – 2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Tel No. : 03 – 2268 3000	051-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No. : 03 – 9280 2233/2354	087-001
RHB INVESTMENT BANK BERHAD	Level 5, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No. : 03 – 9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1, 64 & 64-1, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No. : 03 – 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No. : 03 – 4280 4798	087-054
RHB INVESTMENT BANK BERHAD	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	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 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 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No. : 03 – 2147 1888	078-010
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B 3A1, East Wing 3Ath Floor Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5635 6688	068-019

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (cont'd)</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru 1 Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No. : 03 – 3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No. 79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No. : 03 – 3322 1999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7710 6613	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	Level 5, Menara UAC No. 12, Jalan PJU7/5 Mutiarra Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7890 8899 ext 2012/2007	079-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	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	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5631 7934/7892	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	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	1st Floor, No. 26A(F), 26A(M) & 26A(B) Jalan SJ6, Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No. : 03 – 6137 1680	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No. : 03 – 3325 7105/7106	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	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
MBSB INVESTMENT BANK BERHAD (formerly known as MIDF Amanah Investment Bank Berhad)	Level 21, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD	1st Floor, 157- A, Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No. : 03 – 8074 7094	064-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN</u>		
<u>(cont'd)</u>		
NEWPARADIGM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No. : 03 – 3341 5300	064-007
RHB INVESTMENT BANK BERHAD	1,3 & 5, Tingkat 2 Jalan 52/18 New Town Centre 46200 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7873 6366/7875 8428	087-011
RHB INVESTMENT BANK BERHAD	First Floor, 10 & 11 Jalan Maxwell 48000, Rawang Selangor Darul Ehsan Tel No. : 03 – 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No. : 03 – 3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1J USJ 10, 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
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA 1A Jalan SS20/1, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7729 5713	058-007
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No. : 06 – 289 8800	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>MELAKA (cont'd)</u>		
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Tel No. : 06 – 337 1533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 292 1898	093-003
KENANGA INVESTMENT BANK BERHAD	71 (Ground, A&B) & 73 (Ground, A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 288 1720	073-001
NEWPARADIGM SECURITIES SDN BHD	No 6-1, Jalan Lagenda 2 Taman 1 Lagenda 75400 Melaka Tel No. : 06 – 288 0050	064-006
RHB INVESTMENT BANK BERHAD	19, 21, 23, level 2, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 03 – 2330 8450/ 03 – 2330 8451	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 286 2618	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No. : 06 – 335 2511	078-014
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen Ground Floor, 1, 2 & 3 34000 Taiping Perak Darul Ridzuan Tel No. : 05 – 806 6688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No. : 05 – 208 8688	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (cont'd)</u>		
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No. : 05 – 2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No. : 05 – 242 2828	073-022
M & A SECURITIES SDN BHD	5th and 6th Floor and Unit 8A M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No. : 05 – 241 9800	057-001
MALACCA SECURITIES SDN BHD	No. 3, 1st Floor Persiaran Greenhill 30450, Ipoh Perak Darul Ridzuan Tel No. : 012 – 618 4998	012-013
MAYBANK INVESTMENT BANK BERHAD	No. 47, Hala Pusat Perdagangan Canning I Pusat Perdagangan Canning II 30350, Ipoh Perak Darul Ridzuan Tel No. : 05 – 245 3457	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No. : 05 – 623 6498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No. : 05 – 692 1228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A SOHO Ipoh 2, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No. : 05 – 241 5100	087-023

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No. : 05 – 808 8229	087-034
RHB INVESTMENT BANK BERHAD	No. 1&3, 1st Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No. : 05 – 717 0888	087-052
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 – 253 1313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No. : 05 – 241 1290	078-002
<u>PULAU PINANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No. : 04 – 263 6996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	1st, 2nd & 3rd Floor No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No. : 04 – 537 2882	068-001
AMINVESTMENT BANK BERHAD	3rd Floor, Menara Liang Court 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No. : 04 – 226 1818	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel No. : 04 – 228 9118	079-005

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No. : 04 – 238 5900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Nayan Lepas Pulau Pinang Tel No. : 04 – 641 2881	065-001
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Pulau Pinang Tel No. : 04 – 506 0967	012-001
MALACCA SECURITIES SDN BHD	No.11A-1, Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel No. : 04 – 642 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Bangunan KWSP No. 38, Jalan Sultan Ahmad Shah 10050 Georgetown Pulau Pinang Tel No. : 04 – 219 6888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st & 2nd floor No. 1, Jalan Todak 5 Pusat Bandar Seberang Jaya 13700 Prai Pulau Pinang Tel No. : 04 – 332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2, Lebuhr Pantai 10300 Pulau Pinang Tel No. : 04 – 263 9118	093-004
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 (Unit 1) & Level 3 No. 56, Cantontment Road 10250 Pulau Pinang Tel No. : 04 – 226 8288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No. : 04 – 228 3355	073-023

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (cont'd)</u>		
PHILLIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Pulau Pinang Tel No. : 04 – 261 6363	076-015
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Pulau Pinang Tel No. : 04 – 227 3000	064-004
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel No. : 04 – 390 0022	087-005
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground Floor-3rd Floor & 5th-8th Floor Lebuh Bishop 10200 Pulau Pinang Tel No. : 04 – 263 4222	087-033
RHB INVESTMENT BANK BERHAD	1st Floor No. 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No. : 04 – 640 4888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan No. 171, Jalan Burmah 10050 Pulau Pinang Tel No. : 04 – 227 2339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1st Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No. : 04 – 229 9318	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 – 504 7313/7316	078-003
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No. : 09 – 505 7800	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>PAHANG DARUL MAKMUR (cont'd)</u>		
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No. : 09 – 517 1698	073-001
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No. : 09 – 222 0993	012-001
PHILLIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No. : 09 – 566 0800	076-002
RHB INVESTMENT BANK BERHAD	No. 12 Ground Floor, 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No. : 09 – 517 3811	087-007
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4 Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Bharu Kelantan Darul Naim Tel No. : 09 - 741 9050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 743 0077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 743 2288/3388	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 747 3906	078-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>TERENGGANU DARUL IMAN</u>		
PHILLIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No. : 09 – 631 7922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor, 59 Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No. : 09 – 626 1816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No. : 09 – 622 4766	078-016
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70 & 70A, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No. : 04 – 425 6666	068-011
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No. 102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No. : 04 – 777 4400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, First Floor Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No. : 04 – 735 0888	012-001
PHILLIP CAPITAL SDN BHD	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No. : 04 – 731 7088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No. : 04 – 720 9888	087-021

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>KEDAH DARUL AMAN (cont'd)</u>		
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 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 – 732 2111	078-007
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 26-2, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 603 7408	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	6, Upper Level, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No. : 06 – 455 3188	068-019
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No 21, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No. : 06 – 455 3166/3266	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No. : 06 – 651 5385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 38, 1st Floor Jalan S2 B18 Biz Avenue Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 761 4651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, Ground & 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 765 5998	073-001
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 766 9555	098-005

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>NEGERI SEMBILAN DARUL KHUSUS (cont'd)</u>		
NEWPARADIGM SECURITIES SDN BHD	1st-3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 762 3131	064-002
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No. : 06 – 613 7767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 764 1641	087-024
<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 – 222 2692	068-004
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, No 11 & 12 BP Avenue Jalan Abdul Rahman Bandar Penggaram 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 431 1081	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 434 2282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 73, Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 340 5888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No. : 07 – 232 9673	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No. : 07 – 931 1509/1523	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No. : 06 – 976 4559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No. : 07 – 353 7669/7959	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No. : 07 – 223 1211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 333 3600	073-004
KENANGA INVESTMENT BANK BERHAD	57, 59 and 61 Jalan Ali 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 1222	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 – 338 1233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 335 1533	012-001
MALACCA SECURITIES SDN BHD	1735-B, Jalan Sri Putri 4 Taman Putri Kulai 81000 Kulaijaya Johor Darul Takzim Tel No. : 07 – 663 8877	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (cont'd)</u>		
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 6948	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 – 331 6992	093-005
PHILLIP CAPITAL SDN BHD	No. 73, 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No. : 07 – 771 7922	076-006
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 433 3608	064-008
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 438 0288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 8262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No. : 07 – 557 7628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No. : 07 – 932 1543	087-030

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No. : 07 – 776 9655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No. : 07 – 662 6288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor, No. 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No. : 07 – 352 2293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No. : 07 – 943 5278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81000 Johor Bahru Johor Darul Takzim Tel No. : 07 – 364 7388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 336 4672	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 – 333 2000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No. : 07 – 663 5651	078-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Lot No. 27, NBX 2 The Northbank Off Kuching-Samarahan Expressway 93350 Kuching Sarawak Tel No. : 082 – 50 1007	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No. : 082 – 24 4791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No. : 084 – 36 7700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA 26, Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No. : 082 – 35 8688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No. : 085 – 43 5577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No. : 082 – 33 8000	073-001
KENANGA INVESTMENT BANK BERHAD	11-12, Ground & 1st Floor Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No. : 084 – 31 3855	073-001
MERCURY SECURITIES SDN BHD	1st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel No. : 084 – 65 6281	093-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SARAWAK (cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Tingkat Bawah dan Tingkat 1 No. 221, Parkcity Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No. : 086 – 31 7678	087-053
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No. : 082 – 25 0888	087-008
RHB INVESTMENT BANK BERHAD	No. 102, Pusat Pedada Jalan Dr Wong Soon Kai 96000 Sibu Sarawak Tel No. : 084 – 32 9100	087-008
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No. : 084 – 31 9998	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 – 32 4128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No 16, Lorong Intan 6 96000 Sibu Sarawak Tel No. : 084 – 25 2737	078-018
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 3 Block A Level 2, Luyang Commercial Centre Damai Plaza PH3 Jalan Damai, 88300 Kota Kinabalu Sabah Tel No. : 088 – 31 1688	068-005

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker Code
<u>SABAH (cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st & 2nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No. : 088 – 32 8878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No. : 089 – 21 5578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No. : 088 – 23 6188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No. : 088 – 26 9788	087-010
UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No. : 088 – 23 4099	078-004

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NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF GUAN HUAT SENG HOLDINGS BERHAD (“GHS HOLDINGS” OR “COMPANY”) DATED 5 JANUARY 2026 (“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, TA Securities Holdings Berhad (“TA Securities”) or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective applicants should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The IPO and distribution of the Electronic Prospectus are subject to Malaysian law. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, TA Securities, GHS Holdings, the Company’s Directors, Promoters and Offerors named in the Prospectus have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

Close of Application

Applications will be accepted from **10.00 a.m. on 5 January 2026** and will close at **5.00 p.m. on 9 January 2026**. Any changes to the timetable will be advertised by the Company in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia, and an announcement of such changes would be made to the Website accordingly.

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.



GUAN HUAT SENG HOLDINGS BERHAD

PROSPECTUS

PROSPECTUS

THIS PROSPECTUS IS DATED 5 JANUARY 2026



GUAN HUAT SENG HOLDINGS BERHAD

(Registration No.: 202401045966 (1591812-A))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“IPO”) IN CONJUNCTION WITH THE LISTING OF GUAN HUAT SENG HOLDINGS BERHAD (“GHS HOLDINGS” OR “COMPANY”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) COMPRISING:

- (I) PUBLIC ISSUE OF 120,000,000 NEW ORDINARY SHARES IN GHS HOLDINGS (“PUBLIC ISSUE SHARES”) IN THE FOLLOWING MANNER:
- 23,800,000 PUBLIC ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
 - 14,000,000 PUBLIC ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND OTHER PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
 - 23,000,000 PUBLIC ISSUE SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
 - 59,200,000 PUBLIC ISSUE SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY (“MITI”); AND
- (II) OFFER FOR SALE OF 21,000,000 EXISTING ORDINARY SHARES IN GHS HOLDINGS (“OFFER SHARES”) BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;

AT AN ISSUE/ OFFER PRICE OF RM0.25 PER PUBLIC ISSUE SHARE/OFFER SHARE PAYABLE IN FULL UPON APPLICATION.

PRINCIPAL ADVISER, SPONSOR,
UNDERWRITER AND PLACEMENT AGENT

TA SECURITIES

AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD
(Registration No.: 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

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

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 193.

BURSA SECURITIES HAS APPROVED THE ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED SHARE CAPITAL OF OUR COMPANY ON THE ACE MARKET OF BURSA SECURITIES AND 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 SECURITIES 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 DOCUMENT, 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 UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

All defined terms used in this Prospectus are defined under the “Definitions” commencing from page v to xi of this Prospectus.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Offerors 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.

TA Securities Holdings Berhad, 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 our IPO.

STATEMENTS OF DISCLAIMER

Our Company has obtained the approval from Bursa Securities for the listing of and quotation for our Shares on 21 August 2025. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on the part of our 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.

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

OTHER STATEMENTS

Investors should note that they may seek recourse under Sections 248, 249, and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to our Company.

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

This Prospectus is prepared and published solely in connection with our IPO under the laws of Malaysia. Our Shares are offered in Malaysia on the basis of the information contained and representations made in this Prospectus. Our Company, Directors, Promoters, Offerors and Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters, Offerors, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

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. It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/ or other professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Form 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 have accepted our IPO in Malaysia and will be subject only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance 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 and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium and that your Internet Share Application may be subject to risks 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 and Participating Securities Firms. These risks cannot be borne by the Internet Participating Financial Institutions and Participating Securities Firms.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, 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 are 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 (referred to as "**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, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs 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 materials 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 systems or loss of data resulting from the downloading of any such data, information, files or other materials.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions and Participating Securities Firms, you are advised that:

- (i) the Internet Participating Financial Institutions and Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and Participating Securities Firms which may be viewed via web browser or other relevant software. The Internet Participating Financial Institutions and Participating Securities Firms are not responsible 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 Participating Securities Firms, and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions and Participating Securities Firms are not 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 Participating Securities Firms, 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

All the terms used are defined under “Definitions” commencing from page v to xi of this Prospectus.

The indicative timing of events leading to our Listing is set out below:

Events	Tentative Dates
Issuance of this Prospectus/ Opening date of Application	10.00 a.m., 5 January 2026
Closing date of Application	5.00 p.m., 9 January 2026
Balloting of Application	13 January 2026
Allotment/ Transfer of the IPO Shares to successful applicants	20 January 2026
Date of Listing	22 January 2026

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

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DEFINITIONS

Unless the context otherwise requires, the following abbreviations shall apply throughout this Prospectus:

COMPANIES WITHIN OUR GROUP:

GHS Food Industries	:	GHS Food Industries Sdn Bhd (Registration No. 201501028706 (1154027-X))
GHS Group or Group	:	GHS Holdings and the Subsidiaries, collectively
GHS Heng Kee	:	Guan Huat Seng (Heng Kee) Sdn Bhd (Registration No. 197901004575 (48774-P))
GHS Holdings or Company	:	Guan Huat Seng Holdings Berhad (Registration No. 202401045966 (1591812-A))
Subsidiaries	:	GHS Food Industries and GHS Heng Kee, collectively

GENERAL:

ACE Market	:	ACE Market of Bursa Securities
Acquisition of GHS Food Industries	:	Acquisition by GHS Holdings of the entire equity interest of GHS Food Industries for a purchase consideration of RM7,580,000 which was fully satisfied via the issuance of 75,800,000 new Shares at an issue price of RM0.10 per Share, which was completed on 17 October 2025
Acquisition of GHS Heng Kee	:	Acquisition by GHS Holdings of the entire equity interest of GHS Heng Kee for a purchase consideration of RM27,770,000 which was fully satisfied via the issuance of 277,700,000 new Shares at an issue price of RM0.10 per Share, which was completed on 17 October 2025
Acquisitions of Subsidiaries	:	Acquisition of GHS Heng Kee and Acquisition of GHS Food Industries, collectively
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
ADA Code	:	ADA (Broker) Code
AGM	:	Annual General Meeting
Application(s)	:	Application for the Public Issue Shares by way of Application Form, the Electronic Share Application or the Internet Share Application
Application Form(s)	:	Printed application form for the application of the Public Issue Shares
ATM	:	Automated teller machine
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for our Public Issue Shares

DEFINITIONS (*Cont'd*)

Balloting Shares(s)	:	23,800,000 Public Issue Shares made available for application by the Malaysian Public via balloting
Bangunan GHS	:	A parcel of freehold land together with a 4-storey building with mezzanine floor erected thereon bearing postal address at 388A, Bangunan GHS, Taman Siantan Sek 2, Jalan Tengker, 75200 Melaka, currently owned by GHS Heng Kee
Board	:	Board of Directors of GHS Holdings
Bursa Depository or Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	:	Compound annual growth rate
CCC/ CF	:	Certificate of completion and compliance/ Certificate of fitness
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CDS Account	:	Account(s) established by Bursa Depository for the recording of deposits or withdrawals of securities and dealings in such securities by the Depositor
Central Depositories Act or SICDA	:	Securities Industry (Central Depositories) Act 1991
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COVID-19	:	Coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
Depositor	:	A holder of a CDS Account
Director(s)	:	Director(s) of our Company within the meaning of Section 2 of the CMSA
DOSH or JKKP	:	Department of Occupational Safety and Health Malaysia (<i>Jabatan Keselamatan dan Kesihatan Pekerjaan Malaysia</i>)
EBITDA	:	Earnings before finance costs and interest income, taxation, depreciation and amortisation
EIS	:	Employment Insurance Scheme
Electronic Prospectus	:	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(s)	:	Application for our IPO Shares through a Participating Financial Institution's ATM

DEFINITIONS (Cont'd)

Eligible Parties	:	Eligible Directors and employees of our Group and other persons who have contributed to the success of our Group, collectively
EPF	:	Employees Provident Fund
EPS	:	Earnings per Share
FYE	:	Financial year ended/ ending 31 July, as the case may be
GHS Share(s) or Share(s)	:	Ordinary shares in the share capital of GHS Holdings
Government	:	Government of Malaysia
GP	:	Gross profit
HACCP	:	Hazard Analysis and Critical Control Points
IMR or Vital Factor	:	Vital Factor Consulting Sdn Bhd (Registration No. 199301012059 (266797-T)), the Independent Business and Market Research Consultants appointed for our IPO
IMR Report	:	Independent Market Research Report dated 11 December 2025 prepared by the IMR
Internet Participating Financial Institution(s)	:	Participating financial institutions for the Internet Share Application, as listed in Section 16.6 of this Prospectus
Internet Share Application(s)	:	Applications for the Public Issue Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms
IPO	:	Our initial public offering comprising the Public Issue and the Offer for Sale, collectively
IPO Price	:	RM0.25 per IPO Share, being the price payable by investors under the Public Issue and/ or the Offer for Sale
IPO Share(s)	:	The Public Issue Shares and the Offer Shares, collectively
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
JAKIM	:	Department of Islamic Development Malaysia (<i>Jabatan Kemajuan Islam Malaysia</i>)
KPDN	:	Ministry of Domestic Trade and Cost of Living of Malaysia (<i>Kementerian Perdagangan Dalam Negeri dan Kos Sara Hidup Malaysia</i>)
KPKM	:	Ministry of Agriculture and Food Security Malaysia (<i>Kementerian Pertanian dan Keterjaminan Makanan Malaysia</i>)
Listing	:	The admission of GHS Holdings to the Official List and the listing of and quotation for our entire enlarged share capital comprising 473,500,100 Shares on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities

DEFINITIONS (*Cont'd*)

Listing Scheme	: Comprising the Acquisitions of Subsidiaries, Public Issue, Offer for Sale and Listing, collectively
LKIM	: Fisheries Development Authority of Malaysia (<i>Lembaga Kemajuan Ikan Malaysia</i>)
LPD	: 10 December 2025, being the latest practicable date prior to the issuance of this Prospectus
MAICSA	: Malaysian Institute of Chartered Secretaries and Administrators
MAIN	: State Islamic Religious Council (<i>Majlis Agama Islam Negeri</i>)
Malaysian Public	: Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	: Any day on which Bursa Securities is open for trading in securities
MBMB	: Melaka Historic City Council (<i>Majlis Bandaraya Melaka Bersejarah</i>)
MCCG	: Malaysian Code on Corporate Governance, issued by the SC
MeSTI	: Industrial Responsibility Safe Food Certification Scheme (<i>Makanan Selamat Tanggungjawab Industri</i>)
MFRS	: Malaysian Financial Reporting Standards, issued by the Malaysian Accounting Standards Board
MITI	: Ministry of Investment, Trade and Industry
MOH	: Ministry of Health Malaysia
MyIPO	: Intellectual Property Corporation of Malaysia
NA	: Net assets
N/A	: Not applicable
NBV	: Net book value
New Integrated Complex	: A new integrated complex to be constructed located at Property 8794 which will include additional storage facility, food processing facility, product development facility, product showroom as well as an administrative office, as further detailed in Section 4.8.1 of this Prospectus
New Krubong Facility	: A new 3-storey building to be constructed to house a manufacturing facility as well as warehouse, following the amalgamation of the lands of Property 1587 and Property 1595-1 after demolition, as further detailed in Section 4.8.1 of this Prospectus
Offer for Sale	: Offer for sale of 21,000,000 Offer Shares by the Offerors at our IPO Price

DEFINITIONS (Cont'd)

Offer Share(s)	: Existing 21,000,000 Shares to be offered by the Offerors pursuant to the Offer for Sale
Offeror(s)	: Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng, being the offerors of the Offer for Sale
Official List	: A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
Participating Financial Institutions	: Participating financial institutions for the Electronic Share Application, as listed in Section 16.5 of this Prospectus
Participating Securities Firms	: Participating securities firms for the Internet Share Application, as listed in Section 16.6 of this Prospectus
PAT	: Profit after tax
PBT	: Profit before tax
PE Multiple	: Price-to-earnings multiple
Periods Under Review	: FYE 2022, FYE 2023, FYE 2024 and FYE 2025, collectively
Pink Form Allocation(s)	: Allocation of 14,000,000 Pink Form Shares to our Eligible Parties
Pink Form Share(s)	: 14,000,000 Public Issue Shares made available for application by the Eligible Parties
Placement Share(s)	: Collectively, 21,000,000 Offer Shares and 82,200,000 Public Issue Shares made available for application by way of private placement to selected investors
PPE	: Property, plant and equipment
Promoter(s)	: Yeo Tien Ee, Yeo Tian Seng, Chan Kim Yeo and Yeo Siew Heng, collectively
Property 1587	: A parcel of vacant freehold land bearing postal address at PT 1587, Jalan PK 12, Taman Perindustrian Krubong, 75260 Melaka, currently owned by GHS Food Industries
Property 1595-1	: A parcel of freehold land together with 1 1/2-storey warehouse erected thereon bearing postal address at No. 1595-1, Taman Perindustrian Krubong, 75250 Melaka, currently owned by GHS Food Industries
Property 3	: A parcel of leasehold land together with 1 1/2-storey warehouse erected thereon bearing postal address at No. 3, Jalan TTC 8, Taman Teknologi Cheng, 75250 Melaka, currently owned by GHS Heng Kee
Property 30	: A parcel of leasehold land together with a 1 1/2-storey semi-detached factory erected thereon bearing postal address at No. 30, Jalan TTC 24, Taman Teknologi Cheng, 75250 Melaka, currently owned by GHS Food Industries
Property 32	: A parcel of leasehold land together with a 1 1/2-storey semi-detached factory erected thereon bearing postal address at No. 32, Jalan TTC 24, Taman Teknologi Cheng, 75250 Melaka, currently owned by GHS Heng Kee

DEFINITIONS (*Cont'd*)

Property 8794	:	A parcel of freehold land together with an office building erected thereon bearing postal address at No. 8794, Batu 4 1/4, Batu Berendam, 75350 Hang Tuah Jaya, Melaka, currently owned by GHS Heng Kee
Prospectus	:	This Prospectus dated 5 January 2026 in relation to our IPO
Public Issue	:	Public issue of 120,000,000 Public Issue Shares at the IPO Price
Public Issue Shares	:	120,000,000 new Shares to be issued pursuant to the Public Issue
R&D	:	Research and development
Record of Depositors	:	A record of depositors provided by Bursa Depository to our Company under the Rules
Register	:	The register of members to be kept pursuant to the Act, and unless otherwise expressed to the contrary, includes the Record of Depositors
Rules	:	Rules of Bursa Depository
SC	:	Securities Commission Malaysia
SOCISO or PERKESO	:	Social Security Organisation (<i>Pertubuhan Keselamatan Sosial</i>)
Specified Shareholders	:	The specified shareholders of GHS Holdings, namely Yeo Tien Ee, Yeo Tian Seng, Chan Kim Yeo, Kuan Lee Sia and Loke Sau Leng, collectively. Yeo Tien Ee and Yeo Tian Seng are brothers. Chan Kim Yeo is the mother of Yeo Tien Ee and Yeo Tian Seng. Kuan Lee Sia is the spouse of Yeo Tien Ee and Loke Sau Leng is the spouse of Yeo Tian Seng.
sq. ft.	:	Square feet
SST	:	Sales and Services Tax
TA Securities or Principal Adviser or Sponsor or Underwriter or Placement Agent	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
UK	:	United Kingdom
Underwriting Agreement	:	The underwriting agreement entered into between GHS Holdings and TA Securities on 11 December 2025 for the underwriting of up to 23,800,000 Public Issue Shares under the Public Issue
USA	:	United States of America
%	:	Per centum

DEFINITIONS (*Cont'd*)

CURRENCY:

AUD	:	Australian Dollar, the lawful currency of Australia
HKD	:	Hong Kong Dollar, the lawful currency of Hong Kong
JPY	:	Japanese Yen, the lawful currency of Japan
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
SGD	:	Singapore Dollar, the lawful currency of Singapore
USD	:	United States Dollar, the lawful currency of the United States

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GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms used throughout this Prospectus in connection with our Group and business. The terminologies and their meanings may not correspond to the standard industry meanings or usage of these terms.

Ambient temperature	: Refers to the surrounding temperature of a given environment. Typically referred to as room temperature.
Condiments	: In the context of this Prospectus, this refers to ready-to-eat seasonings and sauces that are added directly to prepared foods to enhance the flavour of a prepared dish. Examples include chilli pastes, fried shallots, and garlic.
Distribution centre	: In the context of this Prospectus, this refers to our head office and facility located at Bangunan GHS comprising cold room facilities for storage, air-conditioned areas for processing and packing food products, as well as ambient temperature storage, processing and parking spaces.
Enzymatic degradation	: Refers to the process where enzymes (special proteins that speed up chemical reactions) break down the components of food, leading to changes in texture, flavour, and spoilage. This natural process can cause food to spoil or change over time.
Flavouring products	: In the context of this Prospectus, this refers to products used as ingredients in food preparations to add and/ or enhance the flavour and aroma of dishes, including condiments, sauces and pastes, as well as herbs, spices, and seasonings.
Food service	: The food service sector comprises operators that are involved in the provision of ready-to-consume food and beverages away from home. Food service operators include, among others, restaurants, hawkers, food court stalls, cafes, pubs, canteens, caterers, hotels, and other eateries and drinking establishments.
Frozen food	: Refers to food that has been preserved by storing it at low temperatures commonly at -18 degrees Celcius to slow down the growth of microorganisms and enzymatic activity, thereby extending its shelf life.
Humidity	: Refers to the amount of moisture present in the air, which can affect food storage conditions. High humidity can promote microbial growth, leading to spoilage of food.
Manufacturing	: In the context of this Prospectus, this refers to the production of flavouring products including condiments, sauces and pastes, as well as herbs, spices and seasonings where the process typically involves preparation, mixing and blending, cooking (including frying and stir-frying) and/ or drying. It also refers to the formulation and packing of mixed herbs and herbal soup mix.
Microbial growth	: Refers to the multiplication of microorganisms such as bacteria, mould, yeast or fungi. The presence of these microorganisms on food can accelerate spoilage, lead to contamination or food poisoning.

GLOSSARY OF TECHNICAL TERMS (*Cont'd*)

Non-perishable	: Refers to food products that have a long shelf life and do not require refrigeration or freezing to maintain their safe consumption and product quality. These foods can withstand extended storage at room temperature without spoiling, making them convenient for long-term storage. Examples of non-perishable foods include canned and dried foods, rice, and grains.
Oxidation	: In the context of this Prospectus, this refers to a chemical reaction that occurs when food reacts with oxygen in the air, leading to the degradation in the food's quality such as changes in flavour, colour, and texture.
pH or potential of hydrogen	: A measure of acidity or alkalinity of a substance, with values below 7 indicating acidity, and values above 7 indicating alkalinity. pH affects food taste, preservation, and microbial growth.
Portion-controlled	: In the context of this Prospectus, this refers to a method of packaging or preparing food in specific portion sizes to serve a specific quantity objective, control intake and ensure consistency in serving sizes, often used for convenience or dietary control.
Preservation	: The process of preventing food spoilage by inhibiting microbial growth, enzymatic activity, or oxidation, commonly through methods such as canning, freezing, drying, or the addition of preservatives such as salt, sugar or chemicals.
Processed food	: Refers to food that has undergone further processing to alter its original form for preservation, convenience, safety, or enhanced taste including cooking. Processing methods include, among others, canning, freezing, drying, pasteurisation, fermentation, and the addition of preservatives, flavourings, colourants, and other ingredients. These processes can extend shelf life, improve food safety, and make food more convenient, alter nutritional content, texture, and flavour, as well as make them ready for consumption.
Retail	: Refers to the resale of goods commonly in single units or in small quantities to end-users or end-consumers. Operators that are involved in retail trade comprise store-based retailers and non-store-based retailers. Store-based retailers have physical outlets to display and sell goods such as hypermarkets, supermarkets, minimarkets, convenience stores, traditional Chinese medical halls and market stalls. Non-store-based retailers include, among others, online, catalogue and telephones sales.
Retailers	: Operators that are involved in the retail trade and these comprise store-based retailers and non-store-based retailers. In the context of this Prospectus, retailers include supermarkets, hypermarkets, minimarkets, convenience stores, traditional Chinese medical halls, and market stalls.
Salinity	: In the context of this Prospectus, this refers to the concentration of salt in food, where higher salinity can be used for preservation or to enhance flavour.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Sauces and pastes	: In the context of this Prospectus, this refers to ready-to-cook products that can be incorporated into food during the cooking process. Examples include oyster sauce, dark and light soy sauce.
Shelf-stable	: Refers to food that has been processed or packaged to prevent spoilage or degradation, allowing it to be safely stored at room temperature without the need for refrigeration. Shelf-stable foods are typically preserved through methods such as canning, drying, or the addition of preservatives, and packaged using vacuum sealing. These foods have a long shelf life and are resistant to microbial growth, oxidation, or enzymatic breakdown. Examples include canned goods, dried fruits, and packaged snacks.
Spoilage	: In the context of this Prospectus, this refers to the process by which food deteriorates due to microbial activity such as bacterial, mould, or yeast, enzymatic activity, or chemical reactions. This leads to undesirable changes in the food including its appearance, smell, texture, or taste, making it unfit for consumption.
Stock keeping unit (SKU)	: A unique identifier for each distinct product and service that can be purchased.
Wholesale	: Refers to the resale of goods in bulk mainly in their original form to resellers. Resellers include other wholesalers and retailers.
Wholesalers	: Operators that purchase in bulk for further resale primarily in its original purchased form. In the context of this Prospectus, wholesalers include smaller enterprises that supply to shops and other retailers, food service operators such as restaurants, cafes and canteens, and hospitality establishments such as hotels, hostels, and clubs, as well as food manufacturers.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Any reference to words such as “we”, “us”, “our” and “ourselves” in this Prospectus shall be a reference to our Company, our Group or any member company of our Group as the context requires, unless otherwise stated. All references to “GHS Holdings” and “our Company” in this Prospectus are to Guan Huat Seng Holdings Berhad, references to “our Group” are to our Company and our Subsidiaries taken as a whole. Unless the context otherwise requires, references to “Management” are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word “approximately” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or 2 decimal places (for percentages) or one sen (for currency). Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

Certain abbreviations, acronyms and technical terms used are defined in the “Definitions” and “Glossary of Technical Terms” appearing before this section. Words denoting singular shall include 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 companies and corporations.

Any reference in this Prospectus to any legislation, statute or statutory provision shall be a reference to the statute or legislation of Malaysia and includes any statutory modification, amendment or re-enactment thereof, unless otherwise indicated.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the IMR. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. However, third party projections, including the projections from the IMR, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the third party projections cited in this Prospectus.

Any references to dates and times in this Prospectus are references to dates and times in Malaysia, unless otherwise stated.

The information on our website, or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than those of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors beyond our control that could cause our actual results, performance or achievements, or industry results, to be materially different from any future results, 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 in the future. Such forward-looking statements reflect our management's current view 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 "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project" or similar expressions and include all statements that are not historical facts.

Such forward looking statements include, without limitations, statements relating to:

- (i) demand for our products and/ or services;
- (ii) our business strategies;
- (iii) our future plans and potential growth opportunities;
- (iv) our future financial position, earnings, cash flows and liquidity; and
- (v) our ability to pay future dividends.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) the economic, political and investment environment in Malaysia;
- (ii) government policies, legislations or regulations;
- (iii) competitive environment of the industry in which we operate; and
- (iv) any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 7.17 – Material interruptions to our business, Section 9 – Risk factors and Section 12.3 – Management's discussion and analysis of financial conditions and results of operations of this Prospectus. We cannot give any assurance that the forward-looking statements in this Prospectus will be realised. Such forward-looking statements are based on information available to us as at the LPD.

The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this Prospectus. Nevertheless, should we become aware of any subsequent material change or development affecting matters disclosed in the Prospectus arising from the date of registration of this Prospectus with Bursa Securities but before the date of allotment of our Public Issue Shares and/or transfer of our Offer Shares, we will issue a supplementary or replacement prospectus, as the case may be, in accordance with the provisions of Rule 3.12D of the Listing Requirements, provisions of Section 238(1) of the CMA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name (Designation)	Gender	Address	Nationality
Dr. Wong Chin Yoong <i>(Independent Non-Executive Chairman)</i>	Male	32A, Jalan Puncak Kampar 2 Taman Puncak Kampar 31900 Kampar Perak	Malaysian
Yeo Tien Ee <i>(Managing Director)</i>	Male	38, Jalan Laksamana Cheng Ho 75000 Melaka Melaka	Malaysian
Yeo Tian Seng <i>(Executive Director)</i>	Male	38, Jalan Laksamana Cheng Ho 75000 Melaka Melaka	Malaysian
Lee Chee Kian <i>(Executive Director)</i>	Male	22, Jalan Hang Nadim 35/32A Alam Impian 40470 Shah Alam Selangor	Malaysian
Chin Siew Lee <i>(Independent Non-Executive Director)</i>	Female	23, Jalan PJS 5/8 Taman Desaria 46000 Petaling Jaya Selangor	Malaysian
Lim Peck Gee <i>(Independent Non-Executive Director)</i>	Female	No. 12A, Jalan PB1 Taman Puncak Bertam 75260 Melaka Melaka	Malaysian
Yeo Jie Yin <i>(Independent Non-Executive Director)</i>	Female	A-3A-3, Gembira Residen 2, Jalan Senang Ria 58200 Kuala Lumpur Wilayah Persekutuan	Malaysian

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1. CORPORATE DIRECTORY (Cont'd)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Chin Siew Lee	Chairman	Independent Non-Executive Director
Lim Peck Gee	Member	Independent Non-Executive Director
Yeo Jie Yin	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Lim Peck Gee	Chairman	Independent Non-Executive Director
Chin Siew Lee	Member	Independent Non-Executive Director
Yeo Jie Yin	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Yeo Jie Yin	Chairman	Independent Non-Executive Director
Chin Siew Lee	Member	Independent Non-Executive Director
Lim Peck Gee	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARIES	:	CIS Secretarial Services Sdn Bhd (Registration No. 199901023093 (497993-W)) Suite 5.11 & 5.12, 5 th Floor, Menara TJB No. 9, Jalan Syed Mohd. Mufti 80888 Ibrahim International Business District Johor Tel No. : +607-224 2823 Irene Juay Yee Luan (MAICSA No. 7057249) (SSM Practising Certificate No. 202008001193) Professional Qualification : Chartered Secretary and Chartered Governance Professional of the Chartered Governance Institute, Associate of MAICSA Joy Lim Xie Ru Yi (MAICSA No. 7065780) (SSM Practising Certificate No. 201908004060) Professional Qualification : Chartered Secretary and Chartered Governance Professional of the Chartered Governance Institute, Associate of MAICSA
REGISTERED OFFICE	:	Suite 5.11 & 5.12, 5 th Floor, Menara TJB No. 9, Jalan Syed Mohd. Mufti 80888 Ibrahim International Business District Johor Tel No. : +607-224 2823
HEAD OFFICE	:	388A, Bangunan GHS Taman Siantan Sek 2 Jalan Tengker 75200 Melaka Melaka Tel No. : +606-282 2872 Email : info@ghshk.com.my Website : www.guanhuatseng.com
PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M)) 29 th Floor, Menara TA One 22, Jalan P. Ramlee 50250 Kuala Lumpur Wilayah Persekutuan Tel No. : +603-2072 1277

1. CORPORATE DIRECTORY (Cont'd)

AUDITORS AND REPORTING ACCOUNTANTS	:	Crowe Malaysia PLT (Registration No. 201906000005 (LLP0018817-LCA) & AF 1018) 52, Jalan Kota Laksamana 2/15 Taman Kota Laksamana Seksyen 2 75200 Melaka Melaka Partner-in-charge : Piong Yew Peng Approval No. : 03070/06/2027 J Professional Qualification : Chartered Accountant, Fellow of CPA Australia (Membership No. 1860571) and Member of Malaysian Institute of Accountants ("MIA") (Membership no.: 11430) Tel No. : +606-282 5995
SOLICITORS TO OUR COMPANY	:	Messrs. David Lai & Tan (000020003906) Level 9, Wisma Miramas No. 1, Jalan 2/109E Taman Desa, Jalan Klang Lama 58100 Kuala Lumpur Wilayah Persekutuan Tel No. : +603-7972 7968
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X)) 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel No. : +603-7890 4700
SHARE REGISTRAR	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D)) 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel No. : +603-7890 4700

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1. CORPORATE DIRECTORY (Cont'd)

**INDEPENDENT BUSINESS
AND MARKET RESEARCH
CONSULTANTS**

: **Vital Factor Consulting Sdn Bhd**
(Registration No. 199301012059 (266797-T))
V Square @ PJ City Centre (VSQ)
Block 6 Level 6
Jalan Utara
46200 Petaling Jaya
Selangor

Person-in-charge : Wooi Tan

Qualification : Master of Business Administration
from The New South Wales Institute
of Technology (now known as
University of Technology, Sydney),
Australia, Bachelor of Science from
The University of New South Wales,
Australia and a Fellow of the Australia
Marketing Institute, and Institute of
Managers and Leaders, Australia
(formerly known as the Australian
Institute of Management)

Tel No. : +603-7931 3188

LISTING SOUGHT : ACE Market

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2. APPROVALS AND CONDITIONS**2.1 APPROVALS AND CONDITIONS****2.1.1 Bursa Securities**

Bursa Securities had, vide its letter dated 21 August 2025, approved our Listing ("**Listing Approval**").

The Listing Approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(1)	<p>Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository:</p> <p>(i) Name of shareholders;</p> <p>(ii) Number of Shares; and</p> <p>(iii) Date of expiry of the moratorium for each block of Shares;</p>	To be complied
(2)	Approvals from other relevant authorities have been obtained for implementation of our Listing;	Complied
(3)	The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon;	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 our Company on the first day of Listing;	To be complied
(6)	<p>In relation to the public offering to be undertaken by our Company, to announce at least 2 market days prior to the Listing date, the result of the offering including the following:</p> <p>(i) Level of subscription of public balloting and placement;</p> <p>(ii) Basis of allotment/ allocation;</p> <p>(iii) A table showing the distribution for placement tranche as per the format prescribed by Bursa Securities; and</p> <p>(iv) Disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any;</p> <p>TA Securities must ensure that the overall distribution of our Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and</p>	To be complied
(7)	GHS Holdings/ TA 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 our Company 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 CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 26 August 2025, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing. The approval from the SC is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(1)	GHS Holdings allocating Shares equivalent to 12.5% of its enlarged number of issued Shares upon Listing to Bumiputera investors to be approved by the MITI; and	To be complied
(2)	GHS Holdings 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

MITI had, vide its letter dated 18 June 2025, taken note of and has no objection to our Listing.

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2. APPROVALS AND CONDITIONS (Cont'd)

2.2 MORATORIUM ON OUR SHARES

2.2.1 Moratorium on Shares held by our Specified Shareholders

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

- (i) the moratorium applies to the entire shareholdings held by our Specified Shareholders for a period of 6 months from the date of our admission to the Official List ("**First 6-month Moratorium**");
- (ii) upon the expiry of the First 6-month Moratorium, we must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of our total number of issued Shares remain under moratorium for another 6 months ("**Second 6-month Moratorium**"); and
- (iii) upon the expiry of the Second 6-month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight-line basis) of their Shares held under moratorium.

The details of our Shares held by our Specified Shareholders which will be subject to the abovementioned moratorium are as follows:

Specified Shareholders	Year 1 after Listing			
	No. of Shares to be held under the First 6-month Moratorium		No. of Shares to be held under the Second 6-month Moratorium	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Chan Kim Yeo ⁽²⁾	157,084,060	33.18	100,663,709	21.26
Yeo Tien Ee ⁽³⁾	101,593,020	21.46	65,103,552	13.75
Yeo Tian Seng ⁽⁴⁾	73,823,020	15.59	47,307,786	9.99
Kuan Lee Sia ⁽⁵⁾	120,000	0.03	-	-
Loke Sau Leng ⁽⁶⁾	120,000	0.03	-	-
Total	332,740,100	^70.27	213,075,047	45.00

Specified Shareholders	Year 2 after Listing		Year 3 after Listing	
	Moratorium shares		Moratorium shares	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Chan Kim Yeo ⁽²⁾	67,109,139	14.17	33,554,570	7.09
Yeo Tien Ee ⁽³⁾	43,402,368	9.17	21,701,184	4.58
Yeo Tian Seng ⁽⁴⁾	31,538,524	6.66	15,769,262	3.33
Kuan Lee Sia ⁽⁵⁾	-	-	-	-
Loke Sau Leng ⁽⁶⁾	-	-	-	-
Total	142,050,031	30.00	71,025,016	15.00

Notes:

^ Amount does not add up due to decimal differences.

(1) Based on our enlarged issued share capital of 473,500,100 Shares after our IPO.

(2) Chan Kim Yeo is the mother of Yeo Tien Ee and Yeo Tian Seng, and mother-in-law of Kuan Lee Sia and Loke Sau Leng.

(3) Yeo Tien Ee is the son of Chan Kim Yeo, brother of Yeo Tian Seng, spouse of Kuan Lee Sia and brother-in-law of Loke Sau Leng.

(4) Yeo Tian Seng is the son of Chan Kim Yeo, brother of Yeo Tien Ee, spouse of Loke Sau Leng and brother-in-law of Kuan Lee Sia.

2. APPROVALS AND CONDITIONS (Cont'd)

- (5) *Kuan Lee Sia is the spouse of Yeo Tien Ee, daughter-in-law of Chan Kim Yeo and sister-in-law of Yeo Tian Seng.*
- (6) *Loke Sau Leng is the spouse of Yeo Tian Seng, daughter-in-law of Chan Kim Yeo and sister-in-law of Yeo Tien Ee.*

The moratorium has been fully accepted by our Specified Shareholders, who have provided written undertakings to Bursa Securities that they will not sell, transfer or assign their shareholdings in our Company that are under moratorium during the moratorium period.

2.2.2 Moratorium on Shares held by the other shareholder

In addition, Lee Chee Kian, our Executive Director, has also provided a written undertaking not to sell, transfer or assign his shareholdings of 1,800,000 Shares in our Company (to be allocated and subscribed under the Pink Form Allocation), representing 0.38% of our enlarged total number of issued Shares, for a period of 12 months from the date of our Listing on a voluntary basis.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by our Specified Shareholders and the other shareholder as aforementioned to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes such restrictions.

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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

Our IPO is subject to the terms and conditions of this Prospectus. The allocation of our IPO Shares and principal details of our IPO are as follows:

	Public Issue		Offer for Sale		Total	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Malaysian Public (via balloting)						
- Bumiputera	11,900,000	2.51	-	-	11,900,000	2.51
- Non-Bumiputera	11,900,000	2.51	-	-	11,900,000	2.51
Sub-total	23,800,000	5.02	-	-	23,800,000	5.02
Eligible Parties	14,000,000	2.96	-	-	14,000,000	2.96
Private placement						
- Selected Bumiputera investors approved by MITI	59,200,000	12.50	-	-	59,200,000	12.50
- Selected investors	23,000,000	4.86	21,000,000	4.44	44,000,000	9.29
Sub-total	82,200,000	17.36	21,000,000	4.44	103,200,000	^21.80
Total	120,000,000	25.34	21,000,000	4.44	141,000,000	29.78

Enlarged total number of Shares upon Listing	473,500,100
IPO Price for each IPO Share	RM0.25
Market capitalisation (calculated based on our IPO Price and enlarged total number of Shares upon Listing)	RM118,375,025

Notes:

^ Amount does not add up due to decimal differences.

(1) Based on our enlarged total number of 473,500,100 Shares after our IPO.

Further details of our IPO are set out in Section 4.3 of this Prospectus.

Pursuant to Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholders (in compliance with Rule 3.19(1) of the Listing Requirements). Further details on the moratorium are set out in Section 2.2 of this Prospectus.

Our Specified Shareholders and their entire shareholdings after IPO will be held under moratorium for 6 months from the date of our Listing. Thereafter, our Specified Shareholders' shareholdings amounting to 45.00% of our total number of issued Shares will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight-line basis) of their Shares held under moratorium upon the expiry of the second 6-month period. Further details on the moratorium on our Shares are set out in Section 2.2 of this Prospectus.

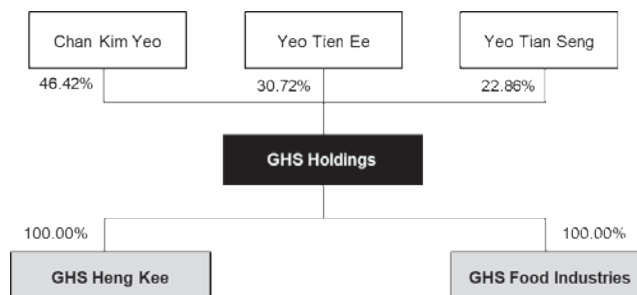
3.2 OUR GROUP STRUCTURE AND BUSINESS MODEL

Our Company was incorporated under the name of Guan Huat Seng Holdings Sdn Bhd in Malaysia on 1 November 2024 under the Act as a private limited company. Subsequently, on 11 March 2025, our Company was converted to a public limited company and assumed its present name of Guan Huat Seng Holdings Berhad to embark on the Listing.

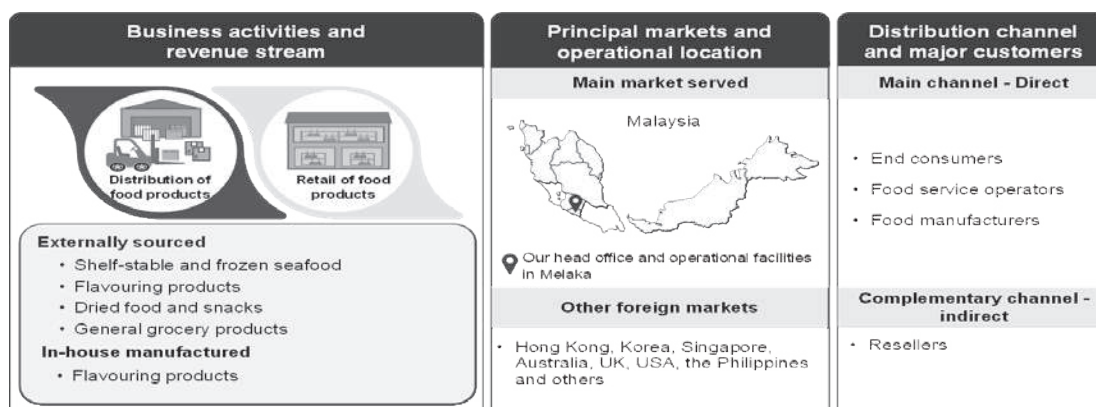
3. PROSPECTUS SUMMARY (Cont'd)

Our Company is an investment holding company. Through our Subsidiaries, we are predominantly involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks and general grocery products.

Our Group structure as at the LPD is as follows:



A summary of our business model is illustrated as follows:



We are principally involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. The food products that we distribute and retail include both externally sourced and in-house manufactured products. We are supported by our manufacturing facilities in Property 30 and Property 32 in Melaka where we manufacture flavouring products including condiments, sauces and pastes, herbs, spices and seasonings. Within our distribution and retail operations, we offer a diverse range of products sold under our brands and third-party brands, while some of the products are without any brands.

(i) Distribution of food products segment

Our main revenue contributor is from the distribution of shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.

We distribute these food products to resellers including wholesalers and retailers such as supermarkets, hypermarkets, minimarkets, convenience store, traditional Chinese medical halls, market stalls and other resellers including e-commerce platforms who would resell our products to their respective customers. In addition, we distribute our products to food service operators who would use our products as ingredients to create ready-to-eat dishes. We also distribute our products to food manufacturers who would use our products as input materials in their manufacturing process.

The products that we distribute include both externally sourced and in-house manufactured products that are sold under our brands and third-party brands, while some of the products are without any brand.

(ii) Retail of food products segment

We operate one retail outlet with a built-up area of approximately 4,334 sq. ft. located at

3. PROSPECTUS SUMMARY (Cont'd)

our Bangunan GHS in Melaka. Our retail outlet offers a range of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.

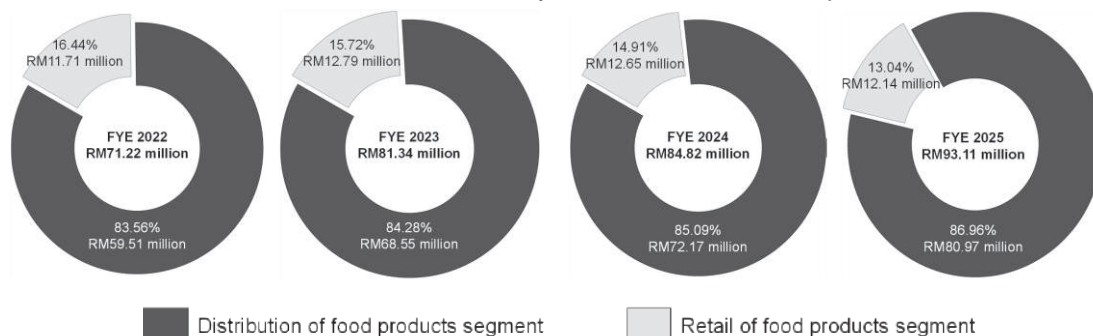
While most of the food products we offer are packaged, we also offer loose products sold by weight such as dried foods including sea cucumber, scallops, fish maw, prawns, abalone, birds' nests, anchovies, salted fish, mushrooms, nuts, seeds, herbs, fruits, roots, and fungus. In addition, we retail a small proportion of non-food products such as packaging materials.

We also have online retail through our website and third-party platforms such as Shopee, Lazada and GrabMart. We handle the entire process, including order acceptance, acceptance of payment which are processed through the payment gateway of the respective platforms, picking and packaging, as well as arrangement for the dispatching of the online orders.

The products that we retail include both externally sourced and in-house manufactured products. These products are either sold under our brands and third-party brands, while some of the products are without any brand.

For the distribution and retail of food products under third-party brands, our purchases from the suppliers are based on purchase orders. As at the LPD, we have a dealership authorisation from a supplier to distribute preserved mustard cabbage easypack in Malaysia as well as a distribution agreement with another supplier for the distribution of confectioneries in Negeri Sembilan.

For the Periods Under Review, our revenue by business activities is depicted below:



Further information on our Group and our business model are set out in Sections 7.1, 7.2 and 7.4 of this Prospectus respectively.

3.3 OUR COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Group's competitive advantages and key strengths are set out below:

- (i) our Guan Huat Seng (“源发成”) brand has been in existence in Malaysia since the 1930s and we have an established track record of approximately 46 years since the establishment of GHS Heng Kee to provide the platform to sustain and grow our business;
- (ii) we have a wide domestic distribution network covering 12 states and federal territories in Malaysia and 16 foreign countries to sustain and grow our business;
- (iii) we serve several segments of the market to provide us with growth opportunities;
- (iv) we have our brands of products to develop brand equity, and increase brand awareness and customer loyalty to grow our business;
- (v) we have in-house manufacturing of flavouring products which are mainly distributed and sold under our brand names;
- (vi) we have experienced Directors and key senior management team to sustain and grow our business;

3. PROSPECTUS SUMMARY (Cont'd)

- (vii) our products are available in several established retail outlets to provide us with visibility of our brands, and sales volume targeting the consumer market; and
- (viii) we serve export markets which provide us with opportunities for growth.

Further information on our Group's competitive advantages and key strengths are set out in Section 7.3 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PLANS

Our Group has, amongst others, the following business strategies and plans to grow our business:



(i) Expansion of facilities

New Integrated Complex

In FYE 2024, we acquired Property 8794 with a land size of 262,230 sq. ft. in Batu Berendam, Melaka. The acquired land is intended for the construction of a New Integrated Complex with a built-up area of not less than 100,000 sq. ft. as part of our business expansion plan. We plan to expand our facility by setting up the New Integrated Complex comprising Block A designated for storage facility and product showroom and Block B designated for food processing facility, product development facility and administrative office.

The construction of the New Integrated Complex will be carried out in two phases. The first phase will involve the construction of Block A, while the second phase will focus on the construction of Block B. The total cost for establishing the New Integrated Complex, is estimated at RM23.28 million, which will be funded through IPO proceeds, internally generated funds, and/ or bank borrowings. As at the LPD, we have carried out some preliminary works such as soil test and are in the midst of preparing the submission of the development order. Upon obtaining approval on the development order, we will submit the building plan for the New Integrated Complex which is expected to commence by first quarter of 2026.

New Krubong Facility

As at the LPD, our food manufacturing operations are located in Property 30 and Property 32, Melaka with a built-up area of approximately 18,406 sq. ft. Part of our strategies and plans are to relocate our manufacturing operations to a new manufacturing facility (New Krubong Facility) in Property 1587. We plan to allocate a floor space of not less than 40,000 sq. ft. for production area. In addition, the New Krubong Facility will include a warehouse facility for the storage of goods to support our distribution and retail operations. We plan to allocate a floor space of not less than 10,000 sq. ft. for storage area, office and hostel.

In 2024, we have acquired the 22,421 sq. ft. plot of land (Property 1587) located behind our existing Property 1595-1 for the construction of the New Krubong Facility. The vacant land will be amalgamated with the land of Property 1595-1 (after demolishment) to build a new 3-storey building to house a manufacturing facility as well as warehouse, with a planned built-up area of not less than 50,000 sq. ft. Upon the completion of the relocation of manufacturing and product development and enhancement operations to

3. PROSPECTUS SUMMARY (Cont'd)

the New Krubong Facility, the available space in Property 30 and Property 32 will be utilised as a storage area for input materials and our new and existing finished products for our distribution and retail of food products segments. The additional storage space is necessary to support our plan to distribute and retail more products, particularly to meet the needs of food service operators.

The total estimated cost for setting up the 3-storey New Krubong Facility is RM11.73 million which will be funded through IPO proceeds, internally generated funds and/ or bank borrowings. As at the LPD, we have obtained approval for the development order from MBMB and are pending approval for the land amalgamation from the relevant authority.

Our Board acknowledges that the demolition of the existing building on Property 1595-1 is expected to result in a write-off in FYE 2027 of its remaining net book value of approximately RM1.26 million which will reduce our Group's PAT in FYE 2027. Such write-off is a one-off and non-cash accounting adjustment that does not impact our Group's cash flows. Nevertheless, our Board is of the view that the demolition is reasonable and in the best interest of our Group, as the New Krubong Facility is expected to among others, enhance operational efficiency and support future growth, which is expected to contribute positively to our Group's future earnings and in-turn expected to contribute to long-term shareholders value.

(ii) Increase marketing activities

Our plans include continuously marketing our corporate brand, namely "GHS" to strengthen our brand equity. This includes increasing our brand awareness and recognition, fostering a positive brand image and quality, and increasing brand loyalty among our customers. Our sales and marketing team will continue to focus on both online and offline marketing channels.

(iii) Expansion of product range

Part of our strategies and plans is to expand our range of in-house manufactured flavouring products as well as externally sourced products. These will be targeted for distribution to customers including food service operators and resellers. We also plan to sell these products at our retail outlet. In addition, we plan to expand our range of externally sourced products to offer a wider selection of food products to our customers. This expansion aims to complement our existing product offerings and cater to the various needs of our customers, enhancing customer convenience and satisfaction.

(iv) Expansion of retail outlets

For the Periods Under Review, we operate a retail outlet located in Bangunan GHS, Melaka for the retail sales of externally sourced and in-house manufactured products.

Part of our strategies and plans is to expand our retail operations with the opening of 2 additional retail outlets in Klang Valley within the central region and 1 additional retail outlet in Johor within the southern region to address opportunities for business growth.

Further information of our Group's business strategies and plans are set out in Section 7.15 of this Prospectus.

3.5 RISK FACTORS

Our business is subject to a number of risk factors, many of which are outside our control. Before investing in our Shares, you should carefully consider, along with the other matters set out in this Prospectus, the risk factors set out in Section 9 of this Prospectus and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance. The following is a summary of the key risks relating to the business operations, financial position and results of our Group that we are currently facing or that may develop in the future:

3. PROSPECTUS SUMMARY (Cont'd)

- (i) **Our business is exposed to supply chain disruptions as our products including imported products are sourced from external suppliers (including manufacturers) and this dependency exposes us to quality and food safety risks**

The products that we distribute and retail including products with third-party brands, our brands and without any brands, are mainly sourced externally from third-party suppliers (including manufacturers). While we are not dependent on any single supplier, we are dependent on our group of suppliers on a collective basis, and there can be no assurance that we will be able to continue to retain all or the majority of our suppliers. This dependency on our suppliers as a group exposes us to potential supply chain disruptions that may adversely affect our operations and financial performance as well as potential inconsistencies in quality and food safety risks.

- (ii) **Our business operations may be affected by fluctuations in the market prices for certain types of shelf-stable and frozen seafood and all other products that we distribute and retail**

Our business operations may be affected by fluctuations in the market prices for certain shelf-stable and frozen seafood. The fluctuations in the prices of shelf-stable and frozen seafood are affected by supply (including among others, seasonality, environmental factors, fluctuations in fuel prices and geopolitical events) and demand conditions (including among others, changes in prices, consumer behaviour and preferences).

In addition, we are exposed to risks arising from the fluctuations in the market prices related to all other products that we distribute and retail. For the Periods Under Review, we have not experienced any material adverse impact on our business and financial performance arising from the said risk. Nevertheless, there can be no assurance that we will not face any risks associated with the market prices fluctuations for shelf-stable and frozen seafood and all other products in the future.

- (iii) **Our business is dependent on our ability to continually secure new and sizeable orders to sustain and grow our business and our brands of products are susceptible to changes in consumer preferences, market trends as well as negative actions**

Our revenue from the distribution segment is based on purchase orders from our customers while our retail segment is based on outright sales. As such, our business sustainability and financial performance rely on our ability to consistently secure new and sizeable orders from our distribution segment and continuous retail sales to sustain and/ or grow our business. There can also be no assurance that we will be able to maintain or increase the volume of sales in the future.

Our business is susceptible to changes in consumer preferences, fluctuations in demand, intensifying competition or shifts in market trends. The sustainability and growth of our business depend on continuously building our brand equity including awareness, loyalty, trust and image to retain existing and secure new customers. In addition, economic downturns or unfavourable market conditions may reduce the purchasing power of our customers or decrease demand for our products, adversely affecting our ability to secure new orders. We are also vulnerable to any negative publicity or actions stemming from consumer boycotts, dissemination of negative information, fake news, sabotage and/ or issues regarding quality, hygiene and food safety. In this regard, failure to align our offerings with customer requirements and expectations could potentially harm our reputation and adversely affect our business operations and financial performance.

- (iv) **Our business is subject to various licencing requirements as well as other food related regulations and standards to carry out our business operations**

Our business operations are in Malaysia and are governed by numerous licences, certificates and permits issued by the relevant authorities, including those relating to

3. PROSPECTUS SUMMARY (Cont'd)

food premise, manufacturing, fish dealings, controlled goods and other relevant requirements. Our licences, certificates and permits may be suspended or revoked in any event of non-compliance with the relevant requirements, which may have material adverse impact on our business operations and financial performance.

(v) Our business operations are dependent on our Directors and key senior management

We are dependent on the experience, expertise and technical knowledge, and business development expertise of our Directors and key senior management for our business operations. The loss of services of any one or more of our Directors or key senior management without any suitable and timely replacement may adversely affect our business operations, strategic initiatives and financial performance.

(vi) Our business and financial performance is subjected to inflationary pressure

Our business in the distribution and retail of food products is subject to inflationary pressure. The cost of products sourced from third-party suppliers as well as input materials for our in-house manufactured products may increase due to inflationary pressures. Furthermore, inflation could increase our operating expenses including utilities, fuel, logistics, rental and labour costs. In addition, we are reliant on sea freight for the delivery of our purchases of products, as we source them from both domestic and foreign suppliers. As for our in-house manufactured products, we face the risk of any sustained increases in the cost of our input materials.

If we are unable to pass on these increases in costs to our customers through higher selling prices, our profit margins may be adversely affected. On the other hand, price increases could lead to a reduction in demand, as customers may seek alternative suppliers or products. Inflation may also decrease consumer purchasing power, potentially leading to changes in spending behaviour or reduction in demand for discretionary food products which would adversely affect our business performance.

(vii) Our financial performance is subjected to the risk of foreign exchange and interest rates fluctuations

Our business is in the distribution and retail of food products which the food products that we sourced externally include goods sourced from suppliers in Malaysia as well as imports from suppliers in foreign countries. We are exposed to the risk of foreign exchange fluctuations where our purchases of input materials and products were transacted in foreign currencies including USD, SGD, HKD, AUD and JPY. In addition, our revenue is contributed by sales from both the domestic market and foreign markets including countries from the Asia Pacific and other regions. In this respect, we are exposed to foreign exchange fluctuations arising from imported purchases of input materials and products and our export sales. Any unfavourable exchange rates between RM and the respective foreign currencies would affect our financial performance.

In addition, we are subject to risk arising from interest rates fluctuations. As at 31 July 2025, our total bank borrowings including term loans and hire purchase (excluding lease liabilities for right-of-use assets arising from rental of properties) was RM21.51 million, of which RM21.02 million were based on floating interest rates.

(viii) We are exposed to inventory management risk

We are exposed to inventory management risks, particularly arising from our involvement in the distribution and retail of food products, including items with expiration dates and temperature-sensitive products. Inefficient inventory management could lead to overstocking or understocking, both of which could adversely impact our business and financial performance. Furthermore, the demand for our products can fluctuate based on various factors, including seasonality, such as festive periods like Chinese New Year, economic conditions and changing consumer

3. PROSPECTUS SUMMARY (Cont'd)

preferences. These fluctuations may result in challenges in estimating the demand, increasing the risk of inventory mismanagement.

(ix) Our business is exposed to the risk of reliance on manual labour, quality and safety risks arising from poor handling of products by third-party logistic service providers or improper storage and handling by our staff

We are reliant on manual labour for our manufacturing processes such as feeding input materials to our food processing equipment for input materials preparation, cooking and frying which are carried out by our employees. As such, we are exposed to the risk relating to shortage of labour as well as quality and safety risks arising from improper handling of input materials and finished products during these manual operations. We are also exposed to operational risks relating to workplace safety hazards associated with manual labour for our manufacturing operations, which could potentially result in injuries to our employees.

Our business is involved in the distribution and retail of food products, including temperature-sensitive products. We are exposed to the risks associated with the improper handling and storage of food products by third-party logistic service providers during transportation or handling by our staff during storage and at our facilities. Any failure in the handling or storage of our food products could materially and adversely affect our business operations, financial performance, and market reputation.

Further information of our Group's risk factors is set out in Section 9 of this Prospectus.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management, whose profiles are set out in Section 5 of this Prospectus, are as follows:

Name	Designation
Directors	
Dr. Wong Chin Yoong	Independent Non-Executive Chairman
Yeo Tien Ee	Managing Director
Yeo Tian Seng	Executive Director
Lee Chee Kian	Executive Director
Chin Siew Lee	Independent Non-Executive Director
Lim Peck Gee	Independent Non-Executive Director
Yeo Jie Yin	Independent Non-Executive Director
Key senior management	
Yeo Tien Ee	Managing Director
Yeo Tian Seng	Executive Director
Lee Chee Kian	Executive Director
Yau Xiang Ying	Head of Finance
Kuan Lee Sia	Head of Procurement
Cheong Poh Peng	Head of Human Resources

Further information of our Directors and key senior management is set out in Section 5 of this Prospectus.

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our promoters' and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Promoters and substantial shareholders</u>									
Chan Kim Yeo	Malaysian	164,084,060	46.42	-	-	157,084,060	33.18	-	-
Yeo Tien Ee	Malaysian	108,593,020	30.72	-	-	101,593,020	21.46	⁽³⁾ 120,000	0.03

3. PROSPECTUS SUMMARY (Cont'd)

Name	Nationality	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Yeo Tian Seng	Malaysian	80,823,020	22.86	-	-	73,823,020	15.59	⁽⁴⁾ 120,000	0.03
Promoter									
Yeo Siew Heng	Malaysian	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our total number of 353,500,100 Shares after the Acquisitions of Subsidiaries.
- (2) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.
- (3) Yeo Tien Ee is our Managing Director. Deemed interested by virtue of the Shares held by his spouse (Kuan Lee Sia) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.
- (4) Yeo Tian Seng is our Executive Director. Deemed interested by virtue of the Shares held by his spouse (Loke Sau Leng) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.

Further information of our Promoters and substantial shareholders is set out in Section 5 of this Prospectus.

3.8 USE OF PROCEEDS

We expect to raise gross proceeds from the Public Issue of RM30.00 million and intend to use the proceeds in the following manner:

No.	Purpose	RM'000	%	Estimated time frame for utilisation from the date of Listing
(1)	Part finance the setup of a New Integrated Complex	12,000	40.00	Within 36 months
(2)	Part finance the setup of a New Krubong Facility	9,000	30.00	Within 36 months
(3)	Working capital	3,000	10.00	Within 24 months
(4)	Marketing expenses	1,500	5.00	Within 24 months
(5)	Estimated listing expenses	4,500	15.00	Within 3 months
Gross proceeds		30,000	100.00	

There is no minimum subscription to be raised from our IPO. The Offer for Sale will raise gross proceeds of RM5.25 million which will accrue entirely to the Offerors. Further details of the use of proceeds are set out in Section 4.8 of this Prospectus.

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The table below sets out a summary of our Group's key financial and operational highlights for the Periods Under Review:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	71,218	81,344	84,822	93,113
GP	11,446	13,246	16,701	23,332
PBT	5,296	5,879	8,688	10,294
PAT/ Total comprehensive income for the financial year	3,998	4,350	6,736	7,225
Total equity/ NA	23,423	27,773	35,359	42,584

3. PROSPECTUS SUMMARY (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Total borrowings	8,501	8,566	22,949	21,506
GP margin (%) ⁽¹⁾	16.07	16.28	19.69	25.06
PBT margin (%) ⁽²⁾	7.44	7.23	10.24	11.06
PAT margin (%) ⁽³⁾	5.61	5.35	7.94	7.76
Basic/ Diluted EPS (sen) ⁽⁴⁾	0.84	0.92	1.42	1.53
Current ratio (times) ⁽⁵⁾	2.31	2.51	2.85	3.81
Gearing ratio (times) ⁽⁶⁾	0.36	0.31	0.65	0.51
Available annual capacity (no. of pallets) ⁽⁷⁾				
- Freezer storage	695	695	695	695
- Chiller storage	2,478	2,478	2,478	2,478
- Ambient storage	11,603	11,603	11,603	11,603
Annual production output (tonnes)	600	750	650	780

Notes:

- (1) Computed based on GP over revenue.
- (2) Computed based on PBT over revenue.
- (3) Computed based on PAT over revenue.
- (4) Computed based on PAT divided by enlarged total number of 473,500,100 Shares after our IPO. The diluted EPS is equal to the basic EPS as our Company does not have any outstanding convertible securities at the end of the financial years.
- (5) Computed based on current assets over current liabilities as at the end of the financial years.
- (6) Computed based on total borrowings including term loans and hire purchase liabilities (excluding lease liabilities for right-of-use assets arising from rental of properties) over the total equity as at the respective financial years. For FYE 2022, the total borrowings also include bank overdrafts.
- (7) The available annual capacity is calculated based on the total number of pallet space available from the racking system installed in our freezer and ambient storage area. For the chiller storage area, where no racking system is used, the available annual capacity is determined by the number of pallets the space can accommodate without stacking.

Please refer to Section 12.1 of this Prospectus for further information relating to our Group's historical financial performance.

3.10 DIVIDEND POLICY

It is the intention of our Board to recommend and distribute dividends of up to 30.00% of our annual audited profit after tax attributable to the shareholders. Nonetheless, it is not a legally binding obligation/ guaranteed commitment to shareholders. Our ability to pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiaries, present and future. The payment of dividends by our Subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of directors deem relevant.

The payment and amount of any dividends or distributions to our shareholders will be at the discretion of our Board and will depend on the factors stated above (which may not be exhaustive). There is no assurance as to whether the dividend distribution will occur as intended, the amount of dividend payment or timing of such payment.

Kindly refer to Section 9.3 of this Prospectus for risks relating to our Shares and our Listing and Section 12.10 of this Prospectus for detailed information on our dividend policy.

4. DETAILS OF OUR IPO**4.1 OPENING AND CLOSING OF APPLICATION**

The application for our IPO Shares will open at 10.00 a.m. on 5 January 2026 and will remain open until 5.00 p.m. on 9 January 2026.

LATE APPLICATIONS WILL NOT BE ACCEPTED.

4.2 INDICATIVE TIMETABLE

Events	Tentative dates
Issuance of this Prospectus/ Opening date of Application	10.00 a.m., 5 January 2026
Closing date of Application	5.00 p.m., 9 January 2026
Balloting of Application	13 January 2026
Allotment/ Transfer of the IPO Shares to successful applicants	20 January 2026
Date of Listing	22 January 2026

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

4.3 PARTICULARS OF OUR IPO**4.3.1 Public Issue**

A total of 120,000,000 Public Issue Shares, representing approximately 25.34% of our enlarged total number of Shares are offered at our IPO Price. The Public Issue Shares will be offered in the following manner:

(i) Malaysian Public via balloting

23,800,000 Public Issue Shares, representing approximately 5.02% of our enlarged total number of Shares, will be made available for application by the Malaysian Public through balloting process as follows:

- (a) 11,900,000 Public Issue Shares, representing 2.51% of our enlarged total number of Shares, made available to public investors; and
- (b) 11,900,000 Public Issue Shares, representing 2.51% of our enlarged total number of Shares, made available to Bumiputera public investors.

(ii) Eligible Parties

14,000,000 Pink Form Shares, representing approximately 2.96% of our enlarged total number of Shares, will be made available for application by the Eligible Parties.

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4. DETAILS OF OUR IPO (Cont'd)

A summary of the allocation of the Pink Form Shares to our Eligible Parties is set out below:

	Number of persons	Aggregate number of Pink Form Shares allocated
Eligible Directors of our Group ^(a)	5	2,140,000
Eligible employees of our Group ^(b)	63	2,509,600
Persons who have contributed to the success of our Group ^(c)	31	9,350,400
Total	99	14,000,000

The above allocation is subject to the Eligible Parties subscribing to their respective allocations.

Entitlements which are not accepted by certain Eligible Parties will be re-allocated to the other Eligible Parties at the discretion of our Board.

Notes:**(a) Allocation to eligible Directors of our Group**

The criteria for allocation to our eligible Directors (as approved by our Board) are based on, amongst others, their roles and responsibilities and anticipated contribution to our Group.

Yeo Tien Ee (our Managing Director) and Yeo Tian Seng (our Executive Director) have opted not to participate in the Pink Form Allocations as they are our Promoters, substantial shareholders and Offerors.

The number of Pink Form Shares to be allocated to our other Directors, are as follows:

Name	Designation	Number of Pink Form Shares allocated
Dr. Wong Chin Yoong	Independent Non-Executive Chairman	100,000
Lee Chee Kian	Executive Director	1,800,000
Chin Siew Lee	Independent Non-Executive Director	80,000
Lim Peck Gee	Independent Non-Executive Director	80,000
Yeo Jie Yin	Independent Non-Executive Director	80,000
Total		2,140,000

4. DETAILS OF OUR IPO (Cont'd)**(b) Allocation to eligible employees of our Group**

The criteria of allocation to our eligible employees (as approved by our Board) are based on, amongst others, the following:

- the employees must be a full-time employee of at least 18 years of age and on the payroll of our Group; and
- the number of Pink Form Shares allocated to our eligible employees is based on their seniority, position, length of service, their past performance and contribution made to our Group, as well as other factors deemed relevant to our Board.

The number of Pink Form Shares to be allocated to our key senior management are as follows:

Name	Designation	Number of Pink Form Shares allocated
Yau Xiang Ying	Head of Finance	376,800
Kuan Lee Sia	Head of Procurement	120,000
Cheong Poh Peng	Head of Human Resources	120,000
Total		616,800

(c) Allocation to persons who have contributed to the success of our Group

The criteria for allocation to persons who have contributed to the success of our Group (as approved by our Board) are based on, amongst others, the nature and terms of their business relationship with us such as their contribution to the success of our Group, length of relationship with us and level of their contribution and support to the growth of our Group.

The persons who have contributed to the success of our Group include our suppliers, customers, contractors and business associates.

(iii) Selected investors by way of private placement

82,200,000 Public Issue Shares, representing approximately 17.36% of our enlarged total number of Shares, are reserved for private placement in the following manner:

- 59,200,000 Public Issue Shares, representing approximately 12.50% of our enlarged total number of Shares, to selected Bumiputera investors approved by MITI; and
- 23,000,000 Public Issue Shares, representing approximately 4.86% of our enlarged total number of Shares, to selected investors.

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4. DETAILS OF OUR IPO (Cont'd)

4.3.2 Offer for Sale

A total of 21,000,000 Offer Shares, representing approximately 4.44% of our enlarged total number of Shares, are offered by our Offerors at the IPO Price, and is subject to the terms and conditions stated in this Prospectus. All the Offer Shares are reserved for private placement to selected investors.

Details of the Offerors and their relationship with our Group are set out below:

Name / Address	Relationship with our Group	As at the LPD/ Before our IPO		Offer Shares			After our IPO	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	% ⁽²⁾	No. of Shares	% ⁽²⁾
Chan Kim Yeo 38, Jalan Laksamana Cheng Ho 75000 Melaka Melaka	Promoter and substantial shareholder	164,084,060	46.42	7,000,000	1.98	1.48	157,084,060	33.18
Yeo Tien Ee 38, Jalan Laksamana Cheng Ho 75000 Melaka Melaka	Promoter, substantial shareholder and Managing Director	108,593,020	30.72	7,000,000	1.98	1.48	101,593,020	21.46
Yeo Tian Seng 38, Jalan Laksamana Cheng Ho 75000 Melaka Melaka	Promoter, substantial shareholder and Executive Director	80,823,020	22.86	7,000,000	1.98	1.48	73,823,020	15.59

Notes:

(1) Based on our total number of 353,500,100 Shares after the Acquisitions of Subsidiaries.

(2) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.

Further details on the Offerors, who are also our Promoters and substantial shareholders, are disclosed in Section 5 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)**4.3.3 Placement, underwriting arrangement and allocation of the IPO Shares**

In summary, our IPO Shares will be allocated and allotted in the following manner:

	No. of Shares	%*
Public Issue		
- Malaysian Public	23,800,000	5.02
- Eligible Parties	14,000,000	2.96
- Selected investors (via private placement)	23,000,000	4.86
- Selected Bumiputera investors approved by MITI (via private placement)	59,200,000	12.50
Total Public Issue Shares	120,000,000	25.34
Offer for Sale		
- Selected investors (via private placement)	21,000,000	4.44
Total Offer for Sale	21,000,000	4.44

Note:

* Based on our enlarged total number of 473,500,100 Shares after our IPO.

The Listing Scheme is in line with the funding requirements of our Company in the near term (i.e., the funding requirements have been met). The Offer for Sale facilitates our Company in meeting the following for our Listing:

- 25.00% public shareholding spread requirement (pursuant to Rule 8.02 of the Listing Requirements); and
- 12.50% Bumiputera equity requirements for public listed companies.

(i) Malaysian Public

All the 23,800,000 Public Issue Shares made available for application by the Malaysian Public have been fully underwritten.

Any of the Public Issue Shares which are not fully subscribed by the Malaysian Public will be made available for subscription as follows:

- firstly, by our selected investors as described in Section 4.3.1(iii)(b) of this Prospectus;
- secondly, by our Eligible Parties (excluding eligible Directors) who apply for excess Pink Form Shares on top of their pre-determined allocation; and
- thirdly, our Underwriter, subject to the terms and conditions of the Underwriting Agreement.

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4. DETAILS OF OUR IPO (Cont'd)

(ii) Eligible Parties

The Pink Form Shares are not underwritten as the size of the Pink Form Allocation (i.e., 14,000,000 Pink Form Shares only) is relatively smaller compared to the Public Issue to the Malaysian Public and selected investors under private placement, and the Offer for Sale. Our Group is optimistic that we would be able to achieve full subscription from the Eligible Parties.

Furthermore, any unsubscribed Pink Form Shares ("**Excess Issue Shares**") reserved under the Pink Form Allocations which are not taken up will be made available for subscription as follows:

- (a) firstly, by other Eligible Parties (excluding eligible Directors).

Any Excess Issue Shares will be re-offered to other Eligible Parties (excluding our Directors) who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis in the following priority:

- (aa) firstly, allocation on a pro-rata basis to the eligible employees of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for;
- (bb) secondly, allocation of any surplus Excess Issue Shares after (aa) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and
- (cc) thirdly, to minimise odd lots.

Our Board reserves the right to allot Excess Issue Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (aa) to (cc) above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares application in full or in part, without assigning any reason.

Once completed, the steps involving items (aa) to (cc) above will not be repeated, as any balance of unsubscribed Pink Form Shares will be made available for subscription by our selected investors as per item (b) below; and

- (b) secondly, by our selected investors as described in Section 4.3.1(iii) of this Prospectus.

As at the LPD, save for the allocation made for Application as disclosed in Section 4.3.1(ii) of this Prospectus, to the extent known to our Company:

- (a) there are no substantial shareholders, Directors or members of the key senior management who have indicated to our Company that they intend to subscribe for the IPO Shares; and
- (b) there are no persons who have indicated to our Company that they intend to subscribe for more than 5.00% of the IPO Shares.

4. DETAILS OF OUR IPO (Cont'd)

(iii) Private placement to selected investors (including selected Bumiputera investors approved by MITI)

The total of 103,200,000 IPO Shares (comprising 82,200,000 Public Issue Shares and 21,000,000 Offer Shares) reserved under private placement to selected investors, respectively (under Sections 4.3.1(iii) and 4.3.2 of this Prospectus) are also not underwritten, as written irrevocable undertakings to subscribe for these Placement Shares will be obtained from the respective selected investors.

If any of the IPO Shares allocated to Bumiputera investors approved by MITI under the private placement are not fully subscribed, the IPO Shares will be allocated in the following order of priority:

- (a) firstly, to Bumiputera public investors as part of the balloting process under Section 4.3.1(i) of this Prospectus;
- (b) secondly, to Malaysian institutional investors;
- (c) thirdly, to Eligible Parties under Section 4.3.1(ii) of this Prospectus; and
- (d) lastly, by way of private placement to selected investors under Section 4.3.1(iii) of this Prospectus.

The basis of allocating the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants to:

- broaden our shareholding base;
- meet the public spread requirements of Bursa Securities; and
- establish a liquid and adequate market for our Shares.

Applicants will be selected in a fair and equitable manner to be determined by our Directors.

4.3.4 Minimum subscription

There is no minimum subscription to be raised from the Public Issue. However, in order to comply with the public spread requirements under the Listing Requirements, the minimum subscription level will be the number of Shares required to be held by public shareholders. Pursuant to the Listing Requirements, at least 25.00% of our enlarged total number of Shares for which listing is sought must be in the hands of a minimum number of 200 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If we do not meet the public shareholding requirement, we may not be allowed to proceed with the Listing. In such an event, all monies paid in respect of all Applications will be returned in full without interest. If any such monies are not repaid within 14 days after we become liable to repay it, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

The Company has not adopted any “greenshoe” option. As such, the number of IPO Shares offered under the Public Issue and Offer for Sale will not be increased via any over-allotment or “greenshoe” option.

4.3.5 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism that may be employed in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008 for our IPO.

4. DETAILS OF OUR IPO (Cont'd)**4.4 SHARE CAPITAL**

	No. of Shares	Share Capital (RM)
Issued share capital as at the date of this Prospectus	353,500,100	35,350,100
New Shares to be issued pursuant to the Public Issue	120,000,000	30,000,000
Enlarged issued share capital upon Listing	473,500,100	65,350,100
Existing Shares to be offered pursuant to the Offer for Sale⁽¹⁾	21,000,000	5,250,000
IPO Price (RM)		0.25
- Expected market capitalisation upon Listing (based on our IPO Price and the enlarged number of issued shares after our IPO)		118,375,025

Note:

- (1) *The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are already in existence prior to the IPO.*

As at the date of this Prospectus, we have only one (1) class of shares in our Company, namely, ordinary shares, all of which shall rank equally amongst one another. The Public Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Public Issue Shares.

The Offer Shares rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares.

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

At any general meeting of our Company, each of our shareholder shall be entitled to vote in person, by proxy or by attorney, or by other duly authorised representative. Every person presents who is a shareholder or representative or proxy or attorney or duly authorised representative of a shareholder shall have one (1) vote for each ordinary share held. A proxy may, but need not be, a member of our Company.

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4. DETAILS OF OUR IPO (Cont'd)

4.5 PURPOSE OF OUR IPO

The purposes of our IPO are as follows:

- (i) to gain recognition and enhance our stature and heighten our public profile as well as increase market awareness of our products to assist us in expanding our customer base, and to retain and attract new employees in the industry our Group is operating in;
- (ii) to enable our Group to raise funds for the purposes specified under Section 4.8 of this Prospectus;
- (iii) to provide an opportunity for investors and institutions, including our Eligible Parties to participate in our equity and continuing growth; and
- (iv) to enable us to tap into the equity capital market for future fund raising to pursue future growth opportunities as and when the need arises.

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon by us and TA Securities, as our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration among others, the following factors:

- (i) our historical financial performance as set out in Section 12.1 of this Prospectus;
- (ii) our pro forma combined NA per Share of approximately RM0.15, computed based on our pro forma combined NA as at 31 July 2025 of approximately RM69.96 million after the Acquisitions of Subsidiaries, our Public Issue, utilisation of proceeds and our enlarged total number of 473,500,100 Shares upon Listing;
- (iii) PE Multiple of approximately 16.34 times based on our Group's audited EPS of approximately 1.53 sen for FYE 2025, computed based on our Group's audited PAT of approximately RM7.23 million for the FYE 2025 and our enlarged total number of 473,500,100 Shares upon Listing.

The adjusted PAT for FYE 2025 after excluding the listing expenses incurred (being one-off and non-recurring in nature) in FYE 2025 of RM1.88 million would be RM9.10 million. This would translate to an EPS of 1.92 sen and a PE Multiple of approximately 13.02 times;

- (iv) our competitive advantages and key strengths as set out in Section 7.3 of this Prospectus; and
- (v) our Group's business strategies and plans as set out in Section 7.15 of this Prospectus.

However, you should also note that the market price of our Shares upon Listing is subject to the uncertainties of market forces and other factors, which may affect the price of our Shares being traded. You should form your own views on the valuation of our 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 before deciding to invest in our Shares.

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4. DETAILS OF OUR IPO (Cont'd)**4.7 DILUTION**

Dilution is the amount by which our IPO Price exceeds our pro forma combined NA per Share immediately after our IPO. The table below sets out the dilution effect on a per Share basis:

		RM
IPO Price	[A]	0.25
Pro forma combined NA per Share as at 31 July 2025 (after Acquisitions of Subsidiaries and before our IPO)	[B]	0.12
Pro forma combined NA per Share (after Acquisitions of Subsidiaries, our IPO and utilisation of proceeds)	[C]	0.15
Increase in the pro forma combined NA per Share (after Acquisitions of Subsidiaries, IPO and utilisation of proceeds) attributable to our existing shareholders	[C] – [B]	0.03
Dilution in the pro forma combined NA per Share to our new public investors	[A] – [C] = [D]	0.10
Dilution in the pro forma combined NA per Share to our new public investors as a percentage of the IPO Price	[D] / [A]	40.00%

Further details of our pro forma combined NA per Share as at 31 July 2025 is set out in Section 14 of this Prospectus.

Save as disclosed below, there is no substantial disparity between our IPO Price and average effective cost per Share paid by our Directors, Promoters, substantial shareholders, key senior management or persons connected with them since the incorporation of our Company up to the date of this Prospectus:

	No. of Shares after Acquisitions of Subsidiaries but before our IPO	Total consideration RM	Average effective cost per Share RM
<u>Directors, Promoters and substantial shareholders⁽⁷⁾</u>			
Yeo Tien Ee ⁽¹⁾	⁽⁴⁾ 108,593,020	⁽⁶⁾ 10,859,347	0.10
Yeo Tian Seng ⁽²⁾	⁽⁴⁾ 80,823,020	⁽⁶⁾ 8,082,347	0.10
<u>Promoter and substantial shareholder⁽⁷⁾</u>			
Chan Kim Yeo ⁽³⁾	⁽⁵⁾ 164,084,060	16,408,406	0.10

Notes:

- (1) Yeo Tien Ee is the brother of Yeo Tian Seng and son of Chan Kim Yeo.
- (2) Yeo Tian Seng is the brother of Yeo Tien Ee and son of Chan Kim Yeo.
- (3) Chan Kim Yeo is the mother of Yeo Tien Ee and Yeo Tian Seng.
- (4) Being 100 Shares (i.e., subscriber shares) issued upon the incorporation of our Company and Shares issued to them pursuant to the Acquisitions of Subsidiaries.

4. DETAILS OF OUR IPO (Cont'd)

- (5) *Being Shares issued to her pursuant to the Acquisitions of Subsidiaries.*
- (6) *Calculated based on RM100 paid for the 100 Shares and Shares issued to them pursuant to the Acquisitions of Subsidiaries.*
- (7) *The changes in shareholdings of our Directors, Promoters and substantial shareholders in our Company since our incorporation up to the date of this Prospectus are as follows:*

	<i>As at the date of incorporation⁽ⁱ⁾</i>	<i>Issuance of new Shares pursuant to Acquisitions of Subsidiaries⁽ⁱⁱ⁾</i>	<i>Total shareholdings in our Company after Acquisitions of Subsidiaries</i>
<i>Yeo Tien Ee</i>	<i>50</i>	<i>108,592,970</i>	<i>108,593,020</i>
<i>Yeo Tian Seng</i>	<i>50</i>	<i>80,822,970</i>	<i>80,823,020</i>
<i>Chan Kim Yeo</i>	<i>-</i>	<i>164,084,060</i>	<i>164,084,060</i>
<i>Total</i>	<i>100</i>	<i>353,500,000</i>	<i>353,500,100</i>

Notes:

- (i) *100 ordinary shares of GHS Holdings were issued at RM1.00 each to Yeo Tien Ee and Yeo Tian Seng.*
- (ii) *On 17 October 2025, our Company completed the Acquisitions of Subsidiaries via issuance of 353,500,000 new Shares at an issue price of RM0.10 per Share.*

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

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4. DETAILS OF OUR IPO (Cont'd)**4.8 USE OF PROCEEDS****4.8.1 Proceeds from our IPO**

The Public Issue is expected to raise gross proceeds of RM30.00 million for our Group, which shall be used in the following manner:

Purpose	Notes	RM'000	%	Estimated time frame for utilisation from the date of Listing
Part finance the setup of a New Integrated Complex	(1)	12,000	40.00	Within 36 months
Part finance the setup of a New Krubong Facility	(2)	9,000	30.00	Within 36 months
Working capital	(3)	3,000	10.00	Within 24 months
Marketing expenses	(4)	1,500	5.00	Within 24 months
Estimated listing expenses	(5)	4,500	15.00	Within 3 months
Total		30,000	100.00	

Notes:**(1) Part finance the setup of a New Integrated Complex in Batu Berendam, Melaka**

As part of our business expansion plan, we intend to set up a New Integrated Complex located at Property 8794 which will include additional storage facility, food processing facility, product development facility, product showroom as well as an administrative office. Upon completion of the construction of the New Integrated Complex, we will continue to operate at Bangunan GHS, Property 3 as well as the New Integrated Complex for storing of goods and distribution and retail operations. We intend to allocate up to 20,000 sq. ft. of floor space as a product showroom which is designed to facilitate bulk sales to our customer base of resellers and food service operators. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans in relation to the setup of the New Integrated Complex.

Property 8794 is a vacant piece of freehold land together with an office building acquired by our Group in FYE 2024 for a purchase consideration of RM16.00 million and is approximately 262,230 sq. ft. in land size.

The existing building on Property 8794 is currently vacant and without CCC. We plan to demolish the building and build two blocks on the acquired land, one as a single-storey building ("**Block A**") and the other as a three-storey building ("**Block B**") with a total built-up area of not less than 100,000 sq. ft. Block A will be designated for storage facility as well as product showroom while Block B will be allocated to house the food processing facility, product development facility and administrative office. The construction of the New Integrated Complex will be carried out in two phases. The first phase will involve the construction of Block A, while the second phase will focus on the construction of Block B.

4. DETAILS OF OUR IPO (Cont'd)

The decision to demolish the existing building on Property 8794 and set up the New Integrated Complex in Property 8794 rather than acquiring or leasing an existing facility was to construct a purpose-built complex which aligns with our Group's business expansion plans. Furthermore, the existing building is not in good condition and of different layout thus not suitable for our Group's intended use. Our Group views that Property 8794 is strategically located, as it is near the intersection of Jalan Dato Seri Haji Mohd Zin and Jalan Bachang which make it easily accessible from different locations of Melaka city centre. Hence, the New Integrated Complex at Property 8794 will have visibility and is accessible to potential customers.

The total estimated cost for setting up the New Integrated Complex based on the quotation obtained by our management is as follows:

Description	Total estimated cost RM'000
Site clearing including demolition works	300
Earthworks	750
Piling and related works	900
Building construction works	
- Block A	7,400
- Block B	7,500
Mechanical and electrical works	2,500
External infrastructure works	3,700
Purchase of snap freezing line and related equipment	230
Total	23,280

For clarification, the breakdown of the total estimated cost above is indicative and subject to our acceptance of the final quotation after our IPO. The construction costs for the New Integrated Complex may be subject to change depending on the availability of the construction materials, prevailing cost during the construction period and other factors beyond our control. We intend to allocate RM12.00 million, representing approximately 40.00% of the total gross proceeds to be raised from our Public Issue, to part finance the total estimated costs for the setup of the New Integrated Complex. The remaining total estimated costs of RM11.28 million will be funded via internally generated funds and/ or bank borrowings. The interior fit-out for the New Integrated Complex will be funded via internally generated funds and/ or bank borrowings.

As at the LPD, we have carried out some preliminary works such as soil test and are in the midst of preparing the submission of the development order. Upon obtaining approval on the development order, we will submit the building plan for the New Integrated Complex. Our Group will commence construction of the New Integrated Complex upon finalisation of the building plan and receipt of approval from the relevant authorities. We expect to utilise the proceeds from our Public Issue within 36 months from the date of our Listing.

The indicative timeline for setting up the New Integrated Complex is as follows:

Indicative timeline	Milestones
First quarter of 2026	<ul style="list-style-type: none"> • Submission of development order to MBMB • Obtain approval for the development order • Submission of building plan to MBMB
Second quarter of 2026	<ul style="list-style-type: none"> • Obtain approval for the building plan • Engage a main contractor to construct the New Integrated Complex
Third quarter of 2026	<ul style="list-style-type: none"> • Commence site clearing and demolition works

4. DETAILS OF OUR IPO (Cont'd)

Indicative timeline	Milestones
Fourth quarter of 2026	<ul style="list-style-type: none"> Commence construction of the New Integrated Complex
Third quarter of 2028	<ul style="list-style-type: none"> Complete construction works of the New Integrated Complex (<i>assuming 21 months from the date of commencement of construction works</i>) Obtain relevant approvals, licences and/ or certificates from the authorities which include, among others, the following: <ul style="list-style-type: none"> (a) CCC; (b) Business Premise and Advertisement Licence from MBMB; (c) Manufacturing Licence; and (d) Food Premise Registration with MOH.

(2) Part finance the setup of a New Krubong Facility

Currently, our Group carries out the manufacturing of flavouring products including condiments, sauces and pastes, herbs, spices and seasonings at our manufacturing facilities located at Property 30 and Property 32 which are owned by our Group, with a total built-up area of approximately 18,406 sq. ft. ("**Existing Production Facility**"). GHS Food Industries also stores its inventories at the storage facility located at Property 1595-1, owned by our Group, with a total built-up area of approximately 13,509 sq. ft. ("**Existing Warehouse**").

As part of our Group's business strategies and plans to expand our business and to facilitate the carrying out and management of GHS Food Industries' manufacturing operations, we intend to demolish the Existing Warehouse and construct a new manufacturing facility and warehouse on Property 1587. Property 1587 is a piece of vacant freehold land measuring approximately 22,421 sq. ft. in land size, which is located behind our Existing Warehouse at Property 1595-1.

The land of Property 1587 will be amalgamated with the land of Property 1595-1 (after demolition) to build a new 3-storey building to house a manufacturing facility as well as warehouse (New Krubong Facility), with a planned built-up area of not less than 50,000 sq. ft. We plan to allocate not less than 40,000 sq. ft. for production area and not less than 10,000 sq. ft. for storage area, office and hostel.

The New Krubong Facility is intended to accommodate the following:

- (a) relocation of our Group's Existing Production Facility to the New Krubong Facility to expand our existing facilities to cater to the new product range and growth in our manufacturing operations. During the Periods Under Review, the utilisation rate of our manufacturing capacity ranges between 42% and 54% computed based on maximum production capacity (i.e., based on an operational capacity of 24 hours per day and 7 days a week). However, our Group's manufacturing facilities only operate for a maximum of 12 hours per day and 6 days a week. Hence, the effective utilisation rate of our manufacturing capacity ranges between 74% to 96% when adjusted for actual operating hours. Our Group intends to expand the product range of in-house manufactured flavouring products to cater to the various needs of customers. The setting up of New Krubong Facility will provide our Group with additional storage space to cater for product range expansion after taking into consideration of the utilisation rate of the storage area in Property 30 and Property 32 as set out in the table below; and

4. DETAILS OF OUR IPO (Cont'd)

- (b) expansion of our Group's warehouse (which will be equipped with a chiller and freezer room) to support our plan to distribute and retail more products, particularly to meet the needs of food service operators.

The available space in Property 30 and Property 32 will be utilised as a storage area for finished products and input materials for our distribution and retail of food products segments. For the Periods Under Review, the utilisation rate of the storage area in Property 30 and Property 32 are set out below:

Storage space	Storage floor space (sq. ft.)	Utilisation rate ⁽¹⁾			
		FYE 2022	FYE 2023	FYE 2024	FYE 2025
Freezer storage space	180	71%	95%	84%	81%
Chiller storage space	680	84%	92%	84%	92%
Ambient storage space	780	67%	81%	81%	87%

Note:

- (1) Utilisation rate is derived by dividing the annual utilisation by the available annual capacity.

The annual utilisation is based on the number of pallets filled in the storage space during the year. The available annual capacity is based on the total number of pallet space available from the racking system installed in the ambient storage area. For the freezer and chiller storage area, where no racking system is used, the available annual capacity is determined by the number of pallets the space can accommodate without stacking.

We expect to incur transportation and manpower cost to be funded via internally generated funds for the relocation of manufacturing operations from Existing Production Facility (at Property 30 and Property 32) to the New Krubong Facility and for the temporary storage of products in the Existing Warehouse during the construction process. We do not foresee any material impact to our Group's operations in relation to the relocation as the New Krubong Facility will be completed prior to the relocation of manufacturing operations. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans in relation to the setup of the New Krubong Facility.

The New Krubong Facility with larger built-up area will increase the manufacturing and warehouse built-up area as well as production and storage capacity as follows:

Area	Existing	New Krubong Facility and Property 30 and Property 32 (after relocation)	Net changes
Built-up			
Production operations (sq. ft.)	⁽¹⁾ 18,406	40,000	21,594
Warehouse, office and hostel (sq. ft.)	⁽²⁾ 13,509	⁽³⁾ 28,406	14,897
Total	31,915	68,406	36,491

Notes:

- (1) Based on total built-up area of Property 30 and Property 32.
- (2) Based on built-up area of Property 1595-1 (excluding hostel).
- (3) Being storage facility at New Krubong Facility, Property 30 and Property 32. Our Group is considering to allocate approximately 2,000 sq. ft. of the built-up area as hostel for its foreign workers at the New Krubong Facility.

4. DETAILS OF OUR IPO (Cont'd)

The larger built-up area at the New Krubong Facility would accord our Group the space to carry out its manufacturing activities and extra space to store the input materials to be used, thus increasing the efficiency of its operations.

The decision to demolish the Existing Warehouse and to construct a new manufacturing facility and warehouse on Property 1587 and on the land of Property 1595-1 (after demolishment) is due to the existing structure and layout of Property 1595-1 are not suitable for integration with the planned layout of the New Krubong Facility. The demolition is necessary to optimise land use and to accommodate the design and operational requirements of the New Krubong Facility, which aligns with our plans to expand our business and to facilitate the carrying out and management of GHS Food Industries' manufacturing operations.

The total estimated cost for setting up the New Krubong Facility based on the quotations obtained by our management is as follows:

Descriptions	Total estimated cost RM'000
Preliminaries including professional fees for land amalgamation	150
Site clearing including demolishment works	150
Piling and related works	880
Building construction works	7,350
Mechanical and electrical works	1,800
External infrastructure works	1,200
Racking system	195
Total	11,725

For clarification, the breakdown of the total estimated cost above is indicative and subject to our acceptance of the final quotation after our IPO. The construction costs for the New Krubong Facility may be subject to change depending on the availability of the construction materials, prevailing cost during the construction period and other factors beyond our control. We intend to allocate RM9.00 million, representing approximately 30.00% of the total gross proceeds to be raised from our Public Issue, to part finance the total estimated cost for the setup of the New Krubong Facility. The remaining total estimated costs of RM2.73 million will be funded via internally generated funds and/ or bank borrowings. The interior fit-out for the New Krubong Facility will be funded via internally generated funds and/ or bank borrowings.

As at the LPD, we have obtained approval for the development order from MBMB and are pending approval for the land amalgamation from the relevant authority. Our Group will commence construction of the New Krubong Facility upon finalisation of the building plan and receipt of approval from the relevant authorities. We expect to utilise the proceeds from our Public Issue within 36 months from the date of our Listing.

The indicative timeline for setting up the New Krubong Facility is as follows:

Indicative timeline	Milestones
First quarter of 2026	<ul style="list-style-type: none"> Obtain approval for the land amalgamation
Second quarter of 2026	<ul style="list-style-type: none"> Submission of building plan to MBMB
Fourth quarter of 2026	<ul style="list-style-type: none"> Obtain approval for the building plan Engage a main contractor to construct the New Krubong Facility
First quarter of 2027	<ul style="list-style-type: none"> Commence site clearing and demolishment works

4. DETAILS OF OUR IPO (Cont'd)

Indicative timeline	Milestones
Second quarter of 2027	<ul style="list-style-type: none"> Commence construction of the New Krubong Facility
Fourth quarter of 2028	<ul style="list-style-type: none"> Complete construction works of the New Krubong Facility (<i>assuming 18 months from the date of commencement of construction works</i>) Obtain relevant approvals, licences and/or certificates from the authorities which include, among others, the following: <ul style="list-style-type: none"> (a) CCC; (b) Business Premise and Advertisement Licence from MBMB; (c) Manufacturing Licence; and (d) Food Premise Registration with MOH.

(3) Working capital

Our Group intends to allocate RM3.00 million, representing approximately 10.00% of the total gross proceeds to be raised from our Public Issue, to finance our Group's additional working capital requirements in tandem with the expected growth in our Group's business and operations and to support our Group's business strategies and plans as set out in Section 7.15 of this Prospectus.

The proposed allocation of the proceeds are set out below:

Descriptions	RM'000	Estimated time frame for utilisation from the date of Listing
New hires for sales and marketing department ⁽ⁱ⁾	400	Within 24 months
Purchase of raw materials/inventories ⁽ⁱⁱ⁾	2,000	Within 24 months
Purchase of transportation fleet ⁽ⁱⁱⁱ⁾	600	Within 24 months
Total	3,000	

Notes:

- (i) Our Group intends to recruit the following personnel for the sales and marketing department:

Descriptions	No. of pax	Total estimated cost RM'000
Sales manager	1	150
Sales executive	3	250
Total	4	400

- (ii) Mainly comprising of shelf-stable and frozen seafood and flavouring products for our distribution and retail operations as well as input materials used for our in-house manufactured flavouring products including such as vegetables, cooking oil and flavouring ingredients.
- (iii) Part of our strategies and plans is to expand our fleet of trucks to increase the frequency and coverage of our deliveries to cater for our business expansion and growth. The types of trucks as well as total estimated cost are set out below:

4. DETAILS OF OUR IPO (Cont'd)

Types of trucks	Intended no. of units to be purchased	Total estimated cost RM'000
5-tonne chiller truck	1	300
5-tonne ambient temperature truck	2	300
Total		600

The estimated cost for the aforementioned trucks was derived based on suppliers' quotations. Nonetheless, we have not procured or entered into any binding arrangements for the purchase of these new trucks. Therefore, the estimated cost for these trucks may change if the quotations obtained are being revised. Any shortfall will be funded via internally generated funds and/ or bank borrowings and any surplus will be utilised for general working capital purposes.

(4) Marketing expenses

Our Group plans to continuously market our brands to expand our market presence within and beyond Malaysia (i.e. Singapore, Hong Kong and UK) by participating in online and offline marketing activities. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans for marketing activities.

Details of the proposed allocation of proceeds for our marketing activities are as follows:

Descriptions	Total estimated cost RM'000	Estimated time frame for utilisation from the date of Listing
Trade fairs and shows/ Exhibitions	700	Within 24 months
Promotional campaigns	500	Within 24 months
Advertisements	300	Within 24 months
Total	1,500	

- Trade fairs and shows/ Exhibitions**
 This includes participating in trade fairs and shows, exhibitions and industry events to showcase our products and generate leads.
- Promotional campaigns**
 This includes engaging in joint promotional campaigns with our retail customers including supermarkets, hypermarkets and minimarkets, through a combination of in-store promotions and product samplings.
- Advertisements**
 This includes advertisements on social media platforms such as Facebook and Xiaohongshu and collaboration with social media influencers to promote our products and increase brand awareness. The advertisement campaigns on social media platforms are designed to promote customer engagement while increasing our brand visibility.

4. DETAILS OF OUR IPO (Cont'd)**(5) Estimated listing expenses**

Our estimated listing expenses are set out below:

Descriptions	Total estimated cost RM'000
Professional fees - includes advisory fees for, amongst others, our Principal Adviser, Reporting Accountants, Solicitors, IMR, Issuing House and other professional advisers	3,167
Authorities' fees	72
Brokerage fee, underwriting commission and placement fees	631
Printing, advertising fees and other incidental expenses relating to our Listing	630
Total estimated listing expenses	4,500

We will bear all expenses and fees incidental to our Listing as indicated above. In the event of any excess or deficit in the allocated amount for the estimated listing expenses for our IPO and our Listing, such variance will be adjusted to/from the proceeds allocated for our general working capital.

Pending the use of proceeds arising from the Public Issue for the abovementioned purposes, the funds will be placed in interest-bearing accounts, money market instruments and/ or deposits with licensed financial institution(s) as our Board deems appropriate.

4.8.2 Proceeds from the Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale.

The Offer for Sale is expected to raise gross proceeds of approximately RM5.25 million which will accrue entirely to the Offerors.

The Offerors shall bear all of the expenses such as stamp duty, placement fee, registration and share transfer fee relating to the Offer Shares, the aggregate of which is estimated to be up to RM0.14 million.

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4. DETAILS OF OUR IPO (Cont'd)

4.9 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE**4.9.1 Brokerage fee**

We will pay the brokerage at the rate of 1.00% on our IPO Price in respect of successful applications for the 37,800,000 IPO Shares under Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus, bearing the stamp of TA Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or our Issuing House. The brokerage fee is subject to SST.

4.9.2 Underwriting commission

The Underwriter has entered into the Underwriting Agreement on 11 December 2025 with our Company for the underwriting of the Balloting Shares ("**Underwritten Shares**"). We will pay our Underwriter an underwriting commission at the rate of 2.50% of the total value of the Underwritten Shares based on the IPO Price in accordance with the terms of the Underwriting Agreement. The underwriting commission is subject to SST.

4.9.3 Placement fee

We will pay the Placement Agent, a placement fee at the rate of up to 2.50% of the value of the 82,200,000 Public Issue Shares reserved for private placement to selected investors as set out in Section 4.3.1(iii) of this Prospectus (being the number of Public Issue Shares reserved for private placement multiplied by our IPO Price). The placement fee is subject to SST.

The placement fee at the rate of 2.50% will be incurred on the sale of up to 21,000,000 Offer Shares and will be fully borne by the Offerors.

Our sole Placement Agent is entitled to charge brokerage commission of 1.00% to the selected private placement investors as set out in Sections 4.3.1(iii)(b) and 4.3.2 of this Prospectus. For the avoidance of doubt, such brokerage commission will be paid by such selected private placement investors and will not be borne by us nor the Offerors.

4.10 UNDERWRITING ARRANGEMENT

We have entered into the Underwriting Agreement with the Underwriter where the Underwriter has agreed to underwrite the Underwritten Shares. Details of the underwriting commission are further set out in Section 4.9.2 of this Prospectus.

The salient terms of the Underwriting Agreement which may allow the Underwriter to withdraw from its obligations under the Underwriting Agreement after the commencement of the IPO are summarised below. Unless otherwise defined herein, the capitalised terms and clause numbering used in this section shall have the same meanings and references ascribed to them in the Underwriting Agreement:

4.10.1 Conditions precedent for Underwriting

Unless waived by the Underwriter (in which case any condition precedent or any part thereof so waived shall be deemed to have been satisfied), the obligations of the Underwriter under the Underwriting Agreement shall be conditional upon the fulfilment and/ or satisfaction of the following:

- (a) the approval for Listing from Bursa Securities remaining valid and have not been revoked or amended and all the conditions imposed therein which have to be complied by the Company prior to Listing, have been complied by the Company;

4. DETAILS OF OUR IPO (Cont'd)

- (b) the receipt by the Underwriter of all relevant documentation and placement monies in respect of the private placement of Public Issue Shares to selected investors and selected Bumiputera investors approved by MITI as well as private placement of Offer Shares to selected investors;
- (c) all other necessary approvals and consents required in relation to the Public Issue and the Public Issue Shares including but not limited to governmental approvals having been obtained and are in full force and effect;
- (d) the issue of the Public Issue Shares having been approved by the shareholders of the Company;
- (e) the issue and subscription of the Public Issue Shares in accordance with the provisions of the Underwriting Agreement is not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (f) the Prospectus having been registered with Bursa Securities and lodged with the Registrar of Companies of the CCM together with all the required documents in accordance with the Listing Requirements, CMSA, the Act and the relevant laws and regulations;
- (g) there having been, on or prior to the last date and time for the receipt of applications and payment for the Public Issue Shares in accordance with the Prospectus or any such date as may be extended from time to time which the Company and the Underwriter may mutually agree upon ("**Closing Date**") no material breach of any representation, warranty, covenant, undertaking or obligation of the Company in the Underwriting Agreement or which is contained in any certificate, statement, or notice provided under or in connection with the Underwriting Agreement or which proves to be incorrect in any material respect;
- (h) there having been, on or prior to the Closing Date no material adverse change, or any development involving a prospective material adverse change, in the financial condition or business or operations of the Group or in the prospects or future financial condition or business or operations of the Group (which will be material in the context of the Public Issue and the sale of any Underwritten Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering materially inaccurate, untrue or incorrect to such extent which is or will be material in any of the representations, warranties, covenants and undertakings and obligations of the Company contained in the Underwriting Agreement;
- (i) the Underwriter receiving a copy certified by a director or secretary of the Company to be a true resolution of the Board approving the Listing, the Prospectus (including a confirmation that the Board, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus) and the Underwriting Agreement, the issue and offer of the Public Issue Shares and authorising a person or persons to sign the Underwriting Agreement on behalf of the Company; and
- (j) the Underwriter having been satisfied that arrangements have been made by the Company to ensure payment of the cost and expenses referred to in Clause 16 (Costs and Expenses) of the Underwriting Agreement.

4. DETAILS OF OUR IPO (Cont'd)

4.10.2 Termination or force majeure

- (i) Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may by notice in writing to the Company given at any time before the Closing Date, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares if:
- (a) the approval of Bursa Securities for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Underwriter;
 - (b) there is any material breach by the Company of any of the representations, warranties, covenants or undertakings contained in Clause 4 (Representations and Warranties by the Company) and Clause 5 (Covenants and Undertakings by the Company) of the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to the Company;
 - (c) there is a material failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
 - (d) there is withholding of information of a material nature from the Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue or Listing, or the distribution or sale of the Public Issue Shares;
 - (e) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Group;
 - (f) the Listing does not take place within 3 months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Underwriter;
 - (g) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market of Bursa Securities due to exceptional financial circumstances or otherwise which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Public Issue Shares;
 - (h) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - i. on or after the date of the Underwriting Agreement; and
 - ii. prior to the close of the offering of the Public Issue,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days or any other adverse change in the market conditions which the Parties mutually agree to be sufficiently material and adverse to render it to be a terminating event; or

4. DETAILS OF OUR IPO (Cont'd)

- (i) there shall have occurred, or happened any of the following circumstances:
 - i. any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political 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 and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
 - ii. any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Group as a whole or the success of the Public Issue or Listing which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

- (ii) Upon any such notice(s) being given pursuant to Section 4.10.2(i) above, the Underwriter shall be released and discharged from its obligations under the Underwriting Agreement whereupon the following shall take place within 3 Market Days of the receipt of such notice:
 - (a) the Company shall make payment of underwriting commission to the Underwriter in accordance with Clause 11.2 (Underwriter's Commission Payable on Termination) of the Underwriting Agreement;
 - (b) the Company shall pay or reimburse the Underwriter for all costs and expenses referred to in Clause 16 (Costs and Expenses) of the Underwriting Agreement;
 - (c) each Party shall return all other monies (in the case of the Underwriter, after deducting the underwriting commission due and owing to the Underwriter under the Underwriting Agreement) including but not limited to the subscription monies paid to the other Party under the Underwriting Agreement (except for monies paid by the Company for the payment of the expenses as provided under the Underwriting Agreement),

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the Parties shall have a claim against the other save and except in respect of any antecedent breaches.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters and substantial shareholders' shareholdings

The promoters and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Promoters and substantial shareholders</u>									
Chan Kim Yeo	Malaysian	164,084,060	46.42	-	-	157,084,060	33.18	-	-
Yeo Tien Ee	Malaysian	108,593,020	30.72	-	-	101,593,020	21.46	⁽³⁾ 120,000	0.03
Yeo Tian Seng	Malaysian	80,823,020	22.86	-	-	73,823,020	15.59	⁽⁴⁾ 120,000	0.03
<u>Promoter</u>									
Yeo Siew Heng	Malaysian	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our total number of 353,500,100 Shares after the Acquisitions of Subsidiaries.
- (2) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.
- (3) Yeo Tien Ee is our Managing Director. Deemed interested by virtue of the Shares held by his spouse (Kuan Lee Sia) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.
- (4) Yeo Tian Seng is our Executive Director. Deemed interested by virtue of the Shares held by his spouse (Loke Sau Leng) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Company.

Save as disclosed 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, our Promoters and our substantial shareholders, with any other third party of which may, at a date subsequent to our IPO and our Listing, result in a change in control of our Company.

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

5.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

- (i) **Yeo Tien Ee**
Malaysian, aged 53
Promoter, substantial shareholder and Managing Director

Yeo Tien Ee, a Malaysian male aged 53, is our Promoter, substantial shareholder and Managing Director. He was appointed to our Board on 1 November 2024 and was subsequently redesignated as our Managing Director on 13 March 2025. He is mainly responsible for overseeing our Group's corporate development and strategy functions of the distribution and retail business as well as the food manufacturing business.

He graduated with a Degree with Honours in Mechanical Engineering from University of Manchester Institute of Science and Technology (UMIST), UK in June 1995.

He began his career in October 1995 as an Equipment Development Engineer at Siemens Components (Advanced Technology) Sdn Bhd, where he was mainly responsible for developing and optimising machine efficiency. He left the company in November 1996.

In December 1996, he joined Nestle Foods (Malaysia) Sdn Bhd as a Management Trainee, where he was involved in the daily operation and maintenance of wastewater treatment plant. He left the company in March 1997.

In March 1997, he joined GHS Heng Kee, his family business as a Marketing Executive, mainly responsible for executing marketing strategies to promote the company's products. Subsequently, he was appointed as a director of GHS Heng Kee in November 1997, where he was involved in developing marketing strategies to enhance the company's market presence as well as the overall management of the company's operations. He built and maintained strong relationships with the customers of the company, deepening his understanding of business operations and the industry landscape.

In March 2002, he set up GHS Heng Kee Enterprise with his mother and spouse, Chan Kim Yeo and Kuan Lee Sia, respectively. GHS Heng Kee Enterprise was a partnership business focused in the manufacturing of flavouring products. GHS Heng Kee Enterprise was terminated in April 2016.

In August 2015, he co-founded GHS Food Industries with his mother (Chan Kim Yeo) and brother (Yeo Tian Seng), which took over the business operations of GHS Heng Kee Enterprise. Since then, he has been appointed as a director of GHS Food Industries, where he oversees the overall performance of the company.

In March 2025, he was appointed as the Managing Director of our Group, a position he holds to-date. Leveraging on his industry experience of over 28 years, his role includes, among others, planning the overall strategy and corporate direction of our Group, formulating business development strategies and cultivating relationships (mainly with customers and foreign suppliers), to grow our Group and business.

Please refer to Section 5.2.3(i) of this Prospectus for further details of his past directorships and involvement in other corporations outside of our Group as at the LPD.

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

- (ii) **Yeo Tian Seng**
Malaysian, aged 45
Promoter, substantial shareholder and Executive Director

Yeo Tian Seng, a Malaysian male aged 45, is our Promoter and Executive Director. He was appointed to our Board on 1 November 2024 and was subsequently redesignated as our Executive Director on 13 March 2025. He is mainly responsible for overseeing GHS Food Industries' manufacturing business, corporate development and strategy functions as well as sales and customer service activities.

He graduated with a Bachelor of Business Systems from Monash University, Australia in October 2002.

He began his career in 2002 as a Database Management Executive at Citibank Berhad, where he was mainly responsible for programming codes to facilitate data analysis. He left the company in 2003.

In 2003, he joined OSK Holdings Berhad, a company listed on the Main Market of Bursa Securities as a Data Analyst, providing systems-based support to the asset management team. He left the company in 2004.

In August 2005, he joined GHS Heng Kee Enterprise as a Partner, where he was responsible to oversee and manage the increasing operations of the enterprise. GHS Heng Kee Enterprise was terminated in April 2016.

In August 2014, he joined GHS Heng Kee, his family business as a director, and was involved in sales operations and business development. In August 2015, he co-founded GHS Food Industries with his mother (Chan Kim Yeo) and brother (Yeo Tien Ee), which took over the business operations of GHS Heng Kee Enterprise. Since then, he has been appointed as a director of GHS Food Industries, where he assumed broader responsibilities for overseeing the overall operations, product development, quality control and assurance as well as developing and executing marketing strategies for food manufacturing. He also built and maintained strong customer relationships, gaining valuable insights into business operations and the industry landscape.

In March 2025, he was appointed as an Executive Director of our Group, a position he holds to-date. He has over 20 years of experience in distributive trade and manufacturing of food product industries.

He does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

- (iii) **Chan Kim Yeo**
Malaysian, aged 75
Promoter and substantial shareholder

Chan Kim Yeo, a Malaysian female aged 75, is our Promoter and substantial shareholder. She is a director and co-founder of GHS Heng Kee and GHS Food Industries. She attended her secondary education at Pay Fong Middle School, Melaka from 1963 to 1964.

In April 1971, she assisted her spouse, Yeo Siew Heng in the establishment of Guan Huat Seng Heng Kee, a sole proprietorship, which was principally involved in dealing dry seafood, canned food products, and sundry goods until July 1979. Guan Huat Seng Heng Kee was terminated in July 1979.

In July 1979, she co-founded GHS Heng Kee with her spouse to commence business in the retail and distribution of dried and frozen seafood and other food products. She was also appointed as a director of GHS Heng Kee in July 1979. As a director and shareholder, she played a key role in managing the day-to-day operations and driving the overall development of the company.

In March 2002, she set up GHS Heng Kee Enterprise with her son and daughter-in-law, Yeo Tien Ee and Kuan Lee Sia, respectively, which is a partnership business focused in the manufacturing of flavouring products. GHS Heng Kee Enterprise was terminated in April 2016.

In August 2015, she co-founded GHS Food Industries with her sons, Yeo Tien Ee and Yeo Tian Seng, which took over the business operations of GHS Heng Kee Enterprise, where she continued to focus on the company's operations and expansion as a director (appointed in August 2015) and shareholder.

She has been instrumental in the overall growth and success of GHS Heng Kee and GHS Food Industries, contributing significantly to its development over the years. She continues to serve as a director of both GHS Heng Kee and GHS Food Industries. She continues to provide strategic guidance and assist in administrative matters of our Group, leveraging on her experience of approximately 54 years in the distributive trade and manufacturing of food and beverage products industries.

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

(iv) Yeo Siew Heng
Malaysian, aged 77
Promoter

Yeo Siew Heng, a Malaysian male aged 77, is our Promoter. He is a director and co-founder of GHS Heng Kee. He completed his secondary education at Pay Fong Middle School, Melaka in December 1969.

After graduation in December 1969, he assisted in the management of his family business, namely, Guan Huat Seng, which was principally involved in retail of marine products.

In April 1971, he established Guan Huat Seng Heng Kee, a sole proprietorship to take over the family business, which was principally engaged in dealing dry seafood, canned food products, and sundry goods. He ran the business as a sole proprietor until July 1979 which was then terminated in July 1979.

In July 1979, he co-founded GHS Heng Kee with his spouse, Chan Kim Yeo, which gradually took over the business of Guan Huat Seng Heng Kee, and was principally involved in the retail and distribution of dried and frozen seafood and other food products. He was also appointed as a director of GHS Heng Kee in July 1979. He was mainly involved in the day-to-day operations and overall development of GHS Heng Kee as a director and shareholder.

He has been instrumental and played an essential role for the growth of the business of GHS Heng Kee. He continues to serve as a director of GHS Heng Kee. He continues to provide strategic guidance and assist in administrative matters of our Group, leveraging on his experience of approximately 54 years in the distributive trade of food and beverage products industries.

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

5.1.3 Changes in shareholdings of our Promoters and substantial shareholders since incorporation

The changes in the shareholdings of our Promoters and substantial shareholders since our incorporation on 1 November 2024 are as follows:

Name	As at incorporation date ⁽¹⁾				After the Acquisitions of Subsidiaries and as at the LPD ⁽²⁾				After our IPO ⁽³⁾			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Promoters and substantial shareholders</u>												
Chan Kim Yeo	-	-	-	-	164,084,060	46.42	-	-	157,084,060	33.18	-	-
Yeo Tien Ee	50	50.00	-	-	108,593,020	30.72	-	-	101,593,020	21.46	⁽⁴⁾ 120,000	0.03
Yeo Tian Seng	50	50.00	-	-	80,823,020	22.86	-	-	73,823,020	15.59	⁽⁵⁾ 120,000	0.03
<u>Promoter</u>												
Yeo Siew Heng	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- (1) Based on our total number of 100 issued Shares as at 1 November 2024, being the date of incorporation of our Company.
- (2) Based on our total number of 353,500,100 Shares after the Acquisitions of Subsidiaries and as at the LPD.
- (3) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.
- (4) Yeo Tien Ee is our Managing Director. Deemed interested by virtue of the Shares held by his spouse (Kuan Lee Sia) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.
- (5) Yeo Tian Seng is our Executive Director. Deemed interested by virtue of the Shares held by his spouse (Loke Sau Leng) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**5.1.4 Amounts/ benefits paid or intended to be paid or given to any Promoters or substantial shareholders**

Save for the issuance of our Company's Shares as consideration pursuant to the Acquisitions of Subsidiaries as set out in Section 6.2.1 of this Prospectus and as disclosed below, there are no other amounts or benefits paid or intended to be paid or given to any of our Promoters or substantial shareholders, within the 2 years preceding the date of this Prospectus:

(i) Remuneration and benefits paid**(a) FYE 2024 (Actual)**

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	(1)Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Yeo Tien Ee	70	506	57	74	-	707
Yeo Tian Seng	(4)-	382	20	69	-	471
Chan Kim Yeo ⁽²⁾	70	77	12	8	-	167
Yeo Siew Heng ⁽³⁾	70	107	17	4	-	198

Notes:

(1) Includes employer's contribution to EPF, SOCSO and EIS.

(2) She is a director of GHS Heng Kee and GHS Food Industries.

(3) He is a director of GHS Heng Kee.

(4) Yeo Tian Seng was not paid directors' fees for FYE 2024 as his role was primarily focused on GHS Food Industries, which did not pay directors' fees during FYE 2024.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**(b) FYE 2025 (Actual)**

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	(1)Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Yeo Tien Ee	20	679	133	107	-	939
Yeo Tian Seng	20	420	-	69	-	509
Chan Kim Yeo ⁽²⁾	20	80	12	4	-	116
Yeo Siew Heng ⁽³⁾	20	114	20	1	-	155

Notes:

(1) Includes employer's contribution to EPF, SOCSO and EIS.

(2) She is a director of GHS Heng Kee and GHS Food Industries.

(3) He is a director of GHS Heng Kee.

(c) FYE 2026 (Proposed)

Name	Directors' fees RM'000	Salaries RM'000	(1)Bonuses RM'000	(2)Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Yeo Tien Ee	20	756	-	100	-	876
Yeo Tian Seng	20	438	-	58	-	516
Chan Kim Yeo ⁽³⁾	20	86	-	1	-	107
Yeo Siew Heng ⁽⁴⁾	20	126	-	1	-	147

Notes:

(1) Bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined later depending on the performance of the individuals and our Group, subject to the recommendation of the Remuneration Committee and approved by our Board.

(2) Includes employer's contribution to EPF, SOCSO and EIS. For the avoidance of doubt, the total statutory contribution for FYE 2026 does not include employer's contribution to EPF for bonuses for FYE 2026 as such bonuses has not been determined.

(3) She is a director of GHS Heng Kee and GHS Food Industries.

(4) He is a director of GHS Heng Kee.

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

(ii) Dividends

The declaration and payment of cash dividends paid to our Promoters and/ or substantial shareholders are as follows:

Name	Actual		Proposed
	FYE 2024	FYE 2025	FYE 2026
	RM'000	RM'000	RM'000
Yeo Tien Ee	240	-	-
Yeo Tian Seng	160	-	-
Chan Kim Yeo	400	-	-
Total	(1) 800	-	-

Note:

(1) *The dividends were declared and paid as follows:*

- (a) *First interim dividend of RM400,000 declared and paid in December 2023; and*
- (b) *Second interim dividend of RM400,000 declared and paid in July 2024.*

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

5.2 BOARD OF DIRECTORS

5.2.1 Directors' shareholdings

The Directors' shareholdings in our Company before and after our IPO are as follows:

Name	Designation	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾⁽³⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr. Wong Chin Yoong	Independent Non-Executive Chairman	-	-	-	-	100,000	0.02	-	-
Yeo Tien Ee	Managing Director	108,593,020	30.72	-	-	101,593,020	21.46	⁽⁴⁾ 120,000	0.03
Yeo Tian Seng	Executive Director	80,823,020	22.86	-	-	73,823,020	15.59	⁽⁵⁾ 120,000	0.03
Lee Chee Kian	Executive Director	-	-	-	-	1,800,000	0.38	-	-
Chin Siew Lee	Independent Non-Executive Director	-	-	-	-	80,000	0.02	-	-
Lim Peck Gee	Independent Non-Executive Director	-	-	-	-	80,000	0.02	-	-
Yeo Jie Yin	Independent Non-Executive Director	-	-	-	-	80,000	0.02	-	-

Notes:

- (1) Based on our total number of 353,500,100 Shares after the Acquisitions of Subsidiaries and before our IPO.
- (2) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.
- (3) Assuming all the Directors (except for Yeo Tien Ee and Yeo Tian Seng) fully subscribe for the Pink Form Shares allocated to him/ her.
- (4) Deemed interested by virtue of the Shares held by his spouse (Kuan Lee Sia) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.
- (5) Deemed interested by virtue of the Shares held by his spouse (Loke Sau Leng) pursuant to Section 59(11)(c) of the Act, assuming she fully subscribes for the Pink Form Shares allocated to her.

As at the LPD, none of our Directors are representatives of any corporate shareholder. Furthermore, we do not have any corporate shareholder as at the LPD.

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

5.2.2 Profiles of our Directors

Save for the profiles of Yeo Tien Ee (our Managing Director) and Yeo Tian Seng (our Executive Director), which have been set out in Section 5.1.2 of this Prospectus, the profiles of our other Directors are as follows:

- (i) **Dr. Wong Chin Yoong**
Malaysian, aged 48
Independent Non-Executive Chairman

Dr. Wong Chin Yoong, a Malaysian male aged 48, is our Independent Non-Executive Chairman. He was appointed to our Board on 14 March 2025.

He graduated from University of Malaya, Malaysia with a Bachelor of Economics in October 2001 and obtained a Master of Economics at the same university in August 2005. In March 2013, he obtained a Doctor of Philosophy (PhD) in Economics from Universiti Putra Malaysia, Malaysia.

After graduating from University of Malaya with a Bachelor of Economics in October 2001, he joined Nantah Education and Research Foundation as an Executive Secretary cum Researcher, handling administrative tasks and conducting economic research. He served in this role until June 2002 and continued to pursue a Master of Economics.

While pursuing his Master of Economics, he joined New Era University College as a Lecturer in the Business Studies Department in April 2003, holding the position until October 2005. Subsequently, he joined Universiti Tunku Abdul Rahman as a Lecturer in the Department of Economics in December 2005. Over the years, he progressed through various academic roles, being promoted to Senior Lecturer in January 2013, Assistant Professor in March 2013, Associate Professor in January 2016, and Professor in January 2022, a position he holds to-date. His responsibilities at Universiti Tunku Abdul Rahman include teaching, conducting research, supervision and administrative duties within the Department of Economics as well as external engagement with public agencies and private companies for technical consultation, and knowledge building and dissemination.

He has more than 22 years of experience in the academic/ education sector, primarily with a focus on the economics field.

He does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

(ii) Lee Chee Kian
Malaysian, aged 52
Executive Director

Lee Chee Kian, a Malaysian male aged 52, is our Executive Director. He was appointed to our Board on 4 February 2025. He is mainly responsible for overseeing GHS Heng Kee's overall operations and managing its sales strategy and execution.

He graduated with a Diploma in Business Administration from The Association of Business Executives in December 1995. He obtained a certificate of having passed the AIA (Association of International Accountants) Professional Examinations from The Association of International Accountants in March 1998.

He began his career in March 1997 as an Accounts Executive at Tan Chong Motor Assemblies Sdn Bhd, where he was mainly responsible for managing the company's accounts. He left the company in February 2000.

In 2000, he joined CPC/AJI (Malaysia) Sdn Bhd (now known as Unilever Foods (Malaysia) Sdn Bhd) as a Sales Advisor, where he was primarily responsible for providing tailored catering plans for food service customers. In 2002, he was promoted to Sales Executive, where he was responsible for overseeing the sales for Melaka and the northern region of Johor. He left the company in 2003.

In 2004, he joined Jasmine Food Corporation Sdn Bhd as a Key Account Manager, where he was responsible for managing relationships with the company's customers and promoting the company's products. He left the company in 2009.

In 2009, he joined Edible Specialities Sdn Bhd as a Sales Manager, where he was responsible to oversee the general trade segment (comprising of mini markets and smaller size supermarkets), managing customer relationships and driving sales growth. He left the company in 2010.

In October 2010, he joined GHS Heng Kee as a Sales Manager, where he was primarily responsible for managing the company's sales operations and involved in business development activities for business expansion. In November 2019, he was promoted as the General Manager of GHS Heng Kee, a role he continues to hold. As a General Manager, he assumed broader responsibilities, including overseeing overall operations, developing and executing marketing strategies to enhance GHS Heng Kee's market position, and building strong customer relationships.

In February 2025, he was appointed as an Executive Director of our Group, a position he holds to-date. With over 25 years of experience in customer relationship management, sales, and business development in food related industries, he has gained valuable leadership and strategic insights that have been instrumental in advancing corporate growth, strengthening customer relationships, and improving service quality of our Group.

He does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

- (iii) **Chin Siew Lee**
Malaysian, aged 51
Independent Non-Executive Director
Chairman of Audit and Risk Management Committee
Member of Remuneration Committee
Member of Nominating Committee

Chin Siew Lee, a Malaysian female aged 51, is our Independent Non-Executive Director. She was appointed to our Board on 14 March 2025. She is the Chairman of our Audit and Risk Management Committee and also a member of our Remuneration Committee and Nominating Committee.

She graduated with a Diploma in Business Administration from The Association of Business Executives in December 1994. Subsequently, she completed her Association of Chartered Certified Accountants examination in February 1998. She has been a Chartered Accountant of the Malaysian Institute of Accountants (MIA) since March 2017.

In January 1999, she joined Tay Wong & Associates as an Audit Assistant and was promoted to Audit Semi-Senior in January 2000, followed by Audit Senior in July 2001. During her employment with Tay Wong & Associates, she was primarily involved in audit and tax-related assignments as well as corporate matters-related assignments (e.g., liquidation exercises, submission of real property gains tax, disposal of office building and conducting tax incentives research). She left Tay Wong & Associates in May 2002.

In June 2002, she joined Deloitte KassimChan Tax Services Sdn Bhd (now known as Deloitte Tax Services Sdn Bhd) as a Tax Senior, managing tax compliance for both local and international corporations. Her roles included preparation of tax compliance assignments for individual and corporate clients as well as assisting clients with income tax audit exercises. After leaving the firm in December 2004, she joined Perusahaan Jaya Plastik (M) Sdn Bhd (a subsidiary of CYL Corporation Berhad, a company listed on the Main Market of Bursa Securities) in the same month as an Accountant, overseeing all accounting, taxation, and financial matters (including preparation of quarterly financial reports). She left the company in August 2006.

In August 2006, she joined Khind-Mistral Industries Sdn Bhd (a subsidiary of Khind Holdings Berhad, a company listed on the Main Market of Bursa Securities), as a Finance Manager, handling all accounting, taxation, and financial matters (including preparation of quarterly financial reports). She left the company in March 2008.

In March 2008, she joined KL-Kepong Industrial Holdings Sdn Bhd (a subsidiary of Kuala Lumpur Kepong Berhad ("**KLK**"), a company listed on the Main Market of Bursa Securities) as a Corporate Accountant. She was involved in accounting, tax and finance related matters such as preparing and reviewing management accounts and financial reports of the company as well as reviewing the performance of KLK's subsidiaries and overseeing financial matters related to product manufacturing. In May 2011, she was transferred to KL Kepong Oleomas Sdn Bhd, another subsidiary of KLK, as a Trading Manager, where she was primarily responsible for palm oil procurement and foreign exchange hedging. She left the company in January 2014.

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

She took a career break from January to September 2014. Following this break, she joined Ecity Hotel Sdn Bhd (a former indirect subsidiary of Avaland Berhad (previously known as MCT Berhad), a company listed on the Main Market of Bursa Securities) as a Finance Manager in September 2014, where she managed accounting, taxation, and financial matters of the company. In August 2016, she was transferred to Eco Green City Sdn Bhd, another subsidiary of Avaland Berhad, as a Senior Finance Manager, where she was responsible for managing accounting, taxation and financial matters of the company. She left the company in January 2017.

In January 2017, she joined Oncogen Pharma (M) Sdn Bhd as a Finance Manager, overseeing similar responsibilities in accounting, taxation, and financial matters. She left the company in January 2020.

In March 2020, she joined Kumpulan Hamzah – Kwong Hing Realty Sdn Bhd as Director of Finance, overseeing accounting, taxation, and financial matters. She left the company in May 2021.

In June 2021, she joined Kintex (KL) Sdn Bhd as Head of Account and Finance, where she oversees accounting, taxation, and financial matters of the company. She left the company in June 2023.

In June 2023, she rejoined Perusahaan Jaya Plastik (M) Sdn Bhd as a Financial Controller, responsible for overseeing all audit, taxation and financial matters (including preparation of quarterly financial reports). She left the company in December 2024.

In June 2024, she founded AASC Global, a sole proprietorship which specialises in the provision of comprehensive accounting solutions, including bookkeeping, financial records, and standard operating procedures (SOPs).

She has more than 25 years of experience in the accounting, tax and finance-related field.

Please refer to Section 5.2.3(ii) of this Prospectus for further details of her directorship and involvement in other corporations outside of our Group as at the LPD.

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

- (iv) **Lim Peck Gee**
Malaysian, aged 52
Independent Non-Executive Director
Chairman of Remuneration Committee
Member of Audit and Risk Management Committee
Member of Nominating Committee

Lim Peck Gee, a Malaysian female aged 52, is our Independent Non-Executive Director. She was appointed to our Board on 14 March 2025. She is the Chairman of our Remuneration Committee and also a member of our Audit and Risk Management Committee and Nominating Committee.

She graduated with a Bachelor of Laws (Hons) from University of London, UK in August 1997. She obtained the Certificate of Legal Practice from Legal Profession Qualifying Board Malaysia in July 1999 and commenced her pupillage with Messrs Paul Cheah & Associates. She was subsequently called to the Malaysian Bar in May 2002.

She began her legal practice in Messrs Paul Cheah & Associates as a Legal Assistant, primarily involved in the preparation work for conveyancing and civil litigation cases. In January 2004, she left the firm and took a career break from February 2004 to May 2007.

In May 2007, she joined Messrs Damian S.L. Yeo & L.C. Goh as a Legal Assistant, primarily involved in conveyancing practices. She left the firm in October 2007.

In November 2007, she joined Messrs CK Ng & Associates as a Partner, primarily focusing in conveyancing practices. She left the firm in April 2009. She joined Messrs Zalina Chan Lim & Associates as a Partner in May 2009, continuing her path in conveyancing practices until she left the firm in May 2010.

After leaving Messrs Zalina Chan Lim & Associates in May 2010, she took a career break. She joined Messrs K Y Ng & Co as a Partner in February 2012, focusing in conveyancing practices. She left the firm in May 2017.

In June 2017, she joined Messrs Chiong & Partners as a Partner, where she expanded her practice to include both conveyancing and commercial practices. She left the firm in September 2019.

In October 2019, she joined Messrs Damian S.L. Yeo & L.C. Goh as a Legal Assistant, where she continued focusing on conveyancing practices. After leaving the firm in November 2020, she joined Messrs K Y Ng & Co as a Partner in December 2020, where she has since been engaged in both conveyancing and commercial practices.

She has more than 20 years of experience in legal matters involving conveyancing, civil litigation and commercial practices.

Please refer to Section 5.2.3(iii) of this Prospectus for further details of her directorship and involvement in other corporations outside of our Group as at the LPD.

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

- (v) **Yeo Jie Yin**
Malaysian, aged 32
Independent Non-Executive Director
Chairman of Nominating Committee
Member of Audit and Risk Management Committee
Member of Remuneration Committee

Yeo Jie Yin, a Malaysian female aged 32, is our Independent Non-Executive Director. She was appointed to our Board on 14 March 2025. She is the Chairman of our Nominating Committee and also a member of our Audit and Risk Management Committee and Remuneration Committee.

She graduated with a Bachelor of Laws from University of Reading, UK in July 2014. Following her graduation, she obtained the Certificate of Legal Practice from Legal Profession Qualifying Board Malaysia in December 2015. She commenced her pupillage with Messrs M David Morais from February 2016 to March 2016, where she assisted in dispute resolution matters. Subsequently, she continued her pupillage with Messrs K W Teh & Associates from March to November 2016, where she assisted in real estate matters. She was called to the Malaysian Bar in December 2016.

In January 2017, she began her legal practice in Messrs K W Teh & Associates as a Legal Assistant, primarily assisting with real estate matters. She left the firm in April 2017.

In May 2017, she joined Messrs Jeff Leong, Poon and Wong as a Legal Assistant, primarily assisting with real estate, commercial, banking and finance matters. She left the firm in May 2018.

In May 2018, she joined Messrs David Lai & Tan as a Legal Assistant, where she focused on corporate, capital market, and mergers and acquisitions practices. During her tenure in the firm, she was also involved in advising various issuers on legal matters for their proposed listing on the Stock Exchange of Hong Kong Limited (HKEX). She left the firm in November 2020.

In November 2020, she joined Messrs Gan, Lee & Tan as a Legal Assistant, continuing her path in corporate, capital markets, and mergers and acquisitions practices, while also broadening her expertise to include blockchain and financial technology (fintech) matters. She left the firm in July 2021. After taking a short career break, she joined Messrs Chee Whei, Lee & Co. as a Partner in October 2021, where she continued to focus on corporate, capital markets, mergers and acquisitions, blockchain, and real estate practices. She left the firm in December 2022.

In January 2023, she set up Messrs Yeo Ashley & Partners (*formerly known as Messrs Ashley Yeo & Co.*), where she concentrates on corporate, capital market, and mergers and acquisitions practices. As a managing partner, she is also responsible for overseeing and managing the accounting and financial matters of the firm.

In May 2024, she co-founded Yeo Ashley Advisory PLT, a firm specialising in business advisory and education services, and has been a Partner of the firm up-to-date.

She has more than 9 years of experience in legal matters involving primarily in corporate, capital markets, and mergers and acquisitions matters.

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

Please refer to Section 5.2.3(iv) of this Prospectus for further details of her directorship and involvement in other corporations outside of our Group as at the LPD.

As at the LPD, all of our Directors have attended the Mandatory Accreditation Programme (MAP) Part I by the Institute of Corporate Directors Malaysia.

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

5.2.3 Principal directorships and principal business activities performed outside our Group

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

(i) Yeo Tien Ee

Company	Designation	Date appointed as director/ Joining as a partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvements</u>						
-	-	-	-	-	-	-
<u>Past directorships</u>						
Chemara Properties Sdn Bhd	Director and past shareholder	10 September 2021	18 April 2024	-	-	Property developer – residential buildings; property investment – buying, selling, renting and operating of self-owned or leased real estate – residential buildings (Dissolved on 18 April 2024)

(ii) Chin Siew Lee

Company	Designation	Date appointed as director/ Joining as partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvements</u>						
AASC Global	Sole Proprietor	27 June 2024	-	100.00	-	Management, consultant and administration service
Wintech Metal Berhad ⁽¹⁾	Director	1 August 2025	-	-	-	Activities of holding company. Through its subsidiaries, the company is principally involved in manufacturing of metal parts and furniture, as well as portable work pods

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

Company	Designation	Date appointed as director/ Joining as partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Past directorships</u>						
-	-	-	-	-	-	-

Note:

(1) As at the LPD, Wintech Metal Berhad is a company seeking listing on the ACE Market of Bursa Securities, it is not a public listed company.

(iii) Lim Peck Gee

Company	Designation	Date appointed as director/ Joining as partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<i><u>Present involvements</u></i>						
K Y Ng & Co (Melaka Branch)	Partner	15 December 2020	-	100.00	-	Law firm
TAC Care Secretarial Services Sdn Bhd	Director	1 December 2025	-	-	-	Company secretarial and accounting services
<i><u>Past directorships</u></i>						
-	-	-	-	-	-	-

(iv) Yeo Jie Yin

Company	Designation	Date appointed as director/ Joining as partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvements</u>						
Yeo Ashley Advisory PLT	Partner & Compliance Officer	5 March 2024	-	50.00	-	Provision of business consultancy and education; digital marketing services

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

Company	Designation	Date appointed as director/ Joining as partner	Date resigned/ ceased as director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Messrs Yeo Ashley & Partners	Partner	⁽¹⁾ -	-	100.00	-	Law firm
Adnex Group Berhad ⁽²⁾	Director	16 May 2025	-	-	-	Activities of investment holding. Through its subsidiaries, the company is involved in the provision of interior fit-out services
Yeo Ashley Business Advisory Sdn Bhd	Director and shareholder	8 October 2025	-	10.00	-	Other education N.E.C; other management consultancy activities N.E.C; business management consultancy services
<u>Past directorships</u>						
-	-	-	-	-	-	-

Notes:

(1) Yeo Jie Yin became the sole proprietor on 11 January 2023. Between 11 January 2023 and 25 September 2024, she became a partner of Messrs Yeo Ashley & Partners as additional partners joined. Over time, the other partners left, and she resumed status as sole proprietor. She is now a partner of Messrs Yeo Ashley & Partners following the admission of a new partner who does not hold an equity stake in the firm.

(2) As at the LPD, Adnex Group Berhad is a company seeking listing on the ACE Market of Bursa Securities, it is not a public listed company.

As at the LPD, the directorships of our Directors are in compliance with Rule 15.06 of the Listing Requirements as none of our Directors hold more than 5 directorships in public listed companies on Bursa Securities.

The involvement of our Directors as disclosed above excludes shares in public listed companies held by our Directors as minority shareholders (less than 5.00% of the total number of issued shares of a public listed company) in which they do not hold any directorship, and is only for trading and personal investment purposes.

Our Executive Directors are not involved in other businesses/ corporations/ entities. The involvement of our Independent Non-Executive Directors in other companies, will not affect their contributions to our Group as the Independent Non-Executive Directors' involvement in our Company are to the extent of attending meetings and discharging their responsibilities as independent directors.

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

5.2.4 Directors' remuneration and material benefits in-kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our Directors for services rendered/ to be rendered to our Group for FYE 2024, FYE 2025 and FYE 2026 are as follows:

(i) FYE 2024 (Actual)

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	⁽¹⁾ Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
<u>Executive Directors</u>						
Yeo Tien Ee	70	506	57	74	-	707
Yeo Tian Seng	⁽⁴⁾ -	382	20	69	-	471
Lee Chee Kian ⁽²⁾	-	95	80	24	31	230
<u>Non-Executive Directors</u>						
Dr. Wong Chin Yoong ⁽³⁾	-	-	-	-	-	-
Chin Siew Lee ⁽³⁾	-	-	-	-	-	-
Lim Peck Gee ⁽³⁾	-	-	-	-	-	-
Yeo Jie Yin ⁽³⁾	-	-	-	-	-	-

Notes:

- (1) Includes employer's contribution to EPF, SOCSO and EIS.
- (2) Appointed to our Board on 4 February 2025.
- (3) Appointed to our Board on 14 March 2025.
- (4) Yeo Tian Seng was not paid directors' fees for FYE 2024 as his role was primarily focused on GHS Food Industries, which did not pay directors' fees during FYE 2024.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(ii) FYE 2025 (Actual)

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	⁽¹⁾ Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
<u>Executive Directors</u>						
Yeo Tien Ee	20	679	133	107	-	939
Yeo Tian Seng	20	420	-	69	-	509
Lee Chee Kian ⁽²⁾	20	100	80	24	31	255
<u>Non-Executive Directors</u>						
Dr. Wong Chin Yoong ⁽³⁾	-(4)	-	-	-	4	4
Chin Siew Lee ⁽³⁾	-(4)	-	-	-	4	4
Lim Peck Gee ⁽³⁾	-(4)	-	-	-	4	4
Yeo Jie Yin ⁽³⁾	-(4)	-	-	-	4	4

Notes:

- (1) Includes employer's contribution to EPF, SOCSO and EIS.
- (2) Appointed to our Board on 4 February 2025.
- (3) Appointed to our Board on 14 March 2025.
- (4) The Independent Non-Executive Directors are entitled for directors' fees after approval for our Listing.

(iii) FYE 2026 (Proposed)

Name	Directors' fees RM'000	Salaries RM'000	⁽¹⁾ Bonuses RM'000	⁽²⁾ Statutory contribution RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
<u>Executive Directors</u>						
Yeo Tien Ee	20	756	-	100	-	876
Yeo Tian Seng	20	438	-	58	-	516
Lee Chee Kian ⁽³⁾	20	139	-	19	31	209
<u>Non-Executive Directors</u>						
Dr. Wong Chin Yoong ⁽⁴⁾	44 ⁽⁵⁾	-	-	-	4	48
Chin Siew Lee ⁽⁴⁾	36 ⁽⁵⁾	-	-	-	4	40
Lim Peck Gee ⁽⁴⁾	36 ⁽⁵⁾	-	-	-	4	40
Yeo Jie Yin ⁽⁴⁾	36 ⁽⁵⁾	-	-	-	4	40

Notes:

- (1) Bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined later depending on the performance of the individuals and our Group, subject to the recommendation of the Remuneration Committee and approved by our Board.

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

- (2) *Includes employer's contribution to EPF, SOCSO and EIS. For the avoidance of doubt, the total statutory contribution for FYE 2026 does not include employer's contribution to EPF for bonuses for FYE 2026 as such bonuses has not been determined.*
- (3) *Appointed to our Board on 4 February 2025.*
- (4) *Appointed to our Board on 14 March 2025.*
- (5) *The Independent Non-Executive Directors are entitled for directors' fees after approval for our Listing.*

The remuneration of our Directors, which comprises directors' fees, salaries, bonuses and allowances as well as other benefits-in-kind, must be recommended by our Remuneration Committee and subsequently be approved by our Board, subject to the provisions of our Constitution. Our Directors' fees must be further approved or endorsed by our shareholders in a general meeting.

5.2.5 Service contracts

As at the LPD, there are no existing or proposed service contracts between our Group and our Directors which provide for benefits upon termination of employment.

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

5.3 BOARD PRACTICES

According to our Constitution and the Act, an election of Directors shall take place each year. All Directors shall retire from office at the conclusion of the first AGM of the Company, and at the conclusion of the AGM in every subsequent year, one-third of the Directors for the time being or if the number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office provided always that all Directors including a Managing Director or Deputy Managing Director shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Any person appointed as Director, either to fill a casual vacancy or as an addition to the existing Directors, shall hold office only until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

(i) Directors' term of office

The date of appointment and the date of expiration of the current term of office of our Directors, as well as the period for which our Directors have served in that office are set out below:

Director	Designation	Date of appointment	No. of year(s) in office (Approximate)	Date of expiration of the current term in office ⁽¹⁾
Dr. Wong Chin Yoong	Independent Non-Executive Chairman	14 March 2025	Less than 1 year	Subject to retirement at the AGM in year 2027
Yeo Tien Ee	Managing Director	1 November 2024 ⁽²⁾	1 year	Subject to retirement at the AGM in year 2028
Yeo Tian Seng	Executive Director	1 November 2024 ⁽³⁾	1 year	Subject to retirement at the AGM in year 2027
Lee Chee Kian	Executive Director	4 February 2025	Less than 1 year	Subject to retirement at the AGM in year 2026
Chin Siew Lee	Independent Non-Executive Director	14 March 2025	Less than 1 year	Subject to retirement at the AGM in year 2028
Lim Peck Gee	Independent Non-Executive Director	14 March 2025	Less than 1 year	Subject to retirement at the AGM in year 2028
Yeo Jie Yin	Independent Non-Executive Director	14 March 2025	Less than 1 year	Subject to retirement at the AGM in year 2026

Notes:

- (1) All our Directors had retired and were re-elected in our first AGM of our Company held on 10 December 2025. Our Directors are subjected to retirement by rotation pursuant to Clause 133 of our Constitution at the AGM of our Company in the years subsequent to 2025. The date of expiration of the current term in office is based on the assumption that there will be no changes to structure of the Board. Should there be any resignations, appointments, removals, or other changes, the Directors subject to retirement by rotation may be affected.

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

- (2) *Being the first director of our Company since incorporation. Yeo Tien Ee was appointed as the Managing Director of our Company on 13 March 2025.*
- (3) *Being the first director of our Company since incorporation. Yeo Tian Seng was appointed as an Executive Director of our Company on 13 March 2025.*

The Board consists of 7 members, of which 4 Board members are Independent Non-Executive Directors (including the Chairman of the Board). Furthermore, 3 out of 7 Board members are female, which represents 42.86% of our Board's composition. The composition of our Board is in accordance with the recommendations outlined in Practices 5.2 and 5.9 of the MCCG, where at least half of the Board members to comprise of independent directors and the Board to comprise at least 30% women Directors, respectively.

(ii) Audit and Risk Management Committee

The members of our Audit and Risk Management Committee are as follows:

Name	Designation	Directorship
Chin Siew Lee	Chairman	Independent Non-Executive Director
Lim Peck Gee	Member	Independent Non-Executive Director
Yeo Jie Yin	Member	Independent Non-Executive Director

Our Audit and Risk Management Committee's terms of reference among others, include the following:

(a) External Audit

- a. To consider any matters concerning the appointment of external auditors, audit fees and any issues of re-appointment, resignation or dismissal.
- b. To assess the suitability, objectivity and independence of the external auditors on an annual basis.
- c. To consider the information presented in the annual transparency report of the audit firm and whether there is reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment.
- d. To obtain written assurance from the external auditors confirming that they are, and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- e. To review with the external auditors:
 - i. their audit plan prior to the commencement of audit;
 - ii. their evaluation of the system of the internal controls;
 - iii. their audit report;
 - iv. their management letter and the management's response with regard to problems and reservations arising from their audits;
 - v. the assistance given by our Group's employees to the external auditors; and

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

- vi. on issues and reservations arising from the interim and final audits, and any matter the external auditors may wish to discuss (in the absence of the management where necessary) at least once a year or more frequently as necessary.
- f. To ensure and confirm that the management has placed no restriction on the scope of the audit and inquire into the staffing and competence of the external auditors in performing their work and assistance given by our Group's officers to the external auditors.
- g. To ensure our Company notifies Bursa Securities and Registrar of Companies where the external auditors are removed from office or give notice to our Company of their desire to resign as external auditors.
- h. To review the non-audit services provided by the external auditors and/or its affiliates.

(b) Internal Audit

- a. Establishment of an internal audit function (whether in-house or outsourced) which is effective and independent of the activities that it audits and in relation thereto:
 - i. to review the adequacy of the internal audit scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - ii. to review the internal audit plan, processes, the results of the internal audit assessment or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - iii. to consider the major audit findings of any internal investigations and the management's response with the management, external auditors and internal auditors, including the status of previous audit recommendations;
 - iv. to conduct regular reviews and appraisals on the effectiveness of the governance, risk management and internal controls processes within our Group to ensure internal audits are carried out in accordance with recognised framework;
 - v. if internal audit function is outsourced, to consider and recommend the appointment or termination of the outsourced internal audit function, the fees and ensure adequate resources are available including staffing and competence of the internal auditors in performing their work;
 - vi. meet with the internal audit function at least once a year without the presence of the management; and
 - vii. review the reporting information of the contents and operations of the Anti-Bribery Management System and review of the Anti-Bribery and Anti-Corruption Policy.
- b. To ensure there is co-ordination between internal and external auditors.

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

(c) Risk management

- a. To review, assess, formulate and recommend risk management strategies, framework, policies, processes, tolerance and risk appetite limits to our Board.
- b. To monitor our Group's risk exposures and to ensure implementation and compliance with approved risk policies and processes of our Group, and to ensure that significant risks identified are being responded to appropriately.
- c. To review status of management action(s) in mitigating significant risks identified.
- d. To review and assess the adequacy and effectiveness of the risk management structure, approved risk policies, processes, and support system and to recommend such changes as may be deemed necessary to our Board.
- e. To review and assess the risks associated with all proposed strategic transactions of our Group.
- f. To coordinate on the activities of the internal audit function of our Group in relation to the review of risk management activities and to ensure significant business risks are adequately managed by our Group to ensure internal audits are carried out in accordance with approved framework and plan.
- g. To review the adequacy and integrity, including effectiveness, of risk management and internal control systems/ framework, management information system, and the internal auditors' and/ or external auditors' evaluation of the said systems.
- h. To ensure adequate infrastructure, resources and systems are in place for risk management.
- i. To review the impact of risk on capital adequacy and profitability under normal and stress scenarios.
- j. To assess the adequacy of the business recovery/ disaster recovery procedures.
- k. To identify corporate liability risks including specific bribery risks, corruption risks and compliance risks.
- l. To monitor the risk control measures for corporate liabilities risks identified.
- m. To review the operational effectiveness and efficiency in protecting our Group from bribery risks and ensure legal and regulatory compliance.
- n. In relation to sustainability management, the functions of Audit and Risk Management Committee, include amongst others, the following:
 - i. to oversee the establishment and activities of the Sustainability and Risk Management Working Committee ("SRMWC") and the implementation of the sustainability strategy(s) approved by our Board and to report the review results and recommendations to our Board for decision;

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

- ii. to review the process and results of sustainability matters identification, assessment and management conducted by SRMWC and to report the review results and recommendations to our Board for decision;
- iii. to conduct periodic reviews of the material sustainability matters of our Group and determine the adequacy of the response and the current status of the material sustainability matters and reporting the review results and recommendations to our Board for decision;
- iv. to conduct periodic reviews on the adequacy and effectiveness of our Group's sustainability governance structure and process to identify, assess and manage sustainability matters and report the review results and recommendations to our Board for decision;
- v. to oversee the identification of the material sustainability matters indicator and establishment of the target and the review of sustainability disclosures as required by laws and/or rules, and recommending it for our Board's approval; and
- vi. to direct the internal and external assurance function of our Group in relation to sustainability management and ensuring the adequacy of the resources and competency of the assurance functions.

(d) Others

- a. To review and provide advice on whether the financial statements taken as a whole provide a true and fair view of our Group's financial position and performance.
- b. To oversee financial reporting and ensure disclosure in the financial statements and annual reports of our Group are in line with the principles of applicable accounting standards, listing requirements, the MCGG, other applicable laws, rules, directives and guidelines.
- c. To review procedures in place to ensure that our Group is in compliance with the Act and Listing Requirements and other legislative and reporting requirements.
- d. To obtain updates from our Group's management and its legal counsel regarding regulatory compliance matters.
- e. To consider any material breaches or exposure to breaches of regulatory requirements, including our Group's Anti-Bribery and Corruption Policy.
- f. To review all prospective financial information provided to the regulators and/ or to the public.
- g. To report promptly to Bursa Securities and/ or to SC on any matter reported to our Board, which has not been satisfactorily resolved resulting in the breach of the Listing Requirements, rules and guidelines issued by Bursa Securities and/ or the SC.

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

- h. To review:
 - i. the Annual Report, quarterly interim financial reports and year-end financial statements of our Company and our Group and make its recommendation to our Board for approval and announcement to Bursa Securities;
 - ii. any related party transaction and conflict of interest situation that arise, persist or may arise within our Group;
 - iii. any letter of resignation from the external auditors of our Company or our Group; and
 - iv. the Annual Audit Committee Report for inclusion into the Annual Report issued for each financial year.
- i. To consider other matters as may be directed by our Board from time to time.

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

(iii) Remuneration Committee

The members of our Remuneration Committee are as follows:

Name	Designation	Directorship
Lim Peck Gee	Chairman	Independent Non-Executive Director
Chin Siew Lee	Member	Independent Non-Executive Director
Yeo Jie Yin	Member	Independent Non-Executive Director

Our Remuneration Committee's terms of reference among others, include the following:

- (a) to review the remuneration package of our Executive Directors, key senior management personnel and where applicable, senior management;
- (b) the remuneration of Non-Executive Directors will be a matter to be decided by our Board as a whole with the Director concerned abstaining from the discussion and voting on decisions on his/ her own remuneration;
- (c) to review annually the performance of our Directors and recommend to our Board the specific adjustments in remuneration/ reward payments and for Directors' fees and benefits;
- (d) to formulate policies, guidelines and set criteria for remuneration packages for our Directors, key senior management personnel and where applicable, senior management;
- (e) to review the compensation payable to our Directors, key senior management personnel and where applicable, senior management in connection with any loss or termination of their office or appointment or arrangements relating to dismissal or removal for misconduct;
- (f) to ensure that all remuneration packages and benefits given to our Directors, key management personnel and where applicable, senior management are in compliance with the laws, rules, requirements, regulations and guidelines set by the relevant authorities and our Board from time to time;
- (g) to implement policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of our Board, key senior management personnel and where applicable, senior management;
- (h) to ensure that the remuneration package is sufficient to attract and retain our Directors needed to manage our Company successfully, but without paying more than is necessary to achieve these goals;
- (i) to recommend to our Board the appointment of the services of such advisers or consultants, as it deems necessary to fulfil the responsibilities;
- (j) to oversee any major changes in employee remuneration and benefit structures throughout our Group; and
- (k) to consider/ examine/ assess any other matters as the Remuneration Committee considers appropriate.

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

(iv) Nominating Committee

The members of our Nominating Committee are as follows:

Name	Designation	Directorship
Yeo Jie Yin	Chairman	Independent Non-Executive Director
Chin Siew Lee	Member	Independent Non-Executive Director
Lim Peck Gee	Member	Independent Non-Executive Director

Our Nominating Committee's terms of reference among others include the following:

- (a) to oversee the selection criteria, recruitment process of nomination of new candidates to our Board;
- (b) to review our Board's size, structure, composition and balance on an annual basis;
- (c) to review and evaluate the contributions made by each member of our Board;
- (d) to review on the re-election of any Director having due regard to our Company's Fit and Proper Person Policy and their performance and ability to continue to contribute to our Board;
- (e) to oversee the development, maintenance and review of the criteria to be used in the recruitment process and the annual review and assessment of the effectiveness of our Board as a whole, the committees of our Board, and the contributions of each individual Director, including an assessment of the independence of the Independent Non-Executive Directors and their length of tenure in office;
- (f) to make an assessment on the element of independence of an independent Director should our Board wish to retain as an Independent Director, a person who has served in that capacity for more than nine (9) years;
- (g) to assess the training needs for each of the Directors and senior management of our Company and thereafter, facilitate the appropriate training programmes in accordance to the individual Director's and senior management's needs;
- (h) to oversee the appointment, management succession planning of the Directors and senior management, including extending diversity;
- (i) to review the term of office and performance of the Audit and Risk Management Committee and each of its members annually;
- (j) to review and make available a statement on the activities of the Nominating Committee in the discharge of its duties for the financial year in compliance with Rule 15.08A (3) of the Listing Requirements; and
- (k) to review our Group's succession plans and facilitate induction and training programme.

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

5.4 KEY SENIOR MANAGEMENT

5.4.1 Key senior management's shareholdings in our Company

Yeo Tien Ee (our Managing Director), Yeo Tian Seng (our Executive Director) and Lee Chee Kian (our Executive Director) are part of our key senior management team. Their shareholdings have been set out in Sections 5.1.1 and 5.2.1 of this Prospectus. Our other key senior management's shareholdings in our Company before and after our IPO are as follows:

Name	Designation	Before our IPO				After our IPO ⁽¹⁾⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Yau Xiang Ying ⁽³⁾	Head of Finance	-	-	-	-	376,800	0.08	-	-
Kuan Lee Sia	Head of Procurement	-	-	-	-	120,000	0.03	-	-
Cheong Poh Peng ⁽⁴⁾	Head of Human Resources	-	-	-	-	120,000	0.03	-	-

Notes:

(1) Based on our enlarged total number of 473,500,100 Shares after the Acquisitions of Subsidiaries, Public Issue and Offer for Sale.

(2) Assuming the key senior management fully subscribe for the Pink Form Shares allocated to them.

(3) Yau Xiang Ying was appointed by GHS Heng Kee as Head of Finance in May 2024. Prior to her appointment, the accounts of GHS Heng Kee was managed by an Accounts Executive while the accounts of GHS Food Industries was managed by an Accounts Assistant Manager.

The Accounts Executive joined our Group in July 2013. As at the LPD, she is no longer an employee of our Group as she left our Group in May 2025.

The Accounts Assistant Manager joined our Group in June 2013. She remains an employee of our Group.

As at the LPD, our Group's finance team consists of 5 personnel (including Yau Xiang Ying).

(4) Cheong Poh Peng joined GHS Heng Kee as a Human Resources cum Project Executive in June 2023. She was subsequently promoted to Human Resources and Admin Manager in August 2024 and Head of Human Resources in March 2025. Prior to her joining, the human resources function of GHS Heng Kee was managed by an Accounts Executive which was also managing the accounts of GHS Heng Kee (as mentioned in note (3) above) while the human resources function of GHS Food Industries was managed by a Human Resources Manager.

As at the LPD, our Group's human resources and administrative department consists of 4 personnel (including Cheong Poh Peng).

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

5.4.2 Profiles of key senior management

Save for the profiles of Yeo Tien Ee (our Managing Director), Yeo Tian Seng (our Executive Director) and Lee Chee Kian (our Executive Director) which have been set out in Section 5.1.2(i), Section 5.1.2(ii) and Section 5.2.2(ii) respectively, the profiles of our other key senior management are set out below:

(i) **Yau Xiang Ying**
Malaysian, aged 31
 Head of Finance

Yau Xiang Ying, a Malaysian female aged 31, is our Head of Finance. She is mainly responsible for our Group's overall accounting, tax and corporate finance matters.

She graduated from Multimedia University, Malaysia with a Bachelor of Accounting (Honours) in July 2017. She is a Chartered Accountant of the Malaysian Institute of Accountants since March 2024 until to-date.

She began her career in July 2017 as an Audit Associate in Nexia SSY PLT, where she was primarily assisting in performing audit of financial statements for both public listed and private companies. She left the firm in June 2018.

In July 2018, she joined Crowe Malaysia PLT as an Audit Associate. Over time, she advanced through several roles and was promoted to Senior Audit Associate in September 2020, Audit Senior in June 2021, and Audit Assistant Manager in February 2023. Throughout her employment with Crowe Malaysia PLT, she gained extensive exposure and experience in the audit process, financial reporting, compliance, and internal controls. During her tenure at Crowe Malaysia PLT, she had completed audit engagements from planning to execution, ensured compliance with auditing standards while communicating findings and recommendations to clients.

She left Crowe Malaysia PLT in May 2024 to transition into a commercial role, leveraging her accounting and auditing knowledge to manage financial operations, budgeting and strategic planning. She was employed as Head of Finance of GHS Heng Kee in the same month, a position she holds to-date. In March 2025, she was appointed as Head of Finance of our Group.

She has over 8 years of experience in the accounting field.

She does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

(ii) Kuan Lee Sia
Malaysian, aged 55
Head of Procurement

Kuan Lee Sia, a Malaysian female aged 55, is our Head of Procurement. She is primarily responsible for overseeing our Group's local procurement function.

She graduated from Tunku Abdul Rahman University of Management and Technology, Malaysia in May 1994 with a Diploma in Technology. She furthered her studies at the University of Warwick, UK, where she earned a Master of Science in Engineering Business Management in January 1996.

She began her career in July 1994 as a Quality Control Coordinator at TKR Manufacturing (M) Sdn Bhd, where she was primarily responsible for coordinating quality control processes to ensure that products met established quality standards and industry benchmarks. She left the company in August 1994 to pursue a Master of Science in Engineering Business Management at the University of Warwick, UK.

After completing her Master of Science in Engineering Business Management, she joined Infineon Technologies (Integrated Circuit) Sdn Bhd as a Development Engineer in December 1995, where she was responsible for coordinating and supporting the pre-development and project definition stages for new chip technologies, spanning the entire process from front-end to back-end. She left the company in 2002.

In March 2002, she set up GHS Heng Kee Enterprise with her mother-in-law and spouse, Chan Kim Yeo and Yeo Tien Ee, respectively. GHS Heng Kee Enterprise was a partnership business focused in the manufacturing of flavouring products. As a Partner, she was responsible for ensuring the stability and efficiency of operational processes.

In September 2004, she was employed as the Head of Procurement of GHS Heng Kee, a position she holds to-date. Her involvement in GHS Heng Kee Enterprise gradually reduced and she ceased to be a Partner of the enterprise in August 2005. Over the years, she played a pivotal role in shaping the company's procurement strategy, overseeing local supplier relationships, and implementing cost-effective purchasing strategies. In March 2025, she was appointed as Head of Procurement of our Group.

She has over 23 years of experience in operational processes, particularly in procurement strategy for the distributive trade and manufacturing of food product industries.

She does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

(iii) Cheong Poh Peng
Malaysian, aged 30
Head of Human Resources

Cheong Poh Peng, a Malaysian female aged 30, is our Head of Human Resources. She is mainly responsible for our Group's human resources matters such as overseeing recruitment, payroll management, employee welfare as well as administrative operations.

She graduated from Multimedia University, Malaysia with a Bachelor of Business and Knowledge Management in July 2018.

She began her career in July 2018 as a Secretary in Oriental Food Industries Sdn Bhd, where she was reporting to and was assisting the Managing Director and Chief Executive Officer of the company on operational matters such as managing the human resources and administrative functions. Her responsibilities covered areas such as recruitment, payroll processing, and office operations. She left the company in June 2023.

In June 2023, she joined GHS Heng Kee as a Human Resources cum Project Executive, where she was responsible for managing our human resources functions such as recruitment and payroll processing, as well as overseeing project coordination of marketing campaigns.

In August 2024, she was promoted as GHS Heng Kee's Human Resources and Admin Manager, a position she holds to-date. In March 2025, she was appointed as Head of Human Resources of our Group.

She has over 7 years of experience in human resource and administrative operations.

She does not have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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

5.4.3 Key senior management's remuneration and material benefits-in-kind

Other than the remuneration and material benefits in-kind of our Directors namely Yeo Tien Ee (our Managing Director), Yeo Tian Seng (our Executive Director) and Lee Chee Kian (our Executive Director) which have been set out in Section 5.2.4 of this Prospectus, the aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our other key senior management for services rendered/ to be rendered to our Group in all capacities for the FYE 2024, FYE 2025 and FYE 2026 are as follows:

Name	⁽¹⁾ Remuneration band (in bands of RM50,000)		
	FYE 2024 (Paid)	FYE 2025 (Paid)	⁽²⁾ FYE 2026 (Proposed)
	RM'000	RM'000	RM'000
Yau Xiang Ying ⁽³⁾	0 - 50	100 - 150	100 - 150
Kuan Lee Sia	250 - 300	400 - 450	400 - 450
Cheong Poh Peng	50 - 100	50 - 100	50 - 100

Notes:

- (1) Comprises salaries, bonuses, fees, benefits in-kinds and allowances.
- (2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on individual's and our Group's performance.
- (3) Commenced employment with our Group in May 2024.

5.4.4 Involvement of key senior management in other businesses/ corporations

Save as disclosed in Section 5.2.3 of this Prospectus, none of our key senior management (including Executive Directors) has any principal business activities performed outside our Group as at the LPD nor do they have directorships in any other corporations outside of our Group for the past 5 years prior to the LPD.

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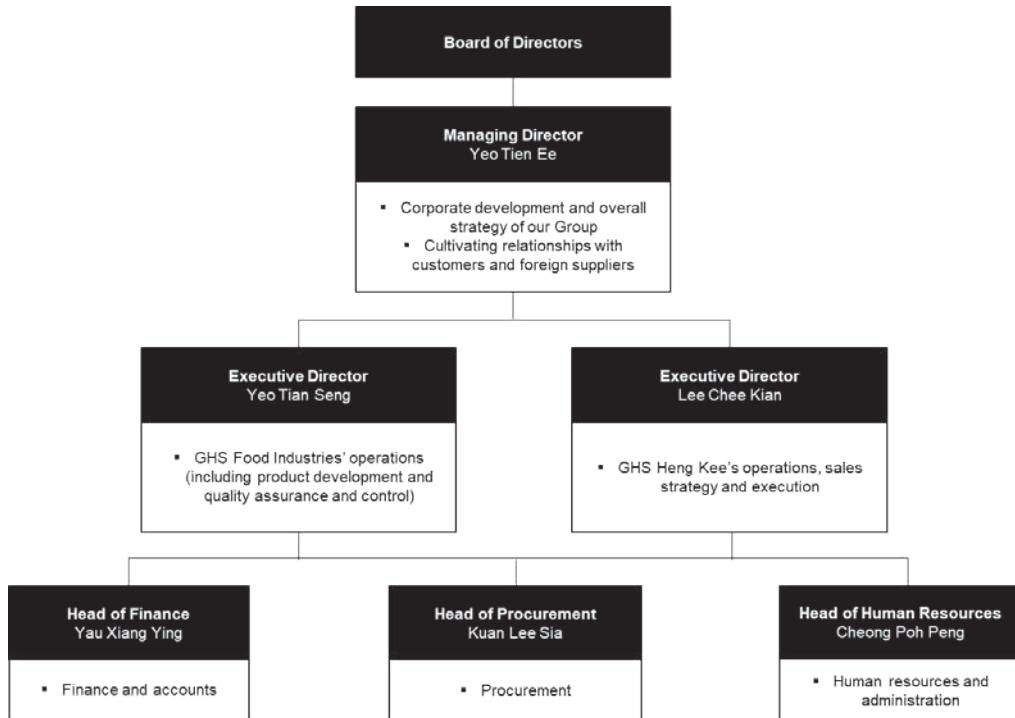
5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4.5 Service contracts

As at the LPD, there are no existing or proposed service contracts between our Group and our key senior management which provide for benefits upon termination of employment.

5.4.6 Management reporting structure

Our management reporting structure is as follows:



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

Our Board believes that the success of our Group depends on the abilities and retention of our key management. Therefore, we have made efforts to train and remunerate our employees accordingly. Our future success will also depend on our ability to attract and retain skilled personnel.

Our Group has also established a succession planning policy consisting of:

- (i) review and identification of key positions;
- (ii) talent assessment, determine skills required and measuring competency gaps;
- (iii) training and development plans;
- (iv) review progress and effectiveness; and
- (v) practise transparent communication.

As part of our management succession plan, our Group has put in place a process to groom new management staff to gradually assume the responsibilities of senior management. Our Group's strategy for management continuity is driven by our key senior management and personnel whom are responsible for identifying key competencies and requirements of candidates. If the need arises, our Group will recruit qualified personnel with knowledge and expertise of our business to enhance our operations. Our Group believes that our employees are valuable assets to our Group and our Group provides the necessary training for their future development.

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

5.5 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and key senior management is or has been involved in any of the following events (whether in or outside Malaysia) as at the LPD:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws 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 judgement 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, was 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) was the subject of any order, judgement 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, 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.

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

5.6 FAMILY RELATIONSHIPS AND/ OR ASSOCIATIONS

As at the LPD, save as disclosed below, there is no family relationship and/ or association between any of our Promoters, substantial shareholders, Directors and key senior management:

Name	Position in our Company	Relationship
Yeo Tien Ee	Promoter, substantial shareholder and Managing Director	<ul style="list-style-type: none"> • Son of Yeo Siew Heng and Chan Kim Yeo • Brother of Yeo Tian Seng • Spouse of Kuan Lee Sia
Yeo Tian Seng	Promoter, substantial shareholder and Executive Director	<ul style="list-style-type: none"> • Son of Yeo Siew Heng and Chan Kim Yeo • Brother of Yeo Tien Ee • Brother-in-law of Kuan Lee Sia
Chan Kim Yeo	Substantial shareholder	<ul style="list-style-type: none"> • Spouse of Yeo Siew Heng • Mother of Yeo Tien Ee and Yeo Tian Seng • Mother-in-law of Kuan Lee Sia
Yeo Siew Heng	Promoter	<ul style="list-style-type: none"> • Spouse of Chan Kim Yeo • Father of Yeo Tien Ee and Yeo Tian Seng • Father-in-law of Kuan Lee Sia
Kuan Lee Sia	Head of Procurement	<ul style="list-style-type: none"> • Spouse of Yeo Tien Ee • Sister-in-law of Yeo Tian Seng • Daughter-in-law of Yeo Siew Heng and Chan Kim Yeo

For information purposes, Loke Sau Leng, a Human Resources Manager of GHS Food Industries, is the spouse of Yeo Tian Seng, our Promoter, substantial shareholder and Executive Director. She will be a shareholder of our Company assuming she fully subscribes for the Pink Form Shares allocated to her, holding 0.03% of our enlarged total number of issued Shares. For the avoidance of doubt, Loke Sau Leng is not our Promoter, substantial shareholder, Director and key senior management.

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6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

Our Company was incorporated under the name of Guan Huat Seng Holdings Sdn Bhd in Malaysia on 1 November 2024 under the Act as a private limited company. Subsequently, on 11 March 2025, our Company was converted to a public limited company and assumed its present name to embark on the Listing.

Our Company is an investment holding company. Through our Subsidiaries, we are predominantly involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks and general grocery products.

There has been no material change in the manner in which our Company conducts its business or activities since our incorporation up to the LPD.

Please refer to Section 7.1 of this Prospectus for detailed information of our Group's history.

6.2 LISTING SCHEME

In conjunction with, and as an integral part of our Listing, the details of our Listing Scheme are as follows:

6.2.1 Acquisitions of Subsidiaries

(i) Acquisition of GHS Heng Kee

Our Company had on 28 February 2025 entered into a conditional share sale agreement ("**GHS Heng Kee SSA**") with the vendors of GHS Heng Kee (i.e., Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng) to acquire the entire issued share capital of GHS Heng Kee for a purchase consideration of RM27,770,000. The purchase consideration was fully satisfied by the issuance of 277,700,000 new Shares at an issue price of RM0.10 per Share to the vendors of GHS Heng Kee, as follows:

Vendors	Shareholdings in GHS Heng Kee		Purchase consideration (RM)	No. of Shares issued
	No. of ordinary shares held	(%)		
Chan Kim Yeo	250,000	50.00	13,885,000	138,850,000
Yeo Tien Ee	150,000	30.00	8,331,000	83,310,000
Yeo Tian Seng	100,000	20.00	5,554,000	55,540,000
Total	500,000	100.00	27,770,000	277,700,000

The purchase consideration of RM27.77 million for the Acquisition of GHS Heng Kee was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of GHS Heng Kee as at 31 July 2024 of RM27,770,311.

The completion of the Acquisition of GHS Heng Kee was conditional upon the fulfilment of the conditions precedent in the GHS Heng Kee SSA, which included amongst others, the approval of Bursa Securities in relation to the Listing as set out in Section 2.1.1 of this Prospectus being obtained. The Acquisition of GHS Heng Kee was completed on 17 October 2025.

The Shares allotted and issued under the Acquisition of GHS Heng Kee rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/ or other distributions, the entitlement date of which is subsequent to the date of allotment of the Shares.

6. INFORMATION ON OUR GROUP (Cont'd)**(ii) Acquisition of GHS Food Industries**

Our Company had on 28 February 2025 entered into a conditional share sale agreement (“**GHS Food Industries SSA**”) with the vendors of GHS Food Industries (i.e., Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng) to acquire the entire issued share capital of GHS Food Industries for a purchase consideration of RM7,580,000. The purchase consideration was fully satisfied by the issuance of 75,800,000 new Shares at an issue price of RM0.10 per Share to the vendors of GHS Food Industries, as follows:

Vendors	Shareholdings in GHS Food Industries		Purchase consideration (RM)	No. of Shares issued
	No. of ordinary shares held	(%)		
Chan Kim Yeo	516,000	33.30	2,523,406	25,234,060
Yeo Tien Ee	517,000	33.35	2,528,297	25,282,970
Yeo Tian Seng	517,000	33.35	2,528,297	25,282,970
Total	1,550,000	100.00	7,580,000	75,800,000

The purchase consideration of RM7.58 million for the Acquisition of GHS Food Industries was arrived based on a “willing-buyer willing-seller” basis after taking into consideration the audited NA of GHS Food Industries as at 31 July 2024 of RM7,587,886.

The completion of the Acquisition of GHS Food Industries was conditional upon the fulfilment of the conditions precedent in the GHS Food Industries SSA, which included amongst others, the approval of Bursa Securities in relation to the Listing as set out in Section 2.1.1 of this Prospectus being obtained. The Acquisition of GHS Food Industries was completed on 17 October 2025.

The Shares allotted and issued under the Acquisition of GHS Food Industries rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/ or other distributions, the entitlement date of which is subsequent to the date of allotment of the Shares.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.2.2 Public Issue

Pursuant to the Public Issue, we shall issue 120,000,000 Public Issue Shares at our IPO Price to be allocated in the following manner:

- (i) 23,800,000 Public Issue Shares will be offered to the Malaysian Public by way of balloting, of which at least 50% will be set aside for Bumiputera public investors;
- (ii) 14,000,000 Pink Form Shares will be made available for application by the Eligible Parties; and
- (iii) 82,200,000 Public Issue Shares will be made available for private placement to selected investors, of which:
 - (a) 59,200,000 Public Issue Shares will be reserved for selected Bumiputera investors approved by MITI; and
 - (b) 23,000,000 Public Issue Shares will be reserved for selected investors.

Please refer to Section 4.3.1 of this Prospectus for further details on the Public Issue.

Upon completion of our Public Issue, our share capital will increase from RM35,350,100 comprising 353,500,100 Shares to RM65,350,100 comprising 473,500,100 Shares.

6.2.3 Offer for Sale

Concurrently with our Listing, our Offerors will undertake an Offer for Sale of 21,000,000 Offer Shares at our IPO Price by way of private placement to selected investors.

6.2.4 Listing

Upon completion of our IPO, our Company's entire enlarged issued share capital of RM65,350,100 comprising 473,500,100 Shares shall be listed on the ACE Market.

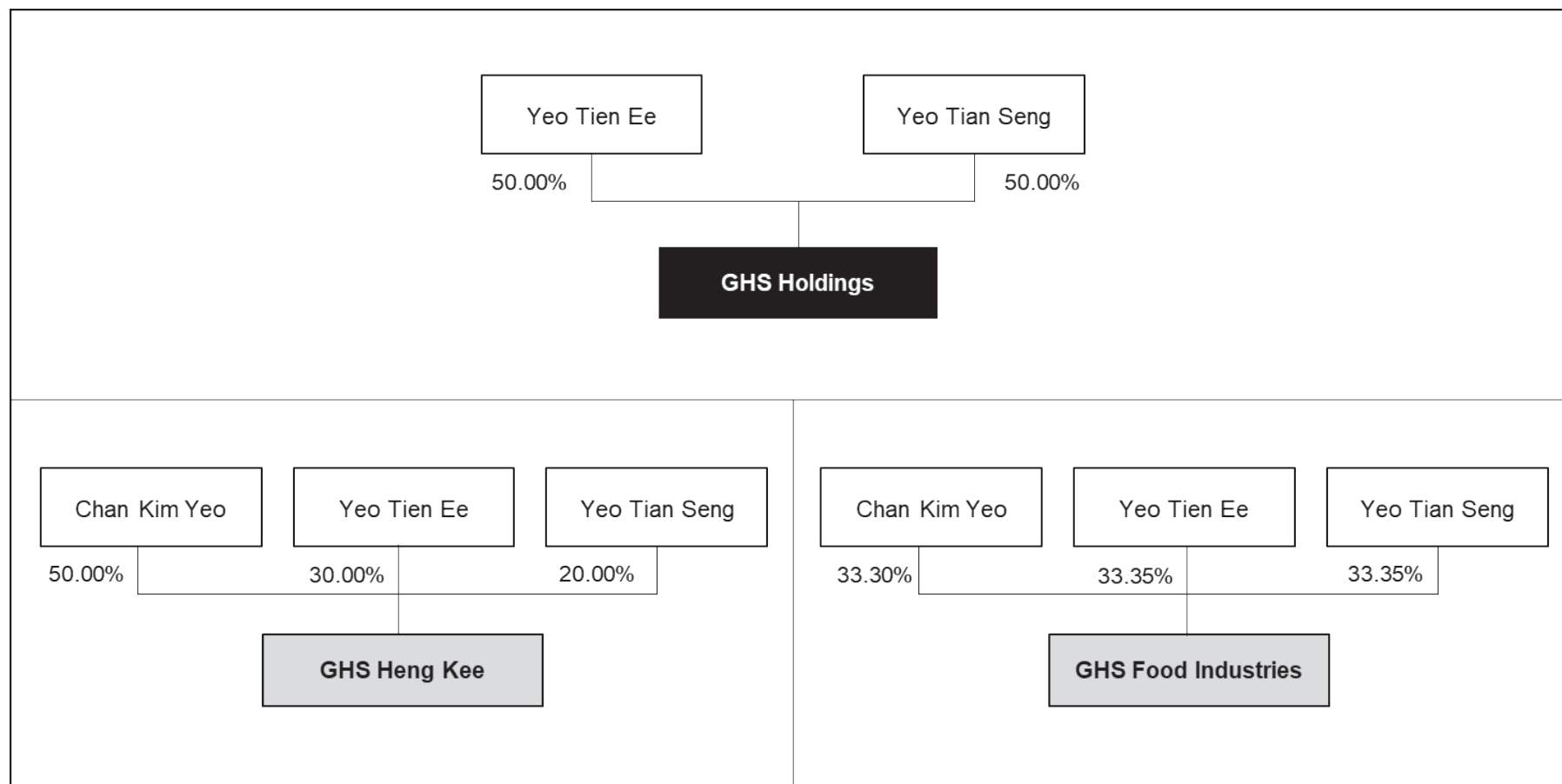
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6. INFORMATION ON OUR GROUP (Cont'd)

6.3 OUR GROUP STRUCTURE

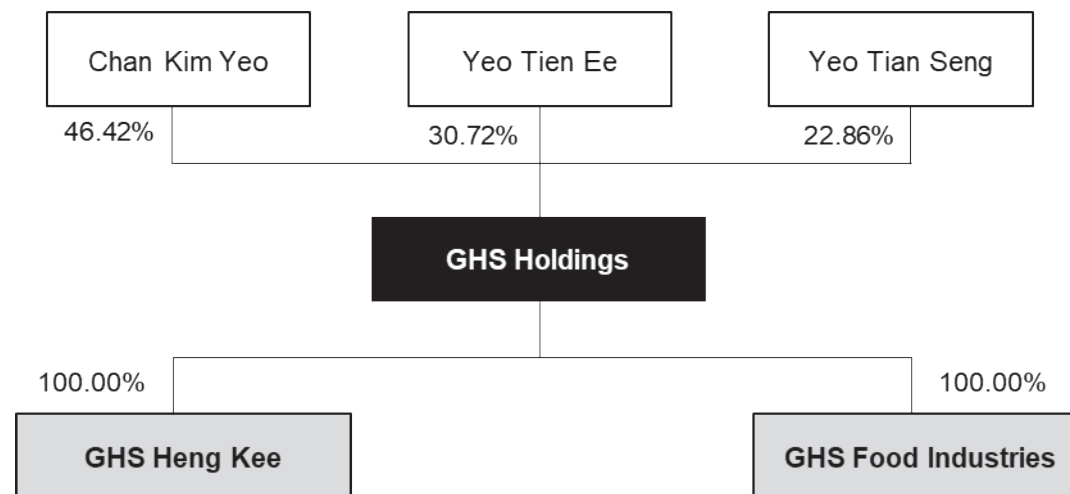
Our Group's corporate structure before and after the Acquisitions of Subsidiaries is as follows:

Group structure before the Acquisitions of Subsidiaries



6. INFORMATION ON OUR GROUP (Cont'd)

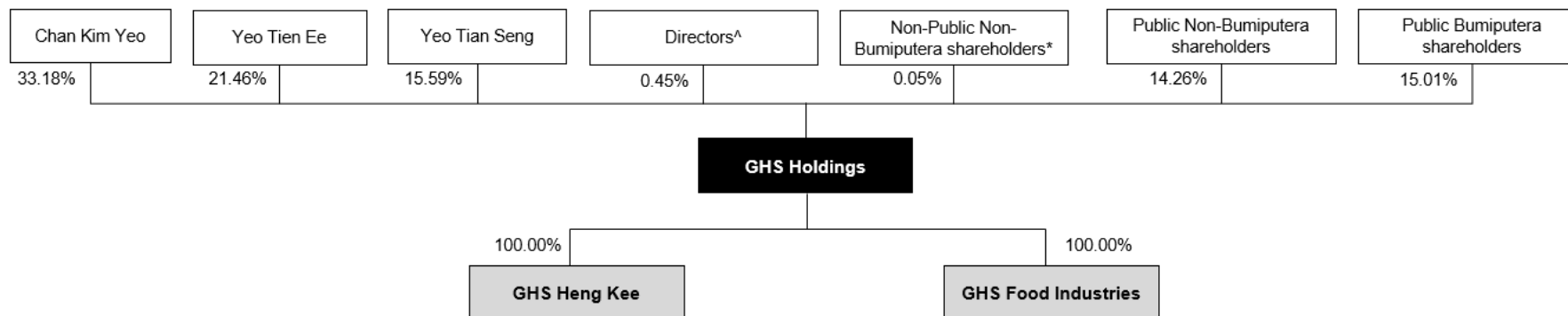
Group structure after the Acquisitions of Subsidiaries and before our IPO



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6. INFORMATION ON OUR GROUP (Cont'd)

Group structure after the Acquisitions of Subsidiaries and after our IPO



Notes:

[^] Excludes Yeo Tien Ee's (Managing Director) and Yeo Tian Seng's (Executive Director) shareholdings.

* Being collective shareholdings held by Kuan Lee Sia (spouse of Yeo Tien Ee) and Loke Sau Leng (spouse of Yeo Tian Seng).

As at the date of this Prospectus, our Company does not have any associated companies or joint ventures. Further details of our Subsidiaries are set out in Section 6.5 of this Prospectus.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.4 OUR SHARE CAPITAL**

As at the date of this Prospectus, our issued share capital is RM35,350,100 comprising 353,500,100 Shares. The changes in our issued share capital since our incorporation are as follows:

Date of allotment	No. of Shares allotted	Type of issue/ Consideration	Cumulative issued share capital (RM)
1 November 2024	100	Subscribers' shares/ RM100	100
17 October 2025	353,500,000	Pursuant to Acquisitions of Subsidiaries/ RM35,350,000	35,350,100

There were no discounts, special terms or instalment payment terms applicable to the consideration given for the shares allotted.

Upon completion of our IPO, our issued share capital will increase to RM65,350,100 comprising 473,500,100 Shares.

There were no outstanding warrants, options, convertible securities or uncalled capital in respect of the shares in our Company as at the LPD.

6.5 OUR SUBSIDIARIES**6.5.1 Information on GHS Heng Kee****(i) Background and principal activities**

GHS Heng Kee was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 6 July 1979 under its present name. GHS Heng Kee is principally involved in distribution and retail of food products.

GHS Heng Kee's principal place of business is located at Bangunan GHS.

(ii) Share capital

As at the LPD, the issued share capital of GHS Heng Kee is RM500,000 comprising 500,000 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of GHS Heng Kee for the Periods Under Review and up to the LPD:

Date of allotment	No. of shares allotted	Type of issue / Consideration	Cumulative issued share capital (RM)
6 December 2023	400,000	Cash allotment/ RM400,000	500,000

None of the ordinary shares of GHS Heng Kee were issued at discounts, on special terms or based on instalment payment terms.

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in GHS Heng Kee.

6. INFORMATION ON OUR GROUP (Cont'd)**(iii) Substantial shareholder**

As at the LPD, GHS Heng Kee is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of GHS Heng Kee are Yeo Siew Heng, Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng.

(v) Subsidiary, associate and joint venture

As at the LPD, GHS Heng Kee does not have any subsidiary, associate or joint venture.

6.5.2 Information on GHS Food Industries**(i) Background and principal activities**

GHS Food Industries was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 3 August 2015 under its present name. GHS Food Industries is principally involved in manufacturing of food products.

GHS Food Industries' principal place of business is located at Property 30 and Property 32.

(ii) Share capital

As at the LPD, the issued share capital of GHS Food Industries is RM1,550,000 comprising 1,550,000 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of GHS Food Industries for the Periods Under Review and up to the LPD:

Date of allotment	No. of shares allotted	Type of issue / Consideration	Cumulative issued share capital (RM)
29 September 2023	49,997	Cash allotment/ RM49,997	350,000
5 July 2024	1,200,000	Otherwise than cash/ RM1,200,000	1,550,000

None of the ordinary shares of GHS Food Industries were issued at discounts, on special terms or based on instalment payment terms.

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in GHS Food Industries.

(iii) Substantial shareholder

As at the LPD, GHS Food Industries is our wholly-owned subsidiary.

6. INFORMATION ON OUR GROUP (Cont'd)

(iv) Directors

As at the LPD, the directors of GHS Food Industries are Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng.

(v) Subsidiary, associate and joint venture

As at the LPD, GHS Food Industries does not have any subsidiary, associate or joint venture.

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7. BUSINESS OVERVIEW

7.1 OUR HISTORY AND BACKGROUND

7.1.1 Incorporation and history

Our Company was incorporated in Malaysia under the name of Guan Huat Seng Holdings Sdn Bhd on 1 November 2024 under the Act as a private limited company. Subsequently, on 11 March 2025, our Company was converted to a public limited company and assumed our present name of Guan Huat Seng Holdings Berhad to embark on our Listing.

The history of our business can be traced back to the incorporation of GHS Heng Kee in 1979 by our founders, Yeo Siew Heng and his spouse, Chan Kim Yeo where each of them held 50.00% equity interest in the company. Yeo Siew Heng is the father and Chan Kim Yeo is the mother of both our Directors, Yeo Tien Ee (Managing Director) and Yeo Tian Seng (Executive Director). GHS Heng Kee was mainly involved in the retail and distribution of dried and frozen seafoods and other food products. The Guan Huat Seng (“源发成”) brand has been in existence since the 1930s for the retail of marine products and involved in dealing dry seafood, canned food products, and sundry goods. The brand has been passed down in generations by the Yeo family in Melaka, Malaysia, prior to the establishment of GHS Heng Kee in 1979.

Our current Managing Director, Yeo Tien Ee joined GHS Heng Kee in 1997 as a Marketing Executive before he was appointed as director of GHS Heng Kee in the same year. In 1997, Yeo Siew Heng transferred 20.00% of equity interest to Yeo Tien Ee. Subsequent to the completion of the share transfer, the shareholders and their respective equity interests in GHS Heng Kee were Chan Kim Yeo (50.00%), Yeo Siew Heng (30.00%) and Yeo Tien Ee (20.00%).

In 2014, Yeo Siew Heng ceased to be a shareholder pursuant to the transfer of 20.00% of equity interest to Yeo Tian Seng and 10.00% of equity interest to Yeo Tien Ee. Our Executive Director, Yeo Tian Seng joined GHS Heng Kee in 2014 as a director. Subsequent to the completion of the share transfer and prior to the completion of the Acquisitions of Subsidiaries, the shareholders and their equity interest in GHS Heng Kee were Chan Kim Yeo (50.00%), Yeo Tien Ee (30.00%) and Yeo Tian Seng (20.00%). As at the LPD, GHS Holdings held 100.00% equity interest in GHS Heng Kee.

In 2002, we formed GHS Heng Kee Enterprise, a partnership between Yeo Tien Ee, Chan Kim Yeo and Kuan Lee Sia. Kuan Lee Sia is the spouse of our Managing Director, Yeo Tien Ee. GHS Heng Kee Enterprise was mainly involved in the manufacturing of flavouring products.

In 2015, we incorporated GHS Food Industries to take over the business of GHS Heng Kee Enterprise, which ceased operations in 2016. GHS Heng Kee Enterprise was terminated in April 2016. GHS Food Industries was incorporated by Yeo Tien Ee, Yeo Tian Seng and Chan Kim Yeo where each of them held 33.33% of equity interests respectively. GHS Food Industries is involved in the manufacturing of flavouring products. Subsequent to the issuance of shares to Yeo Tien Ee, Yeo Tian Seng and Chan Kim Yeo in 2016, 2023 and 2024, their eventual shareholding was 33.35%, 33.35% and 33.30% respectively. As at the LPD, GHS Holdings held 100.00% equity interest in GHS Food Industries.

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7. BUSINESS OVERVIEW (Cont'd)

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

Year	Key events and milestones
1979	We incorporated GHS Heng Kee and commenced our business in the retail and distribution of dried and frozen seafoods and other food products. We operated from 2 units of rented premises in Kampung Pantai, Melaka with a total built-up area of approximately 7,790 sq. ft, where we established our first retail outlet.
2002	<p>We expanded our operations to form GHS Heng Kee Enterprise, a partnership focused on the manufacturing of food products. We commenced our food manufacturing operations in a premise in Taman Perindustrian Merdeka, Melaka with an annual production capacity of approximately 28 tonne per year.</p> <p>Between 2002 and 2016, we continued to expand our production capacity progressively by incorporating additional equipment, mainly food processing and packaging equipment for our manufacturing operations. Between 2016 and up to the LPD, the annual production capacity for our manufacturing operations is approximately 1,434 tonne per year.</p>
2004	<p>We obtained our first export sales for our in-house manufactured flavouring products from a customer who is a reseller in Hong Kong. Since then and up to the LPD, we have expanded our export sales to other countries including Korea, Singapore, Australia, UK, USA, the Philippines and others for the Periods Under Review.</p> <p>We also obtained our first third-party contract manufacturing sales from the same reseller in Hong Kong to manufacture sauces and pastes under their brand names. We were responsible for the sourcing of raw materials, manufacturing, and packaging of the products in accordance with the customer's specifications. Since then and up to the LPD, we continued to obtain sales from this customer during the Periods Under Review.</p>
2006 - 2007	<p>In 2006, through GHS Heng Kee Enterprise, we acquired a 1 ½-storey semi-detached factory building in Taman Teknologi Cheng, Melaka, and relocated our manufacturing operations from Taman Perindustrian Merdeka, Melaka to this facility (Property 30). Property 30 has a total built-up area of approximately 9,203 sq. ft.</p> <p>In 2007, we established our in-house transportation fleet by acquiring a van to facilitate the distribution of our products to our customers.</p>
2009 - 2010	<p>In 2009, we acquired a 1 ½-storey warehouse (Property 3) in Taman Teknologi Cheng, Melaka with a built-up area of approximately 24,948 sq. ft.</p> <p>In 2009, we obtained our first sales from a hypermarket, namely Aeon (formerly known as Jusco) for the distribution of our brands of products. Since then and up to the LPD, we continued to obtain sales from this customer during the Periods Under Review.</p> <p>In 2010, we acquired a 1 ½-storey semi-detached factory building located next to our manufacturing facility in Taman Teknologi Cheng, Melaka (Property 32) with a built-up area of 9,203 sq. ft.</p>
2011	We obtained our first Hazard Analysis and Critical Control Point (HACCP) certificate for our manufacturing operations. The HACCP is an internationally recognised food safety management system that focuses on identifying hazards and putting in place controls throughout the supply chain.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key events and milestones
2013	We obtained our first Halal certification for our manufactured food products.
2015	<p>We incorporated GHS Food Industries to take over the business operations of GHS Heng Kee Enterprise, a partnership. GHS Heng Kee Enterprise was terminated in 2016.</p> <p>During the same year, we acquired a piece of land of approximately 55,553 sq. ft. in Jalan Tengker, Melaka and commenced construction of Bangunan GHS, a 4-storey building with mezzanine floor in 2017.</p>
2017	We obtained our Food Safety is the Responsibility of the Industry (MeSTI) certification from the MOH which certifies that our manufacturing operations meet the minimum requirements of the Food Hygiene Regulations 2009.
2019	We completed the construction of the 4-storey building with mezzanine floor in Jalan Tengker, Melaka. Following this, we consolidated GHS Heng Kee's operational facilities and relocated to this new facility which houses our current head office, distribution centre, retail outlet, and storage space (Bangunan GHS), which has a built-up area of approximately 62,334 sq. ft.
2020	We commenced the sales of our products through a third-party e-commerce platform, namely Shopee. Since then and up to the LPD, we also retail our products through other third-party e-commerce platforms including Lazada and GrabMart.
2022 - 2024	<p>In 2022, we acquired a premise which is used as our storage space (Property 1595-1) in Taman Perindustrian Krubong, Melaka.</p> <p>In 2024, we acquired Property 1587 with a land area of approximately 22,421 sq. ft in the same area intended for future expansion for our manufacturing operations (New Krubong Facility). For further details of our business strategies and plans, please refer to Section 7.15.1.2 of this Prospectus.</p> <p>In 2024, as part of our plans to expand our distribution and retail operations, we acquired Property 8794 with a land area of approximately 262,230 sq. ft. in Batu Berendam, Melaka. The land is intended for the construction of the New Integrated Complex as part of our future plans. For further details of our business strategies and plans, please refer to Section 7.15.1.1 of this Prospectus.</p>

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7. BUSINESS OVERVIEW (Cont'd)**7.1.2 Accreditations, awards and recognition**

For the Periods Under Review and up to LPD, we obtained the following award and recognition:

Year	Key award and recognition	Awarding party
2024	Melaka time-honoured brand	Persatuan Usahawan Maju Malaysia (Malaysia Entrepreneur's Development Association - Melaka State Liaison)
2025	Superior Taste Award for Crispy Prawn Chilli	International Taste Institute

As at the LPD, our wholly-owned subsidiary, namely GHS Food Industries has been accredited with the following certifications and management systems:

Accreditation	Scope	Issuing party	Validity period
HACCP MS 1480:2019	Management system applicable to production of sauces, pastes, spreads, seasoning powder, fried onions, and shallot as well as repacking of dried seafood products.	Intertek Certification International Sdn Bhd	Please refer to Annexure B of this Prospectus for further details.
Halal certificate	Halal Certificate of Authentication for various food products	JAKIM	
MeSTI certificate	Certification of MeSTI	MOH	

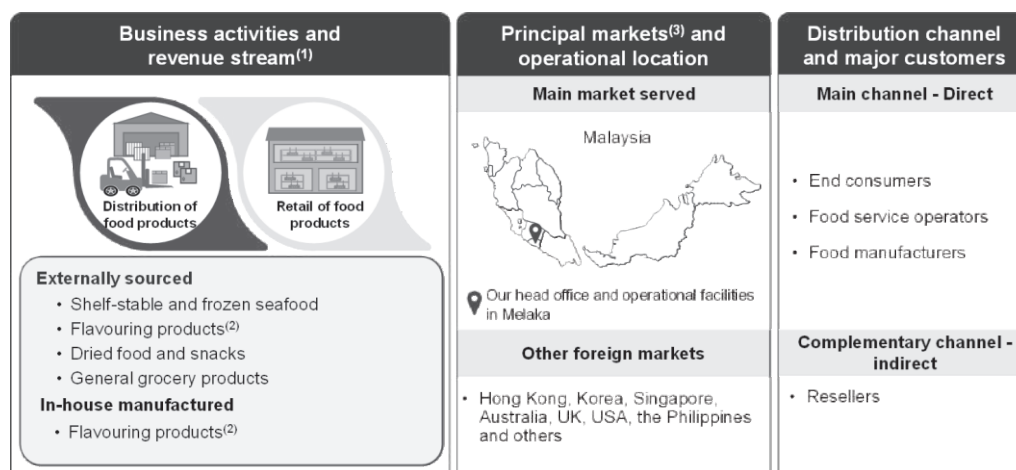
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7. BUSINESS OVERVIEW (Cont'd)

7.2 OVERVIEW OF OUR BUSINESS

7.2.1 Our business model

Our business model is as follows:



Notes:

- (1) Our main business activities are in the distribution of food products which accounted for 83.56%, 84.28%, 85.09% and 86.96% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. In addition, we are involved in the retail of food products which accounted for 16.44%, 15.72%, 14.91% and 13.04% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The food products that we distribute and retail include shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products that are either sourced externally from third-party suppliers or manufactured in-house at our manufacturing facilities in Melaka.
- (2) Our externally sourced flavouring products accounted for 14.76% (RM10.52 million), 14.31% (RM11.63 million), 17.55% (RM14.89 million) and 15.13% (RM14.09 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our in-house manufactured flavouring products accounted for 14.70% (RM10.47 million), 14.30% (RM11.64 million), 16.39% (RM13.90 million) and 20.52% (RM19.10 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.
- (3) Our main market served is Malaysia which contributed 89.01% (RM63.39 million), 91.15% (RM74.15 million), 87.35% (RM74.09 million) and 88.47% (RM82.38 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The remaining revenue was contributed by countries including Hong Kong, Korea, Singapore, Australia, UK, USA, the Philippines and other foreign countries. Please refer to Section 7.2.3 of this Prospectus for further details of our revenue contribution by market served.

7.2.2 Business activities and revenue streams

We are principally involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. The food products that we distribute and retail include both externally sourced and in-house manufactured products. We are supported by our manufacturing facilities in Property 30 and Property 32 in Melaka where we manufacture flavouring products including condiments, sauces and pastes, herbs, spices and seasonings.

7. BUSINESS OVERVIEW (Cont'd)

7.2.2.1 Distribution and retail of food products segments**(i) Distribution of food products segment**

Our main revenue contributor is from the distribution of shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.

We distribute these food products to resellers including wholesalers and retailers such as supermarkets, hypermarkets, minimarkets, convenience store, traditional Chinese medical halls, market stalls and other resellers including e-commerce platforms who would resell our products to their respective customers. In addition, we distribute our products to food service operators who would use our products as ingredients to create ready-to-eat dishes. We also distribute our products to food manufacturers who would use our products as input materials in their manufacturing process.

The products that we distribute include both externally sourced and in-house manufactured products that are sold under our brands and third-party brands, while some of the products are without any brand.

(ii) Retail of food products segment

We also operate one retail outlet with a built-up area of approximately 4,334 sq. ft. located at our Bangunan GHS in Melaka. Our retail outlet offers a range of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.

While most of the food products we offer are packaged, we also offer loose products sold by weight such as dried foods including sea cucumber, scallops, fish maw, prawns, abalone, birds' nests, anchovies, salted fish, mushrooms, nuts, seeds, herbs, fruits, roots, and fungus. In addition, we retail a small proportion of non-food products such as packaging materials.

We also have online retail through our website and third-party platforms such as Shopee, Lazada and GrabMart. We handle the entire process, including order acceptance, acceptance of payment which are processed through the payment gateway of the respective platforms, picking and packaging, as well as arrangement for the dispatching of the online orders.

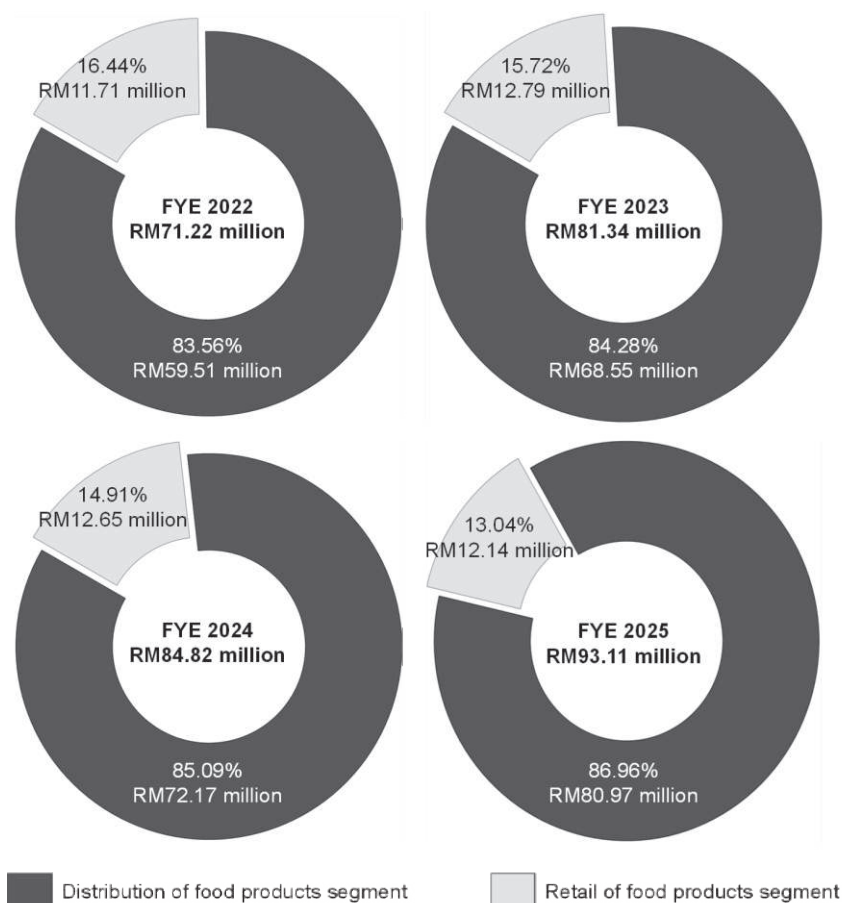
The products that we retail include both externally sourced and in-house manufactured products. These products are either sold under our brands and third-party brands, while some of the products are without any brand.

For the distribution and retail of food products under third-party brands, our purchases from the suppliers are based on purchase orders. As at the LPD, we have a dealership authorisation from a supplier to distribute preserved mustard cabbage easypack in Malaysia as well as a distribution agreement with another supplier for the distribution of confectioneries in Negeri Sembilan.

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7. BUSINESS OVERVIEW (Cont'd)

For the Periods Under Review, our revenue by business activities is depicted below:



For the Periods Under Review, details of our revenue by business activities are as follows:

Revenue	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution of food products segment	59,507	83.56	68,556	84.28	72,174	85.09	80,967	86.96
Shelf-stable and frozen seafood	23,817	33.44	27,587	33.91	25,451	30.01	27,384	29.41
Flavouring products ⁽¹⁾	18,731	26.30	20,666	25.41	26,210	30.90	30,698	32.97
Dried food and snacks	9,921	13.93	11,249	13.83	12,405	14.62	13,745	14.76
General grocery products	7,038	9.89	9,054	11.13	8,108	9.56	9,140	9.82
Retail of food products segment	11,711	16.44	12,788	15.72	12,648	14.91	12,146	13.04
Shelf-stable and frozen seafood	4,459	6.26	4,909	6.03	4,499	5.30	4,569	4.91
Flavouring products ⁽¹⁾	2,252	3.16	2,601	3.20	2,581	3.04	2,497	2.68
Dried food and snacks	3,653	5.13	3,781	4.65	4,026	4.75	3,824	4.11
General grocery products	1,347	1.89	1,497	1.84	1,542	1.82	1,256	1.34
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Note:

(1) Include externally sourced and in-house manufactured products.

7. BUSINESS OVERVIEW (Cont'd)

7.2.2.2 Products

The products that we distribute and retail can be categorised as follows:

(i) Shelf-stable and frozen seafood

Shelf-stable seafood refers to non-perishable seafood that can be safely stored at room temperature for extended periods without refrigeration. This type of seafood are typically processed using methods such as canning, drying, and salting.

Frozen seafood refers to seafood that must be stored in a freezer to preserve freshness. We do not distribute and retail fresh seafood. The range of shelf-stable and frozen seafood that we distribute include, among others, sea cucumber, abalone, shark fin, scallops, fish maw, prawns, anchovies, fish and others. For the Periods Under Review, we have approximately 1,400 SKUs under shelf-stable and frozen seafood category.

(ii) Flavouring products

Flavouring products comprise condiments, sauces and pastes, herbs, spices and seasonings which are used as ingredients during food preparation.

Condiments are ready-to-eat seasonings and sauces that can be added directly to prepared foods to complement the flavour of a prepared dish. It includes products such as chilli sauce and paste, fried shallots, fried garlic, tomato sauce and others.

Sauces and pastes are ready-to-cook products that are incorporated into the food during the cooking process. These ingredients are added to impart or modify the aroma and taste of a dish, contributing to the overall taste profile of the dish. It includes products such as soy sauce, satay sauce, curry paste, laksa pastes and others.

Herbs, spices and seasonings are ingredients incorporated into the food during the cooking process to enhance the flavour of the dish. It includes products such as turmeric, ground pepper, fish powder, cinnamon, ginseng, salted egg powder and others.

For the Periods Under Review, we have approximately 4,200 SKUs under the flavouring products category.

(iii) Dried food and snacks

Dried food and snacks comprise a range of products that have undergone dehydration or drying processes and can be stored at room temperature for extended periods without refrigeration. The range of dried food and snacks we distribute and retail include rice and flour-based products, mushrooms and fungus, beans, nuts and seeds and others.

For the Periods Under Review, we have approximately 3,500 SKUs under the dried food and snacks product category.

(iv) General grocery products

We also distribute and retail a broad range of general grocery products including, among others, other canned foods, frozen meat and others. In addition, a small proportion of our revenue is from the distribution of non-food products such as packaging materials. For the Periods Under Review, we have approximately 1,500 SKUs under the general grocery products category.

7. BUSINESS OVERVIEW (Cont'd)

For the Periods Under Review, our revenue by products is as below:

Revenue	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shelf-stable and frozen seafood	28,276	39.70	32,496	39.94	29,950	35.31	31,953	34.32
Flavouring products ⁽¹⁾	20,983	29.46	23,267	28.61	28,791	33.94	33,195	35.65
Dried food and snacks	13,574	19.06	15,030	18.48	16,431	19.37	17,569	18.87
General grocery products	8,385	11.78	10,551	12.97	9,650	11.38	10,396	11.16
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Note:

(1) Include externally sourced and in-house manufactured products.

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7. BUSINESS OVERVIEW (Cont'd)**7.2.2.3 Our source of supply**

The food products that we distribute and retail include both externally sourced and in-house manufactured products as indicated below:

	Externally sourced	In-house manufactured
Shelf-stable and frozen seafood	√	-
Flavouring products	√	√
Dried food and snacks	√	-
General grocery products	√	-

Externally sourced products

For the Periods Under Review, the majority of the products that we distribute and retail are sourced from third-party suppliers, which accounted for 85.30%, 85.70%, 83.61% and 79.48% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our externally sourced products include shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products where we resell them without further processing. Our suppliers may require minimum purchase quantities for the sourcing of certain products. However, such minimum quantities are commercially agreed on a case-by-case basis and may vary between suppliers and product categories.

In-house manufactured products

We also distribute and retail our in-house manufactured products focusing on flavouring products including condiments, sauces and pastes, herbs, spices and seasonings. In addition, we offer contract manufacturing services, where we are engaged to manufacture flavouring products packaged under our customers' brand names.

Our revenue by externally sourced and in-house manufactured products are as below:

Revenue	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Externally sourced	60,753	85.30	69,709	85.70	70,919	83.61	74,009	79.48
Shelf-stable and frozen seafood	28,276	39.70	32,496	39.94	29,950	35.31	31,953	34.32
Flavouring products	10,518	14.76	11,632	14.31	14,888	17.55	14,091	15.13
Dried food and snacks	13,574	19.06	15,030	18.48	16,431	19.37	17,569	18.87
General grocery products	8,385	11.78	10,551	12.97	9,650	11.38	10,396	11.16
In-house manufactured	10,465	14.70	11,635	14.30	13,903	16.39	19,104	20.52
Flavouring products	10,465	14.70	11,635	14.30	13,903	16.39	19,104	20.52
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

7. BUSINESS OVERVIEW (Cont'd)**7.2.2.4 Products by brands**

Within our distribution and retail operations, we offer a diverse range of products sold under our brands and third-party brands, while some of the products are without any brands.

Our distribution and retail business operates under our corporate brand, “GHS”, which serves to strengthen the brand equity of both our corporate identity and product offerings. Additionally, we have product-specific brands, “Heng’s”, “Makbest”, “SunCity”, “McCann”, “OceanStars”, “Sky Chef”, “GHSHK” and “Cai Yan”.

For the Periods Under Review, our revenue segmentation by brands of products that we distribute and retail are as below:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Revenue	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Products without brands	27,400	38.47	31,822	39.12	31,248	36.84	26,947	28.94
- Externally sourced	27,400	38.47	31,822	39.12	31,248	36.84	26,836	28.82
- In-house manufactured	-	-	-	-	-	-	(2) 111	0.12
Third-party brands	20,274	28.47	27,235	33.48	32,296	38.08	38,348	41.18
- Externally sourced	18,769	26.35	24,699	30.36	28,042	33.06	33,675	36.16
- In-house manufactured ⁽¹⁾	1,505	2.12	2,536	3.12	4,254	5.02	4,673	5.02
Our brands	23,544	33.06	22,287	27.40	21,278	25.08	27,818	29.88
- Externally sourced	14,584	20.48	13,188	16.21	11,629	13.71	13,498	14.50
- In-house manufactured	8,960	12.58	9,099	11.19	9,649	11.37	14,320	15.38
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Notes:

(1) It refers to the contract manufacturing of flavouring products for our customers which are sold under the customers' respective brands.

(2) Includes in-house manufactured flounder fish seasoning and fried shallots, which are sold without a brand.

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7. BUSINESS OVERVIEW (Cont'd)

7.2.3 Geographical markets

We operate in Malaysia where our head office, retail outlet, distribution centre, and manufacturing facilities are located in Melaka. For the Periods Under Review, our revenue contribution from the domestic market accounted for 89.01% (RM63.39 million), 91.15% (RM74.15 million), 87.35% (RM74.09 million) and 88.47% (RM82.38 million) for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The remainder of our revenue was derived from export sales to countries, mainly Hong Kong and other foreign countries.

Our revenue from the domestic market was contributed by shelf-stable and frozen seafood, flavouring products, dried food and snacks as well as general grocery products. As for foreign markets, our revenue was mainly from the export sales of flavouring products.

Revenue contribution by market served (based on invoice address) for the Periods Under Review are set out below:

Revenue	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic market	63,392	89.01	74,148	91.15	74,091	87.35	82,376	88.47
Southern region ⁽¹⁾	37,608	52.81	46,403	57.05	47,953	56.53	50,808	54.57
Central region ⁽²⁾	21,710	30.48	23,154	28.46	22,720	26.79	28,062	30.14
Northern region ⁽³⁾	3,244	4.56	3,853	4.74	2,792	3.29	2,956	3.17
Other regions ⁽⁴⁾	830	1.16	738	0.90	626	0.74	550	0.59
Foreign markets⁽⁵⁾	7,826	10.99	7,196	8.85	10,731	12.65	10,737	11.53
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Notes:

- (1) Southern region covers Johor, Melaka and Negeri Sembilan.
- (2) Central region covers Kuala Lumpur and Selangor.
- (3) Northern region covers Penang and Perak.
- (4) Other regions in domestic market comprise East Coast region (covers Pahang, Terengganu and Kelantan) and East Malaysia (covers Sabah and Sarawak).
- (5) Foreign markets mainly include Hong Kong with revenue contribution of 5.65% (RM4.02 million), 3.53% (RM2.88 million), 4.45% (RM3.77 million) and 4.05% (RM3.77 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. It also includes other foreign countries namely Korea, Singapore, Australia, UK, USA, the Philippines, Brunei, Indonesia, Taiwan, China, Thailand, Canada, Ireland, Dubai and New Zealand where each of them accounted for less than 3.00% of our total revenue during the respective Periods Under Review.

During the Periods Under Review, our revenue from the USA only accounted for 0.41% (RM0.29 million), 0.05% (RM0.04 million), 0.89% (RM0.75 million) and 0.69% (RM0.65 million) of the total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Given that revenue contributions from the USA represented less than 1.00% of our total revenue during the Periods Under Review, the impact of USA tariffs on our overall business operations and financial performance is not expected to be material.

During the Periods Under Review, our revenue from Hong Kong and the UK was from one single customer in each market.

7. BUSINESS OVERVIEW (Cont'd)

7.2.4 Distribution channels and customer base

We adopt both direct and indirect distribution channels as follows:

- We adopt a **direct distribution channel** where we market and sell our products directly to food service operators and food manufacturers who would use our products as ingredients or input materials for their business operations. We also sell to consumers who would purchase our products at our retail outlet and e-commerce platforms.

Our direct distribution channel allows us to maintain greater control over pricing and branding while fostering customer loyalty. It enables us to better understand the needs and preferences of food service operators, food manufacturers and consumers better while obtaining feedback directly from these customers.

- We adopt an **indirect distribution channel** where we market and sell our products to resellers including wholesalers and retailers such as hypermarkets, supermarkets, minimarkets, convenience stores, traditional Chinese medical halls, market stalls and other resellers including e-commerce platforms. These resellers are not the end consumers or end users of our products, instead, they would resell our products in their original form to the end consumers or end users.

Our indirect distribution channel allows us to expand our market reach to new areas including international markets without the need to invest in additional human and infrastructure resources. We utilise resellers as an indirect distribution channel for foreign markets.

For the Periods Under Review, our revenue by distribution channels are set out below:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Direct distribution	32,366	45.45	47,541	58.44	50,278	59.27	52,290	56.16
Food service operators	18,859	26.48	33,547	41.24	36,896	43.50	39,289	42.19
Consumers ⁽¹⁾	12,065	16.94	12,935	15.90	12,844	15.14	12,338	13.25
Food manufacturers	1,442	2.03	1,059	1.30	538	0.63	663	0.72
Indirect distribution	38,852	54.55	33,803	41.56	34,544	40.73	40,823	43.84
Resellers	38,852	54.55	33,803	41.56	34,544	40.73	40,823	43.84
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Note:

- (1) Include sales from walk-in customers at our retail outlet as well as sales from our website and third-party e-commerce platforms.

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7. BUSINESS OVERVIEW (Cont'd)

7.2.5 Mode of operations**7.2.5.1 Distribution of food products segment****Sales and payments**

Sales of products to customers who are food service operators, food manufacturers and resellers including wholesalers and retailers are based on an outright purchase and we do not have any sales of products based on consignment basis. We typically fulfil customer orders including our externally sourced and in-house manufactured products based on purchase orders. Although we have an agreement with a customer to manufacture fried shallots under the customer's brand name, however the sales of our products to this said customer is still based on purchase orders.

Customers have the option to have the goods delivered to a designated destination or collected from our operational facility in Melaka. Ownership and control of the products are transferred to the customer upon their acceptance of the goods. Generally, the delivery costs are incorporated into our product pricing and we do not have a separate charge for product delivery to customers in Malaysia. For export sales, we will charge our customers delivery fees for orders requiring delivery to a designated destination in foreign markets. In addition, we typically do not collect any deposit upon receiving purchase orders for local sales as there are lower costs associated with logistics arrangements for local delivery. For export sales, we may require deposit payment of 30% to 50% of the total order value as some of the upfront costs may be incurred for logistics arrangement.

Typically, our customers from our distribution of food products segment would place their orders on a daily basis or periodically, such as weekly or biweekly, as well as on an ad hoc basis. Once our customers place an order, we typically fulfil their purchase orders within 1 day to 30 days depending on the stock availability. We would invoice our customers upon delivery of the purchase to our customers' designated location or upon collection of the purchase at our operational facilities. We provide our regular customers, with a credit term of 30 to 90 days. As for new customers, we typically require cash payment upon delivery or collection of their purchases.

Product listing fees and rebates for resellers

Generally, we are subjected to various charges imposed by resellers for our products sold through their retail outlets such as supermarkets, hypermarkets, minimarkets and convenience stores. These charges are commonly deducted from our invoices and commonly include some combination of the following:

- product listing fees for shelf-space allocation for our products;
- sales rebates based on agreed rates with the resellers; and
- merchandising support and activity charges based on agreed rates which are commonly for in-store display and promotional activities.

Return policies

Returns are mainly for damaged products identified during inspection of our deliveries. In addition, for certain customers, such as supermarkets and hypermarkets operators, goods are returnable if they have passed their expiry dates. We accept these returns as part of the commercial terms negotiated with these said customers to maintain goodwill, long-term business relationships and ensure that we adhere to the quality and shelf-life standards of our products in the customers' respective retail outlets.

For the Periods Under Review, our returned goods from our distribution of food products segment accounted for less than 2% of our total revenue in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

7. BUSINESS OVERVIEW (Cont'd)

7.2.5.2 Retail of food products segment**Sales and payments**

Our mode of operations for our walk-in retail customers includes acceptance of payments via cash, credit cards, debit cards, and electronic wallets (e-wallets). For purchases made through our website, payment is via credit and debit cards, while transactions on e-commerce platforms like Shopee, Lazada and GrabMart are processed through their respective payment gateways.

Payments made via credit cards, debit cards, and e-wallets are generally received from the issuing financial service providers within 1 day of the transaction date. Payments from e-commerce platforms are typically received within 1 to 8 days from the transaction date.

Return policies

For walk-in retail customers to our retail outlet, all purchases are inspected before purchase. As such, it is not common for these customers to return the products. Nevertheless, in such situations, we would normally replace the products or provide full refund on a case-by-case basis.

For purchases through our website or third-party e-commerce platforms managed by us, we would normally provide full refund via the various credit or debit card facilities or the third-party e-commerce gateways.

7.2.5.3 Product recall policy

As we are involved in the sales of goods to the public, we may be subjected to product recall either initiated voluntarily by us or mandated by the relevant authorities. Recalls are typically initiated when products are suspected of posing health and/ or safety risks to consumers. These risks may arise during production, transit, or while the goods are displayed in retail outlets.

Since the commencement of our business and up to the LPD, we have not experienced any product recall. Nevertheless, we have in place policies and action plans in the event a product recall is initiated. Among others, they include setting up of a team to handle matters in relation to the product recall, conduct investigation on the products claimed to be contaminated, review production records, isolate all suspected products and place in quarantine, identify suspect product that has been dispatched to customers and inform relevant external parties such as wholesalers, retailers to put the particular product on-hold.

Our product recall plans include, among others, a system of product traceability from third-party suppliers or our manufacturing facilities up to our customers. This traceability system primarily involves documenting product details, such as batch number and barcode as well as its distribution channels such as sales to food service operators, food manufacturers, resellers, in-store sales and e-commerce platforms. This system enables us to trace the movement of the products throughout the supply chain in the event a product recall is required.

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7. BUSINESS OVERVIEW (Cont'd)

7.3 OUR COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our competitive advantages and key strengths will provide us with the platform to sustain and grow our business. These are as follows:

7.3.1 Our Guan Huat Seng (“源发成”) brand has been in existence in Malaysia since the 1930s and we have an established track record of approximately 46 years since the establishment of GHS Heng Kee to provide the platform to sustain and grow our business

We have built a solid track record of approximately:

- 95 years since the existence of our Guan Huat Seng (“源发成”) corporate brand in the market in the 1930s, prior to the establishment of GHS Heng Kee in 1979;
- 46 years in operations since the establishment of GHS Heng Kee in 1979, specialising in the distribution of dried and frozen seafood sourced from both domestically and through imports;
- 46 years in retailing since we opened our retail outlet in Melaka, catering to both local and tourist customers in 1979;
- 23 years in manufacturing of food products starting with fish-based seasonings and satay sauce since 2002; and
- 21 years in exports with our first export sale of in-house manufactured flavouring products to Hong Kong in 2004.

Our established track record provides us with the following benefits and advantages that support the sustainability and growth of our business:

- Increased credibility and trust: Our long history of operations has helped us to build our credibility and gain the trust of our customers.
- Strong relationships with major suppliers and customers through an average of 5 years and 13 years as at FYE 2025 which demonstrates strong relationships in ensuring a reliable supply chain and consistent demand for our products.
- Market knowledge and expertise which has helped to facilitate the coverage of domestic market as well as export to foreign markets.
- Improved operational efficiency: Our long-standing business operations have allowed us to optimise processes and run our business efficiently and effectively.
- Customer loyalty and brand recognition: Our established market presence, along with our corporate brand “GHS” and product brands including, among others, “Heng’s” and “Makbest”, have enhanced brand awareness and helped cultivate customer loyalty.
- Ability to scale and diversify: Leveraging from our solid track record and established customer base, we are well positioned to scale our operations, expand our product offerings, enter untapped domestic and international markets, and potentially diversify into complementary product areas.

7. BUSINESS OVERVIEW (Cont'd)

7.3.2 We have a wide domestic distribution network covering 12 states and federal territories in Malaysia and 16 foreign countries to sustain and grow our business

Our distribution of food products segment is our main revenue driver accounting for 83.56% (RM59.51 million), 84.28% (RM68.56 million), 85.09% (RM72.17 million) and 86.96% (RM80.97 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The success of our distribution of food products segment is predicated on our wide distribution network domestically as well as our export markets. For the domestic market, we serve between approximately 920 and 1,000 customers in Malaysia for the Periods Under Review. For our export markets, we serve between approximately 23 and 32 customers in foreign countries for the Periods Under Review.

Our wide distribution network will provide us with the platform to sustain and grow our business.

7.3.3 We serve several segments of the market to provide us with growth opportunities

Our revenue streams are diversified through distribution and retail business activities. Within these two areas, we cater to three distinct customer segments:

- end-users, such as food service operators and food manufacturers;
- resellers, including wholesalers, retailers, hypermarkets, supermarkets, minimarkets, convenience stores, traditional Chinese medical halls, and market stalls; and
- end-consumers through our retail business.

Please refer to Section 7.2.4 of this Prospectus for further details on our revenue by distribution channel and customer base.

Our ability to effectively serve these diverse segments provides us with the following competitive advantages:

- **Broader market coverage:** By addressing multiple segments, we extend our reach to a larger customer base, increasing sales opportunities across diverse demographics and industries.
- **Reduced revenue dependency:** Diversifying our customer base minimises reliance on any single segment, helping us sustain our business even during market fluctuations in one area.
- **Enhanced growth opportunities:** Catering to multiple segments opens avenues for growth in retail, wholesale, food service and food manufacturing markets, maximising market coverage.
- **Resilience in market downturns:** With exposure to multiple customer groups, we are better equipped to sustain our business during economic or sector-specific challenges, maintaining business stability.
- **Scalability and expansion:** The diversity in our market segments provides us with the platform for scaling our operations through introducing new product lines, exploring untapped geographical areas, or increasing our sales within existing market segments.
- **Improved brand awareness:** Serving a wide range of customers enhances our brand visibility, increasing recognition across different sectors and strengthening customer loyalty.

By addressing these various market segments, we create a sustainable approach to business growth, leveraging the advantages of each market segment.

7. BUSINESS OVERVIEW (Cont'd)

7.3.4 We have our brands of products to develop brand equity, and increase brand awareness and customer loyalty to grow our business

We distribute and retail externally sourced and in-house manufactured products using our brands, third-party brands, while some of the products are without any brands. For the Periods Under Review, revenue from our brands of products accounted for 33.06% (RM23.54 million), 27.40% (RM22.29 million), 25.08% (RM21.28 million) and 29.88% (RM27.82 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

Our distribution and retail business operates under our corporate brand, “GHS” and our products are marketed under “Heng’s”, “Makbest”, “SunCity”, “McCann”, “OceanStars”, “Sky Chef”, “GHSHK” and “Cai Yan” which provide us with the following benefits and competitive advantages:

- Increased brand equity: We can actively and directly enhance our brand equity by strengthening brand awareness, improving our brand image, and cultivating customer loyalty. A strong brand presence helps increase sales to existing customers, attract new customers, and build a lasting connection with our target market.
- Greater control over product quality and innovation: Owning our brands allows us to maintain control over product quality and establish a consistent association between our brands and quality standards. It also enables us to lead in product innovation, developing unique offerings that align with our brand values and meet customers’ expectations.
- Pricing flexibility: With our brands, we have the freedom to set prices strategically, addressing opportunities to maximise profitability or competing effectively in the market. This flexibility also allows us to respond to price sensitive customers while protecting our brand’s perceived value.
- Facilitates product line extensions: By leveraging our existing brands, we can introduce new products under the same brand umbrella, offering customers reassurance about the quality and reliability of these new offerings. This approach reduces the costs and risks associated with launching new products and enhances consumers’ trust in our portfolio.
- Flexibility to address market trends and targeted marketing: Our branded products enable us to quickly adapt to emerging market trends by developing new or improved products, launching targeted promotions, or redesigning packaging to appeal to specific customer segments. This agility ensures our brands remain relevant and competitive in a fast-changing consumer market.
- Expansion of market reach: Through strategic promotions, partnerships, and other marketing activities, our brands provide us with the platform to penetrate new markets, both domestically and internationally.
- Enhanced customer loyalty and retention: Our brands help build emotional connections with customers, encouraging repeat purchases and long-term loyalty.
- Competitive differentiation: Our brands create an identity for our products, helping us stand out in a crowded market. This differentiation enables us to compete not just on price but also on quality, innovation, and customer experience.

7. BUSINESS OVERVIEW (Cont'd)

7.3.5 We have in-house manufacturing of flavouring products which are mainly distributed and sold under our brand names

We have in-house manufacturing to support our distribution and retail business activities. Most of our in-house manufactured products are for our brands while a small proportion is serving as a contract manufacturer for third parties.

For the Periods Under Review, revenue from our in-house manufactured products accounted for 14.70% (RM10.47 million), 14.30% (RM11.64 million), 16.39% (RM13.90 million) and 20.52% (RM19.10 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

Our in-house manufacturing offers competitive advantages, including enhanced control over product quality, the ability to drive product and packaging innovation, and the development of unique product formulations. It also provides flexibility in product development, faster responses to market demands, and opportunities for cost efficiency, market differentiation, and brand growth.

7.3.6 We have experienced Directors and key senior management team to sustain and grow our business

We have an experienced management team headed by our Directors including Yeo Tien Ee, our Managing Director as well as Yeo Tian Seng and Lee Chee Kian, our Executive Directors who bring with them between 20 and 28 years of experience in the food distribution and retail industry.

Our Directors are supported by our team of key senior management including:

- Yau Xiang Ying, our Head of Finance, who brings with her over 7 years of experience in accounting related matters;
- Kuan Lee Sia, our Head of Procurement, who brings with her over 23 years of experience in food distribution and retail industry; and
- Cheong Poh Peng, our Head of Human Resources, who brings with her over 7 years of experience in human resource and administrative operations.

We believe our experienced management team will help to sustain and grow our business. Please refer to Sections 5.1.2, 5.2.2 and 5.4.2 of this Prospectus for the profiles of our Directors and key senior management team.

7.3.7 Our products are available in several established retail outlets to provide us with visibility of our brands, and sales volume targeting the consumer market

Through our distribution business, we distribute our products to resellers, including various retail outlets such as hypermarkets, supermarkets, minimarkets, convenience stores, traditional Chinese medical halls, market stalls and other resellers including e-commerce platforms. Additionally, some of our products are available in large retail chains such as Aeon, Lotus's, Jaya Grocer and Village Grocer which would resell our products to their extensive customer base.

These retail chains attract a large and consistent flow of customers across Malaysia, providing significant brand visibility for both our own brands and third-party brands. This increased exposure enhances awareness of our products, driving customer engagement and supporting business growth.

7.3.8 We serve export markets which provide us with opportunities for growth

Revenue derived from export sales accounted for 10.99% (RM7.83 million), 8.85% (RM7.20 million), 12.65% (RM10.73 million) and 11.53% (RM10.74 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. For the Periods Under Review, we sell our products to 16 foreign countries.

7. BUSINESS OVERVIEW (Cont'd)

Export markets provide us with an additional addressable market beyond our domestic market in Malaysia. For the FYE 2025, our largest export market was Hong Kong which accounted for 4.05% (RM3.77 million) followed by other foreign markets including Singapore, Australia, UK, USA, the Philippines and others foreign countries which collectively accounted for 7.48% (RM6.97 million) of our total revenue for FYE 2025.

Although many of our export markets are relatively small, they serve as footholds in new countries and regions, providing us with a platform to expand and grow our business in these markets.

7.4 PRINCIPAL BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

7.4.1 Distribution of food products segment

Revenue from our distribution of food products segment accounted for 83.56% (RM59.51 million), 84.28% (RM68.56 million), 85.09% (RM72.17 million) and 86.96% (RM80.97 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. We mainly distribute shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products sourced from both domestic and foreign third-party suppliers, as well as our in-house manufactured products.

The products we distribute are marketed under our brands and third-party brands, while some of the products are without any brands. It includes in-house manufactured as well as externally sourced products. We source and distribute our food products from various third-party suppliers.

For the Periods Under Review, our products were mainly distributed to the following customers:

- **Resellers** including wholesalers and retailers such as supermarkets, hypermarkets, minimarkets, convenience stores, traditional Chinese medical halls, market stalls, and other resellers including e-commerce platforms who would resell our products to their respective customers.

Generally, our customers who are retailers place ad hoc orders in small quantities based on consumer demand, promotions, or seasonal trends. Our distribution of food products to retail customers is usually in standard retail packs that are ready for immediate display on store shelves.

Our wholesale customers typically place bulk orders on a weekly basis or as required, depending on their inventory levels, anticipated demand or seasonal trends. They act as resellers between us and mainly retail outlets and hence, the volume of their orders is generally larger. We pack the products for our wholesale customers in larger containers, cartons, or bags for easier handling and logistics.

- **Food service operators** such as restaurants, cafes and canteens, and hospitality establishments such as hotels and clubs that use our food products as ingredients to create ready-to-eat dishes. Generally, customers from the food service industry place frequent orders, with some placing order on a daily basis, and others a few times a week due to the high turnover of ingredients used in food service operation environments. We also offer customisation of packaging such as portion-controlled packs that allow food service operators to manage their stock, reduce waste and minimise contamination of unused ingredients.
- **Food manufacturers** use our products as input materials in the manufacture of processed foods such as snacks, sauces, and ready-to-cook meals. We also offer custom packaging in various sizes to facilitate integration into their production processes.

7. BUSINESS OVERVIEW (Cont'd)

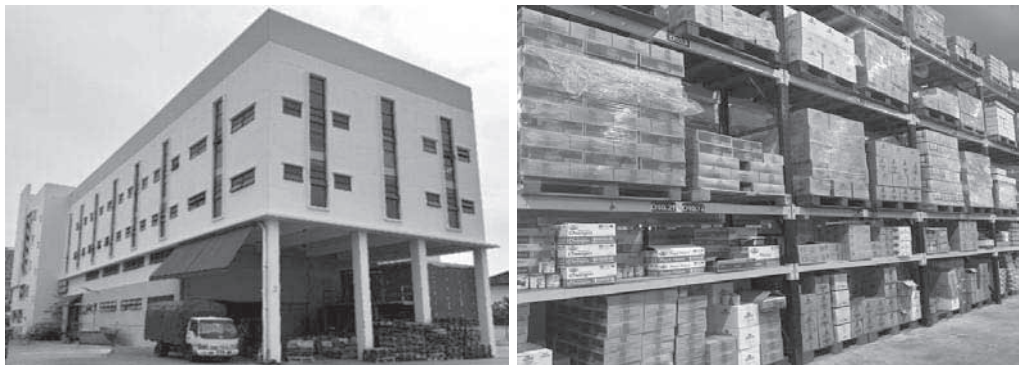
7.4.1.1 Value-added services

We source our food products in bulk from our third-party suppliers. Packaged products are sold as-is, while loose or weight-based bulk products undergo bulk breaking and repackaging into various packaging formats and sizes to provide customers with flexibility in their purchases. Products sourced in bulk are sorted and packaged into smaller portions, which may be in predefined packaging formats such as standard retail packs, containers, cartons, bags, or according to various weight requirements.

7.4.1.2 Supporting infrastructure

Our distribution business is supported by our distribution centre at Bangunan GHS in Melaka, along with our fleet of trucks and lorries, and supplemented by third-party transportation service providers.

Our distribution centre at Bangunan GHS in Melaka



Our distribution centre is equipped with cold room facilities covering a total floor space of approximately 744 sq. ft. of freezer space and 3,288 sq. ft. of chiller space, equipped with temperature monitoring systems. In addition, we have ambient temperature storage areas covering a total floor space of approximately 5,766 sq. ft. to provide dry and cool environments for long-term storage of shelf-stable food products.

Our cold room in Bangunan GHS



As at the LPD, we operate a fleet of 8 trucks (including 7 ambient temperature trucks and 1 freezer truck) as well as 2 vans for the transportation of our shelf-stable and frozen products to our customers in Peninsular Malaysia. For deliveries to East Malaysia and foreign markets, we engage third-party logistics providers to handle transportation.

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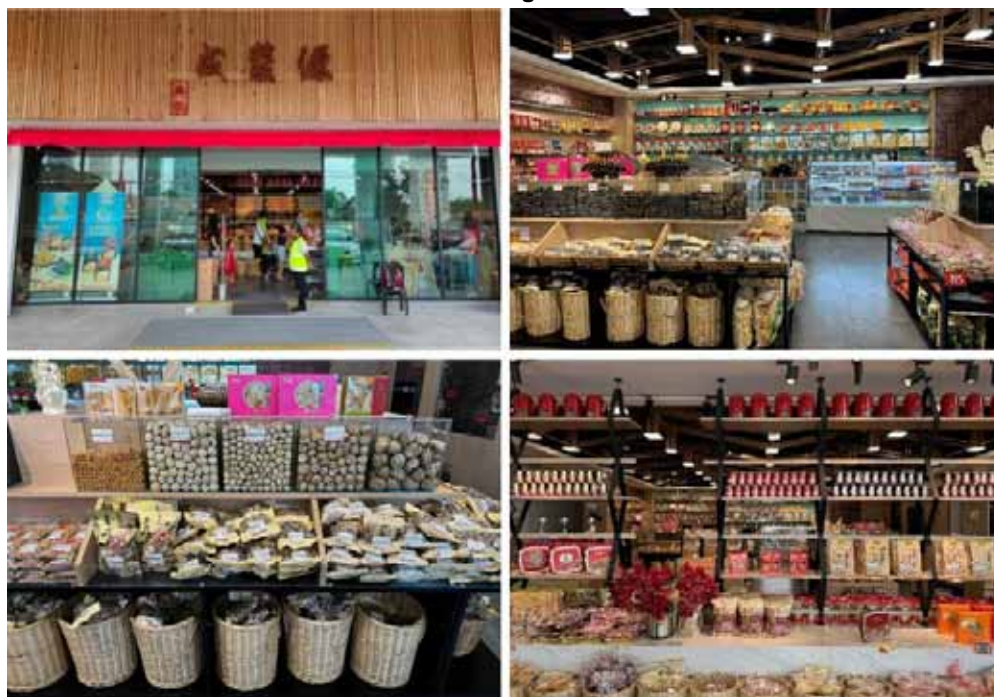
7. BUSINESS OVERVIEW (Cont'd)

7.4.2 Retail of food products segment

Revenue from our retail of food products segment accounted for 16.44% (RM11.71 million), 15.72% (RM12.79 million), 14.91% (RM12.65 million) and 13.04% (RM12.15 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. We operate a retail outlet at Bangunan GHS in Melaka, offering a wide range of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. Our product selection is complemented by a small proportion of non-food products such as packaging materials.

The products that we retail include both in-house manufactured and externally sourced products, sold under our brands and third-party brands, while some of the products are without any brands. We source our products from both domestic and foreign third-party suppliers. Products sold through our retail outlet mainly comprise packaged food products such as canned, frozen and packaged foods, as well as loose form products sold by weight such as dried foods including sea cucumber, scallops, fish maw, prawns, abalone, birds' nests, anchovies, salted fish, mushrooms, nuts, seeds, herbs, fruits, roots, and fungus. This gives customers the flexibility to purchase the quantity they need.

Our retail outlet at Bangunan GHS in Melaka



We also have an online presence through our company website, www.guanhuatseng.com, which allows our customers to browse and purchase our range of products. In addition, we sell our products through third-party online platforms, namely Shopee, Lazada, and GrabMart to provide customers with a convenient shopping experience without coming to our retail outlet.

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7. BUSINESS OVERVIEW (Cont'd)

Screenshot of our product catalogue on our Company's website



7.4.3 Our products

7.4.3.1 Shelf-stable and frozen seafood

Shelf-stable and frozen seafood is our largest product segment which accounted for 39.70% (RM28.28 million), 39.94% (RM32.50 million), 35.31% (RM29.95 million) and 34.32% (RM31.95 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. All our shelf-stable and frozen seafood are externally sourced.

Shelf-stable and frozen seafood refers to seafood that has been preserved to extend its shelf life while maintaining the quality of the product.

Shelf-stable seafood refers to non-perishable seafood that can be safely stored at ambient temperature for extended periods without refrigeration. This type of seafood undergoes various preservation methods to prevent microbial growth, oxidation, and enzymatic degradation which could compromise its quality in terms of flavour, texture, and nutritional value. Common methods of preserving seafood include, among others, the following:

- Canning, which involves packaging seafood into airtight containers and heating it to destroy bacteria, fungus and other spoilage agents. Examples of canned seafood include abalone, clams and sardines.
- Drying, which removes the moisture of the seafood through techniques such as air-drying, sun-drying, and freeze-drying. Examples of dried seafood include sea cucumber, scallops, abalone, fish maw, fish, prawns, anchovies, and shark fin.
- Salting, which preserves seafood by applying salt to remove moisture and inhibit the growth of bacteria and other spoilage organisms. Examples of salted seafood include salted fish and anchovies.

Frozen seafood refers to seafood that is preserved by storing it in a freezer at low temperatures to preserve freshness. Freezing slows down the growth of microorganisms and inhibits enzymatic processes that result in spoilage. This helps preserve the seafood's flavour, texture, and nutritional value for longer periods.

7. BUSINESS OVERVIEW (Cont'd)

Our shelf-stable and frozen seafood is typically packaged in vacuum-sealed bags, cans, or airtight pouches. Vacuum-sealing helps retain moisture and flavour, cans provide long-term protection against degradation and contaminants, while airtight pouches prevent exposure to air and moisture.

The shelf life of shelf-stable seafood generally ranges from 1 to 3 years, while frozen seafood can last between 1 and 2 years, depending on storage conditions such as temperature, humidity, and light exposure.

For optimal quality, shelf-stable seafood is stored in a cool and dry environment away from direct sunlight. Frozen seafood is kept at a consistent temperature of approximately -18°C to preserve freshness and prevent freezer burn and spoilage. Our packaged shelf-stable and frozen seafood products are typically labelled with expiration or best-before dates to indicate the period during which the products maintain optimal quality and are safe for consumption. Our loose seafood products are mainly dried seafood and typically do not come with labelling and must rely on visual inspection and sensory checks to ensure that they are suitable for consumption.

Shelf-stable and frozen seafood are commonly classified based on their size, typically expressed as the number of pieces per weight. Based on this grading system, lower numbers indicate larger sizes. Generally, larger-sized seafood is sold at a premium due to its rarity. Our shelf-stable and frozen seafood are available in various sizes to meet different market needs.

We have approximately 1,400 SKUs for our shelf-stable and frozen seafood, sourced from domestic and foreign suppliers. The following are some of the main product categories of our selection of shelf-stable and frozen seafood that we supply:

Product category	Form		Type			Main origin countries ⁽²⁾
	Prepacked	Loose	Dried	Canned	Frozen	
Sea cucumber ⁽¹⁾	✓	✓	✓		✓	Australia, Madagascar, Papua New Guinea, Africa, Sri Lanka
Abalone ⁽¹⁾	✓	✓	✓	✓	✓	Australia, Chile, China, Mexico, New Zealand, South Africa
Shark fin ⁽¹⁾	✓	✓	✓		✓	Australia
Scallops ⁽¹⁾	✓	✓	✓	✓	✓	China, Japan, Korea
Fish maw ⁽¹⁾	✓	✓	✓		✓	New Zealand, Thailand

Notes:

(1) Available in various sizes.

(2) Based on the countries in which the seafood was harvested.

7. BUSINESS OVERVIEW (Cont'd)

Some of the main products of our shelf-stable and frozen seafood that we supply are as follows:

- Sea cucumber



- Abalone



- Shark fin



7. BUSINESS OVERVIEW (Cont'd)

- Scallops



- Fish maw



7. BUSINESS OVERVIEW (Cont'd)

7.4.3.2 Flavouring products

Flavouring products accounted for 29.46% (RM20.98 million), 28.61% (RM23.27 million), 33.94% (RM28.79 million) and 35.65% (RM33.20 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. This includes both externally sourced as well as in-house manufactured products. For further information on the range of our in-house manufactured products, please refer to Section 7.4.4.1 of this Prospectus.

Flavouring products are used as ingredients in food preparations to add and/ or enhance the flavour and aroma of dishes. They include the following:

- **Condiments** are ready-to-eat seasonings and sauces that can be added directly to prepared foods to complement the flavour of a prepared dish. They are typically used in small amounts and may be added after cooking or served alongside prepared foods. Our range of condiments includes, among others, chilli sauce and pastes, fried shallots, fried garlic, tomato sauce and others.



- **Sauces and pastes** are ready-to-cook products that are incorporated into food during the cooking process. These thick, concentrated and viscous preparations are used to impart or modify the aroma and taste of a dish. Sauces such as oyster sauce, dark and light soy sauce, satay sauce and other cooking pastes are often used to add flavour and moisture, while pastes such as curry paste and laksa paste are used in cooking to build richer flavours. Our range of sauces and pastes include products such as soy sauce, satay sauce, curry paste, laksa paste and others.



7. BUSINESS OVERVIEW (Cont'd)

- **Herbs, spices, and seasonings** are ingredients incorporated into the food during the cooking process to enhance the flavour of the dish. They are commonly in dried or ground forms and sometimes used fresh. Our range of herbs, spices, and seasonings includes turmeric, ground pepper, fish powder, cinnamon, ginseng, salted egg powder and others.



The shelf life of our flavouring products generally ranges from 1 to 2 years.

We have approximately 4,200 SKUs under our range of flavouring products. Our flavouring products are manufactured in-house or sourced externally from domestic and foreign third-party suppliers. The main product categories of our flavouring products are as follows:

Product category	Approximate SKUs ⁽¹⁾ by source of supply		
	In-house ⁽²⁾ manufactured	Third-party	Total
Condiments	610	40	650
Sauces and pastes	790	1,480	2,270
Herbs, spices and seasonings	330	950	1,280
	1,730	2,470	4,200

Notes:

- (1) Include products with at least one sale during the Periods Under Review.
- (2) Include in-house manufactured products which are sold under our brands. It also includes contract manufacturing of flavouring products for our customers which are sold under their brands.

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7. BUSINESS OVERVIEW (Cont'd)

7.4.3.3 Dried food and snacks

Dried food and snacks accounted for 19.06% (RM13.57 million), 18.48% (RM15.03 million), 19.37% (RM16.43 million) and 18.87% (RM17.57 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. All of our dried food and snacks are externally sourced from domestic and foreign third-party suppliers.

Dried food and snacks comprise a range of products that have undergone dehydration or drying processes and can be stored at room temperature for extended periods without refrigeration. We distribute and retail a broad range of dried food and snacks including, among others, the following:

Product type	Items	
Rice and flour-based products	<ul style="list-style-type: none"> - Rice - Noodles - Vermicelli - Spaghetti - Glutinous rice 	<ul style="list-style-type: none"> - Corn flour - Tapioca flour - Rice flour - Wheat flour - Potato flour
Mushroom and fungus	<ul style="list-style-type: none"> - Button mushroom - Chinese mushroom - Japanese mushroom - Flower mushroom - Straw mushroom 	<ul style="list-style-type: none"> - White fungus - Black fungus - Golden fungus
Beans, nuts and seeds	<ul style="list-style-type: none"> - Green beans - Red beans - Black beans - Brown beans - Soybeans - Almonds - Pistachios - Walnuts 	<ul style="list-style-type: none"> - Lotus seeds - Sesame seeds - Barley seeds - Candlenuts - Cashew nuts - Ginkgo nuts - Chestnuts - Macadamia nuts
Others	<ul style="list-style-type: none"> - Confectionaries - Preserved food - Dried meat 	<ul style="list-style-type: none"> - Dairy products - Spreads - Beverages

For the Periods Under Review, our dried food and snacks products comprised approximately 3,500 SKUs.

Some of the dried food and snacks



7. BUSINESS OVERVIEW (Cont'd)

7.4.3.4 General grocery products

General grocery products accounted for 11.78% (RM8.39 million), 12.97% (RM10.55 million), 11.38% (RM9.65 million) and 11.16% (RM10.40 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. All our general grocery products are externally sourced from domestic and foreign third-party suppliers.

We distribute and retail a broad range of general grocery products including, among others, the following:

Product type	Items	
Other canned food	<ul style="list-style-type: none"> - Canned luncheon meat - Canned evaporated milk - Canned minced meat - Canned pineapple slice - Canned mock meat - Canned corn 	
Frozen meat and other food	<ul style="list-style-type: none"> - Frozen dumplings - Frozen poultry - Frozen mixed vegetables - Frozen mock meat - Frozen buns - Frozen dessert pancake 	

In addition, a small proportion of our revenue is from the distribution of non-food products such as packaging materials. For the Periods Under Review, our general grocery products comprised approximately 1,500 SKUs.



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7. BUSINESS OVERVIEW (Cont'd)

7.4.4 Our product by brands

Our range of food products is sold under our brands and third-party brands, while some of the products are without any brands.

7.4.4.1 Our brands of products

Our brands of products accounted for 33.06% (RM23.54 million), 27.40% (RM22.29 million), 25.08% (RM21.28 million) and 29.88% (RM27.82 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our brands of products include both in-house manufactured and externally sourced products from third-party suppliers.

(i) Externally sourced products

For products sourced from third parties and sold under our brands, the manufacturing is carried out by external manufacturers and packaged according to our design and branding. These products include items that do not involve any recipes (such as among others, dried mushrooms and red dates) and products with standard recipes (such as among others, canned baked beans, chilli bean paste and sesame oil). As the above products do not involve any customised recipes, we have not entered into any agreements with manufacturers/ suppliers for our own brand of products that are externally sourced from manufacturers/ suppliers for the Periods Under Review.

In addition, we source products where the recipes are developed by the manufacturers, which some customisation based on our requirements. Such customisations are in terms of the size of abalone and thickness of sauce for canned plain braised abalone and canned braised abalone with either fish maw, scallops or truffle. For the Periods Under Review, we have not entered into any agreement with suppliers of canned braised abalone.

Some of the criteria we consider when we select manufacturers/ suppliers for our own brands of food products include, among others, the following:

- track record;
- adequate facilities and equipment;
- supply chain of raw materials;
- logistics considerations;
- manufacturers/ suppliers with relevant certifications such as Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Point (HACCP) and Halal certifications; and
- pricing and commercial terms.

Before engaging our manufacturers/ suppliers, we will conduct factory site visits to review their facilities.

**Sample of externally sourced shelf-stable seafood under our
“SunCity” and “OceanStars” brands**



7. BUSINESS OVERVIEW (Cont'd)

(ii) In-house manufactured products

We manufacture flavouring products based on our own in-house developed recipes from our product development team. Our brands of in-house manufactured products are flavouring products including condiments, sauces and pastes as well as herbs, spices and seasonings.

As at the LPD, our product development team comprises 2 personnel who are led by our Executive Director, Yeo Tian Seng. Please refer to Section 7.4.5.1 of this Prospectus for further details on product development and recipe creation.

Sample of in-house manufactured flavouring products under our “Heng’s” and “Makbest” brands



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7. BUSINESS OVERVIEW (Cont'd)

Some of our products that are sold under our own brands and their sources of supply are set out below:

Brand	Source of supply	Products category	Products type	Products details
SunCity	Externally sourced	Shelf-stable and frozen seafood	Abalone and scallops	Canned braised abalone, canned abalone in brine, frozen scallops
			Other seafood	Canned black bean fish, sardines, razor clams, top shell, pacific clam
		Flavouring products	Herbs, spices and seasonings	Red dates
		Dried food and snacks	Dried mushroom and fungus	Dried black fungus, Chinese mushroom
			Rice and flour-based products	Cellophane noodles
		General grocery products	Canned beans, nuts and seeds	Canned baked beans, kidney beans, lotus nuts, peanuts
			Canned meat	Fish luncheon meat
			Canned mushroom and fungus	Canned abalone mushroom, button mushroom, bailing mushroom, straw mushroom, black fungus, Chinese mushroom
	Others		Bamboo shoot, corn cream, corn kernel, canned longan, lychee, pickle lettuce, sea coconut, water chestnut	
	In-house manufactured	Flavouring products	Condiments	Fried garlic, fried shallots, fried onion
Heng's	Externally sourced	Flavouring products	Sauces and pastes	Abalone sauce, scallop sauce, hot bean paste, chilli bean paste, sesame oil
			Herbs, spices and seasonings	Black pepper, chicken stock
		Dried food and snacks	Rice and flour-based products	Various flavoured ramen, mee sua
			Confectionery	Green bean pastry
	General grocery products	Others	Black sesame spread, dragon fruit spread, kaya, taro spread, soursop spread	
		In-house manufactured	Flavouring products	Condiments

7. BUSINESS OVERVIEW (Cont'd)

Brand	Source of supply	Products category	Products type	Products details
			Sauces and pastes	Sweet sauce, asam seafood sauce, chilli garam sauce, Nyonya fish curry sauce, hainanese chicken rice paste, kam heong paste, kapitan curry sauce, lemak nenas sauce, Nyonya chicken curry sauce, curry laksa paste, prawn noodle paste, rendang Nyonya paste, Nyonya sauce, satay celup sauce, Nyonya sambal, pineapple satay sauce, pongteh sauce, Nyonya satay sauce
			Herbs, spices and seasonings	Cantonese steam ribs spices, chicken herbs and spices, five spices fried chicken mix, flounder fish seasoning, ginseng chicken soup herbs and spices, golden salted egg powder, satay marinate spices, stew herbs, stewed fragrant herbs and spices, belachan powder
Makbest	In-house manufactured	Flavouring products	Condiments	Fried garlic, fried shallot, fried onion, crispy cuttle fish chilli, crispy prawn chilli, crispy fish chilli
			Herbs, spices and seasonings	Chilli powder
OceanStars	Externally sourced	Shelf-stable and frozen seafood	Shelf-stable and frozen seafood	Canned abalone in brine, frozen scallops
Sky Chef	Externally sourced	Flavouring products	Sauces and pastes	Cooking wine, vinegar, rose wine, rice wine, seasoning wine
GSHK	In-house manufactured	Flavouring products	Herbs, spices and seasonings	Mixed herbs, herbal soup mix
Cai Yan	Externally sourced	Dried food and snacks	Dried mushroom and fungus	Black fungus, dried Chinese mushroom
McCann	Externally sourced	General grocery products	Canned meat	Canned luncheon meat, pork ribs, stewed pork, mince pork

7. BUSINESS OVERVIEW (*Cont'd*)

Our flavouring products are sourced externally from manufacturers/ suppliers and these are packaged according to our design and branding or they are manufactured internally at our manufacturing facilities in Melaka. We source flavouring products that do not involve any recipes such as vinegar, sesame oil and red dates from our manufacturers/ suppliers. As these are standard products that are available in the market, our manufacturers/ suppliers may also sell the same products to other parties. We also source our brands of flavouring products with standard recipes that are developed by our manufacturers/ suppliers and this includes abalone sauce, scallop sauce, hot bean paste and chilli bean paste. As we are not involved in the development of these recipes and there is no customisation, our manufacturers/ suppliers are not restricted from selling similar recipe of products to other parties.

In-house manufacturing is prioritised for products where we have our core competencies, which are in flavouring products showcasing Malaysian flavours that we currently manufacture (including condiments, sauces and pastes, herbs, spices and seasonings). In addition, it is important that we must have the necessary machinery and equipment and the ability to leverage on economies of scale to optimise on production costs. External manufacturers/ suppliers are engaged when they provide competitive pricing and consistent supply for products that either do not have a recipe or for products with standard recipes that are developed by the manufacturers/ suppliers. We do not engage manufacturers/ suppliers to manufacture our brands of flavouring products where the recipes are developed in-house.

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7. BUSINESS OVERVIEW (Cont'd)

7.4.4.2 Our third-party brands of products

For the Periods Under Review, products sold under third-party brands accounted for 28.47% (RM20.27 million), 33.48% (RM27.24 million), 38.08% (RM32.30 million) and 41.18% (RM38.35 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our third-party branded food products include shelf-stable and frozen seafood, flavouring products, dried foods and snacks and general grocery products which are sourced from third-party suppliers.

Some of the third-party brands that we distribute and retail include, among others, "Mudan", "Avena", "Meluni", "Mae Pranom", "Stone Crane" and other brands. As at the LPD, we have a dealership authorisation to exclusively distribute preserved mustard cabbage easypack under the brand "Stone Crane" in Malaysia. In addition, we entered into a non-exclusive distribution agreement with a supplier for the distribution of confectioneries in Negeri Sembilan.

7.4.4.3 Our products without any brands

For the Periods Under Review, products without any brands accounted for 38.47% (RM27.40 million), 39.12% (RM31.82 million), 36.84% (RM31.25 million) and 28.94% (RM26.95 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. For the Periods Under Review, our products without brands were sourced from third-party suppliers. For FYE 2025, a small proportion of our products without brands are in-house manufactured. These in-house manufactured products that are sold without brands include flounder fish seasonings and fried shallots.

Products sold without any brands mainly comprises loose food products that are sold by weight or in prepackaged form. Among others, they include the following:

- dried seafood such as sea cucumber, fish maw, salted fish, anchovies, prawns, abalone, oysters, scallops, and cuttlefish;
- dried fungi such as mushrooms and black fungus;
- flavouring products, mainly herbs, spices and seasonings such as dried herbs, flowers and roots such as cordyceps flowers and ginseng roots; and
- dried fruits and nuts such as dates, walnuts, pear slices, raisins, sea coconuts and lotus seeds.

7.4.5 Supporting activity

7.4.5.1 In-house manufacturing of flavouring products

For the Periods Under Review, our distribution and retail operations are supported by our in-house manufacturing operations. We manufacture flavouring products including condiments, sauces and pastes, herbs, spices and seasonings which are sold under our brands namely "Heng's", "Makbest" and "SunCity". Please refer to Section 7.4.4.1 of this Prospectus for further details on our in-house manufactured flavouring products.

For the Periods Under Review, revenue from our in-house manufactured products accounted for 14.70% (RM10.47 million), 14.30% (RM11.64 million), 16.39% (RM13.90 million) and 20.52% (RM19.10 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

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7. BUSINESS OVERVIEW (Cont'd)

We also contract manufacture flavouring products for our customers under their brands where revenue is recorded under the distribution segment for flavouring products. For the Periods Under Review, revenue from contract manufacturing accounted for 2.12% (RM1.51 million), 3.12% (RM2.54 million), 5.02% (RM4.25 million) and 5.02% (RM4.67 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Revenue from contract manufacturing of flavouring products was contributed by 3, 5, 10 and 29 customers for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. In October 2024, we entered into an agreement with one of our customers to manufacture fried shallots under the customer's brand name. The fried shallots manufactured under the customer's brand name are produced using a recipe that was developed by our Group and is similar to formulation of fried shallots sold under our Group's own brands. The customer does not provide any input on the formulation of the recipe. The agreement entered into with the said customer is not exclusive in nature. The agreement also includes confidentiality clause to safeguard our Group's proprietary rights over the recipe used.

Our flavouring products are manufactured at our manufacturing facilities in Melaka, which is equipped with machinery and equipment to carry out the following key manufacturing processes:

- **Preparation of raw ingredients** involves the handling and preparation of raw ingredients such as garlic, onions, dried prawns, lemongrass and ginger before cooking. It includes, among others, washing and cleaning to remove any contaminants; cutting and chopping to prepare the ingredients into the required sizes or forms for further processing; mixing and blending to combine various ingredients to achieve an even distribution of flavours and textures, forming the base of the flavouring products.
- **Cooking** involves utilising a range of cooking techniques to transform the raw ingredients into a specific product form or desired texture and flavour. It includes, deep frying and stir-frying.
- **Quality control and testing** to ensure the consistency, safety, and flavour of the manufactured products, as well as ensuring every batch meets our internal standards. For each batch produced, at least a sample is kept and retained for the duration of its shelf life, or until the expiry date. These samples are labelled with relevant product information to ensure traceability and are stored following our quality control procedures. Throughout the shelf life of the product, these samples serve as a reference for quality assurance, ensuring the product maintains the desired standards for safety, taste, and consistency.
- **Packaging** of the final product in food-grade materials to maintain freshness and prevent contamination, followed by **labelling** to include product information such as ingredients, nutritional facts, expiry dates and any relevant regulatory information.

Our batch samples



Please refer to Section 7.8.2 of this Prospectus for further details on the process flow of the manufacture of flavouring products.

7. BUSINESS OVERVIEW (Cont'd)

7.4.5.2 Product development and recipe creation

The product development and recipe creation of our in-house manufactured flavouring products typically involves the selection of ingredients, determining the culinary techniques and cooking methods, and conducting multiple rounds of taste testing and refinement to ensure the final product meets our quality standards and taste requirements before launching.

For our brands of in-house manufactured flavouring products, the recipes are fully developed by our product development team. For third-party brand flavouring products that we manufacture, the recipes may be developed entirely by our product development team or customised based on the customer's requirements. In October 2024, we entered into an agreement with one of our customers to manufacture fried shallots under the customer's brand name.

As at the LPD, our product development team comprises 2 personnel, led by our Executive Director, Yeo Tian Seng.

To protect the confidentiality of the recipes for in-house manufactured flavouring products sold under our brands and third-party brands, only authorised personnel are granted access to the complete recipes of our products. Personnel that are responsible for specific manufacturing stages such as preparation and cooking, are given access to relevant portions of the recipe based on their roles and responsibilities. Although we do not have any written confidentiality agreement with our personnel relating to the confidentiality of the recipes, we have not encountered any leakage of in-house developed recipes for our flavouring products since the commencement of our business operations up to the LPD.

7.4.5.3 Quality control and assurance

As part of our quality control and assurance process, we conduct a series of tests to ensure our manufactured flavouring products meet the required quality and safety standards throughout the manufacturing process as set out below:

- testing of input materials to verify the quality and safety of ingredients before production;
- testing of work-in-process products during the manufacturing stage; and
- testing of finished products.

We have an in-house laboratory at our manufacturing facilities in Melaka to carry out some of these tests. These tests cover parameters such as moisture level, salinity, pH levels, and brix. For certain specialised tests such as microbiological testing and heavy metal contamination, we engage external laboratories to perform the testing based on requests from our customers or relevant authority. Additionally, we retain samples from each batch of finished products and store them until at least their shelf life expires, typically 1 to 2 years. This ensures that we can verify product quality at any time.

As at the LPD, all of our in-house manufactured flavouring products from our manufacturing facilities in Property 30 and Property 32 have been certified HALAL. In addition, we hold a HACCP and MeSTI certification for the production of sauces, pastes, and dried seasoning powder. These certifications will also be made available for inspection by our customers upon their request.

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7. BUSINESS OVERVIEW (Cont'd)

7.5 OPERATIONAL FACILITIES

The locations of our operational facilities as at the LPD are as follows:



Property	Main Functions	Status of premises	Approximate Built-up Area (sq. ft.)	Location of Facilities
Bangunan GHS	Head office, distribution centre, retail outlet and storage space	Owned	62,334	388A, Bangunan GHS, Taman Siantan Sek 2, Jalan Tengker, 75200 Melaka, Melaka
Property 1595-1	Storage space	Owned	13,509	No. 1595-1, Taman Perindustrian Krubong, 75250 Melaka, Melaka
Property 30 and Property 32	Manufacturing	Owned	18,406	No. 30 and 32, Jalan TTC 24, Taman Teknologi Cheng, 75250 Melaka, Melaka
Property 3	Warehouse	Owned	24,948	No. 3, Jalan TTC 8, Taman Teknologi Cheng, 75250 Melaka, Melaka

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7. BUSINESS OVERVIEW (Cont'd)**7.6 MAJOR MACHINERY AND EQUIPMENT**

Our main machinery and equipment for our manufacturing operation are as follows:

Main Machinery and Equipment	Number of units	Net book value as at 31 July 2025 RM' 000
Food processing equipment ⁽¹⁾	7	573
Packaging equipment ⁽²⁾	12	480
Total		1,053

Notes:

- (1) Include equipment for cooking, frying, vegetable preparation and processing.
- (2) Include equipment for sauce filling, vacuum packing, bag packaging and automated packaging machines.

7.7 PRODUCTION CAPACITY, OUTPUT AND UTILISATION**(i) Storage of food products**

Our capacity and utilisation rate for the freezer, chiller and ambient storage space for the Periods Under Review are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Freezer storage				
Storage floor space ⁽¹⁾ (sq. ft.)	1,260	1,260	1,260	1,260
Available annual capacity ⁽²⁾ (no. of pallets)	695	695	695	695
Annual utilisation ⁽³⁾ (no. of pallets)	500	560	630	641
Utilisation rate⁽⁴⁾ (%)	72%	81%	91%	92%
Chiller storage				
Storage floor space ⁽¹⁾ (sq. ft.)	4,644	4,644	4,644	4,644
Available annual capacity ⁽²⁾ (no. of pallets)	2,478	2,478	2,478	2,478
Annual utilisation ⁽³⁾ (no. of pallets)	1,900	2,100	2,300	2,375
Utilisation rate⁽⁴⁾ (%)	77%	85%	93%	96%
Ambient storage				
Storage floor space ⁽¹⁾ (sq. ft.)	11,347	11,347	11,347	11,347
Available annual capacity ⁽²⁾ (no. of pallets)	11,603	11,603	11,603	11,603
Annual utilisation ⁽³⁾ (no. of pallets)	8,400	9,500	11,000	11,160
Utilisation rate⁽⁴⁾ (%)	72%	82%	95%	96%

Notes:

- (1) Floor space dedicated to the storage of products, excluding walkway area. It includes storage floor space in our operational facilities below:

7. BUSINESS OVERVIEW (Cont'd)

- Freezer storage space: Bangunan GHS, Property 3, Property 30 and Property 32.
 - Chiller storage space: Bangunan GHS, Property 3, Property 30, Property 32 and Property 1595-1.
 - Ambient storage space: Bangunan GHS, Property 3, Property 30, Property 32 and Property 1595-1.
- (2) The available annual capacity is calculated based on the total number of pallet space available from the racking system installed in our freezer and ambient storage area. For the chiller storage area, where no racking system is used, the available annual capacity is determined by the number of pallets the space can accommodate without stacking.
- (3) Annual utilisation is based on the number of pallets filled during the year.
- (4) Utilisation rate is derived by dividing the annual utilisation by the available annual capacity.

(ii) Supporting activity - Flavouring products manufacturing operations

Our supporting activity involves the manufacturing of flavouring products for our distribution and retail operations. The parameters used to calculate capacity, output and utilisation rates are set out below:

- capacity is calculated based on the machine design capacity:
 - (a) operating 24 hours per day for 7 days a week;
 - (b) less public holiday (11 days);
 - (c) less 10% for loading and unloading between batches, cleaning between batches, and downtime for repair and maintenance;
- output is the amount of finished goods manufactured; and
- utilisation rate is calculated by dividing the output by capacity.

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Available annual capacity ⁽¹⁾ (tonnes)	1,434	1,434	1,434	1,434
Annual production output ⁽²⁾ (tonnes)	600	750	650	780
Utilisation rate ⁽³⁾ (%)	42%	52%	45%	54%

Notes:

- (1) Based on total capacity of 3 cooking tanks.
- (2) Include production output for flavouring products under our brands, third-party brands (contract manufacturing) and without any brands.
- (3) Utilisation rate is derived by dividing the annual production output by the available annual capacity.

7. BUSINESS OVERVIEW (Cont'd)

During the Periods Under Review, the utilisation rate of our manufacturing capacity ranges between 42% and 54% computed based on maximum production capacity (i.e., based on an operational capacity of 24 hours per day and 7 days a week). However, our Group's manufacturing facilities only operate for a maximum of 12 hours per day and 6 days a week. Hence, the effective utilisation rate of our manufacturing capacity was 74%, 92%, 80% and 96% when adjusted for actual operating hours for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

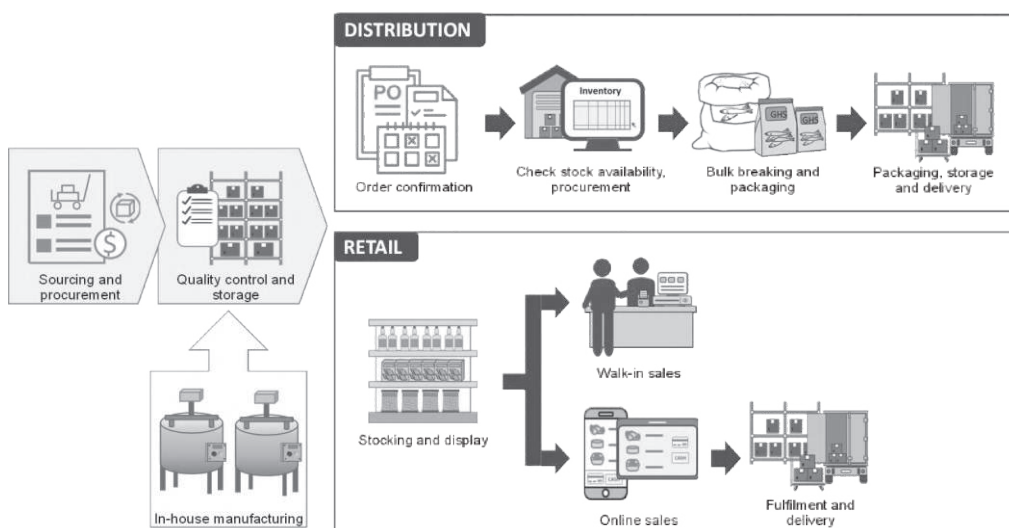
7.8 PROCESS FLOW

7.8.1 Process flow for distribution and retail of food products

We are involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. These products are either sourced externally from third-party suppliers or manufactured in-house at our manufacturing facilities in Melaka.

7.8.1.1 Incoming goods

Our process flow for distributing and retailing food products is as follows:



- **Sourcing and procurement**

Our operations begin with sourcing and procurement of shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products from suppliers in Malaysia and foreign countries. This process supports both our distribution and retail operations, and involves the planning of product sourcing, managing lead time, and aligning order frequency with demand, sales trends and inventory levels. Generally, the delivery lead time for domestically sourced products is approximately 1 week, while imported products are approximately 3 weeks to 2 months upon confirmation of orders. The frequency of orders depends on demand, sales trends, and inventory levels for each product type.

Some of the consideration factors in guiding our inventory replenishment include:

- **Historical sales data:** We analyse past sales data to help us identify popular products that are likely to experience high demand. We also make adjustments in our purchasing strategies to account for seasonal fluctuations and special promotions;

7. BUSINESS OVERVIEW (Cont'd)

- **Customer preferences:** We consider customer feedback to ensure we cater to their evolving preferences and demands; and
- **Shelf life and product expiry:** We closely monitor the shelf life, expiry dates of products, and ensure timely rotation to avoid spoilage.

Our selection criteria for suppliers includes, among others, track record, availability of adequate facilities and equipment, supply chain of raw materials, logistics considerations, pricing and commercial terms as well as relevant certifications. Suppliers are chosen based on their ability to consistently deliver quality products on time and their adherence to food safety standards and quality.

- **In-house manufacturing**

In addition to procurement from suppliers, we carry out in-house manufacturing of flavouring products. Kindly refer to Section 7.8.2 for the process flow for our manufacturing operations. These products are also sold through our distribution and retail of food products segments.

- **Quality control and storage**

We carry out quality control and inspection on incoming products, which include:

- **Quantity checks** to ensure products received match suppliers' invoices and delivery orders; and
- **Quality check** to inspect the products for spoilage or damage. This includes visual inspections for packaging integrity, seal quality, and product appearance, and verifying expiration dates.

In case of any discrepancies or unsuitable products, we will request for replacements, refunds, or discounts from our suppliers.

Once products pass our inspection, they are recorded in our inventory management system, allowing us to maintain accurate inventory levels. The products are then stored in the designated sections of the warehouse, organised by product category for easy access and efficient stock management.

7.8.1.2 Distribution operations

- **Order confirmation**

The process begins with a customer inquiry or a request for a quotation, which may include samples for evaluation. Once the customer reviews and agrees to the quotation, their acceptance is confirmed through the issuance of a purchase order or based on verbal communication.

Our contract manufacturing customer may require recipe customisation. In such cases, we work closely with the customer to gather their specific requirements and provide samples for review, taste testing and approval. The process may take several months before a confirmed order for the new product will be issued to us.

For the sales of our products in foreign markets, it is our customers' responsibility to obtain the necessary licences or regulatory approvals in the respective foreign countries and this does not fall within our areas of responsibility. Nevertheless, we will ensure that our in-house manufactured flavouring products are certified in accordance with the applicable Malaysian standards and where required, obtain relevant certifications, such as the health, Halal, HACCP and MeSTI certifications. These certifications are maintained in good standing and are available for inspection by our customers upon their request.

7. BUSINESS OVERVIEW (Cont'd)

- **Check stock availability and procurement**

Following order confirmation, we will check stock availability in our inventory management system to verify that the requested products are in stock. If stock is insufficient to fulfil the order, we will place orders with our suppliers by issuing a purchase order.

- **Bulk breaking and packaging**

For loose or weight-based products sourced in bulk, we carry out bulk breaking and repackaging into various formats and sizes, based on customer requirements. This includes standard retail packs, containers, cartons, bags, or according to specific weight requirements such as 1kg, 5kg, or 10kg.

- **Packaging, storage, and delivery**

Our warehouse team then picks and packs the products for shipment based on a sales order. Deliveries within Peninsular Malaysia are carried out using our transport or third-party logistics providers, while shipments to East Malaysia and export countries are managed through third-party logistics providers.

Upon receiving the goods, customers are required to sign off on the invoice and delivery order, confirming both the quantity and quality of products received.

The delivery time for orders generally takes approximately 1 to 7 days for orders from Peninsular Malaysia, 7 to 14 days for East Malaysia, and 2 to 6 weeks for export orders.

7.8.1.3 Retail operations

- **Stocking and display**

Upon arrival of products at the retail outlet, they are organised and stored in designated sections of the store. Each product type is categorised and placed accordingly to ensure optimal accessibility for customers, and where required, labelled with expiry dates, weight, and any relevant handling instructions, where applicable.

We implement regular stock replenishment, typically on a daily basis, based on actual sales data monitored and managed by our retail team. Furthermore, our retail outlet supervisor has the flexibility to request and place orders for product replenishments on an as-need basis based on customers' orders or inventory level. This ensures that our retail outlet can maintain optimal stock levels to meet customer demand while minimising stock holding and stock-out situations.

- **Retail sales**

- (i) **Walk-in sales**

Walk-in customers can purchase items through our retail point-of-sale ("POS") system, where various payment methods are accepted including cash, credit cards, debit cards and e-wallet.

To reduce the risk of cash pilferage, theft and robbery, we have implemented the following operational procedures and controls for cash management:

7. BUSINESS OVERVIEW (Cont'd)

- (a) all confirmed sales are computer-generated with the payment amount stated on the official receipts. This ensures that all customer payments are accurately recorded by our computer systems, which are linked to our head office;
- (b) we maintain a POS system at our retail outlet, allowing us to access our sales data in real-time;
- (c) all daily cash sales are reconciled with the amounts stated in our collection report daily; and
- (d) cash collected at the retail outlet is deposited into our designated ATM stationed at our premise daily. Bank-in slips and summaries of bank deposits are then sent to our head office for verification against the sales summary reports generated by our retail POS system. The cash in the ATM is transferred via cash-in-transit services to our designated bank.

Please refer to Section 9.1.12 of this Prospectus for further details of the risks relating to pilferage.

(ii) Online sales

Alternatively, customers who prefer shopping online can browse our website or selected e-commerce platforms including Shopee, Lazada and GrabMart. They can place orders by adding the desired products to the cart and proceed to check out. For purchases made through our website, payment is via credit and debit cards, while transactions on e-commerce platforms like Shopee, Lazada and GrabMart are processed through their respective payment gateways.

- **Online sales fulfilment and delivery**

For our online customers, our warehouse team picks and packs the products for delivery. Deliveries of online orders are carried out using third-party courier service providers.

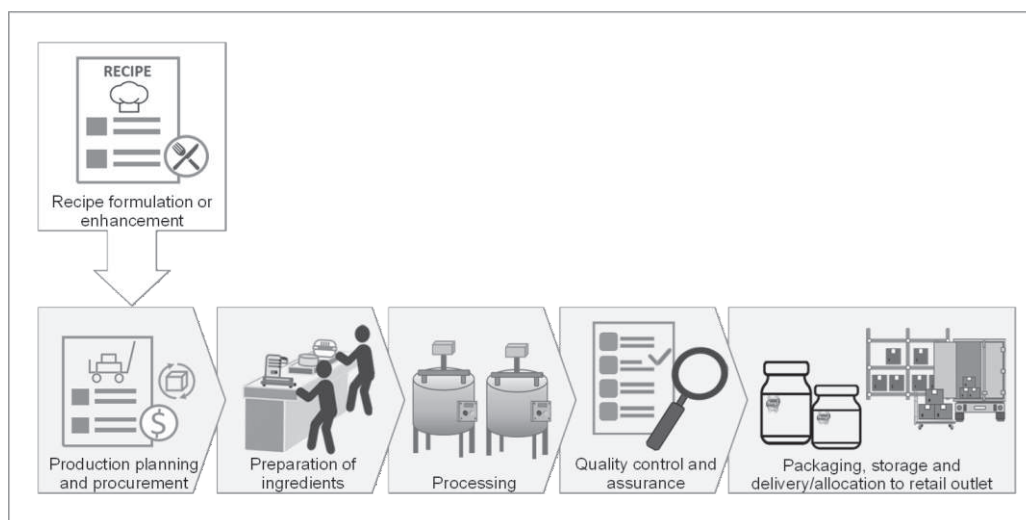
For customers purchasing through e-commerce platforms such as Shopee, Lazada, we pack the products and send them to their fulfilment centres for delivery to the end customers. For GrabMart, we pack the products based on orders and deliveries are arranged through the platform's logistics process, typically handled by GrabMart riders or drivers.

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7. BUSINESS OVERVIEW (Cont'd)

7.8.2 Supporting activity – In-house manufacturing of flavouring products

Our process flow for the in-house manufacturing of flavouring products is as follows:



- #### Recipe formulation or enhancement

For new product development or enhancements to existing products, our product development team begins by understanding the desired outcome from key stakeholders such as management or our customers. This involves discussing the taste preferences, texture, appearance, and nutritional and functional requirements. We also consider any dietary restrictions, allergen concerns, or special ingredient requests that may affect the formulation.

Based on the information gathered, our product development team conducts research to identify suitable ingredients and flavour combinations and create preliminary formulations. During this phase, different ingredient combinations and proportions are tested to achieve the desired flavour profile, texture, and consistency. Small-batch trials are conducted to maintain control and accuracy, with adjustments made based on feedback.

The finalisation of formulation would normally include taste tests of the manufactured product itself or used in cooking relevant dishes for taste testing.

Once the recipe has been finalised, we proceed to scale up the recipe to larger batches while ensuring consistency in flavour, texture, and quality. This stage also includes testing the recipe in a production environment to confirm that the product can be produced consistently and efficiently in large quantities without compromising on quality.

If required, any final adjustments are made to ensure the product meets expectations. Once the recipe and final product have been perfected, samples are provided to our management or customer for approval. Upon approval, the new recipe is ready for production. We also work with customers who require custom packaging or labelling specifications for their flavouring products.

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7. BUSINESS OVERVIEW (Cont'd)

- **Production planning and procurement**

Our production planning process is driven by a combination of analysing past sales data to identify the expected demand and rolling forecasts provided by our customers.

The procurement process begins with the sourcing of ingredients from suppliers. We evaluate suppliers based on their competitive pricing, reliability of supply, and adherence to our quality standards. Once procured, the ingredients are inspected and stored according to their specific requirements such as temperature and humidity control to maintain their quality until they are needed for production.

- **Preparation of ingredients**

The ingredients undergo a preparation process before they are ready for cooking. This includes sorting and washing to remove any impurities, cutting to the desired size and shape, sorting to ensure uniformity, measuring ingredients, and combining ingredients in the correct proportions to match the recipe specifications.

- **Processing**

After the ingredients are prepared, they undergo processing, which includes cooking or mixing. During this stage, the ingredients are combined under carefully controlled conditions, such as temperature, cooking time, and techniques, to achieve the desired flavour profiles, texture, and consistency.

- **Quality control and assurance**

During and after processing, the products undergo rigorous quality control and assurance procedures to ensure they meet both safety and flavour specifications. Throughout production, samples are regularly taken and tested for consistency in flavour, texture, and aroma. Sensory evaluations, including taste, mouth-feel, smell and sight, are conducted to verify the product's safety for consumption. Additionally, products are assessed for compliance with food safety regulations. Any non-compliant batches are either discarded or reprocessed to meet the required standards.

- **Packaging, storage and delivery/ allocation to retail outlet**

After passing quality control, the flavouring products are packaged in suitable containers to preserve their quality and shelf life. Packaging formats may include jars, bottles, pouches, or custom packaging based on customer specifications. The packaging process also involves labelling, which includes ingredients, nutritional facts, expiry dates and any relevant regulatory information.

Once packaged, the products are further placed into cartons for storage before being delivered to customers or sent to our retail outlet.

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7. BUSINESS OVERVIEW (Cont'd)

7.9 TECHNOLOGIES USED

Our business operations do not employ any special technology as we rely on the technologies that are embedded in the machinery and equipment as set out in Section 7.6 of this Prospectus. In addition, we utilise technologies embedded in the computer software to support our day-to-day operations such as AutoCount and SQL accounting software for accounting, financial and inventory management functions. GHS Heng Kee is involved in distribution of food products and operates a retail outlet. Thus, it utilises AutoCount as AutoCount is able to integrate POS system into the accounting system. On the other hand, GHS Food Industries is primarily involved in manufacturing activities thus opted to use SQL.

7.10 RESEARCH AND DEVELOPMENT

Our research and development activities primarily focus on the development of new or enhanced recipes for our in-house manufactured flavouring products. We continuously explore new opportunities in product development by experimenting with innovative flavours, tastes, culinary techniques.

Generally, the activities involved in the development of new or enhanced recipes include the following:

- **Development of new recipes or enhancement of existing recipes**

Development or enhancement of recipes mainly involves experimenting with different culinary techniques, and combination of ingredients taking into consideration factors such as customer preferences, availability of ingredients, costs of ingredients as well as emerging culinary trends. In addition, the development or enhancement of recipes also takes into consideration the manufacturing capabilities of our manufacturing operations including the availability of machines and equipment.

- **Taste testing and feedback**

During the recipe development or enhancement stage, multiple variations of potential recipes may be developed before the final version is selected. We conduct food-tasting sessions for these potential recipes to gather feedback before determining the final recipe. The feedback obtained allows us to fine-tune and improve the recipe of the product before it is added to our product line.

As at the LPD, our product development activities are supported by 2 personnel, led by our Executive Director, Yeo Tian Seng. During the Periods Under Review, we do not have any separate classification for R&D expenditure in our accounting system, the expenses for our product development activities are recorded under the cost of sales items, mainly in input materials and labour costs under our accounting system. For the Periods Under Review, the expenses for our product development activities accounted for 0.43% (RM0.31 million), 0.42% (RM0.35 million), 0.51% (RM0.44 million) and 0.50% (RM0.46 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

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7. BUSINESS OVERVIEW (Cont'd)

7.11 MARKETING ACTIVITIES

Our marketing positioning and activities are focused on addressing business opportunities by retaining existing customers and securing new customers to enhance our ability to secure new and sizeable orders:

Market positioning

- (i) We positioned ourselves as a **comprehensive distributor** of shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products servicing resellers, food service operators and food manufacturers. This is supported by the range of food products that we carry and as at the LPD, we have approximately 10,650 SKUs of products for our distribution operations. For the Periods Under Review, revenue derived from our distribution of food products segment accounted for 83.56% (RM59.51 million), 84.28% (RM68.56 million), 85.09% (RM72.17 million) and 86.96% (RM80.97 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.
- (ii) We positioned ourselves as a **one stop food ingredient provider for food service operators**. For the FYE 2022, FYE 2023, FYE 2024 and FYE 2025, revenue derived from food service operators accounted for 26.48% (RM18.86 million), 41.24% (RM33.55 million), 43.50% (RM36.90 million) and 42.19% (RM39.29 million) of our total revenue respectively.
- (iii) We positioned ourselves as an **own brand** distributor, retailer and manufacturer of flavouring products with our brands including "Heng's", "Makbest", "SunCity", "McCann", "OceanStars", "Sky Chef", "GHSHK" and "Cai Yan". For the Periods Under Review, revenue derived from our brands accounted for 33.06% (RM23.54 million), 27.40% (RM22.29 million), 25.08% (RM21.28 million) and 29.88% (RM27.82 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.
- (iv) We positioned our retail outlet as a **destination retail outlet** for shelf-stable and frozen seafood complemented by other food products for local Melakans and tourists in Melaka as a historic and heritage status city. For the Periods Under Review, revenue derived from our retail of food products segment accounted for 16.44% (RM11.71 million), 15.72% (RM12.79 million), 14.91% (RM12.65 million) and 13.04% (RM12.15 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

Sales and marketing activities

- (i) We optimise our distribution channels by adopting both **direct and indirect distribution channels**. Our direct distribution channel allows us to maintain greater control over pricing and branding while fostering customer loyalty. It enables us to better understand the needs and preferences of our customers, as well as gather feedback directly from them. Our indirect distribution channel allows us to expand our market reach and increase sales volume through our indirect customers, all without the need to invest in additional human and infrastructure resources. It also facilitates faster market entry into new areas, including international markets.
- (ii) We build on our brand equity by increasing the awareness of our corporate brand, "GHS" as well as product-specific brands namely "Heng's", "Makbest", "GHSHK", "SunCity", "McCann", "OceanStars", "Sky Chef", and "Cai Yan" for both our distribution and retail operations. Our marketing strategies include advertisements mainly through online marketing through social media platforms such as Facebook and Xiaohongshu, along with search engine optimisation as well as collaboration with social media influencers to increase our brand awareness to the target market.

7. BUSINESS OVERVIEW (Cont'd)

- (iii) We provide free samples of our food products at minimarkets, supermarkets, hypermarkets and events as part of our marketing initiatives to engage directly with end consumers. These events allow us to obtain feedback directly from the end consumer, facilitate customer connections, and increase brand awareness and visibility within our target market.
- (iv) We offer free samples attached to our products as a promotional activity to introduce other product types to a wider market. This provides us the opportunities to cross-promote our product range, expand brand awareness and attract new potential customers.
- (v) As at the LPD, we have 2 appointed agents to sell and market our in-house manufactured flavouring products. For the avoidance of doubt, the said agents are not exclusive agents for our Group's products in any geographical region.
- (vi) We will continue to participate in exhibitions and events to promote our products. For the Periods Under Review and up to the LPD, we participated in the following exhibitions and events:

Exhibitions/ Events	Date	Location	Organiser
Food and Hotel Malaysia 2023	19 – 22 September 2023	Kuala Lumpur, Malaysia	Malaysian Exhibition Services Sdn Bhd
Thaifex - Anuga Asia 2023	23 – 27 May 2023	Bangkok, Thailand	Department of International Trade Promotion (Thailand), Thai Chamber of Commerce (Thailand) and Koelnmesse Pte Ltd
Thaifex - Anuga Asia 2024	28 May – 1 June 2024	Bangkok, Thailand	Department of International Trade Promotion (Thailand), Thai Chamber of Commerce (Thailand) and Koelnmesse Pte Ltd
Thaifex - Anuga Asia 2025	27 – 31 May 2025	Bangkok, Thailand	Department of International Trade Promotion (Thailand), Thai Chamber of Commerce (Thailand) and Koelnmesse Pte Ltd
Food and Hospitality Malaysia 2025	23 – 26 September 2025	Kuala Lumpur, Malaysia	Malaysian Exhibition Services Sdn Bhd

Subsequent to the LPD, we will also be participating in the upcoming exhibitions below in 2026:

Exhibitions/ Events	Date	Location	Organiser
Thaifex - Anuga Asia 2026	26 – 30 May 2026	Bangkok, Thailand	Department of International Trade Promotion (Thailand), Thai Chamber of Commerce (Thailand) and Koelnmesse Pte Ltd

As at the LPD, we have a total of 5 personnel in our sales and marketing team which is headed by our Executive Director, Lee Chee Kian.

7. BUSINESS OVERVIEW (Cont'd)**7.12 MAJOR CUSTOMERS**

Our Group's top 5 major customers and their contribution to our revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are as follows:

FYE 2022

Customer name	Location	RM'000	%	Length of relationship ⁽¹⁾ (years)	Main products purchased
Come In Enterprises Co. Ltd.	Hong Kong	4,022	5.65	18	Flavouring products
Smith Success and Related Companies ⁽²⁾	Malaysia	3,413	4.79	10	Food products ⁽⁴⁾
Kim Seng Food Trading	Malaysia	2,819	3.96	9	Shelf-stable and frozen seafood, general grocery products
Liang Jin Jin Sdn Bhd	Malaysia	2,643	3.71	1	Food products ⁽⁴⁾
Lotuss Stores (Malaysia) Sdn Bhd	Malaysia	1,567	2.20	10	Food products ⁽⁴⁾
Sub-total		14,464	20.31		
Total Group's revenue		71,218			

FYE 2023

Customer name	Location	RM'000	%	Length of relationship ⁽¹⁾ (years)	Main products purchased
Smith Success and Related Companies ⁽²⁾	Malaysia	4,174	5.13	11	Food products ⁽⁴⁾
Kim Seng Food Trading	Malaysia	3,309	4.07	10	Shelf-stable and frozen seafood, general grocery products
Come In Enterprises Co. Ltd.	Hong Kong	2,875	3.53	19	Flavouring products
Loon Sing and Related Companies ⁽³⁾	Malaysia	2,303	2.83	11	Food products ⁽⁴⁾
Yong Siu Szu Sdn Bhd	Malaysia	2,101	2.58	8	Food products ⁽⁴⁾
Sub-total		14,762	18.14		
Total Group's revenue		81,344			

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2024**

Customer name	Location	RM'000	%	Length of relationship ⁽¹⁾ (years)	Main products purchased
Come In Enterprises Co. Ltd.	Hong Kong	3,773	4.45	20	Flavouring products
Smith Success and Related Companies ⁽²⁾	Malaysia	3,641	4.29	12	Food products ⁽⁴⁾
Kim Seng Food Trading	Malaysia	2,862	3.37	11	Shelf-stable and frozen seafood, general grocery products
Loon Sing and Related Companies ⁽³⁾	Malaysia	2,726	3.21	12	Food products ⁽⁴⁾
Regent Restaurant (Seremban) Sdn Bhd	Malaysia	1,670	1.97	12	Food products ⁽⁴⁾
Sub-total		14,672	17.29		
Total Group's revenue		84,822			

FYE 2025

Customer name	Location	RM'000	%	Length of relationship ⁽¹⁾ (years)	Main products purchased
Smith Success and Related Companies ⁽²⁾	Malaysia	4,258	4.57	13	Food products ⁽⁴⁾
Come In Enterprises Co. Ltd.	Hong Kong	3,768	4.05	21	Flavouring products
Loon Sing and Related Companies ⁽³⁾	Malaysia	2,576	2.77	13	Food products ⁽⁴⁾
Kim Seng Food Trading	Malaysia	2,391	2.57	12	Shelf-stable and frozen seafood, general grocery products
Yin Nan Restaurant	Malaysia	1,599	1.72	10	Food products ⁽⁴⁾
Sub-total		14,592	15.68		
Total Group's revenue		93,113			

Notes:

(1) Length of relationship as at the respective financial year.

(2) Smith Success Group and Related Companies comprises Smith Success Sdn Bhd and related companies incorporated in Malaysia, which are wholly-owned by a common shareholder*. The principal activities of the related companies include to carry on business as proprietors of restaurants, hotels, refreshment and tea rooms, wine bars, cafes, snackbars and coffee shops and bars as well as export and import of other general-purpose machinery, stock, share and bond brokers, investment holding. The names of the related companies are not disclosed as consent was not provided.

Note:

* The common shareholder is a company incorporated in Malaysia and it is not listed on the stock exchange or other similar exchange outside Malaysia.

7. BUSINESS OVERVIEW (Cont'd)

- (3) *Loon Sing and Related Companies comprises Ultra Move F&B Management Sdn Bhd ("**Ultra Move**"), Restoran Loon Sing Sdn Bhd ("**RLSSB**") and RLSSB's subsidiary namely Restoran Loon Sing (JB) Sdn Bhd (collectively "**Loon Sing and Related Companies**"). Ultra Move and RLSSB have common controlling shareholders.*
- (4) *Include shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.*

We are not dependent on any single customer as each of our top 5 customers contributed less than 10.00% of our total revenue for each of the Periods Under Review. For the domestic market, we serve between approximately 920 and 1,000 customers in Malaysia under our distribution operations for the Periods Under Review. For the export markets, we serve between approximately 23 and 32 customers in foreign countries under our distribution operations for the Periods Under Review. In addition, we also serve end consumers for our retail operations.

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7. BUSINESS OVERVIEW (Cont'd)**7.13 TYPES AND SOURCES OF INPUT MATERIALS AND PRODUCTS**

The major types of materials that we purchased for the Periods Under Review are set out below:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Finished goods	50,257	89.59	60,285	90.32	60,214	87.04	56,862	84.06
Shelf-stable and frozen seafood	21,430	38.20	29,369	44.00	26,912	38.90	21,824	32.26
Flavouring products	8,036	14.32	8,271	12.39	10,288	14.87	14,009	20.71
Dried food and snacks	11,225	20.02	10,302	15.43	11,170	16.15	11,964	17.69
General grocery products	9,566	17.05	12,343	18.50	11,844	17.12	9,065	13.40
Input materials	5,842	10.41	6,464	9.68	8,966	12.96	10,785	15.94
Fresh vegetables	1,306	2.33	1,501	2.25	4,251	6.14	4,756	7.03
Cooking oil	1,299	2.31	1,725	2.58	1,492	2.16	1,092	1.61
Packaging materials	1,104	1.97	1,038	1.55	1,444	2.09	1,914	2.83
Others ⁽¹⁾	2,133	3.80	2,200	3.30	1,779	2.57	3,023	4.47
Total Purchases	56,099	100.00	66,749	100.00	69,180	100.00	67,647	100.00

Note:

- (1) Include input materials for the manufacturing of flavouring products such as herbs, spices, seasonings, and dried seafood.

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7. BUSINESS OVERVIEW (Cont'd)

Sources of our input materials and products

The breakdown of input materials and products purchased by the source of supply for the Periods Under Review is set out below:

	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	Domestic %	Imported %	RM'000	Domestic %	Imported %	RM'000	Domestic %	Imported %	RM'000	Domestic %	Imported %
Finished goods	50,257	50.88	49.12	60,285	49.92	50.08	60,214	54.80	45.20	56,862	55.26	44.74
Shelf-stable and frozen seafood	21,430	45.10	54.90	29,369	34.10	65.90	26,912	44.19	55.81	21,824	37.12	62.88
Flavouring products	8,036	46.71	53.29	8,271	69.63	30.37	10,288	71.00	29.00	14,009	74.58	25.42
Dried food and snacks	11,225	45.57	54.43	10,302	55.13	44.87	11,170	55.13	44.87	11,964	64.54	35.46
General grocery products	9,566	73.59	26.41	12,343	70.02	29.98	11,844	64.55	35.45	9,065	56.85	43.15
Input materials	5,842	80.76	19.24	6,464	77.27	22.73	8,966	69.61	30.39	10,785	48.07	51.93
Fresh vegetables	1,306	58.88	41.12	1,501	49.63	50.37	4,251	45.28	54.72	4,756	23.00	77.00
Cooking oil	1,299	100.00	-	1,725	100.00	-	1,492	100.00	-	1,092	100.00	-
Packaging materials	1,104	100.00	-	1,038	100.00	-	1,444	100.00	-	1,914	99.37	0.63
Others ⁽¹⁾	2,133	72.48	27.52	2,200	67.59	32.41	1,779	77.57	22.43	3,023	36.25	63.75
Total Purchases	56,099	54.00	46.00	66,749	52.57	47.43	69,180	56.72	43.28	67,647	54.12	45.88

Note:

(1) Include input materials for the manufacturing of flavouring products such as herbs, spices, seasonings, and dried seafood.

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7. BUSINESS OVERVIEW (Cont'd)**Sources of our input materials and products by country**

The breakdown of input materials and products purchased by country for the Periods Under Review is set out below:

Purchases by country ⁽¹⁾	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic	30,291	54.00	35,092	52.57	39,241	56.72	36,608	54.12
Malaysia	30,291	54.00	35,092	52.57	39,241	56.72	36,608	54.12
Imported	25,808	46.00	31,657	47.43	29,939	43.28	31,039	45.88
China	12,420	22.14	12,434	18.63	17,089	24.70	15,716	23.23
Australia	2,936	5.23	4,942	7.40	3,819	5.52	5,260	7.78
Singapore	4,110	7.33	5,711	8.56	3,428	4.96	4,539	6.71
Thailand	804	1.43	1,572	2.36	1,692	2.45	1,693	2.50
USA	330	0.59	-	-	1,685	2.44	-	-
Hong Kong	2,135	3.80	1,900	2.84	1,301	1.88	867	1.28
Others ⁽²⁾	3,073	5.48	5,098	7.64	925	1.33	2,964	4.38
Total Purchases	56,099	100.00	66,749	100.00	69,180	100.00	67,647	100.00

Notes:

- (1) Based on the address stated in the supplier's invoice, which may not reflect the actual country of origin of the products purchased.
- (2) Other countries include India, Japan, Vietnam, Sri Lanka, South Africa, Madagascar, New Zealand and Pakistan.

For the Periods Under Review, our purchases mainly comprise finished goods, which accounted for 89.59% (RM50.26 million), 90.32% (RM60.29 million), 87.04% (RM60.21 million) and 84.06% (RM56.86 million) of our total purchases for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

As a distributor and retailer of food products, our purchases are mainly finished goods. We source finished goods from our suppliers and resell them without further processing. The finished goods that we purchase include shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products for our distribution and retail operations. Please refer to Section 7.2.2.2 of this Prospectus for further details on the products we distribute and retail.

The prices of shelf-stable and frozen seafood are affected by supply and demand conditions. These conditions can result in fluctuations in the market prices of certain seafood products such as sea cucumber, abalone, shark fin, scallops, fish maw and other types of seafood. As such, we are subject to the risk relating to the market prices fluctuations for certain types of shelf-stable and frozen seafood. Please refer to Section 9.1.2 of this Prospectus for further details.

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7. BUSINESS OVERVIEW (Cont'd)

The top three countries for the import of our purchases are China, Australia and Singapore, which collectively accounted for 34.70% (RM19.47 million), 34.59% (RM23.09 million), 35.18% (RM24.34 million) and 37.72% (RM25.52 million) of our total purchases for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Of which, our purchases from suppliers in China accounted for 22.14% (RM12.42 million), 18.63% (RM12.43 million), 24.70% (RM17.09 million) and 23.23% (RM15.72 million) of our total purchases for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The products sourced from China mainly include abalone, dried food and snacks, flavouring products, general grocery products and input materials for our manufacturing operations. While the purchases from China contributed between 18.63% and 24.70% of our total purchases during the Periods Under Review, we do not face material country-specific concentration risk as the purchases from foreign countries, including China comprise various products and we are able to source similar products from alternative suppliers in other countries should the need arise.

7.14 MAJOR SUPPLIERS

Our Group's top 5 major suppliers and our purchases from them for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are as follows:

FYE 2022

Supplier name	Supplier location	RM'000	%	Length of relationship (years) ⁽¹⁾	Main materials purchased	Brand
Supplier A ⁽²⁾	Malaysia	5,151	9.18	4	Shelf-stable and frozen seafood	Without brand
Zhaoan Hailian Food Co. Ltd.	China	2,544	4.53	7	Shelf-stable and frozen seafood	Own brand and third-party brands
Teck Sang Pte. Ltd.	Singapore	1,921	3.42	6	Shelf-stable and frozen seafood, flavouring products, dried food and snacks	Third-party brands
Yong Siu Szu Sdn Bhd	Malaysia	1,704	3.04	7	Shelf-stable and frozen seafood	Without brand
Hubei Pinglin Leishan Natural Food Co. Ltd.	China	1,520	2.71	6	Food products ⁽⁴⁾	Without brand and third-party brands
Sub-total		12,840	22.88			
Total Group's purchases		56,099				

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2023**

Supplier name	Supplier location	RM'000	%	Length of relationship (years) ⁽¹⁾	Main materials purchased	Brand
Supplier A ⁽²⁾	Malaysia	4,077	6.11	5	Shelf-stable and frozen seafood	Without brand
Zhangzhou New South China International Trading Co. Ltd.	China	3,586	5.37	7	General grocery products	Own brand
Inspire Galaxy Sdn Bhd	Malaysia	3,530	5.29	Less than 1	Flavouring products, shelf-stable and frozen seafood	Without brand
Supplier B ⁽³⁾	Australia	2,582	3.87	5	Shelf-stable and frozen seafood	Without brand
Teck Sang Pte. Ltd.	Singapore	2,313	3.47	7	Shelf-stable and frozen seafood, flavouring products, dried food and snacks	Third-party brands
Sub-total		16,088	24.11			
Total Group's purchases		66,749				

FYE 2024

Supplier name	Supplier location	RM'000	%	Length of relationship (years) ⁽¹⁾	Main materials purchased	Brand
Supplier A ⁽²⁾	Malaysia	4,026	5.82	6	Shelf-stable and frozen seafood	Without brand
Wellcrest Sdn Bhd	Malaysia	2,396	3.46	1	Flavouring products, shelf-stable and frozen seafood	Without brand
Supplier B ⁽³⁾	Australia	2,364	3.42	6	Shelf-stable and frozen seafood	Without brand
Zhaoan Hailian Food Co. Ltd.	China	2,130	3.08	9	Shelf-stable and frozen seafood	Own brand and third-party brands
Inspire Galaxy Sdn Bhd	Malaysia	1,981	2.86	1	Flavouring products, shelf-stable and frozen seafood	Without brand
Sub-total		12,897	18.64			
Total Group's purchases		69,180				

7. BUSINESS OVERVIEW (Cont'd)**FYE 2025**

Supplier name	Supplier location	RM'000	%	Length of relationship (years) ⁽¹⁾	Main materials purchased	Brand
Supplier A ⁽²⁾	Malaysia	3,600	5.32	7	Shelf-stable and frozen seafood	Without brand
Teck Sang Pte. Ltd.	Singapore	2,325	3.44	9	Shelf-stable and frozen seafood, flavouring products, dried food and snacks	Third-party brands
Zhaoan Hailian Food Co. Ltd.	China	2,238	3.31	10	Shelf-stable and frozen seafood	Own brand and third-party brands
Laiwu Manhing Vegetables Fruits Co. Ltd.	China	2,063	3.05	1	Fresh vegetables ⁽⁵⁾	Without brand
Chai Tiam Kee Herbs Enterprise	Malaysia	2,008	2.97	2	Shelf-stable and frozen seafood	Without brand
Sub-total		12,234	18.09			
Total Group's purchases		67,647				

Notes:

- (1) Length of relationship as at the respective financial year.
- (2) Supplier A is a partnership incorporated in Malaysia. Its principal activity is in catering services, sale of food and beverages and transportation of food and tents. For the Periods Under Review, we have been purchasing sea cucumber from Supplier A. The name of Supplier A is not disclosed as consent was not provided.
- (3) Supplier B is a company incorporated in Australia. Its principal activity is exporting and importing seafood products. The name of Supplier B is not disclosed as consent was not provided. Supplier B is owned by 2 individual shareholders.
- (4) Include shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products.
- (5) Include fresh vegetables such as onion and garlic, which are used as input materials for our manufacturing operations. We source these input materials from Laiwu Manhing Vegetables Fruits Co. Ltd. as part of our measure to broaden our supplier base, providing alternative sourcing options. We intend to continue sourcing from this supplier.

We are not dependent on any single supplier as each of our top 5 suppliers contributed less than 10.00% of our total purchases for each of the Periods Under Review. In addition, we can source similar products from other suppliers if the need arises.

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7. BUSINESS OVERVIEW (Cont'd)

7.15 BUSINESS STRATEGIES AND PLANS

Moving forward, we will continue to focus on our existing core business activities in the distribution and retailing of food products and leverage on our strengths to address potential opportunities and growth areas.

Our strategies and plans are as follows:



7.15.1 Expansion of facilities

Our plan for facilities expansion includes the setting up of New Integrated Complex and New Krubong Facility. The main rationale for setting up the 2 facilities are as below:

- New Integrated Complex is mainly intended to facilitate the distribution of food products segment as well as the expansion into food processing operations for seafood products. It will also house a product showroom, administrative office and product development facility. The product showroom is designed to facilitate bulk sales to our customer base of resellers and food service operators and serves as a reference point to demonstrate our capabilities to existing and potential customers. In addition, our Group views that the New Integrated Complex is strategically located, and hence the New Integrated Complex will have visibility and is accessible to potential customers.
- New Krubong Facility will mainly focus on the manufacturing of flavouring products and supported by a warehouse facility for the storage of goods.

Each of these 2 facilities will also comprise a dedicated space that is allocated for the storage of goods and materials to support the distribution and retail segments. In addition, having the 2 facilities in different locations provides diversification in the event of disruptions, such as power or water supply disruptions or other unforeseen events at one site.

7.15.1.1 New Integrated Complex

In FYE 2024, we acquired Property 8794 with a land size of approximately 262,230 sq. ft. in Batu Berendam, Melaka. The total purchase price for the said acquisition of RM16.00 million was funded through a combination of internally generated funds and bank borrowings. The acquired land is intended for the construction of a New Integrated Complex with a built-up area of not less than 100,000 sq. ft. as part of our business expansion plan.

7. BUSINESS OVERVIEW (Cont'd)

The New Integrated Complex will comprise the following:

(i) **Storage facility**

As at the LPD, we have approximately 7,446 sq. ft. of storage and warehouse space in Bangunan GHS and Property 3. We plan to increase our storage space through the construction of the New Integrated Complex, part of which will be used to store goods to support our distribution and retail operations.

We plan to allocate between 50,000 sq. ft. and 60,000 sq. ft. of storage space and it will be equipped with racking system to store up to approximately 3,700 pallets of goods. The existing storage and warehouse facilities at Bangunan GHS and Property 3 will continue to be utilised with the commencement of the New Integrated Complex.

(ii) **Food processing facility**

We plan to set up a food processing facility at the New Integrated Complex to complement our distribution and retail operations.

As at the LPD, the sea cucumber and fish maw that we distribute and retail are in dried and frozen forms and require some preparation processes such as rehydration and cleaning before they are ready to cook. This facility will mainly focus on processing dried sea cucumber and fish maw into ready-to-cook products, which will be packaged under our own brand. The process generally involves thawing and cleaning the dried sea cucumber and fish maw, followed by soaking, boiling, and cutting. The product will then undergo snap freezing to preserve its freshness, texture, and nutritional value before being packed for distribution. The processed sea cucumber and fish maw will be sold in a ready-to-cook form, requiring only defrosting before cooking.

These products are mainly targeted at food service operators and customers from our retail outlet, providing them with a convenient option for their food preparation process. For the Periods Under Review, our revenue from food service operators accounted for 26.48% (RM18.86 million), 41.24% (RM33.55 million), 43.50% (RM36.90 million) and 42.19% (RM39.29 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. For the Periods Under Review, our revenue from our retail outlet accounted for 16.44% (RM11.71 million), 15.72% (RM12.79 million), 14.91% (RM12.65 million) and 13.04% (RM12.15 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

We intend to invest in a snap freezing machine and related equipment to support the food processing operations.

(iii) **Product development facility**

In addition, we plan to set up a product development facility at the New Integrated Complex to carry out development of new or enhanced recipes for our in-house manufactured flavouring products as well as to support our food processing operations for the processing of dried sea cucumber and fish maw into ready-to-cook products.

(iv) **Product showroom**

We plan to set up a product showroom with floor space of approximately 20,000 sq. ft. at the New Integrated Complex. The product showroom is designated to facilitate bulk sales to our customer base of resellers and food service operators.

7. BUSINESS OVERVIEW (Cont'd)

We will showcase a variety of our products in the showroom, including different types and sizes of sea cucumber, abalone, fish maw, as well as our range of flavouring products. The showroom will also serve as a reference point for customers to view our product offerings and gain a better understanding of the variety and applications of our products.

(v) Administrative office

We plan to establish our administrative office at the New Integrated Complex, where it will oversee logistics coordination, inventory management, and other essential operational functions to support our business operations.

We plan to build two blocks on the acquired land, one will be a single-storey building (Block A) and the other will be a three-storey building (Block B). Block A will be designated for storage facility and product showroom, while Block B will be allocated to house the food processing facility, product development facility and administrative office. The construction of the New Integrated Complex will be carried out in two phases. The first phase will involve the construction of Block A, while the second phase will focus on the construction of Block B.

The total cost for establishing the New Integrated Complex, is estimated at RM23.28 million, which will be funded through IPO proceeds, internally generated funds, and/ or bank borrowings. We plan to utilise the IPO proceeds within 36 months from the date of Listing. The details on the estimated costs and the expected timing are as set out below:

	Estimated total cost RM'000	Sources of funds		Expected commencement / completion
		IPO proceeds RM'000	Internally generated funds and/ or bank borrowings RM'000	
Construction works	23,050	12,000	11,050	Q3 2026 / Q3 2028
- Pre-construction ⁽¹⁾	1,950			Q3 2026 / Q4 2026
- Construction ⁽²⁾	21,100			Q4 2026 / Q3 2028
Purchase of snap freezing machine and related equipment	230	-	230	Q3 2028 / Q4 2028
TOTAL	23,280	12,000	11,280	

Notes:

(1) Include demolition of an existing building on the plot of land, site clearing, earthworks and piling works.

(2) Include building construction, mechanical works and external infrastructure works.

As at the LPD, we have carried out some preliminary works such as soil test and are in the midst of preparing the submission of the development order. Upon obtaining approval on the development order, we will submit the building plan for the New Integrated Complex which is expected to commence by first quarter of 2026.

7. BUSINESS OVERVIEW (Cont'd)

Moreover, we will expand our human resources by recruiting additional personnel to support the operation of our New Integrated Complex. The cost for the expansion of human resources will be funded via internally generated funds. In addition, we intend to expand our transportation fleet by purchasing additional 1 unit of chiller truck and 2 units of ambient temperature trucks to support our business expansion and growth. The cost for the expansion of the transportation fleet is estimated at RM0.60 million which will be funded through IPO proceeds. Please refer to Section 4.8.1 of this Prospectus for further details on the utilisation of proceeds for working capital purposes.

7.15.1.2 New Krubong Facility

For the Periods Under Review, our distribution and retail operations were supported by our in-house manufacturing operations where we manufacture flavouring products including condiments, sauces and pastes, herbs, spices and seasonings. These are sold under our brands including “Heng’s”, “Makbest”, “SunCity” and “GSHK”.

As at the LPD, our food manufacturing operations are located in Property 30 and Property 32, Melaka with a built-up area of approximately 18,406 sq. ft.

Part of our strategies and plans are to relocate our manufacturing operations to a new manufacturing facility (New Krubong Facility) in Property 1587. We plan to allocate a floor space of not less than 40,000 sq. ft. for production area.

In addition, the New Krubong Facility will include a warehouse facility for the storage of goods to support our distribution and retail operations. We plan to allocate a floor space of not less than 10,000 sq. ft. for storage area, office and hostel.



In 2024, we have acquired the 22,421 sq. ft. plot of land (Property 1587) located behind our existing Property 1595-1 for the construction of the New Krubong Facility. The vacant land will be amalgamated with the land of Property 1595-1 (after demolishment) to build a new 3-storey building to house a manufacturing facility as well as warehouse (New Krubong Facility), with a planned built-up area of not less than 50,000 sq. ft.

Our revenue from the distribution and retailing of in-house manufactured flavouring products grew at a CAGR of 22.22% from RM10.47 million in FYE 2022 to RM19.10 million in FYE 2025. The rationale for setting up and relocation of our manufacturing operations to the New Krubong Facility is to cater for the new product range and growth in our manufacturing operations. The rationale for setting up a warehouse in the New Krubong Facility is to support our plan to distribute and retail more products, particularly to meet the needs of food service operators.

As a significant proportion of our manufactured products are perishable products such as sauces and pastes, the New Krubong Facility will also be equipped with a chiller room. In addition, it will be equipped with a freezer room for the storage of input materials and finished products.

Upon the completion of the relocation of manufacturing and product development and enhancement operations to the New Krubong Facility, the available space in Property 30 and Property 32 will be utilised as a storage area for input materials and our new and existing finished products for our distribution and retail of food products segments. The additional storage space is necessary to support our plan to distribute and retail more products, particularly to meet the needs of food service operators.

7. BUSINESS OVERVIEW (Cont'd)

The total estimated cost for setting up the 3-storey New Krubong Facility is RM11.73 million which will be funded through IPO proceeds, internally generated funds and/ or bank borrowings. We plan to utilise the IPO proceeds within 36 months from the date of Listing. As at the LPD, we have obtained approval for the development order from MBMB and are pending approval for the land amalgamation from the relevant authority. The approval for land amalgamation is expected to be obtained by first quarter of 2026.

The details on the estimated costs and the expected timing are as set out below:

	Estimated total cost RM'000	Sources of funds		Expected commencement / completion
		IPO proceeds RM'000	Internally generated funds and/ or bank borrowings RM'000	
Construction works	11,530	9,000	2,530	Q1 2027 / Q4 2028
- Pre-construction ⁽¹⁾	1,180			Q1 2027 / Q2 2027
- Construction ⁽²⁾	10,350			Q2 2027 / Q4 2028
Racking system	195	-	195	Q4 2028 / Q1 2029
TOTAL	11,725	9,000	2,725	

Notes:

(1) Include demolition of an existing building on the plot of land, site clearing, earthworks and piling works. The demolition of the existing building which is expected to commence in Q1 2027 will result in a write-off of approximately RM1.26 million in FYE 2027.

(2) Include building construction, mechanical works and external infrastructure works.

Moreover, we will expand our human resources by recruiting additional personnel to support the operation of our New Krubong Facility. The cost for the expansion of human resources will be funded via internally generated funds. In addition, we intend to expand our transportation fleet to support our business expansion and growth as discussed in Section 7.15.1.1 above.

Our Board acknowledges that the demolishment of the existing building on Property 1595-1 is expected to result in a write-off in FYE 2027 of its remaining net book value of approximately RM1.26 million which will reduce our Group's PAT in FYE 2027. Such write-off is a one-off and non-cash accounting adjustment that does not impact our Group's cash flows. Nevertheless, our Board has considered among others, our business strategies and plans to expand our business and to facilitate the carrying out and management of GHS Food Industries' manufacturing operations, and that the demolition is necessary to optimise land use and to accommodate the design and operational requirements of the New Krubong Facility. Accordingly, our Board is of the view that the demolishment is reasonable and in the best interest of our Group, as the New Krubong Facility is expected to among others, enhance operational efficiency and support future growth, which is expected to contribute positively to our Group's future earnings and in-turn expected to contribute to long-term shareholders value.

7. BUSINESS OVERVIEW (Cont'd)

7.15.2 Increase marketing activities

Our plans include continuously marketing our corporate brand, namely “GHS” to strengthen our brand equity. This includes increasing our brand awareness and recognition, fostering a positive brand image and quality, and increasing brand loyalty among our customers. Our sales and marketing team will continue to focus on both online and offline marketing channels which are as follows:

- **Online marketing** including advertisements on social media platforms such as Facebook and Xiaohongshu and collaboration with social media influencers to promote our products and increase brand awareness. The advertisement campaigns on social media platforms are designed to promote customer engagement while increasing our brand visibility.
- **Offline marketing** including participation in trade fairs, shows and exhibitions as well as engaging in joint promotional campaigns with our retail customers including supermarkets, hypermarkets and minimarkets, through a combination of in-store promotions and product samplings.

We plan to set aside RM1.50 million to facilitate the expansion of marketing activities in Malaysia and foreign countries including Singapore, Hong Kong and UK, and this will be funded through IPO proceeds within 24 months from the date of Listing.

7.15.3 Expansion of product range

Part of our strategies and plans is to expand our range of in-house manufactured flavouring products as well as externally sourced products. These will be targeted for distribution to customers including food service operators and resellers. We also plan to sell these products at our retail outlet.

The formulas for the new flavouring products will be developed by our product development team including product testing, as well as developing the packaging design and labelling of these products to comply with relevant regulatory requirements. As at the LPD, we have 2 personnel involved in the product development and enhancement activities, which are led by our Executive Director, Yeo Tian Seng. We intend to introduce new products under the condiments and herbs, spices and seasonings range by second half (“2H”) of 2026.

In addition, we plan to expand our range of externally sourced products, mainly shelf-stable and frozen seafood to offer a wider selection of food products to our customers. This expansion aims to complement our existing product offerings and cater to the various needs of our customers, enhancing customer convenience and satisfaction.

The costs for the development of the products will be funded through internally generated funds.

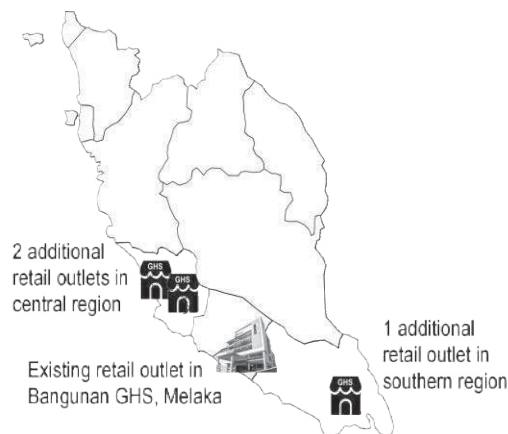
7.15.4 Expansion of retail outlets

For the Periods Under Review, we operate a retail outlet located in Bangunan GHS, Melaka for the retail sales of externally sourced and in-house manufactured products. Our retail segment accounted for 16.44% (RM11.71 million), 15.72% (RM12.79 million), 14.91% (RM12.65 million) and 13.04% (RM12.15 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

Part of our strategies and plans is to expand our retail operations with the opening of 2 additional retail outlets in Klang Valley within the central region and 1 additional retail outlet in Johor within the southern region to address opportunities for business growth.

7. BUSINESS OVERVIEW (Cont'd)

For the Periods Under Review, our revenue from the southern region accounted for 52.81% (RM37.61 million), 57.05% (RM46.40 million), 56.53% (RM47.95 million) and 54.57% (RM50.81 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. As for the central region, it accounted for 30.48% (RM21.71 million), 28.46% (RM23.15 million), 26.79% (RM22.72 million) and 30.14% (RM28.06 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.



We plan to leverage our track record and acceptance of our corporate brand, “GHS” in Melaka and extend our coverage to the central region by increasing the accessibility of our products through the 2 retail outlets.

We expect to commence operations of these 3 retail outlets between 2H 2026 and 2H 2027, and the total cost of setting up these outlets is estimated at RM3.00 million which will be funded through internally generated funds and/ or bank borrowings.

Moreover, we will expand our human resources by recruiting additional personnel to support the expansion of our retail outlets. The cost for the expansion of human resources will be funded via internally generated funds. In addition, we intend to expand our transportation fleet to support our business expansion and growth as discussed in Section 7.15.1.1 above.

7.16 SEASONALITY

Our business is subject to seasonality as we usually experience higher sales during school holidays and festive periods such as Chinese New Year, where our revenue is typically higher during the first half of our financial years. During these periods, our sales for food products including shelf-stable and frozen seafood as well as flavouring products are typically higher as consumers dine out in restaurants or prepare meals at home for reunions and celebrations.

7.17 MATERIAL INTERRUPTIONS TO OUR BUSINESS

We did not experience any material interruptions to our business in the past 12 months.

7.18 MATERIAL PROPERTIES

Details of our material properties, whether owned or rented, are set out in Annexure A of this Prospectus.

7.19 MAJOR LICENCES, CERTIFICATES AND PERMITS

Details of our major licences, certificates and permits are set out in Annexure B of this Prospectus.

7. BUSINESS OVERVIEW (Cont'd)

7.20 INTELLECTUAL PROPERTY RIGHTS

Details of our material trademarks are set out in Annexure C of this Prospectus. Saved as those disclosed in Annexure C of this Prospectus, our Group's brands, namely "Makbest", "Sky Chef" and "Cai Yan" are also duly registered with MyIPO but are not included in Annexure C of this Prospectus, as the revenue from such brands do not individually contribute more than 5% of our Group's revenue for each of the Periods Under Review.

In respect of our Group's brand "McCann", the applied-for trademark for the said brand has successfully passed MyIPO's examination stage and was published in December 2025 for a two (2)-month opposition period. During this period, any third party may file an opposition to the registration of the applied-for trademark. In the absence of any opposition within the stipulated period, the applied-for trademark is expected to proceed to registration upon the expiry of the opposition period, tentatively by the first quarter of 2026.

Notwithstanding the absence of a registered trademark, our Group may continue selling our products under our brand "McCann" and may rely on common law protection, particularly the tort of passing off, to safeguard its goodwill and brand reputation in the event of any infringement or misuse.

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7. BUSINESS OVERVIEW (Cont'd)

7.21 EMPLOYEES

A summary of our Group's total workforce by job functions as at 31 July 2025 and the LPD are as set out below.

Categories	As at 31 July 2025			As at the LPD		
	Local employees	Foreign employees	Sub-total	Local employees	Foreign employees	Sub-total
Executive Directors, directors and key senior management ⁽¹⁾	8	-	8	8	-	8
Finance and accounts ⁽²⁾	4	-	4	4	-	4
Human resources and administration ⁽³⁾	3	-	3	3	-	3
Operations (includes production, product development, quality assurance and quality control, warehouse and logistics)	48	28	76	51	28	79
Procurement, sales and marketing (includes retail)	27	1	28	30	1	31
Total	90	29	119	96	29	125

Notes:

- (1) Including our Managing Director (Yeo Tien Ee), our Executive Directors (namely Yeo Tian Seng and Lee Chee Kian), the directors of our Group's subsidiaries (namely Yeo Siew Heng and Chan Kim Yeo) and our key senior management (namely Yau Xiang Ying (our Group's Head of Finance), Kuan Lee Sia (our Group's Head of Procurement) and Cheong Poh Peng (our Group's Head of Human Resources)).
- (2) Excluding our Group's Head of Finance, namely Yau Xiang Ying, whose headcount has been included under the category of "Executive Directors, directors and key senior management".
- (3) Excluding our Group's Head of Human Resources, namely Cheong Poh Peng, whose headcount has been included under the category of "Executive Directors, directors and key senior management".

As at the LPD, we have a total workforce of 125 employees of which:

- (i) 81 permanent employees are Malaysians and accounted for approximately 64.80% of our total workforce;
- (ii) 15 contractual and/ or temporary workers are Malaysians and accounted for approximately 12.00% of our total workforce; and
- (iii) 29 permanent employees who are foreign workers from Nepal and Myanmar and represents 23.20% of our total workforce.

All our contractual and/ or temporary workers are individuals above the age of 60, who have been engaged on a contractual basis as they are above the minimum retirement age. These workers are primarily involved in retail operations and warehouse support, and are primarily stationed at Bangunan GHS.

All our foreign workers hold the valid employment passes.

As at the LPD, we employ a total of 110 full-time staff.

None of our employees belong to any trade unions and there has been no industrial dispute during the Periods Under Review and up to the LPD.

7. BUSINESS OVERVIEW (Cont'd)

7.22 GOVERNMENT LAWS AND REGULATIONS

Our Group is subject to the following governing laws and regulations which are material to our business operations:

7.22.1 Local Government Act 1976 (“LGA 1976”) and The Licensing of Trades (Malacca Historic City Council) By-Laws 2010 (“MBMB Bylaws”)

The LGA 1976 confers the power to the local authority to make by-laws which provide that no person shall use any premises within the jurisdiction of respective Municipal Council without a licence issued by respective Municipal Council. Hence, it is a requirement to obtain a business licence for each operating premises from the relevant local authority.

Pursuant to the MBMB Bylaws, no person shall use any place or premises, within the area administered by the MBMB for any trade, business or industry which includes manufacturing of which fees have been prescribed in the schedule to the by-laws without a licence issued by the MBMB.

Any person who contravenes any of the provisions of the MBMB Bylaws is guilty of an offence and is liable on conviction to a fine not exceeding RM2,000 or a term of imprisonment not exceeding 1 year, or both. In the case of a continuing offence, a fine not exceeding RM200 for each day during which such offence is continued after conviction.

Saved as disclosed below, there was no non-compliance of our Group as to the relevant provisions of the LGA 1976 and the MBMB Bylaws:

Nature of previous non-compliance	Absence of business licences for business activities conducted at the relevant premises
Status as at LPD	<p>As at the LPD, our Group has obtained the business licences issued by the MBMB under the LGA 1976 for the following business premises located at:</p> <p>(i) Property 3; and (ii) Property 32.</p> <p>As at the LPD, no fines have been imposed by the MBMB on our Group for such previous non-compliance.</p>
Estimated time for rectification	Rectified.
Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	<p>Pursuant to MBMB Bylaws and Section 119 of the LGA 1976, our Group may, on conviction for each offence (i.e., each business premise operating without a business licence), be subject to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or both.</p> <p>In the case of a continuing offence, our Group may be subject to a fine not exceeding RM200 for each day during which such offence is continued after conviction.</p>
Impact to business operations or financial condition	No impact on business operations or financial condition (as no penalties have been imposed for the past non-compliance) as our Group has obtained the relevant business licences.

7. BUSINESS OVERVIEW (Cont'd)

For information purposes, our Group is also operating at Bangunan GHS, Property 30 and Property 1595-1 and these business premises have been operating with valid and subsisting business licences during the Periods Under Review. For the avoidance of doubt, there was no non-compliance with the LGA 1976 in respect of these business premises.

During the Periods Under Review, our Group was operating at the following business premises without business licences:

(i) GHS Heng Kee

Period of non-compliance	March 2009 to 31 March 2024
Business premise	Property 3
Reason for past non-compliance and status of compliance	<p>GHS Heng Kee was not aware of the requirement of having a business licence for Property 3, as Property 3 was used solely for warehouse and storage purposes which did not involve direct business operations. Hence, GHS Heng Kee was using Property 3 without a business licence since March 2009.</p> <p>GHS Heng Kee obtained a valid and subsisting business licence for Property 3 which is valid from 1 April 2024 to 26 March 2025.</p> <p>GHS Heng Kee has also subsequently renewed and obtained a valid and subsisting business licence for Property 3 which is valid from 6 March 2025 to 26 March 2026.</p>

(ii) GHS Food Industries

Period of non-compliance	November 2016 to 25 September 2024
Business premise	Property 32
Reason for past non-compliance and status of compliance	<p>GHS Food Industries was not aware of the requirement of having a business licence for Property 32, and thought that the business licence under GHS Food Industries for Property 30 which is adjacent to Property 32 would suffice, given that business operations were carried out across both premises. Hence, GHS Food Industries was operating at Property 32 since November 2016, without a business licence.</p> <p>GHS Food Industries obtained a business licence for Property 32 which was valid from 26 September 2024 to 31 December 2024. GHS Food Industries has also subsequently renewed and obtained a valid and subsisting business licence for Property 32 which is valid from 3 December 2024 to 31 December 2025. The said license has been further renewed and is valid from 4 December 2025 until 31 December 2026.</p>

7. BUSINESS OVERVIEW (Cont'd)

Steps taken by our Group:

When our Group became aware that the Subsidiaries were required to apply for the business licences for each operating premise pursuant to the LGA 1976, our Group submitted applications to the MBMB for the said business licences.

As at the LPD, our Group has obtained valid and subsisting business licences for each of its operating premises. For information purposes, our Group is also operating at Bangunan GHS, Property 30 and Property 1595-1 and these business premises have been operating with valid and subsisting business licences during the Periods Under Review.

To prevent the occurrence of regulatory non-compliances such as the aforementioned in the future, our Group has in place the following measures:

- (a) our Group has established a Compliance Management Framework which outlines the processes and responsibilities necessary to monitor, evaluate, and maintain compliance across our Group's operations. The Compliance Management Framework also includes a Compliance Monitoring Checklist for the respective function/ department which consist of a list of relevant laws, regulations, rules and requirements for its business operations and premises with dates of expiry to monitor and submit renewal applications on a timely basis;
- (b) our Group has assigned the relevant Compliance Monitoring Checklist to the Head of Human Resources, who will oversee the renewal and monitoring of licences, permits, certificates and trademarks; and
- (c) our Group will also as part of the Compliance Policies and Procedures keep abreast with any latest development on rules and regulations governing our Group's business operations to ensure continuous compliance, and seek professional advice and assistance whenever necessary.

We are of the view that these past non-compliances will not have a material adverse impact on our Group's business operations and/ or financial condition as:

- (a) our Group has obtained valid and subsisting business licences for each of its operating premises. As at the LPD, our Group has not been fined or issued with any notice of non-compliance under the LGA 1976 and hence would not have an impact on our financial performance and position; and
- (b) our Group has taken the necessary corrective actions to rectify the non-compliances and to ensure future compliance as stated above.

7.22.2 Occupational Safety and Health Act 1994 ("OSHA")

The OSHA is an act to make further provisions for securing the safety, health and welfare of persons at work, for protecting others against risks to safety or health in connection with the activities of persons at work.

Pursuant to Section 15 of the OSHA, it shall be the duty of every employer to ensure, so far as is practicable, the safety, health and welfare to work of all his employees. It shall also be the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees.

Failure to carry out the aforementioned duties shall constitute an offence and the employer shall upon conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years, or to both.

7. BUSINESS OVERVIEW (Cont'd)

Section 30 of the OSHA also requires every employer to establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of the DOSH directs the establishment of such a committee at the place of work.

Failure to do so shall constitute an offence and the employer shall, upon conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

As at the LPD, our Group is in compliance with the relevant provisions under the OSHA and our Group will continue to ensure that we comply with the provisions of the OSHA.

7.22.3 Industrial Co-Ordination Act 1975 ("ICA 1975")

The ICA 1975 was enacted to promote and facilitate coordinated industrial development within Malaysia. Pursuant to Section 3 of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity, failing which, shall constitute an offence and 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 default continues.

Manufacturing companies with shareholders' funds of RM2,500,000 and above or engaging 75 or more full-time paid employees are required to apply to MITI for a manufacturing licence.

Saved as disclosed below, there was no non-compliance of our Group during the Periods Under Review as to the relevant provisions of the ICA 1975:

Nature of previous non-compliance	Absence of manufacturing licence by GHS Food Industries for manufacturing facilities located at Property 30 and Property 32 under Section 3 of the ICA 1975 issued by MITI.
Status as at LPD	As at the LPD, GHS Food Industries has obtained the manufacturing licence from MITI for its manufacturing facilities located at Property 30 and Property 32.
Estimated time for rectification	Rectified.
Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	Pursuant to Section 3 of the ICA 1975, GHS Food Industries may on conviction for each offence (i.e. each manufacturing facility operating without a manufacturing licence) be subject to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.
Impact to business operations or financial condition	No impact on business operations or financial condition (as no fines/ penalties have been imposed for the past non-compliance) as GHS Food Industries has obtained the manufacturing licence from MITI.

7. BUSINESS OVERVIEW (Cont'd)

For information purposes, as at the LPD, our Group's manufacturing facilities are only located at Property 30 and Property 32. From October 2023 to November 2024, Property 1595-1 was also operating as a manufacturing facility for approximately 1 year, but ceased manufacturing activities effective November 2024.

GHS Food Industries is primarily engaged in the manufacturing of food products. Thus, a manufacturing licence is required for each of its manufacturing facilities once its shareholders' funds exceeded RM2.50 million and above or it employs 75 or more full-time paid employees.

The past non-compliance of GHS Food Industries (i.e., not licenced under the ICA 1975) arose because GHS Food Industries had not met the employee threshold of 75 full-time paid employees and had inadvertently overlooked the shareholders' funds requirement.

Notwithstanding GHS Food Industries commenced operations in 2015, GHS Food Industries was only required to obtain a manufacturing licence when its shareholders' funds exceeded RM2.50 million for the then financial year ended 30 September 2020.

GHS Food Industries has been undertaking manufacturing activities at Property 30 and Property 32 without a manufacturing licence for each of the manufacturing facilities during the Periods Under Review. As such, GHS Food Industries was in breach of ICA 1975 for undertaking manufacturing activities at Property 30 and Property 32 from 1 October 2020 to 6 November 2024 without a manufacturing licence issued by MITI.

Steps taken by our Group:

When GHS Food Industries became aware that it was required to obtain a manufacturing licence for each of its operating facilities under Section 3 of the ICA 1975, GHS Food Industries submitted an application to MITI for the manufacturing licence for Property 30 and Property 32.

GHS Food Industries successfully obtained the manufacturing licence for Property 30 and Property 32 on 7 November 2024. As at the LPD, GHS Food Industries has not been fined or issued with any notice of non-compliance in relation to the absence of manufacturing licences under ICA 1975.

To prevent the occurrence of regulatory non-compliance such as the aforementioned in the future, our Group has in place the following measures:

- (a) our Group has established a Compliance Management Framework which outlines the processes and responsibilities necessary to monitor, evaluate, and maintain compliance across our Group's operations. The Compliance Management Framework also includes a Compliance Monitoring Checklist for the respective function/ department which consist of a list of relevant laws, regulations, rules and requirements for its business operations and premises with dates of expiry to monitor and submit renewal applications on a timely basis;
- (b) our Group has assigned the relevant Compliance Monitoring Checklist to the Head of Human Resources, who will oversee the renewal and monitoring of licences, permits, certificates and trademarks; and
- (c) our Group will also as part of the Compliance Policies and Procedures keep abreast with any latest development on rules and regulations governing our Group's business operations to ensure continuous compliance, and seek professional advice and assistance whenever necessary.

7. BUSINESS OVERVIEW (Cont'd)

We are of the view that these past non-compliances will not have a material adverse impact on our Group's business operations and/ or financial condition as:

- (a) GHS Food Industries has obtained the manufacturing licence from MITI for Property 30 and Property 32. As at the LPD, GHS Food Industries has not been fined or issued with any notice of non-compliance in relation to the absence of manufacturing licence under ICA 1975 and hence would not have an impact on its financial performance and position; and
- (b) GHS Food Industries has taken the necessary corrective actions to rectify the non-compliance and to ensure future compliance as stated above.

7.22.4 Fish Marketing Rules 2010 ("FMR 2010")

The purpose of the FMR 2010 was enacted to oversee various aspects of the fish industry, with a specific focus on governing the marketing of fish which includes the issuance of licences to individuals and businesses involved in wholesaling, retailing, fish processing as well as those engaged in importing and exporting fish.

FMR 2010 reads that no person shall:

- (a) operates any place other than the fish marketing place specified by LKIM by notification in the Gazette as a wholesale fish market or retail fish market, unless an application with the LKIM is made to register the place as a wholesale fish premise or retail fish premise pursuant to Regulation 3 of FMR 2010;
- (b) have any fish dealings unless at a wholesale fish premise or retail fish premise which has been registered with LKIM pursuant to Regulation 4 of FMR 2010;
- (c) import or export any fish without licence pursuant to Regulation 5 of FMR 2010; or
- (d) process any fish without licence pursuant to Regulation 6 of FMR 2010.

Section 17 of the Lembaga Kemajuan Ikan Malaysia Act 1971 provides that failure to comply with the above-stated provisions shall constitute an offence and render such person to be liable on conviction to a fine not exceeding RM25,000 and for a second or subsequent offence, to a fine not exceeding RM50,000.

As at the LPD, our Group possess valid licences for fish dealings issued by LKIM and is in compliance with the relevant provisions under the FMR 2010.

7.22.5 Control of Supplies Act 1961 ("CSA 1961")

The CSA 1961 is an act to provide for the control and rationing of supplies. The Control of Supplies Regulations 1974 ("**CS Regulations**") is a regulation made pursuant to the CSA 1961.

Pursuant to Regulation 3 of the CS Regulations, no person shall deal by wholesale or retail in any scheduled article or manufacture any scheduled article except under and in accordance with a licence issued under Regulation 4 of the CS Regulations. The scheduled article includes wheat flour, sugar and cooking oil.

Further, pursuant to Regulation 18 of the CS Regulations, any person who carries on any trade or business, which in the course of the trade or business he uses or consumes the following scheduled article, shall not have in his possession exceeding the quantity specified in the CS Regulations.

7. BUSINESS OVERVIEW (Cont'd)

Section 22 of the CSA 1961 provides that any person, other than a body corporate, but including a director or officer of a body corporate, who commits an offence against the CSA 1961 shall, on conviction, 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 a 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. Furthermore, it also provides that any body corporate which commits an offence against the CSA 1961 shall, on conviction, 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.

As at the LPD, our Group possess valid relevant schedule-controlled goods licences issued by the KPDN and is in compliance with the relevant provisions under CSA 1961.

7.22.6 Control of Padi and Rice Act 1994 (“CPRA 1994”)

The CPRA 1994 and its subsidiary legislations regulates the paddy and rice industry. Pursuant to the Control of Padi and Rice (Licensing of Wholesalers and Retailers) Regulations 1996 (“CPRR”), any person shall not sell rice by wholesale or retail except with a Rice Licence. The CPRR prohibits the licensee to outlet or permit to outlet any rice except at the business premises specified in the licence.

The CPRR also imposed a general obligation of a licensee not to hoard, conceal or destroy rice. Pursuant to the CPRA 1994, contravention of any conditions and provisions of the CPRR by a company shall, upon conviction, be liable to a fine not exceeding RM25,000 and, for a second or subsequent offence, to a fine not exceeding RM50,000. Any person other than a company but including a director or officer of a company who fails to comply with any conditions and provisions of the CPRR shall, on conviction, be liable to a fine not exceeding RM15,000 or to imprisonment for a term not exceeding 2 years or both and, for a second or subsequent offence, to a fine not exceeding RM25,000 or to imprisonment for a term not exceeding 5 years or both.

As at the LPD, our Group possess valid relevant licence issued by the KPKM and is in compliance with the relevant provisions under CPRA 1994.

7.22.7 Food Act 1983 (“FA 1983”), Food Regulations 1985 (“FR 1985”) and Food Hygiene Regulation 2009 (“FHR 2009”)

The FA 1983 and its subsidiary legislation, particularly the FR 1985, regulate the quality and integrity of food distributed in Malaysia and prescribes the nature, substance and quality of articles which may be qualified as food. The FR 1985 also requires that every package containing food for sale shall be appropriately labelled and provides for the general requirements and prohibitions of any such label.

Any person who sells any food which is not of the nature, substance nor quality as specified in the FA 1983 commits an offence and is liable, on conviction, to imprisonment for a term not exceeding 5 years or to fine or both, whereas any person who sells any food in a manner that is false, misleading or deceptive as regards its character, nature, value, substance, quality, composition, merit or safety, strength, purity, weight, origin, age or proportion or in contravention of any regulation made under the FA 1983 commits an offence and is liable, on conviction, to imprisonment for a term not exceeding 3 years or to fine or both.

Further, the FHR 2009 was enacted to ensure the quality of the food supply chain. Pursuant to Regulation 3(1) of the FHR 2009, no person shall use any food premises for the purposes of or in connection with the preparation, preservation, packaging, storage, conveyance, distribution or sale of any food or the relabelling, reprocessing or reconditioning of any food unless the premises is registered under the FHR 2009. Failure to comply with the said Regulation 3(1) shall constitute an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.

7. BUSINESS OVERVIEW (Cont'd)

Pursuant to Regulation 30 of the FHR 2009, all food handlers (any person who is directly involve in the preparation of food; comes in contact with food or food contact surfaces; and handles packaged or unpackaged food, or appliances) shall undergo a food handles training and obtain a certificate of food handlers training from an approved institution. Any food handler who works in any food premises fails to obtain a certificate of food handlers commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.

Furthermore, accordingly to the FHR 2009, a proprietor, owner or occupier of food premises shall provide and make available a safety assurance programme in the food premises. Any proprietor, owner or occupier of food premises who fails to comply with such regulation commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or imprisonment for a term not exceeding 2 years.

Saved as disclosed below, there was no non-compliance of our Group as to the relevant provisions of the FA 1983, FR 1985 and FHR 2009:

Nature of previous non-compliance	Absence of certificates of registration of food premise under Regulation 3(1) of the FHR 2009 issued by the MOH
Status as at LPD	As at the LPD, our Group has obtained valid and subsisting certificates of registration of food premise from MOH for its food premises located at Bangunan GHS, Property 3, Property 32 and Property 1595-1. As at the LPD, no fines have been imposed by MOH, being the relevant authority for such previous non-compliance by our Group.
Estimated time for rectification	Rectified.
Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	Pursuant to Regulation 3(1) of the FHR 2009, our Group may, on conviction for each offence (i.e. each food premise operating without a certificate of registration of food premise), be subject to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.
Impact to business operations or financial condition	No impact on business operations or financial condition (as no penalties have been imposed for the past non-compliance) as our Group has obtained valid and subsisting certificates of registration of food premise from MOH for its food premises.

For information purposes, our Group also has a food premise located at Property 30 which has a certificate of registration of food premise. For the avoidance of doubt, there was no non-compliance with FHR 2009 in respect of this food premise.

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7. BUSINESS OVERVIEW (Cont'd)

Our Group had used the following premises for the preparation, packaging, storage and sale of food without certificates of registration of food premise issued by MOH during the Periods Under Review:

(i) GHS Heng Kee

	Bangunan GHS	Property 3
Period of non-compliance	November 2019 to 18 July 2024	March 2009 to 25 September 2024
Purpose	Storage and sale of food products	Storage of food products
Reason for past non-compliance and status of compliance	<p>GHS Heng Kee was using this premise for the storage and sale of food since November 2019.</p> <p>GHS Heng Kee was not aware of the requirement of registering Bangunan GHS as a food premise with MOH as GHS Heng Kee had thought that only premises used for manufacturing or production of food require a certificate of registration of food premise issued by MOH. As Bangunan GHS was used for the storage and sale of food products, GHS Heng Kee continued to use Bangunan GHS without a certificate of registration of food premise issued by MOH.</p> <p>GHS Heng Kee obtained a valid and subsisting certificate of registration of food premise issued by MOH for Bangunan GHS which is valid from 19 July 2024 to 19 July 2027.</p>	<p>GHS Heng Kee was using this premise for the storage of food since March 2009.</p> <p>GHS Heng Kee was not aware of the requirement of registering Property 3 as a food premise with MOH as GHS Heng Kee had thought that only premises used for manufacturing or production of food require a certificate of registration of food premise issued by MOH. As Property 3 was used for the storage of food products, GHS Heng Kee continued to use Property 3 without a certificate of registration of food premise issued by MOH.</p> <p>GHS Heng Kee obtained a valid and subsisting certificate of registration of food premise issued by MOH for Property 3 which is valid from 26 September 2024 to 26 September 2027.</p>

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7. BUSINESS OVERVIEW (Cont'd)**(ii) GHS Food Industries**

	Property 32	Property 1595-1
Period of non-compliance	November 2016 to 29 September 2024	January 2019 to 26 September 2024
Purpose	Food production and food packaging	Food production and food packaging, storage of food products and cold room for storage of frozen food
Reason for past non-compliance and status of compliance	<p>GHS Food Industries was using this premise for food production and food packaging since November 2016.</p> <p>GHS Food Industries was not aware of the requirement of registering Property 32 as a food premise with MOH as GHS Food Industries had thought that the registration of Property 30 (which is adjacent to Property 32) as a food premise would suffice, given that business operations were carried out across both premises. Hence, GHS Food Industries continued to use Property 32 without a certificate of registration of food premise issued by MOH.</p> <p>GHS Food Industries obtained a valid and subsisting certificate of registration of food premise issued by MOH for Property 32 which is valid from 30 September 2024 to 30 September 2027.</p>	<p>GHS Food Industries was using this premise for storage of food products and for cold room for storage of frozen food since January 2019.</p> <p>GHS Food Industries was not aware of the requirement of registering Property 1595-1 as food premise with MOH as GHS Food Industries had thought that only premises used for manufacturing or production of food require a certificate of registration of food premise issued by MOH. As Property 1595-1 was used for storage of food products and for cold room for storage of frozen food, GHS Food Industries continued to use Property 1595-1 without a certificate of registration of food premise issued by MOH.</p> <p>In October 2023, GHS Food Industries re-located part of its food production and food packaging operations to Property 1595-1 for approximately 1 year, but has since ceased manufacturing activities at this premise effective November 2024. GHS Food Industries had inadvertently overlooked the requirement of registering Property 1595-1 as food premise with MOH when manufacturing activities were re-located there.</p> <p>GHS Food Industries obtained a valid and subsisting certificate of registration of food premise issued by MOH for Property 1595-1 which is valid from 27 September 2024 to 27 September 2027.</p>

For information purposes, our Group also has a food premise located at Property 30 which has a certificate of registration of food premise. For the avoidance of doubt, there was no non-compliance with FHR 2009 in respect of this food premise during the Periods Under Review.

Steps taken by our Group:

When our Group became aware that the Subsidiaries are required to obtain certificates of registration of food premise from MOH for each of its food premises under Regulation 3(1) of the FHR 2009, our Group submitted applications to MOH for the registration of food premises.

7. BUSINESS OVERVIEW (Cont'd)

Our Group successfully obtained valid and subsisting certificates of registration of food premise from MOH for Bangunan GHS, Property 3, Property 32 and Property 1595-1 as food premises on 19 July 2024, 26 September 2024, 30 September 2024 and 27 September 2024, respectively. As at the LPD, our Group has not been fined or issued with any notice of non-compliance in relation to the absence of certificates of registration of food premise under Regulation 3(1) of the FHR 2009.

To prevent the occurrence of regulatory non-compliance such as the aforementioned in the future, our Group has in place the following measures:

- (a) our Group has established a Compliance Management Framework which outlines the processes and responsibilities necessary to monitor, evaluate, and maintain compliance across our Group's operations. The Compliance Management Framework also includes a Compliance Monitoring Checklist for the respective function/ department which consist of a list of relevant laws, regulations, rules and requirements for its business operations and premises with dates of expiry to monitor and submit renewal applications on a timely basis;
- (b) our Group has assigned the relevant Compliance Monitoring Checklist to the Head of Human Resources, who will oversee the renewal and monitoring of licences, permits, certificates and trademarks; and
- (c) our Group will also as part of the Compliance Policies and Procedures keep abreast with any latest development on rules and regulations governing our Group's business operations to ensure continuous compliance, and seek professional advice and assistance whenever necessary.

We are of the view that these past non-compliances will not have a material adverse impact on our Group's business operations and/ or financial condition as:

- (a) our Group has obtained valid and subsisting certificates of registration of food premise from MOH for Bangunan GHS, Property 3, Property 32 and Property 1595-1. As at the LPD, our Group has not been fined or issued with any notice of non-compliance in relation to the absence of certificates of registration of food premise under Regulation 3(1) of the FHR 2009 and hence would not have an impact on our financial performance and position; and
- (b) our Group has taken the necessary corrective actions to rectify the non-compliance and to ensure future compliance as stated above.

7.22.8 Excise Act 1976 ("EA 1976")

The EA 1976 and its subsidiary legislations regulate and govern the licensing for the manufacture, distribution and sale of excise goods. Pursuant to the Excise Act 1976, any person shall not sell any intoxicating liquor except with a licence issued by the Excise Licensing Board ("**Liquor Licence**"). However, the sale by retail of beer or toddy in unopened bottles or cans is exempt from this requirement.

The Excise (Sale of Intoxicating Liquors) Regulations 1977 further regulates matters relating to licences for retail shops and wholesale dealers. The Excise (Sale of Intoxicating Liquors) Regulations 1977 prescribes the form of Liquor Licence and sets out regulations on the sale of liquors which include, amongst others, prohibiting the supply or sale of liquors to persons under the age of 21 years and prohibiting the sale of intoxicating liquors by any retail shop between the hours of 9.00 p.m. to 7.00 a.m.

7. BUSINESS OVERVIEW (Cont'd)

Any person who sells intoxicating liquors without a Liquor Licence or fails to comply with the conditions of a Liquor Licence shall, on conviction, be liable to a fine not exceeding RM50,000.

As at the LPD, our Group possess valid relevant licence issued by the District Office of Melaka Tengah and is in compliance with the relevant provisions under EA 1976.

7.22.9 Trade Description Act 2011 (“TDA 2011”), Trade Descriptions (Definition of Halal) Order 2011 and Trade Descriptions (Certification and Marking of Halal) Order 2011

The TDA 2011 is enforced by KPDM and provides protection for traders and consumers from unhealthy trade practices. The TDA 2011 aims to facilitate good trade practices and protect the interest of consumers by eliminating false trade descriptions and false or misleading statements, conducts and practices in relation to the supply of goods and services.

Pursuant to Section 5 of the TDA 2011, 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;
- (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.

Under the Trade Descriptions (Definition of Halal) Order 2011 and Trade Descriptions (Certification and Marking of Halal) Order 2011, which forms part of the TDA, JAKIM is authorised to certify any food, goods or services as “Halal”. Halal certificates issued by JAKIM shows that a product is qualified to be consumed by Muslims, which means that the food or goods does not contain any harmful or any part of matter that was forbidden by the Shariah law.

A body corporate in contravention with the Trade Descriptions (Definition of Halal) Order 2011 shall be guilty of an offence and on conviction, be liable for a fine not exceeding RM5,000,000 and for a second or subsequent offence, to a fine not exceeding RM10,000,000.

A body corporate in contravention with the Trade Descriptions (Certification and Marking of Halal) Order 2011 shall be guilty of an offence and on conviction, be liable for a fine not exceeding RM200,000, and for a second or subsequent offence, to a fine not exceeding RM500,000.

As at the LPD, our Group possess valid relevant licences issued by the JAKIM and is in compliance with the relevant provisions under TDA 2011, Trade Descriptions (Definition of Halal) Order 2011 and Trade Descriptions (Certification and Marking of Halal) Order 2011.

Further details of the major licences, certificates and permits issued to our Group in order for us to carry out our operations are set out in Annexure B of this Prospectus.

7. BUSINESS OVERVIEW (Cont'd)

7.22.10 Income Tax Act 1967 ("ITA 1967")

Pursuant to the ITA 1967, income tax shall be charged for each year of assessment upon the income of any person accruing in or derived from Malaysia or received in Malaysia from outside Malaysia.

A company will be a tax resident in Malaysia if it is carrying on a business for the basis year for a year of assessment if at any time during that basis year, the management and control of its business or of any of its businesses, are exercised in Malaysia.

Pursuant to Section 77A(1) of the ITA 1967, a company is required to submit an income tax return and make all tax payments to Inland Revenue Board ("**IRB**") within seven months from the date following the close of the accounting period which constitutes the basis period for the year of assessment. Particulars required to be specified in the return include the amount of chargeable income and tax payable by the company.

A company shall be guilty of an offence and shall, on conviction, be liable to a fine not less than RM200 and not more than RM20,000 or to imprisonment for a term not exceeding 6 months or to both in the event, such company defaults in furnishing a return in accordance to Section 77A(1) of the ITA 1967.

Saved as disclosed below, there was no non-compliance of our Group as to the relevant provisions of the ITA 1967:

(l) Tax audit

On 19 March 2025, GHS Heng Kee received a letter from the IRB requesting for supporting documents (e.g., audited financial statements together with the directors' report, tax computation and management accounts, which include the trial balance with charts of accounts, balance sheet and income statement) in respect of year of assessment ("**YA**") 2021 to YA 2024 ("**Tax Audit**"). On 24 March 2025, Crowe Melaka Tax Sdn Bhd ("**Crowe Tax**") had on behalf of GHS Heng Kee, submitted the supporting documents in respect of YA 2021 to YA 2024 to the IRB. Based on communications between Crowe Tax and the IRB, the IRB has concluded the tax audit in May 2025. Our Group had settled a total additional tax of RM18,776.88 for YA 2021 to YA 2023 and a penalty of RM724.14 in May 2025. This was mainly due to non-deductible expense incurred during YA 2021 to YA 2023.

Steps taken by our Group:

Our Group has taken the necessary corrective actions to rectify the non-compliances and has appointed Yau Xiang Ying (our Group's Head of Finance) who now oversees our Group's overall accounting, tax and corporate finance matters to, among others, ensure proper monitoring and tracking of the deductible expenses. In addition, effective YA 2024, our Group has appointed Crowe Tax as our Group's tax agent, to advise on tax compliance and related matters.

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7. BUSINESS OVERVIEW (Cont'd)**(II) Under/ overreporting of income by GHS Heng Kee**

Nature of previous non-compliance	Submission of income tax return for GHS Heng Kee with under reported income for YA 2021 and over reported income YA 2022 and YA 2023.
Status as at LPD	GHS Heng Kee's tax agent namely Crowe Tax has notified the IRB of the revisions to the tax computations and returns in respect of YA 2021, YA 2022 and YA 2023. As at the LPD, GHS Heng Kee has settled the balance of tax payable of RM179,426 to the IRB.
Estimated time for rectification	Rectified.
Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	Pursuant to the Section 113(2) of the ITA 1967, our Group may be subject to a penalty equal to the amount of tax which has been undercharged in consequence of the incorrect return or incorrect information or which would have been undercharged if the return or information had been accepted as correct. However, based on the Tax Audit Framework on Income Tax and Employer (" Tax Audit Framework ") issued by the IRB, which took effect on 15 March 2025, a penalty will be imposed at a rate of 15% for the first offence.
Impact to business operations or financial condition	The penalty of RM147,405 imposed by the IRB did not result in a material disruption or had an adverse impact on our Group's business operations and financial condition during the Periods Under Review.

In respect of the above-mentioned under and over reported income, prior year adjustments have been effected for the following:

- (i) to rectify the over/ (under) taken up purchases for FYEs 2021 to 2023 due to the purchase cut-off errors; and
- (ii) to rectify the understatement of closing inventories for FYE 2023.

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7. BUSINESS OVERVIEW (Cont'd)

The tax implications of the prior year adjustments are as shown below:

Description	YA 2021 RM	YA 2022 RM	YA 2023 RM	Total RM
Adjustment for over/ (under) taken up of purchases (net)	4,074,463	(518,387)	(2,563,338)	
Adjustment for understatement of closing inventories	-	-	1,787,504	
Total adjustment for under/ (over) reported income	4,074,463	(518,387)	(775,834)	
Additional tax liabilities/ (tax discharged)*	982,699	(117,634)	(179,030)	686,035
Potential penalty for unreported of income (15% penalty for the 1 st offence)*	147,405	-	-	147,405
				833,440
Less: Credit balance from YA 2020 and YA 2021	-	-	-	(654,014)
Balance of tax payable by GHS Heng Kee				179,426

Note:

* Including adjustment for other non-deductible expenses as mentioned in item (I) above.

The over/ (under) taken up of purchases (net) arose due to purchases were incorrectly recognised based on the invoice date or payment date, instead of the appropriate recognition criteria (i.e., based on incoterm) leading to cut-off errors, and due to a lack of formalised monitoring in the past. The understatement of closing inventories was due to lack of formalised inventory monitoring in the past leading to inventory movements not being properly captured, where recognition of inventories in the accounting system was not in line with actual inventory movement.

Steps taken by our Group:

In view of the above-mentioned prior year adjustments*, Crowe Tax had on behalf of GHS Heng Kee, computed the estimated additional tax liabilities/ (tax discharged) and potential penalty for the unreported income.

Crowe Tax had also on behalf of GHS Heng Kee, notified the IRB of the revisions to the tax computations and returns in respect of YA 2021, YA 2022 and YA 2023.

On 25 March 2025, Crowe Tax submitted the revisions to the tax computations and returns in respect of YA 2021, YA 2022 and YA 2023 together with the relevant relief application to the IRB.

Note:

* For the avoidance of doubt, the prior year adjustments were made during the audit by Crowe Malaysia PLT on the financial statements of GHS Heng Kee prepared in accordance with the MFRS and International Financial Reporting Standards (IFRS). The earlier tax returns of GHS Heng Kee for YAs 2021 to 2023 were prepared and submitted by the previous tax agent, based on the then audited financial statements.

7. BUSINESS OVERVIEW (Cont'd)

The then audited financial statements of GHS Heng Kee for the respective financial years were prepared by the previous auditor in accordance with the Malaysian Private Entities Reporting Standards.

Further to the above, the IRB has agreed to utilise GHS Heng Kee's tax credit balance from YA 2020 to YA 2021 and tax discharged from YA 2022 to YA 2023 to offset the additional tax payable and penalty for YA 2021. On 14 May 2025, GHS Heng Kee has settled the balance of tax payable of RM179,426 and the IRB had on 19 May 2025 issued a letter to GHS Heng Kee informing that the tax settlement offer of RM833,440 (which includes additional tax liabilities/ (tax discharged) and penalty) has been agreed by the IRB.

To prevent the occurrence of the above-mentioned under and over reported income in the future, our Group has in place the following measures:

- (a) our Group has appointed Yau Xiang Ying (our Group's Head of Finance) who now oversees our Group's overall accounting, tax and corporate finance matters to ensure, among others, that purchases are recognised based on the appropriate recognition criteria; and
- (b) our Group has improved its inventories monitoring and management from a manual record-keeping to the utilisation of accounting software and formalised the inventory count procedures to ensure accuracy in inventory records.

We are of the view that the abovementioned past non-compliance will not have a material adverse impact on our Group's business operations and/ or financial condition as:

- (a) the provisions for the additional tax liabilities/ (tax discharge) and the potential penalty for unreported income have been accounted for in the Accountants' Report of GHS Holdings for the Periods Under Review; and
- (b) the payment for the additional tax liabilities (net, and after deducting the credit balance from YA 2020 and YA 2021) of RM32,021 and the potential penalty of RM147,405 (totalling RM179,426) has been reflected in the cash flows of our Group.

(III) Late submission of Estimated Tax Payable ("CP204") by GHS Heng Kee and GHS Food Industries for YA 2025

(i) GHS Heng Kee

Nature of previous non-compliance	GHS Heng Kee did not submit the CP204 for YA 2025 by the submission due date of 30 June 2024.
Status as at LPD	<p>IRB issued a Notice of Instalment Payment (CP205) dated 22 July 2024 ("IRB Notice"), directing GHS Heng Kee to make payments for the tax instalments for YA 2025 according to the amount and payment schedule in the IRB Notice.</p> <p>On 28 August 2024, IRB issued a notice of compound payment, imposing a penalty of RM12,000 for the late submission of CP204. The said penalty was settled on 26 September 2024.</p>
Estimated time for rectification	Rectified.

7. BUSINESS OVERVIEW (Cont'd)

Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	Pursuant to Section 120(1)(f) of the ITA 1967, any person who fails to furnish an estimate in accordance with ITA 1967 shall, on conviction, be liable to a fine of not less than RM200 and not more than RM20,000 or to imprisonment for a term not exceeding 6 months or to both.
Impact to business operations or financial condition	The penalty of RM12,000 imposed for the late submission of CP204 did not result in a material disruption or had an adverse impact on our Group's business operations and financial condition during the Periods Under Review.

(ii) GHS Food Industries

Nature of previous non-compliance	GHS Food Industries did not submit the CP204 for YA 2025 by the submission due date of 30 June 2024.
Status as at LPD	On 26 September 2024, IRB issued a notice of compound payment, imposing a penalty of RM2,400 for the late submission of CP204. The said penalty was settled on 1 October 2024.
Estimated time for rectification	Rectified.
Estimated cost to rectify (RM'000)	Not applicable.
Potential maximum penalty	Pursuant to Section 120(1)(f) of the ITA 1967, any person who fails to furnish an estimate in accordance with ITA 1967 shall, on conviction, be liable to a fine of not less than RM200 and not more than RM20,000 or to imprisonment for a term not exceeding 6 months, or to both.
Impact to business operations or financial condition	The penalty of RM2,400 imposed for the late submission of CP204 did not result in a material disruption or had an adverse impact on our Group's business operations and financial condition during the Periods Under Review.

The non-submission and late submission of CP204 for YA 2025 occurred during the transition between the previous and newly appointed tax agents (i.e., Crowe Tax which was appointed in July 2024). During this period, no tax agent was formally engaged, which contributed to the oversight. The delay was unintentional and arose in the course of transitioning tax advisory responsibilities.

Steps taken by our Group:

Our Group has taken the necessary corrective actions to rectify the non-compliances and has appointed Yau Xiang Ying (our Group's Head of Finance) who now oversees our Group's overall accounting, tax and corporate finance matters to ensure, among others, timely submission of CP204.

7. BUSINESS OVERVIEW (Cont'd)

7.22.11 Trademarks Act 2019 ("TMA 2019")

The TMA 2019 is an act to provide for the registration of trademarks in relation to goods and services and to implement the relevant treaties and for other matters connected therewith.

Pursuant to Section 3 of the TMA 2019, a trademark refers to any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings. A sign may constitute a trademark even though it is used in relation to a service ancillary to the trade or business of an undertaking and whether or not the service is provided for money or money's worth.

A registered trademark is a form of property right obtained through registration of trademark and a registered proprietor of the trademark has the rights and remedies provided under the TMA 2019.

According to Section 48 of the TMA 2019, the registered proprietor of trademark has the exclusive right to use the trademark and to authorise other persons to use the trademark, in relation to the goods or services for which the trademark is registered. The registered proprietor has the right to obtain relief for infringement of its trademark by instituting court proceedings against any person who has infringed or is infringing the registered trademark. In an action for infringement, the Court may grant relief including, amongst others, injunction, damages, an account of profits or additional damages as it considers appropriate in the circumstances.

As at the LPD, our Group holds multiple trademarks that are registered with MyIPO.

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7. BUSINESS OVERVIEW (Cont'd)**7.23 MATERIAL INVESTMENTS AND DIVESTITURES****(i) Material investments**

Save as disclosed below, our Group has not incurred any other material capital expenditure for the Periods Under Review and up to the LPD.

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 August 2025 up to the LPD
Capital expenditure	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At cost</u>					
Freehold land ⁽¹⁾	-	-	18,070	-	-
Electrical installation	3	1	6	17	-
Furniture and fittings ⁽²⁾	127	99	3	17	5
Motor vehicles ⁽³⁾	78	250	207	256	-
Office equipment ⁽⁴⁾	217	243	212	242	-
Plant and machineries ⁽⁵⁾	413	348	712	44	-
Signboard	-	-	71	11	-
Renovation ⁽⁶⁾	-	-	318	388	-
Capital work-in-progress	⁽⁷⁾ 1,961	⁽⁷⁾ 957	-	-	-
Total	2,799	1,898	19,599	975	5

Notes:

- (1) *Mainly the purchase of the following in FYE 2024:*
- (i) *Property 8794 for a purchase consideration of RM16.00 million; and*
 - (ii) *Property 1587 for a purchase consideration of approximately RM1.24 million.*
- (2) *Mainly the purchase of racking and display fixtures for the retail outlet in Bangunan GHS and office furniture and fittings in Bangunan GHS.*
- (3) *Our Group purchased the following motor vehicles during the Periods Under Review for business purposes:*
- (i) *in FYE 2022, our Group purchased 1 unit of ambient temperature truck;*
 - (ii) *in FYE 2023, our Group purchased 2 units of ambient temperature truck;*
 - (iii) *in FYE 2024, our Group purchased 1 unit of freezer truck; and*
 - (iv) *in FYE 2025, our Group purchased 1 unit of ambient temperature truck and 1 unit of passenger car.*
- (4) *Mainly the purchase of computers, computer software, pantry equipment, office wares and electronic appliances for Bangunan GHS, Property 30, Property 32 and Property 1595-1.*

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7. BUSINESS OVERVIEW (Cont'd)

- (5) *Mainly the purchase of the following plant and machineries during the Periods Under Review:*
- (i) *in FYE 2022, our Group purchased, among others, 1 unit of frying machine, 3 units of vegetable preparation and processing machine, 2 units of packaging machine and 1 unit of forklift;*
 - (ii) *in FYE 2023, our Group purchased, among others, 3 units of vegetable preparation and processing machine and 8 units of packaging machine;*
 - (iii) *in FYE 2024, our Group purchased, among others, 2 units of frying machine, 2 units of vegetable preparation and processing machine and 1 unit of packaging machine; and*
 - (iv) *in FYE 2025, our Group purchased 1 unit of forklift.*
- (6) *In FYE 2024, our Group undertaken renovation works for Bangunan GHS and Property 1595-1.*
- In FYE 2025, our Group undertaken renovation works for Bangunan GHS, Property 3 and Property 30.*
- (7) *Comprising mainly the purchase consideration of RM2.80 million for the Property 1595-1.*

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds.

(ii) Material capital divestitures

Save as disclosed below, there were no other material capital divestitures for the Periods Under Review and up to the LPD.

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 August 2025 up to the LPD
Capital expenditure	RM'000	RM'000	RM'000	RM'000	RM'000
At carrying amount					
Investment property ⁽¹⁾	-	-	-	39	-
Total	-	-	-	39	-

Note:

- (1) *As at 31 July 2024, our Group had classified a piece of freehold land with a unit of double-storey intermediate-pre-war shop house bearing postal address of No. 6, Jalan Hang Lekiu, 75200 Melaka ("**Property 6**") at carrying amount of RM39,000 from "investment property" to "asset classified as held for sale" following our Group's commitment to dispose the said property. On 28 January 2025, GHS Heng Kee had entered into a conditional sale and purchase agreement with Yeo Siew Heng and Chan Kim Yeo to dispose Property 6 at a cash consideration of RM39,000. The disposal of Property 6 was completed on 1 July 2025. Please refer to Section 10.1.1 of this Prospectus for further details.*

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7. BUSINESS OVERVIEW (Cont'd)

7.24 MATERIAL DEPENDENCY ON COMMERCIAL OR FINANCIAL CONTRACTS, INTELLECTUAL PROPERTY RIGHTS, LICENCES, PERMITS AND OTHER ARRANGEMENTS

As at the LPD, save for the major licences, certificates and permits, and the locally registered intellectual property rights as disclosed in Annexure B and Annexure C of this Prospectus respectively, we are not materially dependent on any other regulatory approvals, licences, permits, or intellectual property rights for the conduct of our business or profitability.

In addition, while we have disclosed our foreign registered intellectual property rights in Annexure C of this Prospectus, we are not materially dependent on these intellectual property rights. They are included solely to demonstrate our initiatives and intention to expand our business presence in those respective jurisdictions.

Further, as at the LPD, we do not have any commercial or financial contracts on which we are materially dependent for our business operations or profitability.

7.25 ENVIRONMENT, SOCIAL AND GOVERNANCE PRACTICES OF OUR GROUP

We recognise the importance of adopting Environment, Social and Governance (“**ESG**”) practices such as ensuring environmentally responsible operations, providing conducive workplaces for employees and a high standard of corporate governance for sustainable valuation creation and maintaining the confidence of our shareholders and other stakeholders. As such, we are pleased to set out below the ESG statement that outlines our ESG practices.

(i) Environmental

Our Group aims to integrate sustainability and environmental quality considerations into our daily business operations. The measures taken and continue to be in place include the following:

- complying with all relevant environmental regulatory and legal requirements;
- ensuring responsible waste management and disposal practices;
- conservative usage of water and energy at our premises; and
- practice 3R (Reduce, Reuse, Recycle) initiative such as reusing packaging materials by suppliers to customers.

(ii) Social

Our Group strives to act responsibly to our stakeholders in our business operations as well as to the community in which we operate in. Our Group’s efforts include the following:

- providing a safe, healthy, and conducive work environment for all employees;
- fostering a diverse and inclusive culture that values individuality and respect;
- ensure equal access to opportunities regardless of age, gender, ethnicity, religion, national origin, disability, sexual orientation or any other relevant characteristics;
- eradicating improper work place conduct and practices, including but not limited to workplace bullying, discrimination, harassment, intimidation and victimisation;
- empower our workforce by supporting their personal and professional development;
- respect and uphold the fundamental workers’ rights by eliminating child labour and all forms of forced labour; and
- contributing to the well-being and development of the surrounding community through corporate social responsibility programmes, employee volunteerism and job creation and donation.

7. BUSINESS OVERVIEW (Cont'd)

(iii) Governance

To ensure good governance sustainability, our Group focuses on, among others, the following actions:

- upholding high standards of business ethics, integrity, and corporate governance practices;
- performing quality assurance batch testing of products to ensure they meet safety standards;
- continuously improving the effectiveness of our management system to meet operational, service delivery and customer requirements;
- maintaining timely, transparent, and meaningful communication with shareholders and other stakeholders to foster mutual understanding;
- continually improving governance structures and processes;
- complying with all applicable laws and regulations in relation to corporate governance; and
- implementing policies and procedures to ensure the adequacy and integrity of our Group's internal control systems.

We recognise the importance of adhering to a high standard of corporate governance as set out in the MCGG. We have among others, the following policies to uphold good corporate governance practices:

- (a) formal organisational structure with clearly defined lines of reporting to Board Committees and key senior management, including clear accountability and authority limits;

As at the LPD, we have adopted, among others, the following practices of the MCGG:

- (aa) recommendation under Practice 5.2 of the MCGG that at least half of the Board comprises independent directors.

As at the LPD, 4 out of 7 of our Directors are independent directors.

- (bb) recommendation under Practice 5.9 of the MCGG for the Board to comprise at least 30% women directors.

As at the LPD, 3 out of our 7 Directors are female.

- (cc) recommendation under Step Up Practice 9.4 of the MCGG that the Audit Committee should comprise solely of independent directors.

As at the LPD, our Audit and Risk Management Committee is comprised solely of independent directors.

- (b) adopted the Anti-Bribery and Anti-Corruption Policy and Whistle-blowing Policy to ensure compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Whistleblower Protection Act 2010; and

- (c) adopted a Personal Data Protection Notice, compliant with the Personal Data Protection Act, 2010 to safeguard the data and privacy of our customers, vendors, suppliers, service providers and/ or employees.

8. IMR REPORT



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www.vitalfactor.com

11 December 2025

The Board of Directors
Guan Huat Seng Holdings Berhad
Bangunan GHS
388A Jalan Tengker
Taman Siantan Sek 2
75200 Melaka

Dear Sirs and Madams

Independent Assessment of the Distributive Trade of Food and Beverage Product Industry

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the distributive trade of food and beverage product industry for inclusion in the prospectus of Guan Huat Seng Holdings Berhad for its initial public offering and listing of its shares on the ACE Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of the readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely

Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings of their shares on Bursa Securities.

8. IMR REPORT (Cont'd)



Date of Report: 11 December 2025

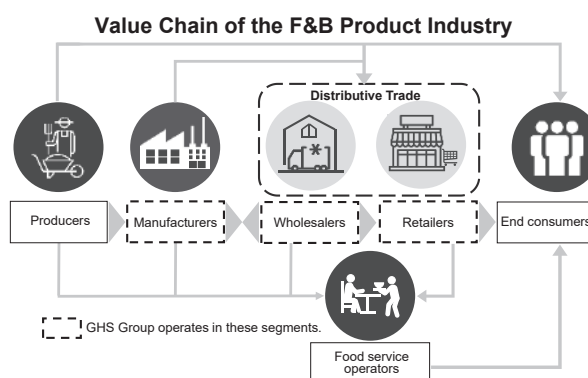
INDEPENDENT ASSESSMENT OF THE DISTRIBUTIVE TRADE OF FOOD AND BEVERAGE PRODUCT INDUSTRY

1. OVERVIEW OF GHS GROUP'S BUSINESS AND REPORT PARAMETERS

- Guan Huat Seng Holdings Berhad and its subsidiaries (GHS Group) are primarily engaged in distributing and retailing food products, including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. While GHS Group's primary market is in Malaysia, it also supplies to foreign markets, primarily in Asia. These shall form the focus of this report. In addition, GHS Group also manufactures flavouring products such as condiments, sauces and pastes, herbs, spices and seasonings. Therefore, this report will also provide some coverage on the manufacturing of flavouring products, particularly sauces and condiments.
- Unless otherwise stated, food and beverage (F&B) products refer to products intended for human consumption, F&B products do not include tobacco, food includes beverages, and all information pertains to Malaysia.

2. INDUSTRY OVERVIEW

- The value chain of the F&B product industry typically begins with food **producers**, including farmers, fishermen, and harvesters. These producers grow, catch, or harvest fresh agricultural products and sell them to manufacturers for further processing or production. Producers may also sell their fresh produce directly to wholesalers, retailers, food service operators, or end consumers.



- Manufacturers**, including contract manufacturers, process F&B products into intermediate or finished goods. Their primary role is transforming raw or semi-finished products into semi-finished or finished goods. While manufacturers typically source input materials directly from producers, some may also procure them from wholesalers.
- The **distributive trade** includes all intermediary activities that facilitate the movement of goods for resale (wholesale trade) or direct use by food service operators and consumption by end consumers (retail trade). **Wholesalers** typically purchase F&B products in bulk from producers or manufacturers and distribute them to retailers, food service operators, or other manufacturers. Some wholesalers may also sell to other wholesalers for resale, while others operate their retail networks, including online platforms.
- Retailers**, including hypermarkets, supermarkets, minimarkets, convenience stores, traditional Chinese medical halls, market stalls, and online retailers, sell F&B products to food service operators and end consumers. While some retailers source products directly from producers or manufacturers, many rely on wholesalers. **Food service operators** manage the entire process of preparing, presenting, and serving food and beverages to end consumers across various establishments, such as restaurants, cafes, canteens and food vendors.
- GHS Group primarily engages in the distributive trade of F&B products in Malaysia. Additionally, the Group also manufactures flavouring products to support its distribution and retail operations.

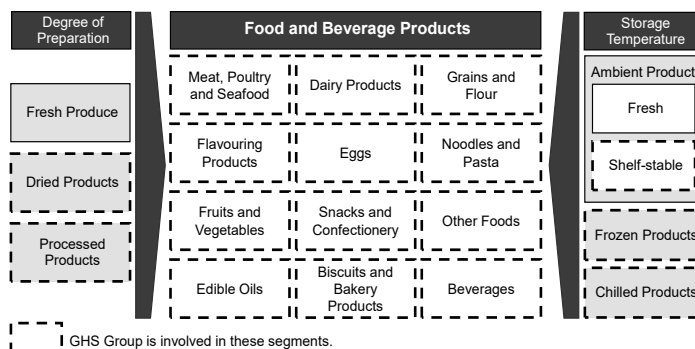
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2.1 Food and Beverage (F&B) Products

- F&B products are generally classified based on the degree of preparation required for safe consumption. These classifications include:

Fresh: These are natural or minimally processed food items that have not undergone cooking or preservation methods such as canning, pickling, marinating, or freezing. They typically have a short shelf life and require immediate or near-immediate consumption to maintain food freshness, quality and safety, with some requiring refrigeration. Examples include meat, poultry, seafood, fruits, vegetables, herbs, dairy products, eggs, and fresh juices.



Dried: These are food items that have been dehydrated or dried to remove moisture, discouraging the growth of microorganisms that may lead to spoilage, and making them lightweight and suitable for long-term storage without further processing or refrigeration. Examples include dried fruits, vegetables, herbs, meat and seafood.

Processed: These food items have undergone manufacturing or preservation processes that alter them from their natural state. Examples include canned, frozen, and marinated meat, poultry, seafood, fruits, and vegetables, as well as flavouring products, edible oils, dairy products, snacks, confectionery, biscuits, bakery items, noodles, pasta, baby food, ready-to-cook and ready-to-eat products, manufactured beverages, and other packaged foods.

- F&B products are often categorised based on the storage temperature conditions required to maintain their freshness, quality, and safety as follows:

Ambient products: These food products can be stored at room temperature without refrigeration and are typically differentiated into two major categories:

- Shelf-stable products** may use common preservation and packaging techniques such as canning, bottling, packing, dehydrating, pickling or cooking as well as adding preservatives to extend their shelf life. Some shelf-stable food products may require refrigeration after opening.
- Fresh products** are perishable and require immediate consumption or short-term storage at ambient temperatures. Examples include fruits, vegetables, herbs, meat and seafood.

Frozen products: These food products must be stored in freezers to maintain quality and prevent spoilage. Common examples include seafood, meat, poultry, fruits, vegetables, desserts, and ready-to-cook and ready-to-eat products.

Chilled products: These food products need to be refrigerated to remain fresh for safe consumption. Examples include fruits, vegetables, herbs, dairy products, ready-to-cook, and ready-to-eat foods like packaged salads and sandwiches.

- GHS Group is involved in the distributive trade of shelf-stable and frozen seafood, flavouring products including condiments, sauces and pastes, herbs, spices and seasonings, dried food and snacks, and general grocery products. The Group also manufactures flavouring products.

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3. REGULATIONS ON THE F&B INDUSTRY

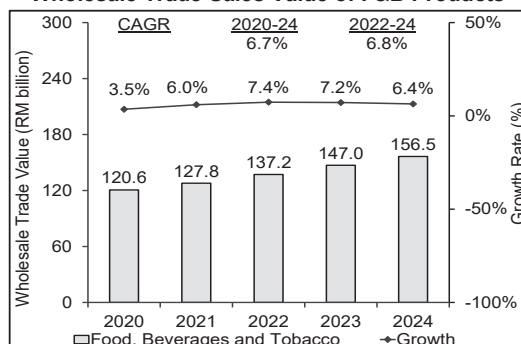
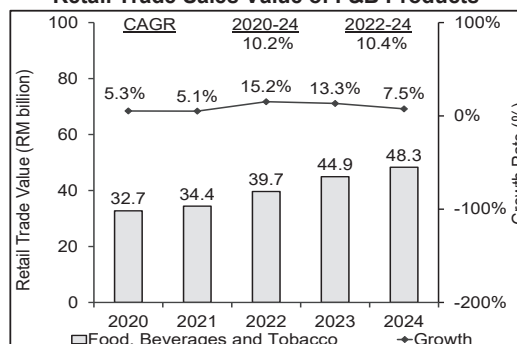
3.1 Regulations Related to Licence, Quality and Food Safety

- Under the **Food Hygiene Regulations 2009**, all food premises, including premises where food is prepared, processed, stored or served for sale, as well as premises involved in food manufacturing, are required to be registered with the Ministry of Health (MoH). Registration must be renewed every three years. GHS Group is registered with MoH for its food premises.
- Food manufacturers must also establish and make available a **Food Safety Assurance Programme**. The Food Safety Assurance Programme is an initiative by MoH aimed at establishing a framework of controls and assurance processes to ensure food safety, quality, authenticity, and legality throughout the entire food supply chain. Some of the relevant standards include:
 - **Hazard Analysis and Critical Control Points (HACCP)**: A globally recognised food safety management system that focuses on identifying, assessing, and controlling potential hazards to ensure food safety. Operators intending to export to the European Union must obtain HACCP certification. The HACCP certification is valid for three years, with a surveillance audit conducted by MoH at least once during the certification period and is renewable.
 - **Food Safety is the Responsibility of the Industry (Makanan Selamat Tanggungjawab Industri, MeSTI)**: A certification scheme introduced by MoH and recognised exclusively in Malaysia. MeSTI is designed for small and medium enterprises that may find it difficult to meet the requirements of other certifications. It provides a framework for food hygiene and operational management, ensuring both food safety and quality. MeSTI certification is valid for three years and can be renewed.
 - **Good Manufacturing Practice (GMP)**: A certification scheme that outlines the requirements for controlling operational conditions within food manufacturing facilities, ensuring the adoption of proper hygiene practices during production. GMP certification recognises food processing and food service establishments that comply with these practices. The certification is valid for three years, with periodic monitoring audits conducted by MoH, and is renewable.
- GHS Group has obtained HACCP and MeSTI certifications for the production of sauces, pastes, and dried seasoning powder.
- Furthermore, under the **Fish Marketing Regulations 2010**, individuals or entities permitted to import, export, or process fish must hold a licence issued by the Fisheries Development Authority of Malaysia (Lembaga Kemajuan Ikan Malaysia, LKIM), and are subject to annual renewal. GHS Group holds LKIM licences for the import and export of frozen fish, as well as fish processing.

4. INDUSTRIES PERFORMANCE

4.1 Performance of the Distributive Trade of F&B Product Industry

- GHS Group is primarily involved in the distributive trade of F&B products in Malaysia. Therefore, the sales value of F&B products within the distributive trade sector in Malaysia can serve as an indicator of the industry's performance.
- Between 2022 and 2024, the wholesale trade sales value of F&B products in Malaysia grew at a compound annual growth rate (CAGR) of 6.8%. In 2024, the wholesale trade sales value of F&B products reached RM156.5 billion, accounting for 20.0% of the total wholesale trade sales value in Malaysia. In the first nine months (9M) of 2025, it continued to rise by 6.7% compared to the same period in 2024. (Source: *Department of Statistics Malaysia (DoSM)*)

8. IMR REPORT (Cont'd)**Wholesale Trade Sales Value of F&B Products*****Retail Trade Sales Value of F&B Products***

* Include animal feeds and tobacco. No further segmentation available. (Source: DoSM)

- Similarly, the retail trade sales value of F&B products in Malaysia grew at a CAGR of 10.4% between 2022 and 2024. The retail trade sales value of F&B products rose by 7.5% in 2024, contributing 6.3% of the total retail trade sales value. In 9M 2025, it rose by 6.9% compared to 9M 2024, reflecting sustained consumer spending momentum. (Source: DoSM)
- The continued growth of the distributive trade sector in the F&B product industry in Malaysia offers a sustainable platform for industry players like GHS Group.

4.1.1 Distributive Trade of Fish and Other Seafood

- Since approximately one-third of GHS Group's revenue comes from the distribution of shelf-stable and frozen seafood, this section will analyse the performance of seafood sales in Malaysia.
- Between 2018 and 2022, the wholesale trade sales value of fish and other seafood grew at a CAGR of 11.2%, while retail trade sales value declined at an average annual rate of 6.9%. In 2022, the distributive trade sales value of fish and other seafood reached RM13.0 billion, presenting opportunities for industry players, such as GHS Group, actively involved in this segment.

Distributive Trade Sales Value of Fish and Other Seafood

RM million	Wholesale Trade	Retail Trade	Distributive Trade
2013	4,823	1,993	6,816
2018	7,013	3,057	10,070
2022	10,732	2,295	13,027
2018-22 CAGR	11.2%	-6.9%	6.6%

Note: Based on the survey done in respective years. Latest available data. (Source: DoSM)

4.2 Performance of the Manufacturing of F&B Product Industry

- GHS Group also manufactures flavouring products (part of the F&B products industry) in Malaysia. Between 2022 and 2024, the manufacturing sales value of F&B products grew at a CAGR of 2.4%, amounting to RM314.8 billion in 2024. The manufacturing sales value of F&B products experienced a growth of 10.0% compared to 2023. (Source: DoSM).
- The manufacturing sales value of sauces and condiments (as a subsector of F&B products) grew at a CAGR of 10.4% between 2022 and 2024. In 2024, the manufacturing sales value of sauces and condiments increased by 13.4%, reaching RM2.8 billion compared to 2023. In 9M 2025, the manufacturing sales value of sauces and condiments increased by 0.1% compared to 9M 2024, while the manufacturing sales value of the broader F&B products industry expanded

Manufacturing Sales Value of F&B Products, and Sauces and Condiments*

RM million	F&B Products	Sauces and Condiments
2020	237,564	1,901
2021	267,814	2,187
2022	300,320	2,267
2023	286,141	2,437
2024	314,760	2,763
2020-24 CAGR	7.3%	9.8%
2022-24 CAGR	2.4%	10.4%

* Sauces and condiments is a subsector of F&B products. (Source: DoSM)

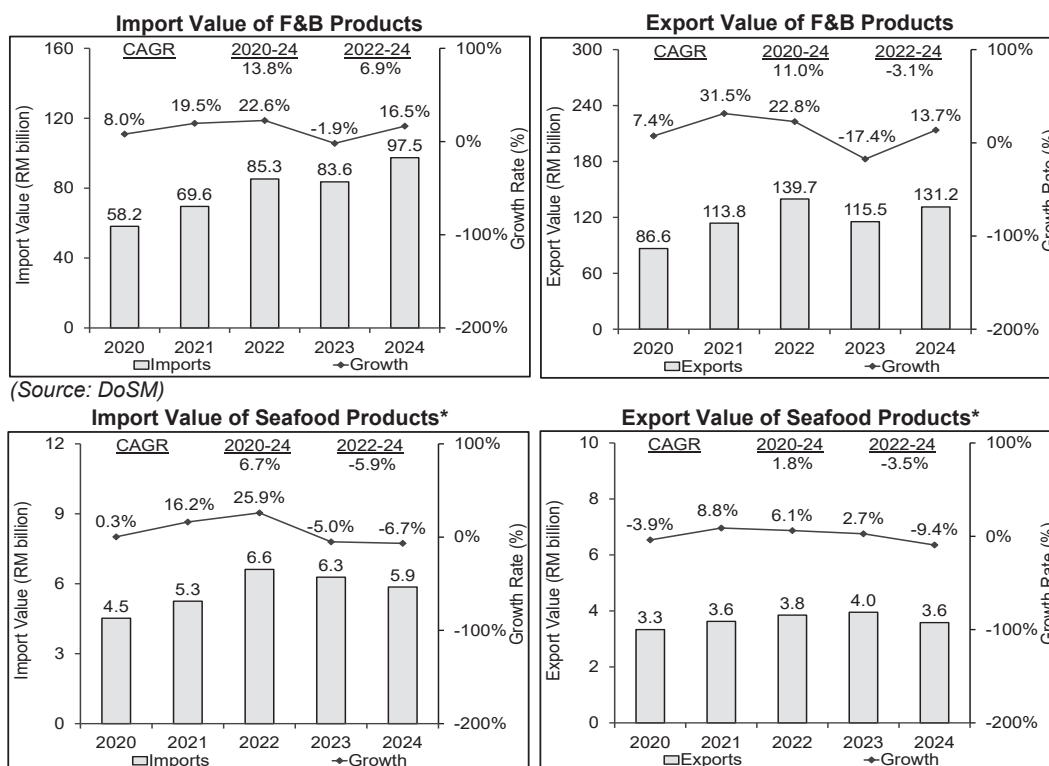
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by 11.0%. (Source: DoSM) This trend bodes well for operators like GHS Group, which are involved in the manufacturing of flavouring products, including sauces and condiments.

5. SUPPLY AND DEMAND CONDITION OF F&B PRODUCTS IN MALAYSIA

- The trading of F&B products is a global business, with operators often relying on imports to supplement domestic production and offer consumers more choice and variety. Between 2022 and 2024, the import value of F&B products grew at a CAGR of 6.9%, while the export value declined at an average annual rate of 3.1%. Malaysia has been a net exporter of F&B products. In 2024, the import and export value of F&B products in Malaysia reached RM97.5 billion and RM131.2 billion respectively. The import value of F&B products accounted for 7.1% of Malaysia's total import value, while the export value represented 8.7% of the country's total export value in 2024. In 9M 2025, the import and export values of F&B products increased by 5.4% and 9.5% respectively, compared to 9M 2024. (Source: DoSM)



* Includes fish (not marine mammals), crustaceans, molluscs, and aquatic invertebrates. (Source: DoSM)

- The import and export value of seafood products can provide insights into the supply and demand dynamics for seafood in Malaysia. Between 2022 and 2024, the import and export value of seafood products declined at an average annual rate of 5.9% and 3.5% respectively. Malaysia has been a net seafood importer for the past five years. In 2024, Malaysia recorded an import value of RM5.9 billion and an export value of RM3.6 billion for seafood products. Notably, in 9M 2025, the import and export values of seafood products increased by 5.8% and 4.7% respectively, compared to 9M 2024. (Source: DoSM)

6. DEMAND DEPENDENCIES

6.1 Economic Performance and Household Income

- Malaysia's economic conditions influence disposable income, which in turn affects demand for F&B products. As the economy grows, higher employment levels and increased consumer

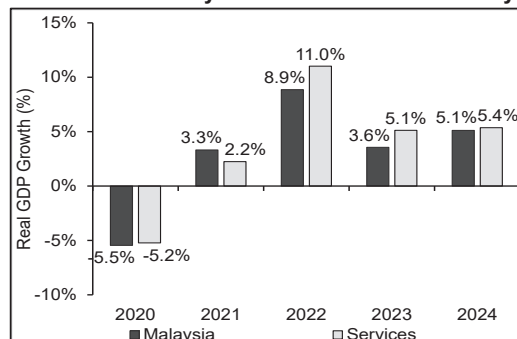
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confidence boost household spending. Additionally, growth in household income drives discretionary spending, benefiting operators within the F&B product industry.

- In 2024, the real gross domestic product (GDP) of the Malaysian economy and the services industry (including distributive trades) grew by 5.1% and 5.4% respectively. In 9M 2025, the Malaysian economy expanded by 4.7% compared to 9M 2024, supported by broad-based growth across all sectors, particularly the services sector, which rose by 5.0% over the same period. Growth in the Malaysian economy and the services industry is primarily driven by robust domestic demand, supported by improved labour conditions that have boosted household spending. (Source: DoSM and Bank Negara Malaysia (BNM)) In terms of household income, Malaysia's mean monthly household disposable income grew at a CAGR of 3.3% to RM7,584 between 2022 and 2024 (Source: DoSM). An increase in disposable income suggests rising spending on F&B products, which provides growth opportunities for operators involved in the distributive trade of F&B products.

Real GDP of Malaysia and the Services Industry

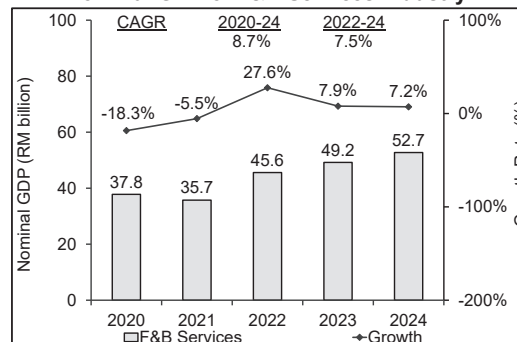


(Source: DoSM and Ministry of Finance (MoF))

6.2 Food and Beverages Away-from-Home Industry

- GHS Group's customer base includes food service operators such as restaurants, cafes and canteens, and hospitality establishments such as hotels and clubs. As a result, a growing F&B services (also referred to as F&B away-from-home) industry may indicate increased demand for the distributive trade of F&B products that serve food service operators. Conversely, a decline would negatively impact the performance of F&B distributive trade operators within this sector.

Nominal GDP of F&B Services Industry



(Source: DoSM)

- Between 2022 and 2024, the nominal GDP of the F&B services industry grew at a CAGR of 7.5%, primarily driven by the easing of COVID-19 restrictions, which resulted in a growth of 27.6% in 2022. In 2024, the nominal GDP of Malaysia's F&B services industry recorded a growth of 7.2% to RM52.7 billion. In 9M 2025, the nominal GDP of Malaysia's F&B services industry grew by 10.4% to RM43.2 billion, compared to RM39.1 billion in 9M 2024. This was mainly driven by increased tourism and restaurant dining activities (Source: MoF).
- Between 2022 and 2024, the revenue of the F&B services industry grew at a CAGR of 6.8%, reaching RM75.2 billion (Source: DoSM). In 2024, there were a total of 30,005 food premises registered with MoH, including 26,037 food outlet premises, 1,817 food factories, 1,879 food catering establishments, and 272 vehicles selling food (Source: MoH). The large scale of the F&B services industry suggests a substantial demand for the distributive trade of F&B products.

6.3 Household Consumption Expenditure

- Household consumption expenditure on F&B at home, particularly fish and seafood, and spending on F&B away-from-home may indicate demand for F&B products. In 2024, spending on fish and seafood at home accounted for 22.0% of the total mean monthly household consumption expenditure on F&B at home. (Source: DoSM) Furthermore, rising disposable income indicates a greater tendency to dine out, as seen in the increase in mean monthly

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household consumption expenditure on F&B away-from-home from RM790 in 2022 to RM895 in 2024.

Mean Monthly Household Consumption Expenditure

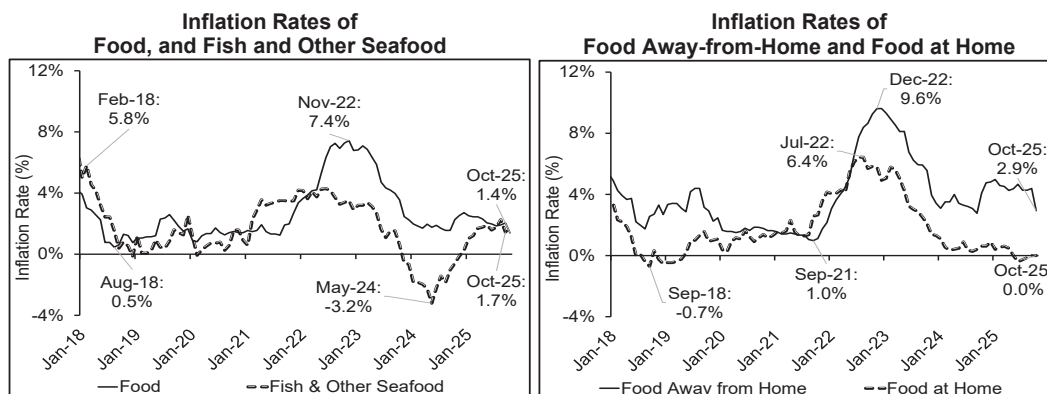
	F&B at home	Fish and seafood at home#	F&B away-from-home	Total household consumption expenditure
2014	RM676	RM150	RM440*	RM3,578
2016	RM726	RM158	RM517*	RM4,033
2019	RM783	RM169	RM604*	RM4,609
2022	RM841	RM198	RM790^	RM5,150
2024	RM876	RM193	RM895^	RM5,566
2019-24 CAGR	2.3%	2.7%	8.2%	3.8%
2022-24 CAGR	2.0%	-1.3%	6.5%	4.0%

Note: Based on the survey done in the respective years. Latest available data. # Fish and seafood at home is a subsector of F&B at home. * Data for 2014, 2016, and 2019 is for restaurants and cafes only. ^ Data for 2022 and 2024 includes restaurants, cafes, canteens, cafeterias and others. (Source: DoSM)

- Growing consumption expenditures in these areas provide a sustainable growth platform for operators like GHS Group, primarily involved in the distributive trade of F&B products, catering to households, end consumers, and food service outlets.

6.4 Inflation

- The inflation rate, indicated by the consumer price index (CPI), reflects changes in the prices of goods and services. Rising inflation reduces purchasing power and consumer confidence, leading to lower spending. On the other hand, deflation may not boost spending, as consumers might delay purchases in anticipation of further price drops.



Data range from January 2018 to October 2025. **Note:** Food comprises food at home and food away-from-home. (Source: DoSM)

- Between 2022 and 2024, the CPI for food, and fish and other seafood grew at a CAGR of 3.4% and 0.1% respectively. Within the food segment, the CPI for food away from home and food at home increased at a CAGR of 5.2% and 2.0% respectively, during the same period. These price increases were primarily driven by the Russia-Ukraine conflict and Malaysia's transition to endemicity in early 2022. Prices began to decline in early 2023, mainly due to lower global commodity prices and improvements in global supply chain conditions (Source: DoSM and BNM). However, a price rebound was observed in the final quarter of 2024, which was partly attributed to the impact of diesel subsidy reforms and seasonal factors such as festive periods (Source: Vital Factor analysis).

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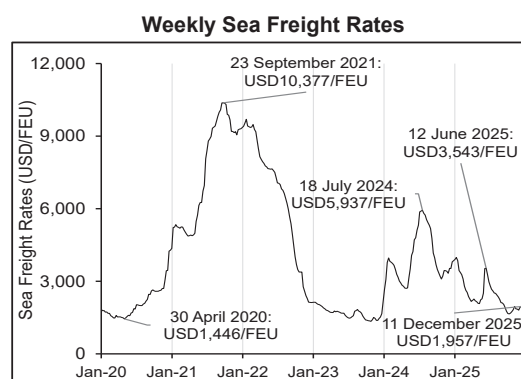
6.5 Tourism

- The performance of Malaysia's tourism industry directly impacts operators such as GHS Group. Tourism activities drive demand for F&B products and services through spending at restaurants, cafes, and retail stores throughout Malaysia.
- Between 2022 and 2024, the international tourist arrivals in Malaysia grew at a CAGR of 57.6% to 25.0 million in 2024. This growth was driven by the easing of COVID-19 restrictions and the reopening of Malaysia's international borders in April 2022. In 2024, international tourists spent RM16.3 billion on F&B, accounting for 15.9% of Malaysia's total tourism receipts. In 2024, the tourist receipts reached RM102.2 billion, reflecting a 43.4% increase compared to 2023. (Source: Ministry of Tourism, Arts and Culture Malaysia (MoTAC))
- In terms of domestic tourism, according to the latest available data, Malaysian spent RM17.3 billion on F&B during their domestic trips in 2024, contributing 16.2% to the total domestic tourism expenditure. In Melaka, domestic tourists spent a total of RM1.3 billion on F&B in 2024, indicating a growth of 25.5% compared to 2023 (Source: DoSM). GHS Group owns a retail store in Melaka.

7. SUPPLY DEPENDENCIES

7.1 Sea Freight Rates

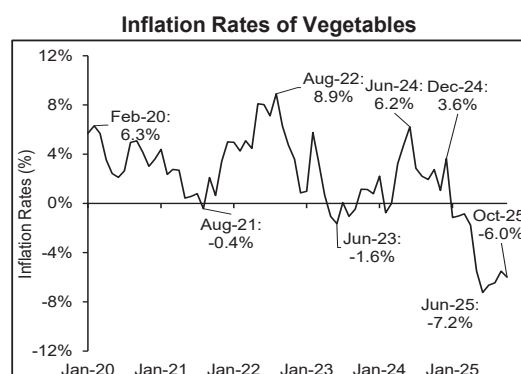
- GHS Group's import and export operations, primarily within Asia, may be affected by fluctuations in global sea freight rates. On 11 December 2025, the weekly sea freight rate for 40-foot equivalent unit (FEU) containers was USD 1,957/FEU, down from its recent peak of USD 5,937/FEU on 18 July 2024 primarily due to the Red Sea Crisis and conflicts in the Middle East (Source: Vital Factor analysis).



Data range from 20 January 2020 to 11 December 2025. FEU = 40-foot equivalent unit. (Source: Vital Factor analysis)

7.2 Price of Key Input Material – Vegetables

- GHS Group's flavouring products manufacturing operation may be affected by fluctuations in key input materials, such as vegetables. The inflation rate of vegetables generally experienced wider fluctuations between 2022 and 2024, reaching a peak of 8.9% in August 2022, which subsequently declined to a negative 1.6% in June 2023. In October 2025, the inflation rate of vegetables eased to negative 6.0% from a high of 6.2% in June 2024. The higher volatility of vegetable prices may affect the production cost of manufacturers.



Data range from January 2020 to October 2025. (Source: DoSM)

8. COMPETITIVE LANDSCAPE

- The distributive trade of F&B product industry in Malaysia is fragmented and typified by many operators within the industry. In addition, there is no published data on the number of companies involved in the distributive trade of F&B products in Malaysia. Therefore, the operators listed in the table below are only meant to provide an indication of some of the operators in the industry.

8. IMR REPORT (Cont'd)

- The following companies are selected based on the following criteria: **(1)** mainly involved in the distributive trade of shelf-stable seafood, flavouring products, and dried food and snacks; and **(2)** availability of recent financial information. In addition, these companies may or may not have their retail stores. The list is sorted in decreasing order of total revenue and is not exhaustive:

Company	FYE ⁽¹⁾	Rev ⁽²⁾ (RM mil)	GP ⁽²⁾ (RM mil)	GP ⁽²⁾ margin	PAT/(LAT) ⁽²⁾ (RM mil)	PAT/(LAT) ⁽²⁾ margin
Ben Mart Trading S/B	Dec-24	207.6	21.9	10.6%	4.5	2.2%
Lun Heng S/B	Jun-24	191.5	34.3	17.9%	10.4	5.4%
GHS Group	Jul-25	93.1	23.3	25.1%	7.2	7.8%
Lee Hin Enterprise S/B	Dec-23	90.6	8.1	8.9%	2.8	3.1%
A1 A.K. Koh Group Bhd ⁽³⁾	Jun-25	85.1	39.6	46.5%	6.0	7.1%
Low Seat Hoong S/B ⁽⁴⁾	Dec-23	62.2	8.8	14.2%	1.0	1.6%
Shang Wan Hong Trading S/B	Jun-24	57.9	9.0	15.5%	1.3	2.3%
Loong Fatt Sealand Products S/B	Feb-25	53.6	n.a.	n.a.	0.8	1.5%
Hangwai Seafood S/B	Dec-24	47.6	n.a.	n.a.	0.7	1.6%
Perniagaan Beh Chin Kok S/B	Jun-24	29.6	3.7	12.6%	1.3	4.5%
Supreme Range S/B	Dec-24	24.2	3.9	16.1%	0.7	2.8%
Sin Kee Hung Trading S/B	Apr-25	23.4	4.9	20.9%	0.6	2.6%
Kwang Yeow Heng S/B	Mar-25	17.8	3.6	20.0%	(0.1)	(0.4%)

FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; PAT= Profit After Tax; LAT= Loss After Tax; mil= million; S/B= Sendirian Berhad; n.a.= not available.

(1) Latest audited financial data from the Companies Commission of Malaysia and GHS Group.

(2) It may include other business activities, products, or services at the group or company level.

(3) A listed entity on the ACE Market of Bursa Securities.

(4) The company is an exempt private company for the financial year ended 31 December 2024.

9. BARRIERS TO ENTRY

- The distributive trade of F&B product industry has low barriers to entry, resulting in a fragmented market with a wide range of players providing various F&B products. Additionally, there are no onerous licences or restrictions governing the entry of new players. Some of the barriers to entry may include, among others, working capital required for the purchase of input materials, holding costs of products and providing credit periods to customers such as resellers. Industry players who wish to be involved in the distributive trade of frozen food products may require more initial capital investment if they wish to establish their own cold room facilities as well as the purchase of their own refrigerated trucks for delivery purposes.

10. INDUSTRY SIZE AND SHARE

- The industry size of the distributive trade of the F&B product industry in Malaysia and the market share of GHS Group are estimated as below:

	Industry Size ^(a) (RM million)	GHS Group	
		Revenue ^(b) (RM million)	Market share ^(c)
2024 – Malaysia			
Distributive Trade of F&B Products	204,789 ⁽¹⁾	85 ⁽²⁾	Less than 1%

Sources: (a) Department of Statistics Malaysia (DoSM) and Vital Factor analysis; (b) GHS Group; (c) [(b) divided by (a)] x 100%.

(1) Total wholesale and retail sales value of food, beverages and tobacco in Malaysia. Beverages and tobacco are included as no further segmentation is available from DoSM. (2) GHS Group's revenue from distributive trade of F&B products for the financial year ended 31 July 2024 taken as a proxy for the calendar year 2024.

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11. INDUSTRY OUTLOOK AND PROSPECTS

Consideration factors impacting the outlook and prospects of the distributive trade of F&B product industry are as follows:

Drivers of growth and opportunities

- Growth in the Malaysian economy, and its services and manufacturing industries, will provide a sustainable platform for operators involved in the distributive trade and manufacturing of F&B products. In 2026, Malaysia's economy is forecasted to grow between 4.0% and 4.5%, primarily supported by resilient domestic demand and a steady external sector. Furthermore, Malaysia's services and manufacturing industries are projected to expand by 5.2% and 3.0% in 2026 respectively. This economic growth will be driven by the Government's implementation of strategic initiatives. Within the manufacturing industry, the production of consumer-related good industries, such as F&B products, is expected to increase due to the rising tourism activities. (Source: MoF)
- Between 2022 and 2024, the distributive trade of F&B product industry grew at a CAGR of 7.6% (Source: DoSM). In 2026, the distributive trade industry is expected to grow by 5.0%. The expansion will be primarily driven by the retail segment, fuelled by seasonal sales and promotions across physical stores, social media and online shopping platforms (Source: MoF). GHS Group also markets its products through its own and third-party online shopping platforms.
- Household incomes in Malaysia have risen steadily over the past decade, outpacing inflation and supporting broad-based improvements in household expenditure. In 2024, household expenditure remained resilient, driven by steady income growth and various financial assistance programmes. Improvement in disposable income and the continued targeted assistance programmes are set to further support the household expenditure in 2025 (Source: MoF). Growth in household expenditure presents opportunities for operators, given the essential role of F&B products in daily life.
- In 2026, the food, beverages and accommodation subsector is expected to grow by 6.6%. This is supported by an anticipated increase in tourist arrivals for business and leisure, as well as meetings, incentives, conferences, and exhibitions (MICE) activities. (Source: MoF) Growth in food, beverages and accommodation subsector indicates an increasing demand for F&B products which benefits operators involved in the distribution and retailing of F&B products.
- On 6 January 2025, Malaysia launched the Visit Malaysia 2026 campaign, aiming to attract 35.6 million international tourists and generate a total of RM147.1 billion in tourism receipts by 2026. This campaign is expected to benefit multiple industries beyond tourism, including hospitality, retail, and the food sector. (Source: MoTAC)

Threats and challenges

- Competition is intense in the distributive trade of F&B product industry due to the highly fragmented and large number of players within the industry.
- Supply and demand for F&B products will be influenced by inflationary pressures, which in turn impact the performance of the distributive trade of the F&B product industry. In 2024, Malaysia's headline inflation averaged at 1.8% due to the easing of global cost conditions and stable demand. In 2025, the nation's headline inflation is expected to range between 1.0% and 2.0%, primarily due to the adjustments to controlled prices and global supply disruption. In 2026, headline inflation is projected to range between 1.3% and 2.0% amid steady domestic demand, stable labour market conditions, and improved supply condition. (Source: BNM)

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER, IN ADDITION TO THE OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON THE FUTURE PERFORMANCE OF OUR GROUP BEFORE INVESTING IN OUR SHARES.

If you are in any doubt as to the information contained in this section, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers.

9.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

9.1.1 Our business is exposed to supply chain disruptions as our products including imported products are sourced from external suppliers (including manufacturers) and this dependency exposes us to quality and food safety risks

The products that we distribute and retail including products with third-party brands, our brands and without any brands, are mainly sourced externally from third-party suppliers (including manufacturers), which accounted for 85.30% (RM60.75 million), 85.70% (RM69.71 million), 83.61% (RM70.92 million) and 79.48% (RM74.01 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. As at the LPD, save for a dealership authorisation granted to our Group from a supplier to distribute preserved mustard cabbage easypack in Malaysia and a distribution agreement with another supplier for the distribution of confectioneries in Negeri Sembilan, we do not have any other distribution agreement with our suppliers. While we are not dependent on any single supplier, we are dependent on our group of suppliers on a collective basis, and there can be no assurance that we will be able to continue to retain all or the majority of our suppliers. This dependency on our suppliers as a group exposes us to potential supply chain disruptions that may adversely affect our operations and financial performance as well as potential inconsistencies in quality and food safety risks.

There is a risk that our suppliers may face disruptions due to various factors, including, among others, fire, flood, prolonged interruptions in the supply of water, power, and input materials, government containment measures and shutdowns due to the non-compliance to regulatory matters or other matters, or ceasing of operations due to bankruptcy, legal actions or voluntary closure. Such supply chain disruptions could adversely impact on our business operations, resulting in inventory shortages, loss of sales opportunities and decrease in customer satisfaction. Delayed shipments or increases in procurement costs may adversely affect our profitability, while our reputation may also be adversely affected if we are unable to deliver products according to the agreed timeframe, potentially damaging the business relationships with customers.

While we may have alternative suppliers for our products, it will take some time for us to select new suppliers as replacements in the event of supply disruptions. The time taken to qualify new suppliers as replacements may cause temporary disruptions to our business operations. In addition, if the quality and/ or taste differs from the original taste, we may lose some of our existing customers. For the Periods Under Review and up to the LPD, we have not experienced any major supply chain disruptions from our suppliers. Nevertheless, there can be no assurance that we will not face any such disruptions which may adversely affect our business and financial performance in the future.

In addition, we have limited control over our suppliers' manufacturing processes, sourcing practices, and quality assurance measures. This reliance inherently exposes us to risks associated with the quality and safety of the products we distribute and retail.

9. RISK FACTORS (Cont'd)

Any compromise in quality or food safety by our suppliers, such as the use of contaminated or spoiled raw materials, improper storage or handling or non-compliance with regulatory standards, could result in unsafe or substandard products entering our supply chain. In the event we are unable to identify or address these supplier-related quality concerns and such products reach consumers, we may face consequences, including product recalls, fines or penalties imposed by regulatory authorities, legal claims and reputational damage. In addition, incidents of foodborne illness or contamination related to our products could erode customer trust, adversely affecting our brand equity and financial performance.

Furthermore, we source products which are packaged under our brand that involves some customisation of recipes based on our requirements in terms of size of abalone and thickness of sauce, namely canned plain braised abalone and canned braised abalone with either fish maw, scallop or truffle. For the Periods Under Review, we have not entered into any agreements with suppliers of canned braised abalone. There is a risk that the recipes for canned braised abalone may be duplicated by other operators within the industry. While taste is a personal preference, the copying of our products may result in us losing our competitive advantage as similar tasting products are available in the market from competitors.

While we have our standard operating procedures for supplier selection, there is no assurance that these procedures will prevent risk associated with quality or food safety issues. Please refer to Section 7.4.4.1 of this Prospectus for the criteria we consider for the selection of our suppliers.

For the Periods Under Review and up to the LPD, we have not experienced any major supply chain disruptions from our suppliers nor any product recalls, fines or penalties imposed by regulatory authorities, legal claims, and reputational damage arising from the quality and food safety of our products. Nevertheless, there can be no assurance that we will not face any risk arising from supply chain disruptions and quality and food safety of our products in the future.

9.1.2 Our business operations may be affected by fluctuations in the market prices for certain types of shelf-stable and frozen seafood and all other products that we distribute and retail

Our business operations may be affected by fluctuations in the market prices for certain shelf-stable and frozen seafood. Our revenue contribution from the distribution and retail of shelf-stable and frozen seafood accounted for 39.70% (RM28.28 million), 39.94% (RM32.50 million), 35.31% (RM29.95 million) and 34.32% (RM31.95 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The fluctuations in the prices of shelf-stable and frozen seafood are affected by supply and demand conditions. Between 2022 and 2024, the consumer price index for fish and other seafood grew at a CAGR of 0.1%. (Source: IMR Report)

The supply conditions for shelf-stable and frozen seafood may be affected by factors, including among others, seasonality, environmental factors (such as weather conditions), fluctuations in fuel prices and geopolitical events. These factors can result in fluctuations in the market prices of certain seafood products such as sea cucumber, abalone, shark fin, scallop, fish maw and other types of seafood. In the event of any adverse increases in the prices of seafood and we are unable to pass on these incremental costs to our customers, our financial performance may be adversely affected. However, increasing the selling price of our shelf-stable or frozen seafood may lead to reduced demand as customers might seek alternative products or suppliers.

9. RISK FACTORS (Cont'd)

In addition, the prices of shelf-stable and frozen seafood can be affected by factors affecting the demand conditions, including among others changes in prices, consumer behaviour and preferences. Changes in these factors can be driven by health and safety considerations, perceptions of the country of origin, dietary trends, convenience of preparation, cultural preferences and festive seasons. Other factors such as inflation, labour costs, transportation costs, and government regulations (such as import and export tariffs) can further influence the pricing of seafood.

As shelf-stable and frozen seafood food products such as sea cucumber and abalone are regarded as discretionary items, consumers may reduce their consumption or seek alternatives in other types of seafood products. A reduction in the demand for certain type of seafood products, whether it be due to shifting consumer preferences, adverse publicity, pricing or any other factors, may adversely affect our financial performance if we are unable to respond promptly by offering suitable alternatives.

In addition, we are exposed to risks arising from the fluctuations in the market prices related to all other products that we distribute and retail. For the Periods Under Review, we have not experienced any material adverse impact on our business and financial performance arising from the said risk. Nevertheless, there can be no assurance that we will not face any risks associated with the market prices fluctuations for shelf-stable and frozen seafood and all other products in the future.

9.1.3 Our business is dependent on our ability to continually secure new and sizeable orders to sustain and grow our business and our brands of products are susceptible to changes in consumer preferences, market trends as well as negative actions

Our revenue from the distribution segment is based on purchase orders from our customers while our retail segment is based on outright sales. As such, our business sustainability and financial performance rely on our ability to consistently secure new and sizeable orders from our distribution segment and continuous retail sales to sustain and/ or grow our business. There can also be no assurance that we will be able to maintain or increase the volume of sales in the future.

Our business is susceptible to changes in consumer preferences, fluctuations in demand, intensifying competition or shifts in market trends. The performance of our business in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products requires us to take into consideration, among others, shifts in preference towards plant-based or organic foods, emerging trends, environmental concerns, religious or cultural considerations and increased awareness of health and wellness or concerns over food safety could affect customers behaviour. In the event we are unable to promptly identify and adapt to these changes by offering suitable alternatives or enhancing the appeal of our existing products, our business and financial performance may be adversely affected. In addition, economic downturns or unfavourable market conditions may reduce the purchasing power of our customers or decrease demand for our products, adversely affecting our ability to secure new orders.

In addition, brand equity plays an important role in the sustainability and growth of our business. As such, the sustainability and growth of our business depend on continuously building our brand equity including awareness, loyalty, trust and image to retain existing and secure new customers. Building brand equity also includes enhancing and sustaining brand relevance in the minds of target customer groups.

We are also vulnerable to any negative publicity or actions stemming from consumer boycotts, dissemination of negative information, fake news, sabotage and/ or issues regarding quality, hygiene and food safety. Any of these events, if they are eventuated, may adversely affect our business operations and financial performance.

9. RISK FACTORS (Cont'd)

In this regard, there is no assurance that the market perception of our products and brands will remain positive and relevant. Failure to align our offerings with customer requirements and expectations could potentially harm our reputation and adversely affect our business operations and financial performance.

9.1.4 Our business is subject to various licencing requirements as well as other food related regulations and standards to carry out our business operations

Our business operations are in Malaysia and are governed by numerous licences, certificates and permits issued by the relevant authorities, including those relating to food premise, manufacturing, fish dealings, controlled goods and other relevant requirements. Our major licences, certificates and permits are disclosed in Annexure B of this Prospectus.

Our licences, certificates and permits may be suspended or revoked in any event of non-compliance with the relevant requirements, which may have material adverse impact on our business operations and financial performance.

As at the LPD, we have obtained all material licences, certificates and permits for our business operations and have complied with all conditions imposed therein. The laws, regulations and policies of government bodies and agencies are subject to change, and changes in, or new interpretations of, applicable laws, regulations, standards or policies, or non-compliance with any applicable laws, regulations, standards and policies, could have a material adverse effect on our business operations and financial performance.

Furthermore, findings of non-compliance with these laws, regulations standards and policies could also result in us being subject to fines, penalties, injunctions, limitations on our operations, termination of our registrations and approvals, revocation of the licences, certificates and permits or other censures that could have a material adverse effect on our business, financial condition, results of operations and prospects.

For the Periods Under Review and up to the LPD, we have not experienced any fines, penalties, injunctions, limitations on our operations, termination of our licences, certificates and permits or other censures that materially and adversely affected our business, financial condition and results of operations. Nevertheless, there were past non-compliances in respect of operating at certain business premises without business licence, absence of manufacturing licence and operating at certain premises without a certificate of registration of food premise as set out in Sections 7.22.1, 7.22.3 and 7.22.7 of this Prospectus that have been addressed and rectified.

While we continue to ensure compliance with relevant government regulations, there can be no assurance that any penalties if imposed, will not have a material adverse impact on our financial performance in the future.

9.1.5 Our business operations are dependent on our Directors and key senior management

We are dependent on the experience, expertise and technical knowledge, and business development expertise of our Directors and key senior management for our business operations. Yeo Tien Ee, our Managing Director is responsible for overseeing our Group's corporate development and strategy functions of the distribution and retail business as well as the food manufacturing business. Yeo Tian Seng, our Executive Director, is responsible for overseeing GHS Food Industries' manufacturing business, corporate development and strategy functions as well as sales and customer service activities. Lee Chee Kian, our Executive Director is responsible for overseeing GHS Heng Kee's overall operations and managing its sales strategy and execution.

9. RISK FACTORS (Cont'd)

Our Directors are supported by our key senior management who have the relevant experience in their respective fields. Please refer to Sections 5.1.2, 5.2.2 and 5.4.2 of this Prospectus for further details on the profiles of our Directors and key senior management.

The loss of services of any one or more of our Directors or key senior management without any suitable and timely replacement may adversely affect our business operations, strategic initiatives and financial performance.

9.1.6 Our business and financial performance is subjected to inflationary pressure

Our business in the distribution and retail of food products is subject to inflationary pressure. The cost of products sourced from third-party suppliers as well as input materials for our in-house manufactured products may increase due to inflationary pressures. Furthermore, inflation could increase our operating expenses including utilities, fuel, logistics, rental and labour costs.

In addition, we are reliant on sea freight for the delivery of our purchases of products, as we source them from both domestic and foreign suppliers. For the Periods Under Review, our purchases of products and input materials sourced from foreign suppliers accounted for 46.00% (RM25.81 million), 47.43% (RM31.66 million), 43.28% (RM29.94 million) and 45.88% (RM31.04 million) of our total purchases for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. As such, we are susceptible to the risk of a sustained increase in sea freight rates, as well as disruptions in sea freight shipping arising from circumstances that are beyond our control. These circumstances may include adverse weather conditions, political turmoil, international market conditions such as trade tensions or trade wars, social unrest, outbreak of diseases, port strikes and/ or congestion, oil spills, and delayed or lost shipments. Any sustained increase in sea freight rates or disruptions in shipping routes such as the Suez Canal-Red Sea route may contribute to higher overall procurement costs for products and input materials that are sourced from foreign suppliers. On 11 December 2025, the weekly sea freight rate for 40-foot equivalent unit ("FEU") containers was USD 1,957/FEU, down from its recent peak of USD 5,937/FEU on 18 July 2024, primarily due to the Red Sea Crisis and conflicts in the Middle East. (Source: IMR Report)

As for our in-house manufactured products, we face the risk of any sustained increases in the cost of our input materials and there is no assurance that we are able to pass on any of the price increases to the customers promptly. For the Periods Under Review, the key input materials of our in-house manufactured flavouring products were mainly vegetables including fruit vegetables (such as chili and tomato) and bulb vegetables (such as onion, garlic and spring onion). Generally, the prices of these input materials are dependent on the supply and demand conditions, quality of fresh vegetables as well as weather conditions. According to the IMR, the inflation rate of vegetables generally experienced wider fluctuations between 2022 and 2024, reaching a peak of 8.9% in August 2022, which subsequently declined to a negative 1.6% in June 2023. In October 2025, the inflation rate of vegetables eased to negative 6.0% from a high of 6.2% in June 2024. (Source: IMR Report)

If we are unable to pass on these increases in costs to our customers through higher selling prices, our profit margins may be adversely affected. On the other hand, price increases could lead to a reduction in demand, as customers may seek alternative suppliers or products. Inflation may also decrease consumer purchasing power, potentially leading to changes in spending behaviour or reduction in demand for discretionary food products which would adversely affect our business performance.

9. RISK FACTORS (Cont'd)**9.1.7 Our financial performance is subjected to the risk of foreign exchange and interest rates fluctuations**

Our business is in the distribution and retail of food products which are sourced externally from our suppliers as well as in-house manufactured at our manufacturing facilities in Melaka. The food products that we sourced externally include goods sourced from suppliers in Malaysia as well as imports from suppliers in foreign countries.

We are exposed to the risk of foreign exchange fluctuations where 44.40%, 43.44%, 43.87% and 40.24% of our total purchases of input materials and products were transacted in foreign currencies including USD, SGD, HKD, AUD and JPY for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively. Our purchases transacted in foreign currencies are as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases								
RM	31,189	55.60	37,752	56.56	38,834	56.13	40,423	59.76
USD	17,007	30.32	20,297	30.41	26,966	38.98	22,201	32.82
SGD	5,697	10.15	7,022	10.52	2,483	3.59	3,916	5.79
HKD	1,345	2.40	682	1.02	386	0.56	229	0.34
AUD	233	0.41	232	0.35	214	0.31	217	0.31
JPY	628	1.12	764	1.14	297	0.43	661	0.98
TOTAL	56,099	100.00	66,749	100.00	69,180	100.00	67,647	100.00

In addition, our revenue is contributed by sales from both the domestic market and foreign markets including countries from the Asia Pacific and other regions. For the Periods Under Review, our revenue transacted in foreign currencies are as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Revenue								
RM	69,777	97.98	79,508	97.75	81,807	96.45	82,404	88.50
USD	1,193	1.67	1,247	1.53	2,538	2.99	8,460	9.09
SGD	70	0.10	91	0.11	307	0.36	1,233	1.32
AUD	178	0.25	498	0.61	170	0.20	1,016	1.09
TOTAL	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

During the Periods Under Review, purchases denominated in USD accounted for 30.32%, 30.41%, 38.98% and 32.82% of our Group's total purchases respectively, while purchases denominated in SGD accounted for 10.15%, 10.52%, 3.59% and 5.79% respectively. However, majority of our Group's revenue are denominated in RM. Consequently, a depreciation of the RM against these foreign currencies, particularly USD and SGD, will increase the costs of supplies for our Group. If we are unable to factor in the increase in cost through price adjustments, our financial performance may be adversely affected.

9. RISK FACTORS (Cont'd)

In this respect, we are exposed to foreign exchange fluctuations arising from imported purchases of input materials and products and our export sales. Any unfavourable exchange rates between RM and the respective foreign currencies would affect our financial performance.

For the Periods Under Review, the details of our foreign exchange gains and losses are set out below:

	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000
Realised gain on foreign exchange	-	-	-	119
Realised loss on foreign exchange	(24)	(16)	(64)	-
Net realised (loss) / gain on foreign exchange	(24)	(16)	(64)	119
Unrealised gain on foreign exchange	-	-	122	-
Unrealised loss on foreign exchange	-	-	-	(87)
Net unrealised gain / (loss) on foreign exchange	-	-	122	(87)
Net (loss)/ gain on foreign exchange	(24)	(16)	58	32

As at the LPD, we maintain our bank accounts in RM and USD, which are mainly used to settle payments for purchases. As at the LPD, we entered into two forward exchange contracts for the total purchase of USD180,000, as part of our measures to hedge against foreign currency movement for USD. However, we monitor foreign currency exchange fluctuations on an ongoing basis. There can be no assurance that our financial performance would not be materially affected by any adverse fluctuations in certain foreign currencies against the RM in the future.

In addition, we are subject to risk arising from interest rates fluctuations. As at 31 July 2025, our total bank borrowings including term loans and hire purchase (excluding lease liabilities for right-of-use assets arising from rental of properties) was RM21.51 million, of which RM21.02 million were based on floating interest rates. The remaining RM0.49 million were based on fixed interest rates. Our finance cost increased by 21.50% to RM0.39 million in FYE 2023 (FYE 2022: RM0.32 million), which further increased by 77.69% to RM0.69 million in FYE 2024 and 34.49% to RM0.93 million in FYE 2025 due to higher utilisation of bank borrowings for capital expenditure. During the Periods Under Review and up to the LPD, we have not defaulted on any payments of either principal sums and/ or interests in relation to our borrowings. Nevertheless, there can be no assurance that we will not face any financial risks relating to the increase in interest rates which may impact our financial performance including profitability and margins in the future.

9.1.8 We are exposed to inventory management risk

We are exposed to inventory management risks, particularly arising from our involvement in the distribution and retail of food products, including items with expiration dates and temperature-sensitive products such as frozen seafood and other food items. Inefficient inventory management could lead to overstocking or understocking, both of which could adversely impact our business operations and financial performance.

9. RISK FACTORS (Cont'd)

Furthermore, the demand for our products such as shelf-stable and frozen seafood including sea cucumber, abalone, shark fin, scallop, fish maw and other seafoods can fluctuate based on various factors, including seasonality such as festive periods like Chinese New Year, economic conditions and changing consumer preferences. These fluctuations may result in challenges in estimating the demand, increasing the risk of inventory mismanagement.

Overstocking can result in increased storage costs, spoilage, and expiry of products, leading to financial losses due to non-merchandisable goods. On the other hand, understocking may lead to failure in meeting customer demand during peak periods, such as festive periods which may lead to losses in business opportunities and potential loss of customers to competitors.

For the Periods Under Review, our inventory turnover days increased from 18 days in FYE 2022 to 27, 52 and 73 days in FYE 2023, FYE 2024 and FYE 2025 respectively. Please refer to Section 12.6(iii) of this Prospectus for further details on our inventory turnover period. In FYE 2024 and FYE 2025, there was an inventory written-off of RM0.66 million and RM0.25 million for expired and damaged items that were not suitable for sale. There was no inventory written off for FYE 2022 and FYE 2023. While our inventory management measures take into consideration the estimated market demand based on past records, customers preferences and periodic stock assessment, there is no assurance that we will not face any adverse effects arising from inefficient inventory management in the future.

9.1.9 Our business is exposed to the risk of reliance on manual labour, quality and safety risks arising from poor handling of products by third-party logistic service providers or improper storage and handling by our staff

We are reliant on manual labour for our manufacturing processes such as feeding input materials to our food processing equipment for input materials preparation, cooking and frying which are carried out by our employees. As such, we are exposed to the risk relating to shortage of labour as well as quality and safety risks arising from improper handling of input materials and finished products during these manual operations.

We are also exposed to operational risks relating to workplace safety hazards associated with manual labour for our manufacturing operations, which could potentially result in injuries to our employees. While we have not experienced any shortage of labour or incidents involving any major injuries that have either interrupted our business operations or adversely affected our financial performance during the Periods Under Review and up to the LPD, there can be no assurance that we will not encounter such risks in the future.

Our business is involved in the distribution and retail of food products, including temperature-sensitive products. We are exposed to the risks associated with the improper handling and storage of food products by third-party logistic service providers during transportation or handling by our staff during storage and at our facilities.

While we have our own fleet of trucks to transport the products to our customers, we also engage third-party logistic service providers when necessary, depending on the availability of resources and the customers' locations. Improper handling practices by logistic service providers, such as failing to maintain the appropriate temperature conditions, mishandling during loading and unloading, or delivery delays, could lead to product spoilage, contamination, or damages. In addition, improper storage or handling of food products, whether temperature-sensitive or dried goods, by our staff at our facilities could compromise on the product quality and safety.

9. RISK FACTORS (Cont'd)

Any incidents involving compromised product quality or safety may expose us to product liability risks, which could result in consequences, such as legal actions by affected consumers, fines by regulatory authorities, product recalls, or even the withdrawal of our business licences or certificates. Product liability risks could arise from issues, including contamination during manufacturing, processing, transportation, storage and handling, unintentional use of unsafe or banned ingredients, sabotage, or product mislabelling. Furthermore, we may face consumer claims related to dissatisfaction with the quality of our food products. These incidents could have an adverse impact on our reputation and financial performance.

For the Periods Under Review and up to the LPD, we have not been subjected to any claims or fines from our customers or regulatory bodies pertaining to the quality and safety of our food products. While we implement measures such as selecting reliable logistic service providers, and providing training to our new staff, there is no assurance that these measures will fully eliminate the risks associated with the quality and safety of our food products. Any failure in the handling or storage of our food products could materially and adversely affect our business operations, financial performance, and market reputation.

9.1.10 We may not be able to effectively or successfully execute our business strategies and plans

Our business strategies and plans are focused on leveraging our key strengths and capitalising on our core competencies in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks, and general grocery products. Our business strategies and plans include expansion of facilities, increasing marketing activities, expansion of product range and expansion of retail outlets. Please refer to Section 7.15 of this Prospectus for further details on our business strategies and plans.

There can be no assurance of the commercial success of our strategies and plans, nor can we assure that we will be able to fully anticipate, minimise or mitigate all the business, financial and operational risks associated with implementing our strategies and plans. Some of the factors that may affect our timing in executing our business strategies and plans include, among others, the ability to secure sufficient funding and/or bank borrowings, limitations in human resources or experience, regulatory changes and other unanticipated delays. In the event of any delays or failures in executing our business strategies and plans effectively, our future business growth or expected financial prospects or returns may be adversely affected.

9.1.11 There is no assurance that our insurance coverage would be adequate

We maintain general insurance policies that apply to our business operations, covering both our assets, employees as well as business operations to protect against losses and liabilities. As at the LPD, we have various insurance coverage including fire and personal accident, burglary, deterioration of stock, machinery breakdown, public liability, glass insurance, fidelity guarantee, product liability and general worker with a total coverage of RM34.46 million.

If claims exceed the coverage of our general insurance policies, we may be liable for the shortfalls in the amounts claimed which may adversely affect us financially. Alternatively, if there are numerous and sizable insurance claims, it may affect our insurance premium thus negatively impacting our financial performance. For the Periods Under Review and up to the LPD, there has not been any material claim that has exceeded the amount covered by our general insurance policies.

9. RISK FACTORS (Cont'd)

In the event of any product damage relating to our in-house manufactured products or externally sourced food products that are sold domestically or overseas, we would be liable for any product returns or replacements. However, for products that are externally sourced, we would liaise with the respective suppliers for any product returns or replacements. For our in-house manufactured flavouring products, we maintain a product liability insurance (excluding USA and Canada) to cover for any potential claims arising from product returns or replacement.

Our insurance may not adequately cover all potential losses or liabilities. Further, there is a risk that we may be unable to maintain or obtain adequate insurance coverage at reasonable rates in the future. Significant liabilities for which we are not fully insured could adversely affect our business operations and financial condition.

9.1.12 We are exposed to the risk of pilferage from our retail outlet

We operate a retail outlet where we market and sell our food products directly to customers. As part of the retail operations, our staff is involved in handling products, consumables, and cash. As such, we are inherently exposed to the risk of pilferage, which may include theft by customers, employees, or third parties.

We have implemented a range of preventive measures, including the installation of surveillance systems, restricted access to storage areas containing high-value products, deployment of a security guard at the retail outlet, inventory monitoring procedures, and staff training on handling and security protocols. In addition, we utilise a POS system that enables us to track inventory movements and sales transactions. Customer payments are recorded through the issuance of bills and receipts via the POS system, ensuring that recorded payments are reconciled with the actual cash received.

Nevertheless, there is no assurance that these measures will be entirely effective in eliminating pilferage. For the Periods Under Review and up to the LPD, we have not encountered any material pilferage from our retail outlet and warehouse. However, there can be no assurance that we will not be exposed to such risks in the future, which could potentially have a material adverse impact on our financial performance.

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9. RISK FACTORS (Cont'd)

9.2 RISKS RELATING TO OUR INDUSTRY**9.2.1 We are subject to the risk of competition from other operators that provide similar products and services**

We face competition from operators that offer similar products as the market is fragmented with a large number of players in the distributive trade for food and beverages (F&B) products. We may also encounter competition from new entrants to the market.

Operators in the industry compete based on factors including, among others, pricing, product variety, quality, customer service, facilities and others. While we have our competitive advantages, there is no assurance that we will be able to compete effectively against other operators. There can be no assurance that competition from existing operators or from new entrants in Malaysia as well as in foreign countries that we serve will not have a material adverse effect on our business and financial performance.

9.2.2 We are subject to economic, social, political, market and regulatory considerations in countries that we serve and source our products including Malaysia and other foreign countries

Any adverse changes in the political, social, economic and regulatory conditions in Malaysia as well as other countries which we serve and source our products, could have a negative impact on our business operations and financial performance.

Changes in the political, social, economic, fiscal and regulatory conditions could arise from, among others, geopolitical events, changes in political leadership, risks of war or civil unrest, changes in import or export tariffs and related duties or any form of trade restrictions in the countries that we serve, increase in the statutory minimum wage, effects of inflation, changes in policies such as sales and services tax, and conditions governing licensing, registrations and permits to conduct business.

On 1 July 2025, the Government implemented a revision of items that are subject to sales tax and an expansion of the scope of the service tax in Malaysia. In general, the revised sales tax imposes a rate of 5% or 10% on discretionary and non-essential goods. We are exposed to risks arising from these changes, as they may affect consumer sentiments and spending behaviour which could potentially reduce demand for discretionary food products. This could have an adverse impact on our financial performance. While we have not experienced any material adverse impact on our business arising from the changes to the sales and services tax as at the LPD, there can be no assurance that our business or financial performance will not be adversely affected in the future.

On 2 April 2025, the government of USA had announced, among others, the imposition of reciprocal tariff on Malaysian imports at 24% which was effective 9 April 2025. On 9 April 2025, the government of USA announced the drop in tariffs for the USA's trade partners, except the People's Republic of China, to 10% for 90 days, to allow for trade negotiations. In July 2025, the USA government announced that this baseline tariff would be replaced with a 25.00% tariff on all imported goods from Malaysia, effective 1 August 2025. Following subsequent negotiations, the tariff applicable to Malaysian imports was revised to 19.00%, which took effect on 1 August 2025. Given that our sales to the USA accounted for less than 1.00% of our total revenue during each of the Periods Under Review, the imposition of the tariff is not expected to have any direct material adverse impact on our business operations and financial performance.

Similarly, any local, regional or global economic downturn would also affect overall business conditions, consumer confidence, as well as investments, which would subsequently affect the demand for our products. As such, there can be no assurance that any adverse political, social, economic, fiscal and regulatory developments or outbreak of diseases which are beyond our control, will not materially affect our business operations and financial performance.

9. RISK FACTORS (Cont'd)

9.3 RISKS RELATING TO OUR SHARES AND OUR LISTING**9.3.1 There is no prior market for our Shares**

Prior to our IPO, there has been no public market for our Shares. Accordingly, there can be no assurance that an active market for our Shares will develop upon our Listing or, if developed, that such market will be sustained.

Furthermore, notwithstanding that our IPO Price was determined after taking into consideration a number of factors including but not limited to our historical earnings, prospects and future plans and our financial and operating history, we cannot assure you that our IPO Price will correspond to the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing and that the market price of our Shares will not decline below the IPO Price or that an active market for our Shares will develop and continue upon or subsequent to our Listing.

9.3.2 Our Share price and trading volume may be volatile

The market price of our Shares may be highly volatile and could be subject to wide fluctuations in response to, among others, the following factors, some of which are beyond our control:

- (i) variation in our operating results;
- (ii) success or failure of our management in implementing business and growth strategies;
- (iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (iv) changes in conditions affecting the industry, general economic conditions or stock market sentiments or other events or factors;
- (v) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed in Malaysia or anywhere else in the world;
- (vi) additions or departures of key senior management;
- (vii) fluctuations in stock market prices and volume;
- (viii) involvement in litigation; or
- (ix) changes in government policy, legislation or regulation.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and global stock exchanges, inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as 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 on Bursa Securities, thus adding risks to the market price of our Shares.

9. RISK FACTORS (Cont'd)

9.3.3 Our Listing is exposed to risk that it may be aborted or delayed

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include the following:

- (i) the selected investors fail to subscribe for their portion of our IPO Shares;
- (ii) our Underwriter exercising its rights under the Underwriting Agreement to discharge itself of its obligations under such agreement;
- (iii) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements of having at least 25.00% of the total number of our Shares for which our Listing is sought being in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing; and/ or
- (iv) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

Although we endeavour to comply with the various regulatory requirements, in any event these events as mentioned above occurs, the 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 CMSA shall apply. Our Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC upon expiration of that period until the full refund is made.

If our Listing is aborted/ terminated and our Shares have been allotted to the investors, all monies paid in respect of all applications for our IPO Shares will be refunded to the investors only by way of cancellation of share capital as provided under Sections 116 and 117 of the Act and its related rules.

Such cancellation requires the approval of the shareholders by special resolution in a general meeting, the consent of our creditors (if required), with the sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and Registrar of Companies within 7 days of the date of the special resolution and 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.

Nonetheless, our Board will endeavour to comply with the various regulatory requirements, including, *inter alia*, public shareholding spread requirements for our Listing. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or non-implementation of our Listing.

9.3.4 Future sale or issuance of our Shares could adversely affect our Share price

Any future sale, issuance or availability of our Shares can have an adverse effect on our Share price. The sale of a significant amount of our Shares in the public market after the IPO, or the perception that such sales may occur, could adversely affect the market price of our Shares. These factors also affect our ability to raise funds from the issue of additional equity securities.

If our Specified Shareholders and Promoters sell, or are perceived to sell, substantial amounts of Shares in the public market following the expiry of the moratorium period, this may result in a dampening effect on our Share price.

9. RISK FACTORS (Cont'd)**9.3.5 Our future fund raising exercise may result in dilution of your shareholdings**

Our capital requirements are dependent on, amongst others, our business, the availability of our resources for attracting, maintaining and enlarging our client base and the need to maintain and expand our products or service offering. Thus, we may need additional capital expenditure for future expansions and/ or investments. An issue of new Shares or other securities to raise funds will dilute shareholders' equity interest and may, in case of a rights issue, require additional investments by shareholders.

9.3.6 We may not be able to pay dividends

Our Company is a holding company and substantially all of our operations are conducted through our Subsidiaries. Accordingly, dividends and other distributions received from our Subsidiaries are our Company's principal source of income. Our Company and Subsidiaries may incur expenses or liabilities that would reduce or eliminate the cash or profit available for the distribution of dividends.

As part of our Board's guidance on dividends, we aim to declare a certain portion of our PAT attributable to the owners of our Company for each financial year, subject to the approval of our Board and to any applicable law and contractual obligations, as dividends, provided that such distribution will not be detrimental to our Group's cash requirements or to any plans approved by our Board. Even if we are able to pay dividends, our Board may decide, in its sole and absolute discretion, at any time and for any reason, not to pay dividends or to pay smaller dividends than the amount we currently propose, after taking into consideration the necessary funds for capital expenditure, working capital and applicable restrictive covenants under our financing. Such declaration of dividends shall not exceed our distributable profits. Further, if we incur new borrowings subsequent to our Listing, we and our Subsidiaries may be subjected to additional covenants restricting the ability to pay dividends. If we do not pay dividends, or we pay dividends at levels lower than anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditure as well as our ability to make interest and principal repayments on any borrowings that we may have outstanding at the time. As a result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be on favourable terms or available at all.

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9. RISK FACTORS (Cont'd)

9.4 OTHER RISKS

9.4.1 Our Specified Shareholders and Promoters will be able to exert significant influence over our Company and the interest of our Specified Shareholders and Promoters who control our Company may not be aligned with the interest of our other shareholders

Our Specified Shareholders and Promoters will collectively hold 70.27% and 70.22%, respectively of our enlarged number of issued Shares upon Listing. As a result, they will be able to effectively control the business direction and management of our Group including the election of Directors, the timing and payment of dividends as well as having substantial voting control and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they and persons connected with them are required to abstain from voting either by law, relevant guidelines or regulations. Therefore, there is a risk of non-alignment of interests by our Specified Shareholders and Promoters with those of our other shareholders.

9.4.2 Forward-looking/ prospective statements in this Prospectus may not be achievable

Certain statements in this Prospectus are based on historical data which may not be reflective of future results and others are forward-looking in nature that are based on assumptions and subject to uncertainties and contingencies which may or may not be achievable.

Whether such statements would ultimately prove to be accurate depends on variety of factors that may affect our businesses and operations, and such forward-looking statements also involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, plans, performances and achievements, expressed or implied, by such prospective statements.

Although we believe that the expectations reflected in such future statements are reasonable at this time, there can be no assurance that such prospective statements or expectations will materialise.

As such, such prospective statements or expectations should not be regarded as a representation and warranty by our Group, Principal Adviser and other advisers that the plans and objectives of our Group will be achieved.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, a “related party transaction” is a transaction entered into by a listed corporation or its subsidiaries that involves the interest, direct or indirect, of a related party. A “related party” means:

- (i) 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) a director of the listed corporation, its subsidiary or holding company; or
 - (b) a chief executive of the listed corporation, its subsidiary or holding company;
- (ii) 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 subsidiary or holding company, having an interest or interests in 1 or more voting shares in a corporation and the number or aggregate number of those shares is:
 - (a) 10% or more of the total number of voting shares in the corporation; or
 - (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation; or

For the avoidance of doubt, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.

- (iii) 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 Acquisitions of Subsidiaries and as disclosed below, there are no material related party transactions, existing or proposed, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, major shareholders and/ or persons connected with them for the Periods Under Review and up to the LPD:

No.	Transacting company in our Group	Related party/ Interested person/ Nature of relationship between our Group and the related party	Nature of transaction	Transaction value				
				FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	1 August 2025 up to LPD RM'000
1.	GHS Heng Kee	Chan Kim Yeo ⁽¹⁾ and Yeo Siew Heng ⁽²⁾	Disposal of property by GHS Heng Kee to Yeo Siew Heng and Chan Kim Yeo ⁽³⁾	-	-	-	⁽⁴⁾ 39	-

Notes:

- (1) Chan Kim Yeo is our Promoter, substantial shareholder, spouse of Yeo Siew Heng as well as mother of Yeo Tien Ee and Yeo Tian Seng. She is also a director of GHS Heng Kee and GHS Food Industries.
- (2) Yeo Siew Heng is our Promoter, spouse of Chan Kim Yeo as well as father of Yeo Tien Ee and Yeo Tian Seng. He is also a director of GHS Heng Kee.
- (3) On 28 January 2025, GHS Heng Kee had entered into a conditional sale and purchase agreement with Yeo Siew Heng and Chan Kim Yeo to dispose a unit of a double storey intermediate pre-war shop house bearing postal address of No. 6, Jalan Hang Lekiu, 75200 Melaka ("**Property 6**") at a cash consideration of RM39,000 ("**Disposal Consideration**"). The Disposal Consideration was arrived at based on the audited net book value of the property as at 31 July 2024, which was below the prevailing market rate of comparable properties, and as such was not carried out at arm's length and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties. Property 6 was rented out to a third party for a monthly rental of RM1,500 per month and thus was not used for our Group's operations for the Periods Under Review. As such, the disposal of Property 6 will not disrupt our Group's business operations. Nevertheless, this transaction is one-off in nature and will not subsist after our Listing. The disposal of Property 6 was completed on 1 July 2025.
- (4) Represents 0.09% of our Group's audited NA as at 31 July 2025.

Our Board acknowledges that the disposal of Property 6 to Yeo Siew Heng and Chan Kim Yeo was not carried out on an arm's length basis. Nevertheless, our Board is of the view that the disposal is not detrimental to our Group, as it enables our Group to focus on its core business given that Property 6 is not utilised in our Group's core operations. Furthermore, as the disposal was a one-off transaction involving a property not used in our Group's core operations, it is not expected to have a material adverse impact on our Group's business operations.

10. RELATED PARTY TRANSACTIONS (Cont'd)

As at the date of this Prospectus, there are no other subsisting transactions and agreements with the related parties.

Further to the above, our Board has confirmed that there are no material related party transactions that we had entered into with related parties but not yet effected up to the date of this Prospectus.

Moving forward, our Group has put in place strict internal controls and compliance procedures, among others, our Directors through our Audit and Risk Management Committee will review the terms of all related party transactions before the transactions are entered into or any renewals relating to the same to ensure that all related party transactions are carried out on terms not more favourable to the related parties than those normally agreed terms with third parties and not detrimental to our non-interested shareholders, and in the best interest of our Group. The procedures for monitoring and oversight of related party transactions are set out in Section 10.3 of this Prospectus. When necessary, our Board will make appropriate disclosures in our annual report with regards to any related party transaction entered into by us.

In the event that there are any proposed related party transactions that require the prior approval of our shareholders, our Directors and major shareholders, and/ or persons connected with them which have any interest, direct or indirect, in the proposed related party transaction will abstain from voting in respect of his direct and/ or indirect shareholdings. Such interested Director and/ or major shareholders will also undertake to ensure that the person connected with him will abstain from voting on the resolution approving the proposed related party transaction at the general meeting.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.2 OTHER TRANSACTIONS

10.2.1 Transactions which are unusual in their nature or conditions

Our Directors (including the directors of our Subsidiaries) have confirmed that there are no transactions that were unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party during the Periods Under Review and up to the LPD.

10.2.2 Outstanding loans/ advances and/ or financial assistance from related parties or made to or for the benefit of related parties

Our Directors (including the directors of our Subsidiaries) have confirmed that, save as disclosed below, there are no outstanding loans/ advances and/ or financial assistance (including guarantees of any kind) from related parties, or made by our Group to or for the benefit of the related parties for the Periods Under Review and as at the LPD:

(i) Amounts owing to related parties

No.	Company within our Group	Interested person/ Nature of relationship between our Group and the related party	Nature of transaction	Outstanding amount									
				As at 31 July								As at the LPD	
				2022		2023		2024		2025			
				RM'000	(5)%	RM'000	(5)%	RM'000	%	RM'000	%	RM'000	%
1.	GHS Heng Kee and GHS Food Industries	Yeo Tien Ee ⁽¹⁾	Advances from Yeo Tien Ee for our Group's working capital purposes	707	3.02	696	2.51	-	-	-	-	-	-
2.	GHS Heng Kee and GHS Food Industries	Yeo Tian Seng ⁽²⁾	Advances from Yeo Tian Seng for our Group's working capital purposes	666	2.84	672	2.42	-	-	-	-	-	-
3.	GHS Heng Kee and GHS Food Industries	Chan Kim Yeo ⁽³⁾	Advances from Chan Kim Yeo for our Group's working capital purposes	243	1.04	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Company within our Group	Interested person/ Nature of relationship between our Group and the related party	Nature of transaction	Outstanding amount									
				As at 31 July								As at the LPD	
				2022		2023		2024		2025			
				RM'000	(5)%	RM'000	(5)%	RM'000	%	RM'000	%	RM'000	%
4.	GHS Heng Kee	Yeo Siew Heng ⁽⁴⁾	Advances from Yeo Siew Heng for our Group's working capital purposes	134	0.57	-	-	-	-	-	-	-	-

Notes:

- (1) Yeo Tien Ee is our Promoter, substantial shareholder and Managing Director. He is also the son of Yeo Siew Heng and Chan Kim Yeo, and brother of Yeo Tian Seng.
- (2) Yeo Tian Seng is our Promoter, substantial shareholder and Executive Director. He is also the son of Yeo Siew Heng and Chan Kim Yeo, and brother of Yeo Tien Ee.
- (3) Chan Kim Yeo is our Promoter and substantial shareholder, spouse of Yeo Siew Heng as well as mother of Yeo Tien Ee and Yeo Tian Seng. She is also a director of GHS Heng Kee and GHS Food Industries.
- (4) Yeo Siew Heng is our Promoter, spouse of Chan Kim Yeo as well as father of Yeo Tien Ee and Yeo Tian Seng. He is also a director of GHS Heng Kee.
- (5) Calculated based on our Group's NA for each of the respective financial years.

During the Periods Under Review and up to the LPD, the advances made by the related parties to our Group were not made at arm's length as they were unsecured, interest-free and repayable on demand. However, these terms were not unfavourable to our Group. All the advances to our Group have been fully repaid as at the LPD.

As at the LPD, there are no advances/ loans granted to our Group by related parties for the benefit of our Group.

Moving forward, we have put in place internal controls and compliance procedures in relation to advances, loans or financial assistance from related parties. As such, no advances, loans or financial assistance will be taken from related parties by our Group unless such advances, loans or financial assistance are permitted under the applicable laws, rules and regulations (including the Listing Requirements) and brought to our Audit and Risk Management Committee and our Board for deliberation and approval.

10. RELATED PARTY TRANSACTIONS (Cont'd)
(ii) Financial assistance (including guarantees of any kind)

Notwithstanding to the above, our Promoters and/ or substantial shareholders have extended guarantees for our banking facilities as follows:

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount⁽⁵⁾ RM'000	Outstanding amount as at the LPD RM'000
Ambank (M) Berhad	Banking facilities comprising term loan	Yeo Tien Ee ⁽¹⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ . They have given joint and several guarantees in favour of Ambank (M) Berhad for banking facilities granted to GHS Heng Kee.	900	⁽⁶⁾ -
CIMB Bank Berhad	Banking facilities comprising term loan	Yeo Tien Ee ⁽¹⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ . They have given joint and several guarantees in favour of CIMB Bank Berhad for banking facilities granted to GHS Heng Kee.	3,457	2,171
	Banking facilities comprising term loan	Yeo Tien Ee ⁽¹⁾ , Yeo Tian Seng ⁽⁴⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ . They have given joint and several guarantees in favour of CIMB Bank Berhad for the banking facilities granted to GHS Heng Kee.	522	250
	Banking facilities comprising term loan	Yeo Tien Ee ⁽¹⁾ , Yeo Tian Seng ⁽⁴⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ . They have given joint and several guarantees in favour of CIMB Bank Berhad for the banking facilities granted to GHS Heng Kee.	3,790	1,552
	Banking facilities comprising term loan	Yeo Tien Ee ⁽¹⁾ , Yeo Tian Seng ⁽⁴⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ .	1,000	76

10. RELATED PARTY TRANSACTIONS (Cont'd)

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount⁽⁵⁾ RM'000	Outstanding amount as at the LPD RM'000
		They have given joint and several guarantees in favour of CIMB Bank Berhad for the banking facilities granted to GHS Heng Kee.		
Malayan Banking Berhad	Banking facilities comprising term loan, overdraft, letter of credit, trust receipt, banker's acceptance and blanket banker's guarantee	Yeo Tien Ee ⁽¹⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Siew Heng ⁽³⁾ . They have given joint and several guarantees in favour of Malayan Banking Berhad for the banking facilities granted to GHS Heng Kee.	1,010	31
Maybank Islamic Berhad	Banking facilities comprising Commodity Murabahah term financing-i, cash line-i, letter of credit, trust receipt, accepted bills, invoice financing-i and bank guarantee-i	Yeo Tien Ee ⁽¹⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Tian Seng ⁽⁴⁾ . They have given joint and several guarantees in favour of Maybank Islamic Berhad for the banking facilities granted to GHS Heng Kee.	19,400	13,480
Public Islamic Bank Berhad	Banking facilities comprising term equity financing-i	Yeo Tien Ee ⁽¹⁾ and Yeo Tian Seng ⁽⁴⁾ . They have given joint and several guarantees in favour of Public Islamic Bank Berhad for the banking facilities granted to GHS Food Industries.	989	924
Public Bank Berhad	Banking facilities comprising fixed loan	Yeo Tien Ee ⁽¹⁾ , Chan Kim Yeo ⁽²⁾ and Yeo Tian Seng ⁽⁴⁾ .	2,380	2,040

10. RELATED PARTY TRANSACTIONS (Cont'd)

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount⁽⁵⁾ RM'000	Outstanding amount as at the LPD RM'000
		They have given joint and several guarantees in favour of Public Bank Berhad for the banking facilities granted to GHS Food Industries.		
	Hire purchase	Yeo Tien Ee ⁽¹⁾ . He has given personal guarantee in favour of Public Bank Berhad for 2 hire purchase facilities granted to GHS Heng Kee.	251	89
	Hire purchase	Yeo Tian Seng ⁽⁴⁾ . He has given personal guarantee in favour of Public Bank Berhad for a hire purchase facility granted to GHS Food Industries.	55	39
Total			33,754	20,652

Notes:

- (1) Yeo Tien Ee is our Promoter, substantial shareholder and Managing Director. He is also the son of Yeo Siew Heng and Chan Kim Yeo, and brother of Yeo Tian Seng.
- (2) Chan Kim Yeo is our Promoter and substantial shareholder, spouse of Yeo Siew Heng as well as mother of Yeo Tien Ee and Yeo Tian Seng. She is also a director of GHS Heng Kee and GHS Food Industries.
- (3) Yeo Siew Heng is our Promoter, spouse of Chan Kim Yeo as well as father of Yeo Tien Ee and Yeo Tian Seng. He is also a director of GHS Heng Kee.
- (4) Yeo Tian Seng is our Promoter, substantial shareholder and Executive Director. He is also the son of Yeo Siew Heng and Chan Kim Yeo, and brother of Yeo Tien Ee.
- (5) The amount guaranteed represents the total banking facilities and/ or hire purchase facilities.
- (6) As at the LPD, our Group has fully settled the outstanding balance of this banking facility and is awaiting the letter of discharge from the bank.

10. RELATED PARTY TRANSACTIONS (Cont'd)

In conjunction with our Listing, we have applied to the financiers to obtain a release and/ or discharge of the guarantees by substituting the same with a corporate guarantee from our Company. As as the LPD, we have received conditional approvals from the respective financiers to discharge the personal guarantees provided by our Promoters and/ or substantial shareholders upon our Listing by substituting the guarantees with a corporate guarantee from our Company.

Moving forward, we have put in place strict internal control and compliance procedures in relation to loans and/ or financial assistance to be provided to related parties and/ or third parties, and no loans or financial assistance will be provided to any related parties by our Group unless such loans are permitted under the applicable laws and the Listing Requirements and brought to our Audit and Risk Management Committee and our Board for deliberation and approval.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.3 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.3.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee reviews related party transactions and conflict of interest situations that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts. Our Audit and Risk Management Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Company to monitor related party transactions and conflict of interest. It also sets the procedures and processes to ensure that transactions are carried out in the best interest of our 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. Amongst others, 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.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

10.3.2 Our Group's policy on related party transactions

Related party transactions by their nature, involve conflict of interest between our Group and the related parties with whom our Group has entered into for such transactions. Any such related party transactions may individually and in aggregate give rise to potential conflicts of interest.

It is the policy of our Group that all related party transactions in our course of business are carried out at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not detrimental to our non-interested shareholders. The related parties and any other parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations and voting on resolutions pertaining to the matters and/ or transactions where a conflict of interest may arise.

In addition, our Directors will be required to immediately make full disclosure of any direct/ indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction. 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, and in turn, report and make the appropriate recommendations to our Board after its evaluation and assessment.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.3.3 Our Group's policy on recurrent related party transactions

In order to ensure that recurrent related party transactions are undertaken at arm's length basis and on normal commercial terms, we have established the following procedures:

- (i) at least two (2) other contemporaneous transactions carried out with third parties for similar products and/ or quantities will be used as comparison wherever possible, to determine if the price and the terms as offered by the related parties are for the same or substantially similar type of products/ services and/ or quantities; and
- (ii) if we are unable to obtain or procure the quotation or comparative pricing from third parties, the transaction price will be determined by our Group based on those offered by other third parties for substantially the similar type of transactions to ensure that the recurrent related party transactions are not detrimental to us. For such transactions, the case will be submitted to our Audit and Risk Management Committee for deliberation and approval.

We will seek mandate from our shareholders to enter into any recurrent related party transactions at a general meeting. However, due to the time-sensitive nature of such transactions, 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.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS OR SUPPLIERS

As at the LPD, none of our Directors or substantial shareholders have any interests, direct or indirect, in businesses and corporations that:

- (i) carry on a similar trade as our Group; or
- (ii) are customers and/ or suppliers of our Group.

In order to safeguard the interest of our Group and minority shareholders, our Audit and Risk Management Committee will monitor and review any potential conflict of interest situation and report to our Board for further deliberation and approval. Our Board will disclose such conflict of interest, if any, for resolution as and when they arise.

11.2 DECLARATION BY THE ADVISERS

- (i) TA Securities has confirmed that there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent in respect of our IPO;
- (ii) Crowe Malaysia PLT has confirmed that there is no existing or potential conflict of interest in its capacity as the Reporting Accountants in respect of our IPO;
- (iii) Messrs. David Lai & Tan has confirmed that there is no existing or potential conflict of interest in its capacity as the Solicitors to our Company in respect of our IPO; and
- (iv) Vital Factor has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Business and Market Research Consultants in respect of our IPO.

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12. FINANCIAL INFORMATION**12.1 HISTORICAL FINANCIAL INFORMATION**

Our Group's historical audited financial information comprise the combined statements of financial position, combined statements of profit or loss and other comprehensive income and combined statements of cash flows for the Periods Under Review. These historical financial information have been prepared in accordance with MFRS and International Financial Reporting Standards (IFRS).

The following financial information should be read in conjunction with the Management's Discussion and Analysis of Financial Condition and Results of Operations set out in Section 12.3 of this Prospectus and Accountants' Report included in Section 13 of this Prospectus.

12.1.1 Combined statements of profit or loss and other comprehensive income

The following table sets out a summary of our Group's audited combined statements of profit or loss and other comprehensive income for the Periods Under Review, which was extracted from the Accountants' Report set out in Section 13 of this Prospectus.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	71,218	81,344	84,822	93,113
Cost of sales	(59,772)	(68,098)	(68,121)	(69,781)
GP	11,446	13,246	16,701	23,332
Other income	278	151	1,398	209
Administrative expenses	(4,747)	(5,738)	(7,253)	(10,353)
Selling and distribution expenses	(718)	(765)	(854)	(1,094)
Other operating expenses	(642)	(625)	(672)	(774)
Finance costs	(321)	(390)	(693)	(932)
Net reversal/ (addition) of impairment losses on financial assets	-	*	61	(94)
PBT	5,296	5,879	8,688	10,294
Income tax expense	(1,298)	(1,529)	(1,952)	(3,069)
PAT / Total comprehensive income for the financial year	3,998	4,350	6,736	7,225
EBITDA ⁽¹⁾	6,382	7,086	10,345	12,255
GP margin (%) ⁽²⁾	16.07	16.28	19.69	25.06
PBT margin (%) ⁽³⁾	7.44	7.23	10.24	11.06
PAT margin (%) ⁽⁴⁾	5.61	5.35	7.94	7.76
Number of Shares assumed in issue ('000) ⁽⁵⁾	473,500	473,500	473,500	473,500
Basic EPS (sen) ⁽⁶⁾	0.84	0.92	1.42	1.53
Diluted EPS (sen) ⁽⁶⁾⁽⁷⁾	0.84	0.92	1.42	1.53

Notes:

* Less than RM500.

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12. FINANCIAL INFORMATION (Cont'd)

- (1) The table below sets forth a reconciliation of our PBT to EBITDA.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PBT	5,296	5,879	8,688	10,294
<u>Add:</u>				
Finance costs	321	390	693	932
Depreciation:				
- PPE	639	808	937	932
- investment property	1	1	1	-
- right-of-use assets	174	83	82	93
Amortisation of intangible assets	19	4	23	35
<u>Less:</u>				
Interest income	(68)	(79)	(79)	(31)
EBITDA	6,382	7,086	10,345	12,255

- (2) GP margin is computed based on our GP over revenue.
- (3) PBT margin is computed based on our PBT over revenue.
- (4) PAT margin is computed based on our PAT over revenue.
- (5) Assumed number of ordinary shares in issue in GHS Holdings after our IPO.
- (6) Basic and diluted EPS is calculated based on PAT attributable to owners of the Company divided by enlarged total number of 473,500,100 Shares after our IPO.
- (7) Our Company does not have any outstanding convertible securities at the end of the financial years.

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12. FINANCIAL INFORMATION (Cont'd)**12.1.2 Combined statements of financial position**

The following table sets out a summary of our Group's audited combined statements of financial position for the Periods Under Review, which was extracted from the Accountants' Report set out in Section 13 of this Prospectus.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
PPE	17,235	18,325	36,987	37,030
Investment property	41	40	-	-
Right-of-use assets	1,570	1,064	1,059	783
Intangible assets	14	10	22	61
Deferred tax assets	403	382	329	361
	19,263	19,821	38,397	38,235
Current assets				
Inventories	3,095	6,820	12,678	15,243
Trade receivables	8,029	8,992	9,960	11,578
Other receivables, deposits and prepayments	1,701	2,495	928	1,034
Fixed deposits with licensed banks	5,577	3,775	3,020	729
Cash and bank balances	3,905	4,712	2,690	4,896
	22,307	26,794	29,276	33,480
Asset classified as held for sale ⁽¹⁾	-	-	39	-
	22,307	26,794	29,315	33,480
TOTAL ASSETS	41,570	46,615	67,712	71,715
EQUITY AND LIABILITIES				
Equity				
Share capital	-	-	-	*
Invested capital	400	400	2,050	2,050
Retained profits	23,023	27,373	33,309	40,534
	23,423	27,773	35,359	42,584
Non-current liabilities				
Lease liabilities	767	327	320	52
Long-term borrowings	7,496	7,554	21,462	19,960
Deferred tax liabilities	241	271	298	328
	8,504	8,152	22,080	20,340
Current liabilities				
Trade payables	5,639	6,981	7,665	6,026
Other payables, deposit and accruals	394	526	892	826
Amount owing to directors	1,750	1,368	-	-
Lease liabilities	158	67	83	47
Current tax liabilities	697	736	146	346
Short-term borrowings	1,005	1,012	1,487	1,546
	9,643	10,690	10,273	8,791
TOTAL LIABILITIES	18,147	18,842	32,353	29,131
TOTAL EQUITY AND LIABILITIES	41,570	46,615	67,712	71,715

12. FINANCIAL INFORMATION (Cont'd)

Notes:

* Less than RM500.

- (1) As at 31 July 2024, our Group had classified a piece of freehold land with a unit of double storey intermediate pre-war shop house erected thereon with net carrying amount of RM39,000 from "investment property" to "asset classified as held for sale" following our Group's commitment to dispose the said property. On 28 January 2025, GHS Heng Kee had entered into a conditional sale and purchase agreement with Yeo Siew Heng and Chan Kim Yeo to dispose the said property at a cash consideration of RM39,000. The disposal of the said property was completed on 1 July 2025. Please refer to Section 10.1.1 of this Prospectus for further details.

12.1.3 Combined statements of cash flows

The following table sets out a summary of our Group's audited combined statements of cash flows for the Periods Under Review, which was extracted from the Accountants' Report set out in Section 13 of this Prospectus.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
PBT	5,296	5,879	8,688	10,294
Adjustments for:				
Amortisation of intangible assets	19	4	23	35
Depreciation of PPE	639	808	937	932
Depreciation of investment property	1	1	1	-
Depreciation of right-of-use assets	174	83	82	93
Gain on derecognition due to lease modification	-	(44)	-	-
Gain on lease termination	-	-	-	(38)
Interest expenses	281	369	675	914
Interest expense on lease liabilities	40	21	18	18
Gain on disposal of PPE	-	-	(6)	-
Loss on disposal of asset held for sale	-	-	-	*
Unrealised (gain)/ loss on foreign exchange	-	-	(122)	87
Interest income	(68)	(79)	(79)	(31)
(Reversal)/ Addition of impairment losses on trade receivables	-	*	(61)	94
Operating income before working capital changes	6,382	7,042	10,156	12,398
Increase in inventories	(170)	(3,725)	(5,858)	(2,565)
Increase in trade and other receivables	(2,794)	(157)	(940)	(1,763)
(Decrease)/ Increase in trade and other payables	(1,431)	1,474	1,172	(1,792)
Cash from operations	1,987	4,634	4,530	6,278
Income tax paid	(1,049)	(1,439)	(2,462)	(2,888)
Income tax refunded	-	-	-	17

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash from operating activities	938	3,195	2,068	3,407
CASH FLOWS FOR INVESTING ACTIVITIES				
Interest received	68	79	79	31
Proceeds from disposal of PPE	-	-	6	-
Proceeds from disposal of asset held for sale	-	-	-	39
Purchase of PPE	(2,749)	(3,355)	(17,849)	(839)
Purchase of intangible assets	(22)	-	(35)	(74)
Net cash for investing activities	(2,703)	(3,276)	(17,799)	(843)
CASH FLOWS FROM/ (FOR) FINANCING ACTIVITIES				
Dividend paid	-	-	(800)	-
Drawdown of term loans	1,445	936	15,389	-
Interest paid	(321)	(390)	(693)	(932)
Proceeds from issuance of ordinary shares	-	-	450	-
Repayment of amount owing to directors	(13)	(382)	(168)	-
Repayment of hire purchase obligation	(49)	(54)	(73)	(102)
Repayment of lease liabilities	(143)	(64)	(68)	(83)
Repayment of term loans	(803)	(892)	(1,083)	(1,532)
Net cash from/ (for) financing activities	116	(846)	12,954	(2,649)
Net decrease in cash and cash equivalents	(1,649)	(927)	(2,777)	(85)
Cash and cash equivalents at beginning of the financial year	11,063	9,414	8,487	5,710
Cash and cash equivalents at end of the financial year	9,414	8,487	5,710	5,625

Note:

* Less than RM500.

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12. FINANCIAL INFORMATION (Cont'd)**12.2 CAPITALISATION AND INDEBTEDNESS**

The following table sets out our Group's capitalisation and indebtedness based on our unaudited financial information as at 30 November 2025 and after adjusting for the effects of our Public Issue and utilisation of proceeds from our Public Issue.

	Unaudited as at 30 November 2025 RM'000	(I) After Public Issue RM'000	(II) After (I) and utilisation of proceeds RM'000
Capitalisation			
Shareholders' equity	44,512	74,512	71,892
Total capitalisation	44,512	74,512	71,892
Indebtedness			
Current			
<u>Secured and guaranteed</u>			
- Hire purchase payables	84	84	84
- Term loans	1,406	1,406	1,406
<u>Unsecured and unguaranteed</u>			
- Lease liabilities (rentals) ⁽¹⁾	48	48	48
	1,538	1,538	1,538
Non-current			
<u>Secured and guaranteed</u>			
- Hire purchase payables	203	203	203
- Term loans	19,292	19,292	19,292
<u>Unsecured and unguaranteed</u>			
- Lease liabilities (rentals) ⁽¹⁾	35	35	35
	19,530	19,530	19,530
Total indebtedness	21,068	21,068	21,068
Total capitalisation and indebtedness	65,580	95,580	92,960
Debt-to-capital ratio (times) ⁽²⁾	0.47	0.28	0.29

Notes:

- (1) Lease liabilities (rentals) represent the present value of the remaining rental payments over the rental period for our rented properties.
- (2) Computed based on total indebtedness (excluding lease liabilities for right-of-use assets arising from rental of properties) divided by total capitalisation.

As at the LPD, there is no indirect and/ or material contingent liabilities incurred by our Group which may have a substantial impact on the financial position of our Group.

12. FINANCIAL INFORMATION (Cont'd)

12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

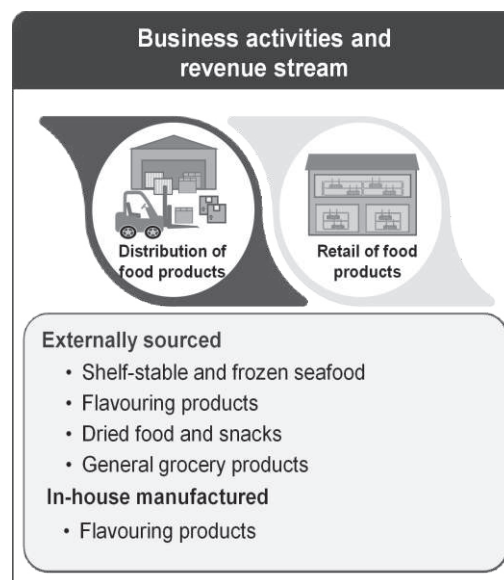
The following discussion and analysis of our financial condition and results of operations should be read together with the Accountants' Report and related notes as set out in Section 13 of this Prospectus.

12.3.1 Overview of our business operations

We are principally involved in the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks and general grocery products.

The food products that we distribute and retail include both externally sourced and in-house manufactured at our operational facilities in Melaka. Our in-house manufactured products are flavouring products including condiments, sauces and pastes, herbs, spices and seasonings.

Please refer to Section 7.2 of this Prospectus for further information on our business operations.



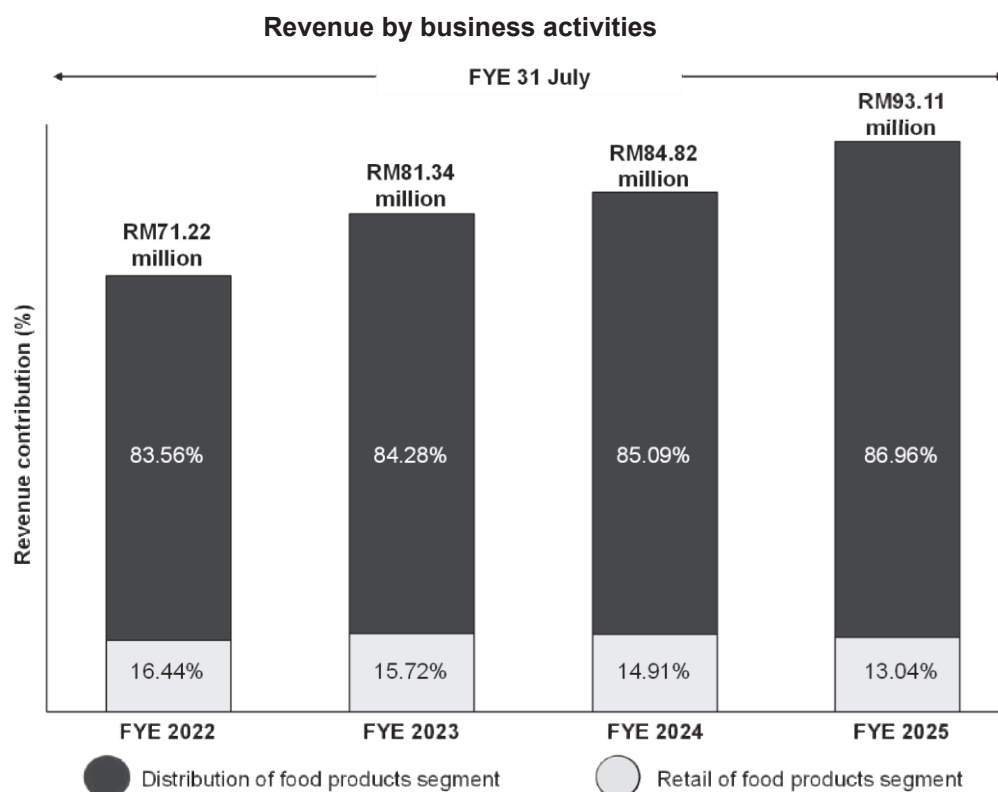
12.3.2 Overview of our financial results

Our revenue is derived from the distribution and retail of food products including shelf-stable and frozen seafood, flavouring products, dried food and snacks and general grocery products. Our revenue is recognised when the control of our products has been transferred, being when the goods have been delivered to customers and accepted by customers.

Our total revenue increased from RM71.22 million in FYE 2022 to RM93.11 million in FYE 2025, representing a CAGR of 9.35%. This was contributed by the increase in revenue from both the distribution and retail segments.

Revenue from the distribution segment constituted the largest revenue contributor, which accounted for 83.56% (RM59.51 million), 84.28% (RM68.56 million), 85.09% (RM72.17 million) and 86.96% (RM80.97 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The revenue from this segment increased from RM59.51 million in FYE 2022 to RM80.97 million in FYE 2025, representing a CAGR of 10.81%.

Revenue from the retail segment accounted for 16.44% (RM11.71 million), 15.72% (RM12.79 million), 14.91% (RM12.65 million) and 13.04% (RM12.15 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The revenue from this segment increased from RM11.71 million in FYE 2022 to RM12.15 million in FYE 2025, representing a CAGR of 1.22%.

12. FINANCIAL INFORMATION (Cont'd)

For the Periods Under Review, revenue contribution from the domestic market accounted for 89.01% (RM63.39 million), 91.15% (RM74.15 million), 87.35% (RM74.09 million) and 88.47% (RM82.38 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The remainder of our revenue was contributed by export sales which accounted for 10.99% (RM7.83 million), 8.85% (RM7.20 million), 12.65% (RM10.73 million) and 11.53% (RM10.74 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

Please refer to Section 12.3.3 of this Prospectus for further analysis on our revenue by business activities and products, and geographical markets.

For the Periods Under Review, our revenue contribution is transacted in RM, USD, SGD and AUD.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.3 Segmental analysis by revenue****(i) Revenue by business activities and products**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution segment	59,507	83.56	68,556	84.28	72,174	85.09	80,967	86.96
- Shelf-stable and frozen seafood	23,817	33.44	27,587	33.91	25,451	30.01	27,384	29.41
- Flavouring products ⁽¹⁾	18,731	26.30	20,666	25.41	26,210	30.90	30,698	32.97
- Dried food and snacks	9,921	13.93	11,249	13.83	12,405	14.62	13,745	14.76
- General grocery products	7,038	9.89	9,054	11.13	8,108	9.56	9,140	9.82
Retail segment	11,711	16.44	12,788	15.72	12,648	14.91	12,146	13.04
- Shelf-stable and frozen seafood	4,459	6.26	4,909	6.03	4,499	5.30	4,569	4.91
- Flavouring products ⁽¹⁾	2,252	3.16	2,601	3.20	2,581	3.04	2,497	2.68
- Dried food and snacks	3,653	5.13	3,781	4.65	4,026	4.75	3,824	4.11
- General grocery products	1,347	1.89	1,497	1.84	1,542	1.82	1,256	1.34
Total	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Note:

(1) Include externally sourced and in-house manufactured products.

(ii) Sales volume of our main product range

	Unit of measure	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Distribution segment					
Shelf-stable and frozen seafood					
- Sea cucumber	Kg	13,691	17,733	10,320	9,281
• dried	Kg	11,368	14,241	8,428	8,206
• frozen	Kg	2,323	3,492	1,892	1,075
- Abalone					
• canned	Cans	155,883	138,928	132,872	202,797
• dried	Kg	18	33	9	179
- Shark fin	Kg	3,853	6,435	7,127	7,900
• dried	Kg	2,288	2,830	2,809	3,644
• frozen	Kg	1,565	3,605	4,318	4,256
- Scallop					
• dried	Kg	18,676	23,027	5,745	5,803
• frozen	Kg	12,548	11,924	15,171	9,774
• canned	Cans	-	128	85	113

12. FINANCIAL INFORMATION (Cont'd)

	Unit of measure	FYE 2022	FYE 2023	FYE 2024	FYE 2025
- <i>Fish maw</i>	<i>Kg</i>	2,787	2,390	2,907	4,108
• <i>dried</i>	<i>Kg</i>	2,783	2,366	2,854	4,098
• <i>frozen</i>	<i>Kg</i>	4	24	53	10
Flavouring products ⁽¹⁾	<i>Kg</i>	1,386,289	1,573,187	1,693,770	2,147,419
- <i>Condiments</i>	<i>Kg</i>	598,318	596,593	710,143	859,688
- <i>Sauces and pastes</i>	<i>Kg</i>	538,443	706,534	705,374	970,333
- <i>Herbs, spices and seasonings</i>	<i>Kg</i>	249,528	270,060	278,253	317,398
Dried food and snacks					
- <i>Rice and flour-based products</i>	<i>Kg</i>	153,231	234,745	240,113	294,639
- <i>Mushroom and fungus</i>	<i>Kg</i>	36,119	39,289	32,273	36,250
General grocery products					
- <i>Other canned food</i>	<i>Cans</i>	755,750	821,746	686,814	908,280
- <i>Frozen meat</i>	<i>Kg</i>	68,928	39,587	42,500	40,945

Retail segmentShelf-stable and frozen
seafood

- <i>Sea cucumber</i>	<i>Kg</i>	2,373	3,257	2,498	2,539
• <i>dried</i>	<i>Kg</i>	1,475	2,188	1,216	1,629
• <i>frozen</i>	<i>Kg</i>	898	1,069	1,282	910
- <i>Abalone</i>					
• <i>canned</i>	<i>Cans</i>	24,727	20,421	22,372	26,016
• <i>dried</i>	<i>Kg</i>	17	16	11	78
• <i>frozen</i>	<i>Kg</i>	-	6	-	173
- <i>Shark fin</i>	<i>Kg</i>	320	670	547	501
• <i>dried</i>	<i>Kg</i>	21	23	58	45
• <i>frozen</i>	<i>Kg</i>	299	647	489	456
- <i>Scallop</i>					
• <i>dried</i>	<i>Kg</i>	1,907	2,223	1,778	1,711
• <i>frozen</i>	<i>Kg</i>	1,468	1,286	1,190	2,088
• <i>canned</i>	<i>Cans</i>	-	88	161	295
- <i>Fish maw</i>	<i>Kg</i>	784	982	865	1,124
• <i>dried</i>	<i>Kg</i>	754	912	807	1,109
• <i>frozen</i>	<i>Kg</i>	30	70	58	15

12. FINANCIAL INFORMATION (Cont'd)

	Unit of measure	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Flavouring products ⁽¹⁾	Kg	154,005	182,205	163,126	146,474
- Condiments	Kg	7,419	7,359	7,687	8,406
- Sauces and pastes	Kg	97,248	100,206	87,971	79,648
- Herbs, spices and seasonings	Kg	49,338	74,640	67,468	58,420
Dried food and snacks					
- Rice and flour-based products	Kg	61,560	73,333	67,167	56,489
- Dried meat products	Kg	22,218	8,094	22,724	23,335
- Mushroom and fungus	Kg	7,327	8,643	8,542	8,851
General grocery products					
- Other canned food	Cans	120,173	144,320	143,635	121,741
- Frozen meat	Kg	4,076	3,210	5,452	6,890

Note:

(1) Include externally sourced and in-house manufactured products.

(iii) Revenue by source of supply

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution segment	59,507	83.56	68,556	84.28	72,174	85.09	80,967	86.96
Externally sourced	49,303	69.23	57,209	70.33	58,576	69.06	62,180	66.78
- Shelf-stable and frozen seafood	23,817	33.44	27,587	33.91	25,451	30.01	27,384	29.41
- Flavouring products	8,527	11.97	9,319	11.46	12,612	14.87	11,911	12.79
- Dried food and snacks	9,921	13.93	11,249	13.83	12,405	14.62	13,745	14.76
- General grocery products	7,038	9.89	9,054	11.13	8,108	9.56	9,140	9.82
In-house manufactured	10,204	14.33	11,347	13.95	13,598	16.03	18,787	20.18
- Flavouring products	10,204	14.33	11,347	13.95	13,598	16.03	18,787	20.18
Retail segment	11,711	16.44	12,788	15.72	12,648	14.91	12,146	13.04
Externally sourced	11,450	16.07	12,500	15.37	12,343	14.55	11,829	12.70
- Shelf-stable and frozen seafood	4,459	6.26	4,909	6.03	4,499	5.30	4,569	4.91
- Flavouring products	1,991	2.79	2,313	2.85	2,276	2.68	2,180	2.34
- Dried food and snacks	3,653	5.13	3,781	4.65	4,026	4.75	3,824	4.11
- General grocery products	1,347	1.89	1,497	1.84	1,542	1.82	1,256	1.34
In-house manufactured	261	0.37	288	0.35	305	0.36	317	0.34
- Flavouring products	261	0.37	288	0.35	305	0.36	317	0.34
Total	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

12. FINANCIAL INFORMATION (Cont'd)**(iv) Revenue by geographical markets**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic market	63,392	89.01	74,148	91.15	74,091	87.35	82,376	88.47
Southern region ⁽¹⁾	37,608	52.81	46,403	57.05	47,953	56.53	50,808	54.57
Central region ⁽²⁾	21,710	30.48	23,154	28.46	22,720	26.79	28,062	30.14
Northern region ⁽³⁾	3,244	4.56	3,853	4.74	2,792	3.29	2,956	3.17
Other regions ⁽⁴⁾	830	1.16	738	0.90	626	0.74	550	0.59
Foreign markets⁽⁵⁾	7,826	10.99	7,196	8.85	10,731	12.65	10,737	11.53
Total revenue	71,218	100.00	81,344	100.00	84,822	100.00	93,113	100.00

Notes:

- (1) Southern region covers Johor, Melaka and Negeri Sembilan.
- (2) Central region covers Kuala Lumpur and Selangor.
- (3) Northern region covers Penang and Perak.
- (4) Other regions in domestic market comprise East Coast region (covers Pahang, Terengganu and Kelantan) and East Malaysia (covers Sabah and Sarawak).
- (5) Foreign markets mainly include Hong Kong with revenue contribution of 5.65% (RM4.02 million), 3.53% (RM2.88 million), 4.45% (RM3.77 million) and 4.05% (RM3.77 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. It also includes other foreign countries namely Korea, Singapore, Australia, UK, USA, the Philippines, Brunei, Indonesia, Taiwan, China, Thailand, Canada, Ireland, Dubai and New Zealand where each of them accounted for less than 3.00% of our total revenue during the respective Periods Under Review.

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12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2023 and FYE 2022**

Our revenue increased by RM10.13 million or 14.22% to RM81.34 million in FYE 2023 (FYE 2022: RM71.22 million), which was mainly driven by our distribution segment.

Distribution segment

Our revenue from the distribution segment increased by RM9.05 million or 15.21% to RM68.56 million in FYE 2023 (FYE 2022: RM59.51 million), which was mainly contributed by the following:

- Increase in revenue from **shelf-stable and frozen seafood** by RM3.77 million or 15.83% to RM27.59 million in FYE 2023 (FYE 2022: RM23.82 million), mainly contributed by customers who are food service operators. The increase in revenue from this product category was mainly attributed to the higher sales from sea cucumber and shark fin driven by higher sales volume. The higher sales were also partly attributed to abalone driven by increased average selling prices.

This was reflected in the increase in revenue from sea cucumber by RM1.03 million or 12.88% to RM9.02 million in FYE 2023 (FYE 2022: RM7.99 million), driven by higher volume sold where the sales volume of sea cucumber increased by 29.52% in FYE 2023. The revenue from shark fin increased by RM0.85 million or 37.30% to RM3.13 million in FYE 2023 (FYE 2022: RM2.28 million), driven by higher volume sold where the sales volume of shark fins increased by 67.01% in FYE 2023.

The revenue from abalone increased by RM1.38 million or 21.78% to RM7.74 million in FYE 2023 (FYE 2022: RM6.35 million), driven by increased average selling prices despite lower sales volume. In FYE 2023, the sales volume of canned abalone decreased by 10.88% and the average selling price of this product range increased by 35.93%, arising from upward adjustment of selling prices on the back of higher sourcing costs of canned abalone.

- Increase in revenue from **flavouring products** by RM1.94 million or 10.33% to RM20.67 million in FYE 2023 (FYE 2022: RM18.73 million), mainly contributed by customers who are food service operator. The increase in revenue from this product category was mainly attributed to the higher sales from condiments due to higher average selling prices of our in-house manufactured condiments.

This was reflected in the increase in revenue from condiments by RM1.26 million or 19.71% to RM7.66 million in FYE 2023 (FYE 2022: RM6.40 million), mainly contributed by higher revenue from in-house manufactured condiments associated with higher average selling prices. The average selling price of in-house manufactured condiments increased by 27.14% arising from upward adjustment on the selling price on the back of higher input material costs. In addition, the revenue from sauces and pastes increased by RM0.90 million or 13.18% to RM7.76 million in FYE 2023 (FYE 2022: RM6.86 million) and this was driven by higher sales volume of externally sourced sauces and pastes as reflected in the increase in sales volume by 44.88% in FYE 2023.

The increase was partially offset by the decrease in revenue from herbs, spices and seasonings by RM0.23 million or 4.22% to RM5.24 million in FYE 2023 (FYE 2022: RM5.47 million). This was mainly due to the lower average selling price as there were lower sales of higher-priced products under herbs, spices and seasonings.

12. FINANCIAL INFORMATION (Cont'd)

- Increase in revenue from **dried food and snacks** by RM1.33 million or 13.39% to RM11.25 million in FYE 2023 (FYE 2022: RM9.92 million), mainly contributed by customers who are food service operators. The increase in revenue from this product category was mainly attributed to the higher sales from rice and flour-based products.

This was reflected in the increase in revenue from rice and flour-based products by RM0.73 million or 51.19% to RM2.16 million in FYE 2023 (FYE 2022: RM1.43 million). This was mainly driven by higher volume sold where the sales volume of this product range increased by 53.20% in FYE 2023.

- Increase in revenue from **general grocery products** by RM2.02 million or 28.64% to RM9.05 million in FYE 2023 (FYE 2022: RM7.04 million), mainly contributed by customers who are food service operator. The increase in revenue from this product category was mainly attributed to the higher revenue from frozen meat and other food due to higher average selling prices.

This was reflected in the increase in revenue from frozen meat and other food by RM1.57 million or 162.51% to RM2.53 million in FYE 2023 (FYE 2022: RM0.96 million), mainly attributed to higher average selling prices of frozen meat which increased by 422.95% in FYE 2023 attributed to an increased sales of higher-priced products under the frozen meat range.

The increase was also partly attributed to the increase in revenue from other canned food by RM0.21 million or 4.13% to RM5.32 million in FYE 2023 (FYE 2022: RM5.11 million), which was mainly driven by higher sales volume where the sales volume of this product range increased by 8.73% in FYE 2023.

Retail segment

Our revenue from the retail segment increased by RM1.08 million or 9.20% to RM12.79 million in FYE 2023 (FYE 2022: RM11.71 million). This was mainly contributed by:

- Higher retail revenue from **shelf-stable and frozen seafood** by RM0.45 million or 10.09% to RM4.91 million in FYE 2023 (FYE 2022: RM4.46 million), mainly driven by higher volume of sea cucumber sold. The sales volume of sea cucumber increased by 37.25% in FYE 2023.
- Higher retail revenue from **flavouring products** by RM0.35 million or 15.50% to RM2.60 million in FYE 2023 (FYE 2022: RM2.25 million), driven by higher sales volume of externally sourced herbs, spices and seasoning products. The retail sales volume of externally sourced herbs, spices and seasonings increased by 54.06% in FYE 2023.

Geographical markets

On a geographical basis, revenue from domestic sales increased by RM10.76 million or 16.97% to RM74.15 million in FYE 2023 (FYE 2022: RM63.39 million) and this was mainly contributed by higher revenue from the southern and central regions.

The revenue from southern region increased by RM8.80 million or 23.39% to RM46.40 million in FYE 2023 (FYE 2022: RM37.61 million), mainly attributed to the higher revenue from our distribution segment to food service operators in Johor and Melaka as well as an increase in revenue from our retail outlet in Melaka. In addition, our revenue from the central region increased by RM1.44 million or 6.65% to RM23.15 million in FYE 2023 (FYE 2022: RM21.71 million), mainly attributed to the higher revenue from our distribution segment to food service operators.

12. FINANCIAL INFORMATION (Cont'd)

The increase in revenue from our domestic sales was partially offset by the lower revenue from foreign market sales which decreased by RM0.63 million or 8.05% to RM7.20 million in FYE 2023 (FYE 2022: RM7.83 million). This was mainly attributed to the lower export sales of flavouring products to a reseller in Hong Kong.

Comparison between FYE 2024 and FYE 2023

Our revenue increased by RM3.48 million or 4.28% to RM84.82 million in FYE 2024 (FYE 2023: RM81.34 million), which was attributed to our distribution segment.

Distribution segment

Our revenue from the distribution segment increased by RM3.62 million or 5.28% to RM72.17 million in FYE 2024 (FYE 2023: RM68.56 million), which was mainly attributed to the following:

- Increase in revenue from **flavouring products** by RM5.54 million or 26.83% to RM26.21 in FYE 2024 (FYE 2023: RM20.67 million), mainly contributed by customers who are food service operators and resellers. The increase in revenue from this product category was mainly attributed to the higher revenue from our in-house manufactured condiments as well as externally sourced sauces and pastes.

This was reflected in the increase in revenue from condiments by RM2.37 million or 30.94% to RM10.04 million in FYE 2024 (FYE 2023: RM7.66 million). This was mainly driven by higher sales volume of in-house manufactured condiments which was reflected in the increased sales volume of in-house manufactured condiments by 21.65% in FYE 2024.

The revenue from sauces and pastes increased by RM2.13 million or 27.48% to RM9.90 million in FYE 2024 (FYE 2023: RM7.76 million). This was mainly driven by the increased average selling price of externally sourced sauces and pastes in FYE 2024 which increased by 33.73% in FYE 2024 arising from upward adjustment on the selling price on the back of higher sourcing costs.

- Increase in revenue from **dried food and snacks** by RM1.16 million or 10.28% to RM12.41 million in FYE 2024 (FYE 2023: RM11.25 million), mainly contributed by customers who are food service operator. The increase in revenue from this product category was mainly attributed to the higher sales from rice and flour-based products.

This was reflected in the increase in revenue from rice and flour-based products by RM0.55 million or 25.49% to RM2.71 million in FYE 2024 (FYE 2023: RM2.16 million). This was mainly driven by increased average selling price and higher sales volume of this product in FYE 2024. In FYE 2024, the average selling price of rice and flour-based products increased by 22.68% arising from upward adjustment on the selling price on the back of higher sourcing costs. In addition, the sales volume of this product range increased by 2.29% in FYE 2024.

The increase was partially moderated by the decrease in revenue from **shelf-stable and frozen seafood** by RM2.14 million or 7.74% to RM25.45 million in FYE 2024 (FYE 2023: RM27.59 million), mainly due to the lower sales from customers who are reseller. The decrease in revenue from this product category was mainly due to the lower revenue from sea cucumber and abalone arising from a decrease in the sales volume in FYE 2024. In FYE 2024, the sales volume of sea cucumber and canned abalone decreased by 41.80% and 4.36% respectively. In addition, the decrease in revenue was partly due to the lower average selling price of canned abalone which decreased by 9.62% in FYE 2024, mainly due to the lower sales of higher-priced products under the canned abalone range.

12. FINANCIAL INFORMATION (Cont'd)

In addition, revenue from **general grocery products** decreased by RM0.95 million or 10.45% to RM8.11 million in FYE 2024 (FYE 2023: RM9.05 million), mainly due to the lower sales from customers who are reseller. The decrease in revenue from this product category was mainly due to the lower revenue from other canned food arising from decrease in the sales volume by 16.42% in FYE 2024.

Retail segment

Our revenue from the retail segment decreased by RM0.14 million or 1.09% to RM12.65 million in FYE 2024 (FYE 2023: RM12.79 million). This was mainly due to the lower retail revenue from **shelf-stable and frozen seafood** by RM0.41 million or 8.35% to RM4.50 million in FYE 2024 (FYE 2023: RM4.91 million), mainly due to lower volume of sea cucumber sold. The sales volume of sea cucumber decreased by 23.30% in FYE 2024.

The decrease in revenue was partially moderated by an increase in retail revenue from **dried food and snacks** by RM0.25 million or 6.48% to RM4.03 million in FYE 2024 (FYE 2023: RM3.78 million) mainly attributed to higher volume of dried meat products sold. The sales volume of dried meat products increased by 180.75% in FYE 2024.

Geographical markets

On a geographical basis, overall revenue from domestic sales remained relatively consistent at RM74.09 million in FYE 2024 (FYE 2023: RM74.15 million), with the contribution mainly from the southern region (FYE 2024: 56.53%; FYE 2023: 57.05%) and central region (FYE 2024: 26.79%; FYE 2023: 28.46%). The revenue from the southern region was mainly contributed by our distribution segment for the sales of our products to food service operators in Johor and Melaka.

Meanwhile, our export sales increased by RM3.54 million or 49.12% to RM10.73 million in FYE 2024 (FYE 2023: RM7.20 million), mainly attributed to the higher export sales of flavouring products to resellers in Korea, Hong Kong and USA.

Comparison between FYE 2025 and FYE 2024

Our revenue increased by RM8.29 million or 9.77% to RM93.11 million in FYE 2025 (FYE 2024: RM84.82 million), which was attributed to our distribution segment.

Distribution segment

Our revenue from the distribution segment increased by RM8.79 million or 12.18% to RM80.97 million in FYE 2025 (FYE 2024: RM72.17 million), which was mainly attributed to the following:

- Increase in revenue from **flavouring products** by RM4.49 million or 17.12% to RM30.70 million in FYE 2025 (FYE 2024: RM26.21 million), mainly contributed by customers who are resellers and food service operators. The increase in revenue from this product category was mainly attributed to the higher sales from in-house manufactured condiments as well as in-house manufactured and externally sourced sauces and pastes.

This was reflected in the increase in revenue from condiments by RM2.73 million or 27.24% to RM12.77 million in FYE 2025 (FYE 2024: RM10.04 million). This was mainly driven by higher sales volume of in-house manufactured condiments by 24.85% in FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)

The revenue from sauces and pastes increased by RM1.54 million or 15.55% to RM11.43 million in FYE 2025 (FYE 2024: RM9.90 million). This was mainly driven by higher sales volume of in-house manufactured and externally sourced sauces and pastes by 64.67% and 30.89% in FYE 2025, respectively.

- Increase in revenue from **shelf-stable and frozen seafood** by RM1.93 million or 7.59% to RM27.38 million in FYE 2025 (FYE 2024: RM25.45 million), mainly contributed by customers who are food service operators and resellers. The increase in revenue from this product category was mainly attributed to the higher sales from abalone and shark fin driven by higher sales volume. The higher sales were also partly attributed to shark fin driven by increased average selling prices.

This was reflected in the increase in revenue from abalone by RM1.01 million or 15.15% to RM7.65 million in FYE 2025 (FYE 2024: RM6.65 million), driven by higher volume sold where the sales volume of canned abalone increased by 52.63% in FYE 2025.

The revenue from shark fin increased by RM1.29 million or 38.52% to RM4.65 million in FYE 2025 (FYE 2024: RM3.36 million), driven by higher volume sold where the sales volume of dried shark fin increased by 29.72% in FYE 2025. The higher revenue from dried shark fin was also partly attributed to the increased average selling prices by 11.76%, arising from upward adjustment of selling prices on the back of higher sourcing costs of dried shark fin.

The increase in revenue from abalone and shark fin was partially offset by the slight decrease in revenue of other seafood by RM0.40 million or 9.08% in FYE 2025 mainly due to the lower average selling prices by 22.17% in FYE 2025.

- Increase in revenue from **dried food and snacks** by RM1.34 million or 10.80% to RM13.75 million in FYE 2025 (FYE 2024: RM12.41 million), mainly contributed by customers who are resellers and food service operators. The increase in revenue from this product category was mainly attributed to the higher sales from rice and flour-based products.

This was reflected in the increase in revenue from rice and flour-based products by RM0.57 million or 20.94% to RM3.28 million in FYE 2025 (FYE 2024: RM2.71 million). This was mainly driven by higher volume sold where the sales volume of this product range increased by 22.71% in FYE 2025.

- Increase in revenue from **general grocery products** by RM1.03 million or 12.73% to RM9.14 million in FYE 2025 (FYE 2024: RM8.11 million), mainly contributed by customers who are resellers. The increase in revenue from this product category was mainly attributed to the higher revenue from other canned food.

This was reflected in the increase in revenue from other canned food by RM0.96 million or 22.15% to RM5.29 million in FYE 2025 (FYE 2024: RM4.33 million). This was mainly driven by higher volume sold where the sales volume of this product range increased by 32.25% in FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**Retail segment**

Our revenue from the retail segment decreased by RM0.50 million or 3.97% to RM12.15 million in FYE 2025 (FYE 2024: RM12.65 million). This was mainly contributed by:

- Decrease in retail revenue from **general grocery products** by RM0.29 million or 18.57% to RM1.26 million in FYE 2025 (FYE 2024: RM1.54 million). This was mainly due to the lower revenue from other canned food as well as non-food products which was mainly due to lower sales volume by 15.24% and 34.80% in FYE 2025, respectively.
- Decrease in retail revenue from **dried food and snacks** by RM0.20 million or 5.02% to RM3.82 million in FYE 2025 (FYE 2024: RM4.03 million). This was mainly due to the lower revenue from rice and flour-based products arising from a decrease in the sales volume by 15.90% in FYE 2025.

Geographical markets

On a geographical basis, revenue from domestic sales increased by RM8.29 million or 11.18% to RM82.38 million in FYE 2025 (FYE 2024: RM74.09 million), and this was mainly contributed by higher revenue from the central and southern regions.

The revenue from the central region increased by RM5.34 million or 23.51% to RM28.06 million in FYE 2025 (FYE 2024: RM22.72 million), mainly attributed to the higher revenue from our distribution segment to food service operators and resellers in the Klang Valley. In addition, the revenue from the southern region increased by RM2.86 million or 5.95% to RM50.81 million in FYE 2025 (FYE 2024: RM47.95 million), mainly attributed to the higher revenue from our distribution segment to food service operators and resellers in Melaka.

The revenue from foreign markets remained relatively consistent at RM10.73 million in FYE 2024 and RM10.74 million in FYE 2025.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.4 Cost of Sales****(i) Cost of sales by cost component**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Finished goods	51,722	86.53	59,181	86.91	56,573	83.05	56,933	81.59
Input materials	5,764	9.64	6,047	8.88	8,468	12.43	10,126	14.51
Labour costs	1,401	2.34	1,669	2.45	1,833	2.69	1,800	2.58
Overhead and others	885	1.49	1,201	1.76	1,247	1.83	922	1.32
Total	59,772	100.00	68,098	100.00	68,121	100.00	69,781	100.00

(ii) Cost of sales by business activities

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution segment	50,566	84.60	57,851	84.95	58,479	85.84	60,931	87.32
- Shelf-stable and frozen seafood	19,316	32.32	22,250	32.67	19,360	28.42	19,808	28.39
- Flavouring products ⁽¹⁾	16,613	27.79	18,058	26.52	21,962	32.24	22,986	32.94
- Dried food and snacks	8,527	14.27	9,836	14.44	10,520	15.44	11,189	16.03
- General grocery products	6,110	10.22	7,707	11.32	6,637	9.74	6,948	9.96
Retail segment	9,206	15.40	10,247	15.05	9,642	14.16	8,850	12.68
- Shelf-stable and frozen seafood	3,293	5.51	3,703	5.44	3,215	4.72	3,201	4.59
- Flavouring products ⁽¹⁾	1,837	3.07	2,175	3.19	2,021	2.97	1,835	2.63
- Dried food and snacks	2,972	4.97	3,137	4.61	3,192	4.69	2,847	4.08
- General grocery products	1,104	1.85	1,232	1.81	1,214	1.78	967	1.38
Total	59,772	100.00	68,098	100.00	68,121	100.00	69,781	100.00

Note:

(1) Include externally sourced and in-house manufactured products.

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12. FINANCIAL INFORMATION (Cont'd)

Our cost of sales mainly consists of the following:

- **Finished goods**

Finished goods costs constitute the largest components of our cost of sales which accounted for 86.53% (RM51.72 million), 86.91% (RM59.18 million), 83.05% (RM56.57 million) and 81.59% (RM56.93 million) of our total cost of sales in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our finished goods costs consist of food products for our distribution and retail operations where we resell them without any further processing. These are as set out below:

- **Shelf-stable and frozen seafood** including, among others, sea cucumber, abalone, shark fin, scallop, fish maw, and other seafoods;
- **Flavouring products** including condiments, sauces and pastes as well as herbs, spices and seasonings;
- **Dried food and snacks** including rice and flour-based products, mushroom and fungus, beans, nuts and seeds and others; and
- **General grocery products** including, among others, other canned food and frozen meat and other food.

In FYE 2023, our finished goods costs increased by 14.42% or RM7.46 million to RM59.18 million in FYE 2023 (FYE 2022: RM51.72 million), mainly attributed to higher costs for our distribution segment. This is reflected in the revenue growth of distribution segment by 15.21% in FYE 2023.

In FYE 2024, our finished goods costs decreased by 4.41% or RM2.61 million to RM56.57 million in FYE 2024 (FYE 2023: RM59.18 million), mainly due to lower costs for our distribution segment. This was mainly attributed to lower costs for sea cucumber and abalone arising from a decrease in the sales volume in FYE 2024. This is also reflected in the decrease in revenue of sea cucumber and abalone by 17.14% and 14.09% in FYE 2024 respectively.

Our finished goods costs remained relatively consistent at RM56.57 million in FYE 2024 and RM56.93 million in FYE 2025.

- **Input material costs**

Input material costs accounted for 9.64% (RM5.76 million), 8.88% (RM6.05 million), 12.43% (RM8.47 million) and 14.51% (RM10.13 million) of our total cost of sales in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our input material costs consist of input materials used for our manufacturing of flavouring products such as vegetables, cooking oil and flavouring ingredients.

In FYE 2023, our input material costs increased by 4.91% or RM0.28 million to RM6.05 million in FYE 2023 (FYE 2022: RM5.76 million), mainly attributed to higher sales of our in-house manufactured flavouring products. This is reflected in the revenue growth of our in-house manufactured products from our distribution segment by 11.20% in FYE 2023.

In FYE 2024, our input material costs increased by 40.04% or RM2.42 million to RM8.47 million in FYE 2024 (FYE 2023: RM6.05 million), mainly attributed to higher sales of our in-house manufactured flavouring products. This is reflected in the revenue growth of our in-house manufactured products from our distribution segment by 19.84% in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)

In FYE 2025, our input material costs increased by 19.58% or RM1.66 million to RM10.13 million in FYE 2025 (FYE 2024: RM8.47 million), mainly attributed to higher sales of our in-house manufactured flavouring products. This is reflected in the revenue growth of our in-house manufactured products from our distribution segment by 38.16% in FYE 2025.

- **Labour costs**

Labour costs accounted for 2.34% (RM1.40 million), 2.45% (RM1.67 million), 2.69% (RM1.83 million) and 2.58% (RM1.80 million) of our total cost of sales in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our labour costs comprise mainly wages and salaries, as well as statutory contributions for employees from manufacturing operations.

In FYE 2023, our labour costs increased by 19.13% or RM0.27 million to RM1.67 million in FYE 2023 (FYE 2022: RM1.40 million), mainly arising from an increase in headcount for employees from manufacturing operations from 34 in FYE 2022 to 44 in FYE 2023.

In FYE 2024, our labour costs increased by 9.83% or RM0.16 million to RM1.83 million in FYE 2024 (FYE 2023: RM1.67 million), mainly arising from salary increment for employees from manufacturing operations.

Our labour cost remained relatively consistent at RM1.83 million in FYE 2024 and RM1.80 million in FYE 2025.

- **Overhead costs**

Overhead costs accounted for 1.49% (RM0.89 million), 1.76% (RM1.20 million), 1.83% (RM1.25 million) and 1.32% (RM0.92 million) of our total cost of sales in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Our overhead costs mainly consists of depreciation charges, upkeep and maintenance and utility expenses.

In FYE 2023, our overhead costs increased by 35.71% or RM0.32 million to RM1.20 million in FYE 2023 (FYE 2022: RM0.89 million), mainly attributed to higher utility expenses.

In FYE 2024, our overhead costs remained relatively consistent at RM1.25 million in FYE 2024 (FYE 2023: RM1.20 million).

In FYE 2025, our overhead costs decreased by 26.06% or RM0.33 million to RM0.92 million in FYE 2025 (FYE 2024: RM1.25 million), mainly due to lower utility expenses following the upkeep and maintenance works for machineries, which enhanced our production efficiency.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.5 GP and GP margin by business activities****(i) GP and GP margin by business activities**

	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)
Distribution segment	8,941	78.11	15.03	10,705	80.82	15.61	13,695	82.01	18.98	20,036	85.87	24.75
- Shelf-stable and frozen seafood	4,501	39.32	18.90	5,337	40.29	19.35	6,091	36.47	23.93	7,576	32.47	27.67
- Flavouring products ⁽¹⁾	2,118	18.50	11.31	2,608	19.69	12.62	4,248	25.44	16.21	7,712	33.05	25.12
- Dried food and snacks	1,394	12.18	14.05	1,413	10.67	12.56	1,885	11.29	15.20	2,556	10.96	18.60
- General grocery products	928	8.11	13.19	1,347	10.17	14.88	1,471	8.81	18.14	2,192	9.39	23.98
Retail segment	2,505	21.89	21.39	2,541	19.18	19.87	3,006	17.99	23.76	3,296	14.13	27.14
- Shelf-stable and frozen seafood	1,166	10.19	26.15	1,206	9.10	24.57	1,284	7.69	28.54	1,368	5.86	29.94
- Flavouring products ⁽¹⁾	415	3.63	18.43	426	3.22	16.38	560	3.35	21.70	662	2.84	26.51
- Dried food and snacks	681	5.95	18.64	644	4.86	17.03	834	4.99	20.72	977	4.19	25.55
- General grocery products	243	2.12	18.04	265	2.00	17.70	328	1.96	21.27	289	1.24	23.01
Total	11,446	100.00	16.07	13,246	100.00	16.28	16,701	100.00	19.69	23,332	100.00	25.06

Note:

(1) Include externally sourced and in-house manufactured products.

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12. FINANCIAL INFORMATION (Cont'd)**(ii) GP and GP margin by source of supply**

	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)	RM'000	%	GP margin (%)
Distribution segment	8,941	78.11	15.03	10,705	80.82	15.61	13,695	82.01	18.98	20,036	85.87	24.75
Externally sourced	7,544	65.91	15.30	8,855	66.85	15.48	10,601	63.48	18.10	15,147	64.92	24.36
- Shelf-stable and frozen seafood	4,501	39.32	18.90	5,337	40.29	19.35	6,091	36.47	23.93	7,576	32.47	27.67
- Flavouring products ⁽¹⁾	721	6.30	8.46	758	5.72	8.13	1,154	6.91	9.15	2,823	12.11	23.70
- Dried food and snacks	1,394	12.18	14.05	1,413	10.67	12.56	1,885	11.29	15.20	2,556	10.95	18.60
- General grocery products	928	8.11	13.19	1,347	10.17	14.88	1,471	8.81	18.14	2,192	9.39	23.98
In-house manufactured	1,397	12.20	13.69	1,850	13.97	16.30	3,094	18.53	22.75	4,889	20.95	26.02
- Flavouring products ⁽¹⁾	1,397	12.20	13.69	1,850	13.97	16.30	3,094	18.53	22.75	4,889	20.95	26.02
Retail segment	2,505	21.89	21.39	2,541	19.18	19.87	3,006	17.99	23.76	3,296	14.13	27.14
Externally sourced	2,443	21.35	21.34	2,475	18.69	19.80	2,916	17.45	23.62	3,217	13.79	27.20
- Shelf-stable and frozen seafood	1,166	10.19	26.15	1,206	9.10	24.57	1,284	7.69	28.54	1,368	5.86	29.94
- Flavouring products ⁽¹⁾	353	3.09	17.73	360	2.73	15.56	470	2.81	20.65	583	2.50	26.74
- Dried food and snacks	681	5.95	18.64	644	4.86	17.03	834	4.99	20.72	977	4.19	25.55
- General grocery products	243	2.12	18.04	265	2.00	17.70	328	1.96	21.27	289	1.24	23.01
In-house manufactured	62	0.54	23.75	66	0.49	22.92	90	0.54	29.51	79	0.34	24.92
- Flavouring products ⁽¹⁾	62	0.54	23.75	66	0.49	22.92	90	0.54	29.51	79	0.34	24.92
Total	11,446	100.00	16.07	13,246	100.00	16.28	16,701	100.00	19.69	23,332	100.00	25.06

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12. FINANCIAL INFORMATION (Cont'd)

Note:

- (1) The GP margin from externally sourced flavouring products is generally lower compared to our in-house manufactured flavouring products. This was mainly due to the higher costs of externally sourced products, as the cost for sourcing finished goods is typically higher compared to the cost of sourcing input materials for our in-house manufactured flavouring products. This was reflected in the higher proportion of materials costs (finished goods costs) over revenue of externally sourced products of 85.13%, 84.90%, 79.77% and 76.93% for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The proportion of materials costs (input materials costs) over revenue for our in-house manufactured products was 55.08%, 51.97%, 60.91% and 53.00% for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. In FYE 2025, under the retail segment, the GP margin of externally sourced flavouring products was higher compared to our in-house manufactured flavouring products, mainly arising from the sales of higher-priced products under the externally sourced herbs, spices and seasonings range as well as the lower sourcing cost from the bulk purchase of sauces and pastes.

(iii) GP and GP margin by geographical markets

	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	GP margin (⁽⁶⁾ %)	RM'000	%	GP margin (⁽⁶⁾ %)	RM'000	%	GP margin (⁽⁶⁾ %)	RM'000	%	GP margin (⁽⁶⁾ %)
Domestic market	11,080	96.80	17.48	12,814	96.74	17.28	15,681	93.90	21.16	20,938	89.74	25.42
Southern region ⁽¹⁾	6,463	56.47	17.19	7,306	55.15	15.74	9,443	56.54	19.69	11,784	50.51	23.19
Central region ⁽²⁾	3,934	34.37	18.12	4,612	34.82	19.92	5,566	33.33	24.50	8,339	35.74	29.72
Northern region ⁽³⁾	581	5.06	17.91	767	5.79	19.91	544	3.26	19.48	695	2.98	23.51
Other regions ⁽⁴⁾	102	0.90	12.29	129	0.98	17.48	128	0.77	20.45	120	0.51	21.82
Foreign markets⁽⁵⁾	366	3.20	4.68	432	3.26	6.00	1,020	6.10	9.51	2,394	10.26	22.30
Total	11,446	100.00	16.07	13,246	100.00	16.28	16,701	100.00	19.69	23,332	100.00	25.06

Notes:

- (1) Southern region covers Johor, Melaka and Negeri Sembilan.
- (2) Central region covers Kuala Lumpur and Selangor.
- (3) Northern region covers Penang and Perak.
- (4) Other regions in domestic market comprise East Coast region (covers Pahang, Terengganu and Kelantan) and East Malaysia (covers Sabah and Sarawak).
- (5) Foreign markets include Hong Kong and other foreign countries namely Korea, Singapore, Australia, UK, USA, the Philippines, Brunei, Indonesia, Taiwan, China, Thailand, Canada, Ireland, Dubai and New Zealand.

12. FINANCIAL INFORMATION (Cont'd)

- (6) *The GP margin from foreign markets is generally lower compared to the domestic markets. This was mainly due to the sales of externally sourced products such as flavouring products, dried foods and snacks and general grocery products which generally commanded a lower GP margin, as the average selling price of externally sourced products sold to foreign markets were lower compared to domestic market. As our focus for foreign markets is mainly to supply our in-house manufactured flavouring products, externally sourced products are only used to complement our in-house flavouring products based on our customers' request. Therefore, we generally offer a lower average selling price for these externally sourced products to foreign markets. Total sales to foreign markets were RM7.83 million (10.99%), RM7.20 million (8.85%), RM10.73 million (12.65%) and RM10.74 million (11.53%) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Of which, the sales of externally sourced products to foreign markets accounted for RM3.83 million (5.38%), RM3.20 million (3.93%), RM5.08 million (5.98%) and RM2.97 million (3.19%) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Meanwhile, the revenue from in-house manufactured flavouring products sold to foreign markets accounted for RM4.00 million (5.61%), RM4.00 million (4.92%), RM5.66 million (6.67%) and RM7.77 million (8.34%) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.*

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12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2023 and FYE 2022**

Our GP increased by RM1.80 million or 15.73% to RM13.25 million in FYE 2023 (FYE 2022: RM11.45 million), while our GP margin increased from 16.07% in FYE 2022 to 16.28% in FYE 2023. This was contributed by our distribution and retail segments.

Distribution segment

The GP from the distribution segment increased by RM1.76 million or 19.73% to RM10.71 million in FYE 2023 (FYE 2022: RM8.94 million), which was mainly contributed by the following:

- Increase in GP from **shelf-stable and frozen seafood** by RM0.84 million or 18.57% to RM5.34 million in FYE 2023 (FYE 2022: RM4.50 million). This was also reflected in the revenue growth of 15.83% from shelf-stable and frozen seafood in FYE 2023. The increase was mainly driven by higher GP from abalone, shark fin, and fish maw, which was also reflected in the higher revenue by 21.78%, 37.30% and 52.42% in FYE 2023 respectively.
- Increase in GP from **flavouring products** by RM0.49 million or 23.14% to RM2.61 million in FYE 2023 (FYE 2022: RM2.12 million). This was also reflected in the revenue growth of 10.33% from flavouring products in FYE 2023. The increase was mainly driven by higher GP from condiments which was also reflected in the higher revenue by 19.71% in FYE 2023.
- Increase in GP from **general grocery products** by RM0.42 million or 45.15% to RM1.35 million in FYE 2023 (FYE 2022: RM0.93 million). This was also reflected in the revenue growth of 28.64% from general grocery products in FYE 2023. The increase was mainly driven by higher GP from frozen meat and other foods which was also reflected in the higher revenue by 162.51% in FYE 2023.
- Increase in GP from **dried food and snacks** by RM0.02 million or 1.36% to RM1.41 million in FYE 2023 (FYE 2022: RM1.39 million). This was also reflected in the revenue growth of 13.39% from dried food and snacks in FYE 2023. The increase was mainly driven by higher GP from rice and flour-based products which was also reflected in the higher revenue by 51.19% in FYE 2023.

GP margin from the distribution segment increased from 15.03% in FYE 2022 to 15.61% in FYE 2023. This was mainly attributed to the following:

- GP margin from **shelf-stable and frozen seafood** increased from 18.90% in FYE 2022 to 19.35% in FYE 2023. This was mainly attributed to the increase in average selling price across the product mix of canned abalone and fish maw by 35.93% and 77.74% in FYE 2023 respectively, arising from upward adjustment of selling prices where we were able to increase the price for such products to customers on the back of higher sourcing costs of canned abalone and fish maw. Overall, the GP margin from shelf-stable and frozen seafood increased despite the higher sourcing costs of canned abalone and fish maw in FYE 2023 as we were able to increase the prices for such products to our customers. In addition, the GP margin for shark fin increased from 18.72% in FYE 2022 to 20.51% in FYE 2023 mainly due to an increase in the average selling price of dried shark fin by 3.22% where we were able to increase the price for such products to customers on the back of higher sourcing costs.

12. FINANCIAL INFORMATION (Cont'd)

The increase in GP margin was partially offset by the lower GP margin from sea cucumber from 18.02% in FYE 2022 to 14.91% in FYE 2023, which was mainly due to the decrease in the average selling price by 12.85% in FYE 2023 as there were lower sales of higher-priced products under the sea cucumber range.

- GP margin from **flavouring products** increased from 11.31% in FYE 2022 to 12.62% in FYE 2023. This was mainly attributed to the increase in average selling price across the product mix of condiments by 20.06% in FYE 2023, arising from upward adjustment on the selling price in FYE 2023 where we were able to increase the price for such products to customers on the back of higher input material costs.
- GP margin from **general grocery products** increased from 13.19% in FYE 2022 to 14.88% in FYE 2023. This was mainly attributed to lower cost of general grocery products as reflected in the lower proportion of cost of these products against revenue by 1.69% in FYE 2023.

However, the GP margin from dried food and snacks decreased from 14.05% in FYE 2022 to 12.56% in FYE 2023. This was mainly attributed to the higher sales of the lower margin products range namely, rice and flour-based products with a GP margin of 9.11% in FYE 2023. This is reflected in the increased sales volume of rice and flour-based products by 53.20% in FYE 2023.

Retail segment

The GP from the retail segment increased by RM0.04 million or 1.44% to RM2.54 million in FYE 2023 (FYE 2022: RM2.51 million), which was mainly contributed by the improvement in GP from shelf-stable and frozen seafood by RM0.04 million or 3.43% to RM1.21 million in FYE 2023 (FYE 2022: RM1.17 million). This was also reflected in the revenue growth of 10.09% from shelf-stable and frozen seafood in FYE 2023.

GP margin from the retail segment decreased from 21.39% in FYE 2022 to 19.87% in FYE 2023. This was mainly attributed to the decrease in the GP margin from shelf-stable and frozen seafood from 26.15% in FYE 2022 to 24.57% in FYE 2023. This was mainly attributed to the higher average cost of sea cucumber, canned abalone and frozen shark fin as reflected in the higher proportion of cost of sales against revenue by 1.03%, 3.34% and 1.13% in FYE 2023 respectively.

The decrease in GP margin in FYE 2023 was also partly attributed to the lower average selling price of dried sea cucumber and fish maw from the retail segment, mainly due to lower sales of higher-priced products under such range of products. The GP margin for the retail of frozen shark fin decreased in FYE 2023 despite the increase in the average selling price. This was mainly due to the higher increase in the average cost per unit of frozen shark fin by 8.92% compared to the increase in the average selling price by 7.50% in FYE 2023. As for canned abalone, the GP margin for the retail of canned abalone decreased in FYE 2023 despite the increase in the average selling price. This was mainly due to the higher increase in the average cost per unit of canned abalone by 10.29% compared to the increase in the average selling price by 5.00% in FYE 2023.

Geographical markets

On a geographical basis, our GP from domestic market increased by RM1.73 million or 15.65% to RM12.81 million in FYE 2023 (FYE 2022: RM11.08 million), mainly attributed to higher GP contribution from the southern and central regions driven by the distribution segment. The GP margin from domestic market remained relatively consistent at 17.48% in FYE 2022 to 17.28% in FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)

Our GP from foreign markets increased by RM0.07 million or 18.03% to RM0.43 million in FYE 2023 (FYE 2022: RM0.37 million), mainly attributed to higher GP contribution from the Australia and UK driven by the distribution segment. The GP margin from foreign market increased from 4.68% in FYE 2022 to 6.00% in FYE 2023, mainly attributed to the increase in GP margin for the supply of flavouring products due to higher average selling prices arising from upward adjustment on the selling price on the back of higher input material costs.

Comparison between FYE 2024 and FYE 2023

Our GP increased by RM3.46 million or 26.08% to RM16.70 million in FYE 2024 (FYE 2023: RM13.25 million), while our GP margin increased from 16.28% in FYE 2023 to 19.69% in FYE 2024. This was mainly contributed by our distribution segment.

Distribution segment

The GP from the distribution segment increased by RM2.99 million or 27.93% to RM13.70 million in FYE 2024 (FYE 2023: RM10.71 million), which was mainly contributed by the following:

- Increase in GP from **flavouring products** by RM1.64 million or 62.88% to RM4.25 million in FYE 2024 (FYE 2023: RM2.61 million). This was also reflected in the revenue growth of 26.83% from flavouring products in FYE 2024. The increase was driven by higher GP from condiments, sauces and pastes as well as herbs, spices and seasonings, which was also reflected in the higher revenue by 30.94%, 27.48% and 19.85% in FYE 2024 respectively.
- Increase in GP from **shelf-stable and frozen seafood** by RM0.75 million or 14.13% to RM6.09 million in FYE 2024 (FYE 2023: RM5.34 million). This was mainly attributed to the higher sales from shark fin and fish maw which was also reflected in the higher revenue by 7.42% and 34.39% in FYE 2024 respectively. The increase in GP was also partly contributed by the sales of high-value products across the product mix of dried scallop as reflected in the increased average selling price of 80.94% in FYE 2024. The increase in average selling price was mainly attributed to the increased sales of higher-priced products under the dried scallop range.
- Increase in GP from **dried food and snacks** by RM0.47 million or 33.40% to RM1.89 million in FYE 2024 (FYE 2023: RM1.41 million). This was also reflected in the revenue growth of 10.28% from dried food and snacks products in FYE 2024. The increase was mainly driven by higher GP from rice and flour-based products which was reflected in the higher revenue by 25.49% in FYE 2024.
- Increase in GP from other **general grocery products** by RM0.12 million or 9.21% to RM1.47 million in FYE 2024 (FYE 2023: RM1.35 million). This was mainly attributed to the higher sales of frozen meat and other food as reflected in the revenue growth of these products by 17.13% in FYE 2024.

GP margin from the distribution segment increased from 15.61% in FYE 2023 to 18.98% in FYE 2024. This was mainly attributed to the following:

- GP margin from **flavouring products** increased from 12.62% in FYE 2023 to 16.21% in FYE 2024. This was mainly attributed to the increase in average selling price across the product mix of condiments, sauce and pastes as well as herbs, spices and seasonings by 10.00%, 27.69% and 16.32% in FYE 2024 respectively, arising from upward adjustment on the selling price in FYE 2024 where we were able to increase the price for such products to customers on the back of higher input material costs.

12. FINANCIAL INFORMATION (Cont'd)

- GP margin from **shelf-stable and frozen seafood** increased from 19.35% in FYE 2023 to 23.93% in FYE 2024. This was mainly attributed to the increase in average selling price across the product mix of dried sea cucumber by 42.21%, arising from upward adjustment of selling prices where we were able to increase the price for such products to customers on the back of higher sourcing costs of dried sea cucumber.

The improvement in GP margin was also partly contributed by the higher average selling price across the product mix of dried shark fin, dried scallops and dried fish maw, which increased by 5.80%, 80.94% and 11.78% in FYE 2024 respectively, as there were sales generated from higher-priced products within the said product range.

- GP margin from **dried food and snacks** increased from 12.56% in FYE 2023 to 15.20% in FYE 2024. This was mainly attributed to higher average selling price across the product mix of mushroom and fungus by 23.32%, as there were sales generated from higher-priced products within the said product range. In addition, the average selling price of flour-based products increased by 22.68% in FYE 2024 which was arising from upward adjustment on the selling price where we were able to increase the price for such products to customers on the back of higher sourcing costs.
- GP margin from **general grocery products** increased from 14.88% in FYE 2023 to 18.14% in FYE 2024. This was mainly attributed to lower cost of general grocery products as reflected in the lower proportion of cost of sales against revenue by 3.27% in FYE 2024.

Retail segment

The GP from the retail segment increased by RM0.46 million or 18.30% to RM3.01 million in FYE 2024 (FYE 2023: RM2.54 million). This was mainly contributed by improvement in GP from dried food and snacks by RM0.19 million or 29.50% to RM0.83 million in FYE 2024 (FYE 2023: RM0.64 million). This was also reflected in the revenue growth from dried food and snacks by 6.48% in FYE 2024. In addition, the GP from flavouring products increased by RM0.13 million or 31.46% to RM0.56 million in FYE 2024 (FYE 2023: RM0.43 million), mainly attributed to higher GP from herbs, spices and seasonings. This was also reflected in the revenue growth from herbs, spices and seasonings by 3.23% in FYE 2024.

GP margin from the retail segment increased from 19.87% in FYE 2023 to 23.76% in FYE 2024. This was mainly attributed to the increase in the GP margin from shelf-stable and frozen seafood improved from 24.57% in FYE 2023 to 28.54% in FYE 2024. This was mainly driven by the increased average selling price of dried scallops and dried fish maw by 37.14% and 30.57%, respectively, mainly arising from the sales of higher priced products within these product range. Furthermore, the average selling price of dried sea cucumber increased by 34.63% in FYE 2024 which was arising from the increase in purchase price for the sourcing of dried sea cucumber.

In addition, the GP margin from flavouring products increased from 16.38% in FYE 2023 to 21.70% in FYE 2024 which was mainly driven by the increased average selling price across the product mix in FYE 2024. In FYE 2024, the average selling price of flavouring products increased by 10.84% in FYE 2024, arising from upward adjustment on the selling price in FYE 2024 on the back of higher sourcing costs.

12. FINANCIAL INFORMATION (Cont'd)**Geographical markets**

On a geographical basis, our GP from domestic market increased by RM2.87 million or 22.37% to RM15.68 million in FYE 2024 (FYE 2023: RM12.81 million), mainly attributed to higher GP contribution from the southern and central regions driven by the distribution segment. The GP margin from domestic market increased from 17.28% in FYE 2023 to 21.16% in FYE 2024, mainly due to higher average selling price across the product mix of flavouring products and shelf-stable and frozen seafood (dried sea cucumber, dried shark fin, dried scallops and dried fish maw) and dried food and snacks (mushroom and fungus).

Our GP from foreign markets increased by RM0.59 million or 136.11% to RM1.02 million in FYE 2024 (FYE 2023: RM0.43 million), mainly attributed to higher GP contribution from Korea, UK and Hong Kong driven by the distribution segment. The GP margin from foreign market increased from 6.00% in FYE 2023 to 9.51% in FYE 2024, mainly attributed to the increase in GP margin for supply of flavouring products, due to higher average selling prices arising from upward adjustment on the selling price on the back of higher input material costs.

Comparison between FYE 2025 and FYE 2024

Our GP increased by RM6.63 million or 39.70% to RM23.33 million in FYE 2025 (FYE 2024: RM16.70 million), while our GP margin increased from 19.69% in FYE 2024 to 25.06% in FYE 2025. This was mainly contributed by our distribution segment.

Distribution segment

The GP from the distribution segment increased by RM6.34 million or 46.30% to RM20.04 million in FYE 2025 (FYE 2024: RM13.70 million), which was mainly contributed by the following:

- Increase in GP from **flavouring products** by RM3.46 million or 81.54% to RM7.71 million in FYE 2025 (FYE 2024: RM4.25 million). This was also reflected in the revenue growth of 17.12% from flavouring products in FYE 2025. The increase was mainly driven by higher GP from sauces and pastes as well as condiments, which was also reflected in the higher revenue by 15.55% and 27.24% in FYE 2025, respectively.
- Increase in GP from **shelf-stable and frozen seafood** by RM1.49 million or 24.38% to RM7.58 million in FYE 2025 (FYE 2024: RM6.09 million). This was also reflected in the revenue growth of 7.59% from shelf-stable and frozen seafood in FYE 2025. The increase was mainly driven by the higher sales from abalone, which was also reflected in the higher revenue by 15.15% in FYE 2025.
- Increase in GP from **general grocery products** by RM0.72 million or 49.01% to RM2.19 million in FYE 2025 (FYE 2024: RM1.47 million). This was also reflected in the revenue growth of 12.73% from general grocery products in FYE 2025. The increase was mainly driven by the higher GP from other canned food, which was also reflected in the revenue growth of 22.15% in FYE 2025.
- Increase in GP from **dried food and snacks** by RM0.67 million or 35.60% to RM2.56 million in FYE 2025 (FYE 2024: RM1.89 million). This was also reflected in the revenue growth of 10.80% from dried food and snacks in FYE 2025. The increase was mainly driven by higher GP from rice and flour-based products, which was also reflected in the revenue growth of 20.94% in FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)

GP margin from the distribution segment increased from 18.98% in FYE 2024 to 24.75% in FYE 2025. This was mainly attributed to the following:

- GP margin from **flavouring products** increased from 16.21% in FYE 2024 to 25.12% in FYE 2025. This was mainly attributed to the increase in average selling price across the product mix of in-house manufactured condiments by 12.41% in FYE 2025 where we were able to increase the price of such products to customers. The improvement in GP margin was also partly attributed to the higher margin from externally sourced flavouring products which increased from 9.15% in FYE 2024 to 23.70% in FYE 2025. This was mainly due to lower cost of externally sourced sauces and pastes as well as herbs, spices and seasonings attributed to lower sourcing cost from the bulk purchase discount. This was also reflected in the lower proportion of cost of these products against revenue by 15.50% and 9.17% in FYE 2025 respectively.
- GP margin from **shelf-stable and frozen seafood** increased from 23.93% in FYE 2024 to 27.67% in FYE 2025. This was mainly attributed to the lower cost of dried sea cucumber and canned abalone as reflected in the lower proportion of cost of these products against revenue by 1.32% and 16.70% in FYE 2025 respectively. The improvement in GP margin was also partly attributed to the increase in average selling price across the product mix of dried shark fin by 11.76% in FYE 2025 where we were able to increase the price of such products to customers on the back of higher sourcing costs.
- GP margin from **general grocery products** increased from 18.14% in FYE 2024 to 23.98% in FYE 2025. This was mainly attributed to the lower average cost of other canned food as reflected in the lower proportion of cost of sales against revenue by 5.53% in FYE 2025.
- GP margin from **dried food and snacks** increased from 15.20% in FYE 2024 to 18.60% in FYE 2025. This was mainly attributed to the lower average cost of rice and flour-based products, mushroom and fungus as well as the beans, nuts and seeds as reflected in the lower proportion of cost of these products against revenue by 7.56%, 5.88% and 2.60% in FYE 2025 respectively.

Retail segment

The GP from the retail segment increased by RM0.29 million or 9.65% to RM3.30 million in FYE 2025 (FYE 2024: RM3.01 million). This was mainly contributed by the improvement in GP from shelf-stable and frozen seafood, flavouring products as well as dried food and snacks.

GP margin from the retail segment increased from 23.76% in FYE 2024 to 27.14% in FYE 2025. This was mainly attributed to the increase in the GP margin of shelf-stable and frozen seafood from 28.54% in FYE 2024 to 29.94% in FYE 2025. This was mainly attributed to the lower average cost of dried sea cucumber and canned abalone sold, driven by the increased sales volume of these products by 33.96% and 16.29% in FYE 2025.

In addition, the GP margin from flavouring products increased from 21.70% in FYE 2024 to 26.53% in FYE 2025, which was mainly driven by sales of higher-priced products under the externally sourced herbs, spices and seasonings range as well as the lower sourcing cost from the bulk purchase of sauces and pastes.

12. FINANCIAL INFORMATION (Cont'd)

The GP margin from dried food and snacks also improved from 20.72% in FYE 2024 to 25.55% in FYE 2025, mainly attributed to the lower sourcing cost from the bulk purchase of dried food and snacks including mushroom and fungus, beans, nuts and seeds as well as dried meat products.

Geographical markets

On a geographical basis, our GP from domestic market increased by RM5.26 million or 33.52% to RM20.94 million in FYE 2025 (FYE 2024: RM15.68 million), mainly attributed to higher GP contribution from the southern and central regions, driven by the distribution segment. The GP margin from the domestic market increased from 21.16% in FYE 2024 to 25.42% in FYE 2025, mainly attributed to the improvement in GP from the shelf-stable and frozen seafood, contributed by the lower cost of dried sea cucumber and canned abalone as well as the increase in average selling price across the product mix of dried shark fin. The improvement in GP was also attributed to the increase in average selling price across the product mix of in-house manufactured condiments as well as lower cost of externally sourced sauces and pastes as well as herbs, spices and seasonings attributed to lower sourcing cost from the bulk purchase discount.

Our GP from foreign markets increased by RM1.37 million or 134.71% to RM2.39 million in FYE 2025 (FYE 2024: RM1.02 million), mainly attributed to higher GP contribution from Hong Kong and the USA driven by the distribution segment. The GP margin from foreign market increased from 9.51% in FYE 2024 to 22.30% in FYE 2025, mainly attributed to the export sales to Hong Kong. This was mainly attributed to the increase in GP margin for the supply of flavouring products, attributed to the higher average selling price across the product mix of in-house manufactured condiments, where we were able to increase the price of such products to customers.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.6 Other Income**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Gain on foreign exchange	-	-	-	-	122	8.73	119	56.94
- <i>Realised</i>	-	-	-	-	-	-	119	56.94
- <i>Unrealised</i>	-	-	-	-	122	8.73	-	-
Gain on derecognition due to lease modification	-	-	44	29.14	-	-	-	-
Gain on lease termination	-	-	-	-	-	-	38	18.18
Interest income	68	24.46	79	52.32	79	5.65	31	14.83
Rental income	17	6.12	18	11.92	20	1.43	7	3.35
Reversionary bonus from insurance	-	-	-	-	1,140	81.54	-	-
Gain on disposal of PPE	-	-	-	-	6	0.43	-	-
Government subsidy ⁽¹⁾	193	69.42	-	-	-	-	-	-
Others ⁽²⁾	-	-	10	6.62	31	2.22	14	6.70
Total	278	100.00	151	100.00	1,398	100.00	209	100.00

Notes:

- (1) Wages subsidy received from PERKESO under the Prihatin Rakyat Economic Stimulus Package (Prihatin) Wage Subsidy Programme during the COVID-19 pandemic period.
- (2) Includes transportation charges for the delivery of goods to customers' designated location and claims from a statutory body for employee training under the Human Resources Development (HRD) programme.

Comparison between FYE 2023 and FYE 2022

Our other income decreased by RM0.13 million or 45.68% to RM0.15 million in FYE 2023 (FYE 2022: RM0.28 million). This was mainly due to the absence of income from government subsidy in FYE 2023 compared to RM0.19 million received in FYE 2022. The government subsidy received in FYE 2022 was from PERKESO under the wage subsidy programme.

Comparison between FYE 2024 and FYE 2023

Our other income increased by RM1.25 million or 825.83% to RM1.40 million in FYE 2024 (FYE 2023: RM0.15 million), mainly attributed to the RM1.14 million from the insurance company following the surrender of keyman insurance for a director of a subsidiary. As at the LPD, we do not maintain any keyman insurance for our directors.

Comparison between FYE 2025 and FYE 2024

Our other income decreased by RM1.19 million or 85.05% to RM0.21 million in FYE 2025 (FYE 2024: RM1.40 million), mainly attributed to the absence of one-off reversionary bonus from insurance received following the surrender of the keyman insurance for a director of a subsidiary of our Group in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**12.3.7 Administrative expenses**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff cost ⁽¹⁾	2,275	47.93	2,765	48.19	3,178	43.82	3,836	37.05
Directors' remunerations	1,074	22.62	1,243	21.66	1,543	21.27	1,842	17.79
Upkeep and related expenses ⁽²⁾	540	11.38	651	11.35	736	10.15	835	8.07
Legal and professional fees ⁽³⁾	96	2.02	151	2.63	660	9.10	2,674	25.83
Travelling and related expenses ⁽⁴⁾	152	3.20	252	4.39	331	4.56	252	2.43
Office expenses	129	2.72	126	2.20	202	2.79	195	1.88
Staff welfare expenses	102	2.15	139	2.42	147	2.03	147	1.43
Other administrative expenses ⁽⁵⁾	379	7.98	411	7.16	456	6.28	572	5.52
Total	4,747	100.00	5,738	100.00	7,253	100.00	10,353	100.00

Notes:

- (1) Include salaries, wages, allowances, bonuses, statutory contributions and staff training expenses.
- (2) Include utilities, waste handling, pest control and other related expenses.
- (3) Include professional fees, audit and accounting fees, and expenses related to regulatory requirements such as worker permit, trademark registration, food products certifications.
- (4) Include travelling expenses, petrol, accommodation and other related expenses.
- (5) Include other administrative expenses such as sundry expenses, security expenses, staff uniform, and others.

Comparison between FYE 2023 and FYE 2022

Administrative expenses increased by RM0.99 million or 20.88% to RM5.74 million in FYE 2023 (FYE 2022: RM4.75 million). The increase was mainly attributed to the following:

- increase in staff cost by RM0.49 million, mainly attributed to higher headcount (excluding the employees from manufacturing operations and directors) from 55 employees in FYE 2022 to 63 employees in FYE 2023;
- increase in directors' remuneration by RM0.17 million, mainly attributed to the higher bonus payment and adjustment of the remuneration package for our directors; and
- increase in upkeep and related expenses by RM0.11 million, mainly attributed to the upkeep expenses for our Bangunan GHS and higher utilities expenses.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2023**

Administrative expenses increased by RM1.52 million or 26.40% to RM7.25 million in FYE 2024 (FYE 2023: RM5.74 million). The increase was mainly attributed to the following:

- increase in legal and professional fees by RM0.51 million, mainly attributed to the higher legal fees in relation to acquisition of Property 1587 (for the setting up of New Krubong Facility) and Property 8794 (for the setting up of New Integrated Complex);
- increase in staff cost by RM0.41 million, mainly attributed to increment for our employees as well as higher headcount (excluding the employees from manufacturing operations and directors) from 63 employees in FYE 2023 to 66 employees in FYE 2024; and
- increase in directors' remuneration by RM0.30 million, mainly attributed to the higher bonus payment and adjustment of the remuneration package for our directors.

Comparison between FYE 2025 and FYE 2024

Administrative expenses increased by RM3.10 million or 42.74% to RM10.35 million in FYE 2025 (FYE 2024: RM7.25 million). The increase was mainly attributed to the following:

- increase in legal and professional fees by RM2.01 million, mainly for our Listing;
- increase in staff cost by RM0.66 million, mainly due to the higher bonus payment and increments as well as an increase in headcount (excluding the employees from manufacturing operations and directors) from 66 employees in FYE 2024 to 72 employees in FYE 2025; and
- increase in directors' remuneration by RM0.30 million, mainly due to increments.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.8 Selling and distribution expenses**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Transportation charges ⁽¹⁾	325	45.26	377	49.28	378	44.26	436	39.85
Promotional expenses	100	13.93	78	10.20	222	26.00	313	28.61
Sales commission ⁽²⁾	253	35.24	228	29.80	182	21.31	240	21.94
Product listing fees ⁽³⁾	23	3.20	64	8.37	42	4.92	87	7.95
Others ⁽⁴⁾	17	2.37	18	2.35	30	3.51	18	1.65
Total	718	100.00	765	100.00	854	100.00	1,094	100.00

Notes:

- (1) Include transportation charges for the delivery of goods to customers.
- (2) Include sales commission paid to our sales personnel and agents.
- (3) Include product listing fees to resellers for shelf-space allocation for our products.
- (4) Include art design for our marketing materials and advertisement fees.

Comparison between FYE 2023 and FYE 2022

Selling and distribution expenses increased by RM0.05 million or 6.55% to RM0.77 million in FYE 2023 (FYE 2022: RM0.72 million). The increase was mainly attributed to the increase in transportation charges by RM0.05 million for the delivery of goods to our customers. In addition, there was an increase in product listing fees paid to resellers by RM0.04 million for shelf-space allocation for our products.

The increase was partially offset by the lower promotional expenses of RM0.02 million and lower sales commission of RM0.03 million in FYE 2023 which was mainly due to lower sales secured through our sales personnel and agents during FYE 2023.

Comparison between FYE 2024 and FYE 2023

Selling and distribution expenses increased by RM0.09 million or 11.63% to RM0.85 million in FYE 2024 (FYE 2023: RM0.77 million). The increase was mainly attributed to the increase in promotional expenses by RM0.14 million for the amount paid to resellers such as retailers for the promotion of our products in their stores in FYE 2024.

The increase was partially offset by the lower sales commission of RM0.05 million which was mainly due to lower sales secured through our sales personnel and agents during FYE 2024. In addition, there were lower product listing fees paid to resellers such as retailers by RM0.02 million for shelf-space allocation for our products in their stores.

Comparison between FYE 2025 and FYE 2024

Selling and distribution expenses increased by RM0.24 million or 28.10% to RM1.09 million in FYE 2025 (FYE 2024: RM0.85 million). The increase was mainly attributed to the increase in promotional expenses, sales commission as well as transportation charges in FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**12.3.9 Other operating expenses and (reversal)/ addition of impairment losses on financial assets**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Other operating expenses	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Depreciation of assets ⁽¹⁾	599	93.30	605	96.80	585	87.05	652	84.24
Loss on foreign exchange	24	3.74	16	2.56	64	9.52	87	11.24
- <i>Realised</i>	24	3.74	16	2.56	64	9.52	-	-
- <i>Unrealised</i>	-	-	-	-	-	-	87	11.24
Amortisation of intangible assets ⁽²⁾	19	2.96	4	0.64	23	3.43	35	4.52
Total	642	100.00	625	100.00	672	100.00	774	100.00
<u>Net (reversal)/ addition of impairment loss on financial assets</u>								
(Reversal)/ addition of impairment losses on trade receivables	-	-	*(3)	100.00	(61)	100.00	94	100.00
Total	-	-	*(3)	100.00	(61)	100.00	94	100.00

Notes:

- (1) Include mainly depreciation of buildings, office equipment, motor vehicles, furniture and fittings, right-of-use assets, renovation and others.
- (2) Amortisation of intangible asset, namely trademark.
- (3) Denotes an amount less than RM500.00.

Comparison between FYE 2023 and FYE 2022

Other operating expenses decreased by RM0.02 million or 2.65% to RM0.63 million in FYE 2023 (FYE 2022: RM0.64 million), mainly due to the lower expenses for the amortisation charges of trademark by RM0.02 million in FYE 2023.

Comparison between FYE 2024 and FYE 2023

Other operating expenses increased by RM0.05 million or 7.52% to RM0.67 million in FYE 2024 (FYE 2023: RM0.63 million), mainly attributed to the higher realised loss on foreign exchange by RM0.05 million arising from the trade collections and payments which were transacted in foreign currencies including USD, SGD, HKD, AUD and JPY.

Comparison between FYE 2025 and FYE 2024

Other operating expenses increased by RM0.10 million or 15.18% to RM0.77 million in FYE 2025 (FYE 2024: RM0.67 million), mainly attributed to the higher depreciation expenses by RM0.07 million, arising from the depreciation of right-of-use asset and renovation in FYE 2025. The increase was also partly attributed to the higher loss on foreign exchange by RM0.02 million, arising from trade collections and payments which were transacted in foreign currencies including USD, SGD, HKD, AUD and JPY.

12. FINANCIAL INFORMATION (Cont'd)**12.3.10 Finance costs**

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expense on:								
Term loan	274	85.36	362	92.82	658	94.95	900	96.57
Lease liabilities	40	12.46	21	5.38	18	2.60	18	1.93
Hire purchase	7	2.18	7	1.80	17	2.45	14	1.50
Total	321	100.00	390	100.00	693	100.00	932	100.00

Comparison between FYE 2023 and FYE 2022

Finance costs increased by RM0.07 million or 21.50% to RM0.39 million in FYE 2023 (FYE 2022: RM0.32 million), mainly attributed to the drawdown of term loan to fund the acquisition of Property 1595-1.

Comparison between FYE 2024 and FYE 2023

Finance costs increased by RM0.30 million or 77.69% to RM0.69 million in FYE 2024 (FYE 2023: RM0.39 million), mainly attributed to the higher utilisation of term loan for the acquisition of Property 8794 (for the setting up of New Integrated Complex) and Property 1587 (for the setting up of New Krubong Facility) as part of our business strategies and plans. Please refer to Section 7.15 of this Prospectus for further details.

Comparison between FYE 2025 and FYE 2024

Finance costs increased by RM0.24 million or 34.49% to RM0.93 million in FYE 2025 (FYE 2024: RM0.69 million), mainly attributed to an increase in interest expense on term loans following the drawdown of terms loans for the acquisition of Property 8794 (for the setting up of New Integrated Complex) and Property 1587 (for the setting up of New Krubong Facility) as part of our Group's business strategies and plans.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.11 PBT, taxation and PAT**

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
PBT (RM'000)	5,296	5,879	8,688	10,294
PBT margin (%)	7.44	7.23	10.24	11.06
Taxation (RM'000)	1,298	1,529	1,952	3,069
Effective tax rate (%)	24.51	26.01	22.47	29.81
Statutory tax rate (%)	24.00	24.00	24.00	24.00
PAT (RM'000)	3,998	4,350	6,736	7,225
PAT margin (%)	5.61	5.35	7.94	7.76

Comparison between FYE 2023 and FYE 2022

Our PBT increased by RM0.58 million or 11.01% to RM5.88 million in FYE 2023 (FYE 2022: RM5.30 million), which was mainly driven by an increase in GP arising from our business growth from the distribution and retail segments. PBT margin decreased from 7.44% in FYE 2022 to 7.23% in FYE 2023, mainly due to higher administrative expenses, selling and distribution expenses and finance costs as well as a decrease in other income in FYE 2023.

Our PAT increased by RM0.35 million or 8.80% to RM4.35 million in FYE 2023 (FYE 2022: RM4.00 million). Our PAT margin decreased from 5.61% in FYE 2022 to 5.35% in FYE 2023 which was mainly due to higher tax expenses.

Our effective tax rates were 24.51% and 26.01% in FYE 2022 and FYE 2023 respectively, which were higher than the statutory tax rate of 24.00%. This was mainly attributed to the depreciation charges on non-qualifying PPE, which are not allowed for tax deduction.

Comparison between FYE 2024 and FYE 2023

Our PBT increased by RM2.81 million or 47.78% to RM8.69 million in FYE 2024 (FYE 2023: RM5.88 million), which was mainly driven by an increase in GP arising from our business growth from the distribution segment. PBT margin improved from 7.23% in FYE 2023 to 10.24% in FYE 2024, mainly attributed to the improved GP margin in FYE 2024 and higher other income arising from the insurance company for the surrender of the keyman insurance for a director of a subsidiary in FYE 2024.

Our PAT increased by RM2.39 million or 54.85% to RM6.74 million in FYE 2024 (FYE 2023: RM4.35 million). Our PAT margin increased from 5.35% in FYE 2023 to 7.94% in FYE 2024, mainly attributed to the improvement in GP and GP margin as well as other income.

Our effective tax rate was 22.47% in FYE 2024, which was lower than the statutory tax rate of 24.00%. This was mainly attributed to the non-taxable income of RM1.14 million in relation to the one-off reversionary bonus received following the surrender of the keyman insurance for a director of a subsidiary.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2025 and FYE 2024**

Our PBT increased by RM1.61 million or 18.49% to RM10.29 million in FYE 2025 (FYE 2024: RM8.69 million), which was mainly driven by an increase in GP arising from business growth in the distribution segment. PBT margin improved from 10.24% in FYE 2024 to 11.06% in FYE 2025, mainly attributed to the improved GP margin in FYE 2025.

Our PAT increased by RM0.49 million or 7.26% to RM7.23 million in FYE 2025 (FYE 2024: RM6.74 million), mainly due to an increase in GP arising from business growth from the distribution segment. Our PAT margin remained relatively consistent at 7.94% in FYE 2024 and 7.76% in FYE 2025.

Our effective tax rate was 29.81% in FYE 2025, which was higher than the statutory tax rate of 24.00%. This was mainly due to the higher non-deductible expenses, such as Listing expenses.

12.4 SIGNIFICANT FACTORS AFFECTING OUR GROUP'S OPERATIONS AND FINANCIAL PERFORMANCE**(i) Impact of supply chain disruptions as our products including imported products are sourced from external suppliers and this dependency exposes us to quality and food safety risks**

The products that we distribute and retail are mainly sourced externally from third-party suppliers, which accounted for 85.30% (RM60.75 million), 85.70% (RM69.71 million), 83.61% (RM70.92 million) and 79.48% (RM74.01 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. While we are not dependent on any single supplier, we are dependent on our group of suppliers on a collective basis, and there can be no assurance that we will be able to continue to retain all or the majority of our suppliers. This dependency on our suppliers as a group exposes us to potential supply chain disruptions that may adversely affect our operations and financial performance as well as potential inconsistencies in quality and food safety risks.

Please refer to Section 9.1.1 of this Prospectus for further details on this risk.

(ii) Impact on fluctuations in the market prices for certain types of shelf-stable and frozen seafood

Our business operations may be affected by fluctuations in the market prices for certain shelf-stable and frozen seafood. Our revenue contribution from the distribution and retail of shelf-stable and frozen seafood accounted for 39.70% (RM28.28 million), 39.94% (RM32.50 million), 35.31% (RM29.95 million) and 34.32% (RM31.95 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. The fluctuations in the prices of shelf-stable and frozen seafood are affected by supply and demand conditions.

As shelf-stable and frozen seafood food products such as sea cucumber and abalone are regarded as discretionary items, consumers may reduce their consumption or seek alternatives in other types of seafood products. A reduction in the demand for certain type of seafood products, whether it be due to shifting consumer preferences, adverse publicity, pricing or any other factors, may adversely affect our financial performance if we are unable to respond promptly by offering suitable alternatives.

Please refer to Section 9.1.2 of this Prospectus for further details on this risk.

12. FINANCIAL INFORMATION (Cont'd)**(iii) Impact of inflationary pressure**

Our business in the distribution and retail of food products is subject to inflationary pressure. The cost of products sourced from third-party suppliers as well as input materials for our in-house manufactured products may increase due to inflationary pressures. Furthermore, inflation could increase our operating expenses including utilities, fuel, logistics, rental and labour costs.

If we are unable to pass on these increases in costs to our customers through higher selling prices, our profit margins may be adversely affected. On the other hand, price increases could lead to a reduction in demand, as customers may seek alternative suppliers or products. Inflation may also decrease consumer purchasing power, potentially leading to changes in spending behaviour or reduction in demand for discretionary food products, which would adversely affect our business performance. For the Periods Under Review, our business was not significantly affected by the impact of inflation. However, there is no assurance that our business will not be adversely affected by the impact of inflation in the future.

Please refer to Section 9.1.6 of this Prospectus for further details on this risk.

(iv) Impact of inventory management risk

We are exposed to inventory management risks, particularly arising from our involvement in the distribution and retail of food products, including items with expiration dates and temperature-sensitive products such as frozen seafood and other food items. Inefficient inventory management could lead to overstocking or understocking, both of which could adversely impact our business and financial performance.

Please refer to Section 9.1.8 of this Prospectus for further details on this risk.

(v) Dependency on our ability to continually secure new and sizeable orders to sustain and grow our business

Our revenue from the distribution segment is based on purchase orders from our customers while our retail segment is based on outright sales. As such, our business sustainability and financial performance rely on our ability to consistently secure new and sizeable orders from our distribution segment and continuous retail sales to sustain and/ or grow our business.

There can be no assurance that we will be able to maintain or increase the volume of sales in the future. This risk may arise from various factors, including changes in consumers' preferences, fluctuations in demand, intensifying competition or shifts in market trends. In addition, economic downturns or unfavourable market conditions may reduce the purchasing power of our customers or decrease demand for our products, adversely affecting our ability to secure new orders.

Please refer to Section 9.1.3 of this Prospectus for further details on this risk.

(vi) Impact on foreign exchange fluctuations

We are exposed to the risk of foreign exchange fluctuations where 44.40% (RM24.91 million), 43.44% (RM29.00 million), 43.87% (RM30.35 million) and 40.24% (RM27.22 million) of our total purchases of input materials and products were transacted in foreign currencies including USD, SGD, HKD, AUD, and JPY for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively. In addition, our revenue is contributed by sales from both the domestic market and foreign markets including countries from the Asia Pacific and other regions which are transacted in RM, USD, SGD and AUD.

12. FINANCIAL INFORMATION (Cont'd)

In this respect, we are exposed to foreign exchange fluctuations arising from our imported purchases of input materials and products as well as export sales. Any unfavourable exchange rates between RM and the respective foreign currencies would affect our financial performance.

While foreign currency exchange rate fluctuations have not had any material effect on our financial performance during the Periods Under Review, there can be no assurance that we will not be adversely affected in the future. Please refer to Note 34.1(a)(i) in the Accountants' Report set out in Section 13 of this Prospectus for sensitivity analysis on our PAT to changes in foreign currency.

Please refer to Section 9.1.7 of this Prospectus for further details on this risk.

(vii) Impact of interest rates fluctuations

As at 31 July 2025, our total bank borrowings including term loans and hire purchase (excluding lease liabilities for right-of-use assets arising from rental of properties) was RM21.51 million, of which RM21.02 million were based on floating interest rates. The remaining RM0.49 million were based on fixed interest rates. Our finance cost increased by 21.50% to RM0.39 million in FYE 2023 (FYE 2022: RM0.32 million), which further increased by 77.69% to RM0.69 million in FYE 2024 and 34.49% to RM0.93 million in FYE 2025 due to higher utilisation of bank borrowings for capital expenditure and higher utilisation of hire purchase for the purchase of motor vehicles.

In this respect, we face financial risks relating to the increase in interest rates which may impact our financial performance including profitability and margins. Please refer to Note 34.1(a)(ii) in the Accountants' Report set out in Section 13 of this Prospectus for sensitivity analysis on our PAT to changes in interest rates.

During the Periods Under Review and up to the LPD, we have not defaulted on any payments of either principal sums and/or interests in relation to our borrowings. Please refer to Section 9.1.7 of this Prospectus for further details on this risk.

(viii) Impact on government/ economic/ fiscal/ monetary policies

Our business is subject to risks relating to government, political, economic, fiscal or monetary policies and regulatory risks, geopolitical events, as well as occurrence of force majeure events in Malaysia as well as other countries which we serve and source our products. Any unfavourable changes in such government policies, economic conditions, or fiscal or monetary policies may materially affect our operations in Malaysia. Please refer to Section 9.2.2 of this Prospectus for further details on this risk.

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12. FINANCIAL INFORMATION (Cont'd)**12.5 LIQUIDITY AND CAPITAL RESOURCES****(i) Working capital**

Our business is financed by a combination of internal and external sources of funds. Internal sources of funds comprised shareholders' equity and cash generated from our business operations while our external sources of funds mainly consist of banking credit facilities from financial institutions. These funds are mainly used to finance our business operations and growth.

As at 31 July 2025, our cash and bank balances were RM4.90 million and our total borrowings were RM21.51 million (including term loans and hire purchase). As at 31 July 2025, our gearing ratio was 0.51 times and the current ratio was 3.81 times. As at the LPD, we have banking credit facilities including term loans, overdrafts and trade line of RM32.28 million, of which RM5.65 million have yet to be utilised.

Our Directors are of the opinion that after taking into consideration the cash and bank balances, the expected profits to be generated from our operations, the amount that is available under our existing banking credit facilities, our expected future cash flows from operations as well as proceeds expected to be raised from our Public Issue, we will have adequate working capital to meet our present and foreseeable requirements for at least a period of 12 months from the date of this Prospectus.

(ii) Cash flow

The following is the summary of our combined statements of cash flow for the Periods Under Review. This should be read in conjunction with the Accountants' Report as set out in Section 13 of this Prospectus.

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash from operating activities	938	3,195	2,068	3,407
Net cash for investing activities	(2,703)	(3,276)	(17,799)	(843)
Net cash from/ (for) financing activities	116	(846)	12,954	(2,649)
Net decrease in cash and cash equivalents	(1,649)	(927)	(2,777)	(85)
Cash and cash equivalents at the beginning of the year	11,063	9,414	8,487	5,710
Cash and cash equivalents at the end of the year	9,414	8,487	5,710	5,625
Details of the cash and cash equivalents:				
- Cash and bank balances	3,905	4,712	2,690	4,896
- Fixed deposits with licensed banks	5,577	3,775	3,020	729
- Bank overdraft	(68)	-	-	-
	9,414	8,487	5,710	5,625

12. FINANCIAL INFORMATION (Cont'd)**(a) Net cash from operating activities****FYE 2022**

For the FYE 2022, our net cash from operating activities was RM0.94 million after taking into account the following:

- increase in trade and other receivables of RM2.79 million, mainly attributed to higher net trade receivables of RM8.03 million as at the 31 July 2022 compared to RM6.43 million as at the 31 July 2021;
- increase in inventories of RM0.17 million, mainly comprising inventories of trading goods for our distribution and retail segment;
- decrease in trade and other payables of RM1.43 million, mainly attributed to lower trade payables outstanding of RM5.64 million as at 31 July 2022, compared to RM7.13 million as at the 31 July 2021; and
- income tax paid of RM1.05 million.

FYE 2023

For the FYE 2023, our net cash from operating activities was RM3.20 million after taking into account the following:

- increase in inventories of RM3.73 million, which were mainly due to higher inventories of trading goods as there were higher purchase of trading goods in FYE 2023. Overall, our total purchases increased from RM56.10 million in FYE 2022 to RM66.75 million in FYE 2023;
- increase in trade and other payables of RM1.47 million, mainly due to higher trade payables outstanding of RM6.98 million as at 31 July 2023 compared to RM5.64 million as at 31 July 2022;
- increase in trade and other receivables of RM0.16 million, mainly attributed to higher trade receivables of RM8.99 million as at 31 July 2023 compared to RM8.03 million as at 31 July 2022. This was mainly attributed to higher sales in the last quarter of FYE 2023. In addition, other receivables increased by RM0.80 million in FYE 2023, mainly attributed to deposit payment for the acquisition of Property 8794 for the setting up of New Integrated Complex; and
- income tax paid of RM1.44 million.

FYE 2024

For the FYE 2024, our net cash from operating activities was RM2.07 million after taking into account the following:

- increase in inventories of RM5.86 million, mainly comprised inventories of trading goods. This was mainly attributed to the higher purchase of trading goods during the last quarter of FYE 2024. Overall, our total purchases in the last quarter of FYE 2024 were RM18.41 million compared to RM15.41 million in the last quarter of FYE 2023;

12. FINANCIAL INFORMATION (Cont'd)

- increase in trade and other payables of RM1.17 million, mainly due to higher trade payables outstanding as at 31 July 2024, arising from higher purchases of input materials and products for our distribution and retail segments;
- increase in trade and other receivables of RM0.94 million, mainly attributed to higher trade receivables of RM9.96 million as at 31 July 2024 compared to RM8.99 million as at 31 July 2023; and
- income tax paid of RM2.46 million.

FYE 2025

For the FYE 2025, our net cash from operating activities was RM3.41 million after taking into account the following:

- increase in inventories of RM2.57 million, mainly comprising trading goods. This was mainly attributed to the inventories of high-value trading goods such as shark fin and abalone. This is also reflected in the higher average inventory turnover period of trading goods from 41 days in FYE 2024 to 59 days in FYE 2025;
- increase in trade and other receivables of RM1.76 million, mainly attributed to the higher trade receivables of RM11.58 million as at 31 July 2025 compared to RM9.96 million as at 31 July 2024. As at the LPD, 92.12% of the outstanding trade receivables has been subsequently settled;
- decrease in trade and other payables by RM1.79 million, mainly attributed to lower trade payables outstanding of RM6.03 million as at 31 July 2025, compared to RM7.67 million as at 31 July 2024; and
- income tax paid of RM2.89 million.

(b) Net cash for investing activities**FYE 2022**

For FYE 2022, our net cash for investing activities was RM2.70 million. This was mainly attributed to the RM2.75 million for the purchase of PPE, comprising:

- RM1.96 million for the purchase of Property 1595-1;
- RM0.41 million for the purchase of plant and machineries including mainly 1 unit of frying machine, 3 units of vegetable preparation and processing machine as well as 2 units of packaging machine;
- RM0.22 million for the purchase of office equipment for Bangunan GHS;
- RM0.13 million for the purchase of furniture and fittings for mainly for the racking and display fixtures for our retail outlet at Bangunan GHS; and
- RM0.03 million for the purchase of motor vehicles.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2023**

For FYE 2023, our net cash for investing activities was RM3.28 million. This was mainly attributed to the RM3.36 million for the purchase of PPE, comprising:

- (i) RM1.76 million mainly to fund the following:
 - RM0.96 million for the purchase of Property 1595-1;
 - RM0.35 million for the purchase of plant and machineries including mainly 8 units of packaging machine and 3 units of vegetable preparation and processing machine;
 - RM0.24 million for the purchase of office equipment for Bangunan GHS; and
 - RM0.11 million for the purchase of motor vehicles.
- (ii) RM1.60 million deposit paid for the acquisition of Property 8794 for the setting up of New Integrated Complex.

FYE 2024

For FYE 2024, our net cash for investing activities was RM17.80 million. This was mainly attributed to the RM17.85 million used to purchase PPE, mainly comprising:

- RM16.47 million being the remaining payment for the purchase of Property 8794 for the setting up of our New Integrated Complex and Property 1587 for the setting up of our New Krubong Facility;
- RM0.71 million for the purchase of plant and machineries mainly including 2 units of frying machine, 2 units of vegetable preparation and processing machine and 1 unit of packaging machine;
- RM0.32 million for the renovation works for in Bangunan GHS and Property 1595-1; and
- RM0.21 million for the purchase of office equipment for our operational facilities, including Property 30, Property 32, Property 1595-1 and Bangunan GHS.

FYE 2025

For FYE 2025, our net cash for investing activities was RM0.84 million. This was mainly attributed to the RM0.84 million being mainly the renovation costs incurred for Bangunan GHS and Property 3 and for the purchase of a unit of motor vehicle.

12. FINANCIAL INFORMATION (Cont'd)**(c) Net cash from/(for) financing activities****FYE 2022**

For FYE 2022, our net cash from financing activities was RM0.12 million, which was mainly attributed to the following:

- RM1.45 million drawdown of term loans to fund the deposit and partial payment for the acquisition of Property 1595-1;
- RM0.80 million of repayment of term loans;
- RM0.32 million of interest payments;
- RM0.14 million for repayment of lease liabilities;
- RM0.05 million for repayment of hire purchase; and
- RM0.01 million of repayment for amount owing to directors.

FYE 2023

For FYE 2023, our net cash for financing activities was RM0.85 million, which was mainly attributed to the following:

- RM0.94 million drawdown of term loans to fund the acquisition of Property 1595-1;
- RM0.89 million for repayment of term loans;
- RM0.39 million of interest payments;
- RM0.38 million of repayment for amount owing to directors;
- RM0.06 million for repayment of lease liabilities; and
- RM0.05 million for repayment of hire purchase.

FYE 2024

For FYE 2024, our net cash from financing activities was RM12.95 million, which was mainly attributed to the following:

- RM15.39 million drawdown of term loans for the acquisition of Property 8794 for the setting up of our New Integrated Complex and Property 1587 for the setting up of our New Krubong Facility;
- RM0.45 million of proceeds from the issuance of ordinary shares in our Subsidiaries;
- RM1.08 million of repayment of term loans;
- RM0.80 million of dividend paid to the shareholders of our Subsidiaries;
- RM0.69 million of interest payments;
- RM0.17 million for repayment for amount owing to directors;
- RM0.07 million for repayment of lease liabilities; and
- RM0.07 million for repayment of hire purchase.

FYE 2025

For FYE 2025, our net cash for financing activities was RM2.65 million, which was mainly attributed to the following:

- RM1.53 million of repayment of term loans;
- RM0.93 million of interest payments;
- RM0.10 million for repayment of hire purchase; and
- RM0.08 million for repayment of lease liabilities.

12. FINANCIAL INFORMATION (Cont'd)**(iii) Borrowings**

For the Periods Under Review, our bank borrowings are all interest-bearing and denominated in RM.

The breakdown of our bank borrowings is set out below:

Type of bank borrowings	As at 31 July 2025		Total
	Payable within 12 months	Payable after 12 months	
	RM'000	RM'000	RM'000
Term loans ⁽¹⁾	1,451	19,734	21,185
Hire purchase liabilities	95	226	321
Total	1,546	19,960	21,506

Gearing ratio (times)⁽²⁾ 0.51

Notes:

(1) Term loans were utilised for the purchase of PPE and working capital purposes.

(2) Calculated based on total borrowings divided by total equity.

As at 31 July 2025, our Group's floating and fixed rate borrowings are set out below:

	RM'000
Floating rate borrowings ⁽¹⁾	21,020
Fixed rate borrowings ⁽²⁾	486
Total	21,506

Notes:

(1) Include floating rate term loans.

(2) Include fixed rate term loan and hire purchase liabilities.

The maturity profile and interest rates of our borrowings as at 31 July 2025 are set out below:

	Term loan	Hire purchase liabilities	Total
	RM'000	RM'000	RM'000
Under 1 year	1,451	95	1,546
1 - 5 years	5,804	226	6,030
More than 5 years	13,930	-	13,930
Total	21,185	321	21,506

Effective interest rates 3.60% - 6.10% 5.10% - 7.08%

Our Group has not defaulted on any payment of either principal sums and/ or interest in relation to the borrowings for the Periods Under Review and up to LPD. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities. As at the LPD, 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 investments by holders of securities in our Company.

12. FINANCIAL INFORMATION (Cont'd)

In relation to the guarantees given by certain directors of our Group, we have applied to the financiers to obtain a release and/or discharge of the guarantees by substituting the same with a corporate guarantee from our Company. Until such release and/or discharge are obtained from the respective financiers, some of our directors will continue to guarantee the banking facilities extended to our Group. Please refer to Section 10.2.2 of this Prospectus for further details.

(iv) Financial instrument, treasury policies and objectives

As at the LPD, we have two forward exchange contracts for the total purchase of USD180,000, as part of our measures to hedge against foreign currency movement for USD.

As at the LPD, we maintain bank accounts in RM and USD to facilitate collections and payments of the same currency where possible. Although we do have revenue and purchases that are transacted in USD, our purchases that were transacted in USD accounted for 30.32% to 38.98% of our total purchases for the Periods Under Review compared to our revenue that were transacted in USD which accounted for 1.53% to 9.09% of our total revenue for the Periods Under Review. For further details of our foreign exchange transactions, please refer to Section 9.1.7 of this Prospectus.

Our Group's operations have been funded through shareholders' equity, cash generated from our operations and external sources of funds. The external source of funds consists of banking credit facilities from financial institutions. The normal credit terms granted by our suppliers ranges from 30 days to 90 days for the FYE 2025.

As at the LPD, our Group's banking credit facilities from financial institutions mainly consist of the following:

- term loans mainly for capital expenditure to purchase PPE and working capital purposes; and
- overdraft and trade line for working capital purposes.

The interest rates for our bank borrowings are based on the floating and fixed rates at the dates of the respective transactions. As at the LPD, our Group has available banking credit facilities, namely term loans, overdrafts and trade line of RM32.28 million, of which RM5.65 million have yet to be utilised. We do not hedge interest rate risks. Bank borrowings are negotiated with a view to secure the best possible terms and interest rates.

The main objective of our capital management is to ensure sustainable shareholders' equity to ensure our ability to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain our gearing ratio at an optimal level based on our business requirements and prevailing economic conditions.

(v) Material litigation and contingent liabilities**(a) Material litigation**

Neither we nor our Subsidiaries are engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)**(b) Contingent liabilities**

As at the LPD, we do not have any material contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

(vi) Material capital commitment

Our capital commitment as at the LPD is as follow:

	Capital commitment RM'000	Source of funds	
		Internally generated funds/ borrowings RM'000	IPO proceeds RM'000
Approved and contracted for:			
New Krubong Facility ⁽¹⁾	72	72	-
Approved but not contracted for:			
New Integrated Complex	23,280	11,280	12,000
New Krubong Facility	11,609	2,609	9,000
Expansion of retail outlets	3,000	3,000	-
Total	37,961	16,961	21,000

Note:

- (1) *The total estimated cost for the New Krubong Facility is RM11.73 million. As at the LPD, we have obtained approval for the development order from MBMB and are pending approval for the land amalgamation from the relevant authority and incurred RM0.44 million for the preparation of relevant applications for the submission to the authorities.*

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12. FINANCIAL INFORMATION (Cont'd)**12.6 KEY FINANCIAL RATIOS**

Our key financial ratios for the Periods Under Review are as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Average trade receivables turnover period (days) ⁽¹⁾	37	38	41	42
Average trade payables turnover period (days) ⁽²⁾	39	34	39	36
Average inventory turnover period (days) ⁽³⁾	18	27	52	73
Current ratio (times) ⁽⁴⁾	2.31	2.51	2.85	3.81
Gearing ratio (times) ⁽⁵⁾	0.36	0.31	0.65	0.51

Notes:

- (1) Computed based on average of the opening and closing net trade receivables (excluding allowance for impairment loss) as at the end of the respective financial year divided by the total revenue of the respective financial year, multiplied by 365 days for each financial year. There is no retention sum in the trade receivables balance.
- (2) Computed based on average of the opening and closing trade payables as at the end of the respective financial year divided by the total cost of sales of the respective financial year, multiplied by 365 days for each financial year. There is no retention sum in the trade payables balance.
- (3) Computed based on average of the opening and closing inventories as at the end of the respective financial year divided by the total cost of sales of the respective financial year, multiplied by 365 days for each financial year.
- (4) Computed based on current assets over the current liabilities as at the end of the financial year.
- (5) Computed based on total borrowings including term loans and hire purchase liabilities (excluding lease liabilities for right-of-use assets arising from rental of properties) over the total equity as at the respective financial year. For FYE 2022, the total borrowings also include bank overdrafts.

(i) Trade receivables turnover ratio

A summary of our trade receivables for the Periods Under Review is set out as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Average trade receivables ⁽¹⁾	7,230	8,511	9,476	10,769
Total Group revenue	71,218	81,344	84,822	93,113
- Revenue from distribution segment	59,507	68,556	72,174	80,967
Average trade receivables turnover period based on total Group revenue (days) ⁽²⁾	37	38	41	42
Average trade receivables turnover period based on distribution segment revenue (days) ⁽²⁾	44	45	48	49

12. FINANCIAL INFORMATION (Cont'd)

Notes:

(1) Computed as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening net trade receivables*	6,430	8,029	8,992	9,960
Closing net trade receivables*	8,029	8,992	9,960	11,578
 Average trade receivables	 7,230	 8,511	 9,476	 10,769

Note:

* Excluding allowance for impairment loss.

(2) Computed based average of the opening and closing net trade receivables (net of allowance for impairment loss) as at the end of the respective financial year divided by the total revenue or distribution segment revenue of the respective financial year, multiplied by 365 days for each financial year.

We deal with our customers on immediate payment or credit terms of 30 to 90 days.

As part of our credit control procedures, our sales and finance teams monitor our ageing report and to manage the collection of outstanding trade receivables on an individual customer basis. This is carried out regularly to promote prompt payment within the credit period granted. For any trade receivables which have exceeded the normal credit period granted to customers, we will follow up with calls and send reminders and where appropriate, provide for specific impairment on those trade receivables where recoverability is uncertain based on our dealings with the customers.

For the Periods Under Review, the credit terms that we generally grant to customers for the distribution segment are as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Normal credit terms (days)	30 to 90	30 to 90	30 to 90	30 to 90

As for customers from the retail segment, our sales are based on cash term.

Our average trade receivable turnover period increased from 37 days in FYE 2022 to 38 days in FYE 2023, mainly due to slower payment from customers. This was reflected in the higher past due outstanding trade receivables of RM4.22 million as at 31 July 2023 compared to RM4.01 million as at 31 July 2022.

Our average trade receivable turnover period increased from 38 days in FYE 2023 to 41 days in FYE 2024, mainly due to slower payment from customers. This was reflected in the higher past due outstanding trade receivables of RM5.03 million as at 31 July 2024 compared to RM4.22 million as at 31 July 2023.

Our average trade receivable turnover period increased from 41 days in FYE 2024 to 42 days in FYE 2025, mainly due to slower payment from customers. This was reflected in the higher past due outstanding trade receivables of RM6.05 million as at 31 July 2025, compared to RM5.03 million as at 31 July 2024.

12. FINANCIAL INFORMATION (Cont'd)

As part of our credit control process, our finance team closely monitor our ageing report and assess the collectability of trade receivables on an individual customer basis regularly to ensure timely payment within the credit period granted. For any trade receivables which have exceeded the normal credit period granted to customers, we will follow up with calls and written reminders and where appropriate, provide for specific impairment on those trade receivables where recoverability is uncertain based on our dealings with the customers.

The ageing analysis of our trade receivables as at 31 July 2025 and the subsequent collections up to the LPD are set out below:

	Exceeded Credit Period					Total
	Within	1-30	31-60	61-90	More	
	Credit Period	days	days	days	than 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	5,603	3,056	1,781	947	2,387	13,774
Less: Impairment	(78)	(60)	(97)	(112)	(1,849)	(2,196)
Net trade receivables	5,525	2,996	1,684	835	538	11,578
% of total net trade receivables	47.72	25.88	14.54	7.21	4.65	100.00
Subsequent collections as at the LPD	(5,121)	(2,876)	(1,540)	(594)	(535)	(10,666)
Net trade receivables net of subsequent collections	404	120	144	241	3	912
% of total net trade receivables net of subsequent collections	44.30	13.16	15.79	26.43	0.32	100.00

As at the LPD, RM10.67 million or 92.12% of our total net trade receivables outstanding as at 31 July 2025 have been collected. The remaining net trade receivables that are still outstanding as at the LPD accounted for 7.88% of our total trade receivables as at 31 July 2025. As at the LPD, the past due net trade receivables net of subsequent collections amounted to RM0.51 million which was mainly due to the outstanding receivables from food service operators and resellers.

(ii) Trade payables turnover ratio

A summary of our trade payables for the Periods Under Review is set out as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Average trade payables ⁽¹⁾	6,385	6,310	7,323	6,846
Cost of sales	59,772	68,098	68,121	69,781
Average trade payables turnover period (days) ⁽²⁾	39	34	39	36

12. FINANCIAL INFORMATION (Cont'd)

Notes:

(1) Computed as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening trade payables	7,130	5,639	6,981	7,665
Closing trade payables	5,639	6,981	7,665	6,026
Average trade payables	6,385	6,310	7,323	6,846

(2) Computed based on average of the opening and closing trade payables as at the end of the respective financial year divided by the total cost of sales of the respective financial year, multiplied by 365 days for each financial year.

We deal with our suppliers comprising material suppliers on credit terms. Our suppliers generally grant us credit terms as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Normal credit terms (days)	30 to 90	30 to 90	30 to 90	30 to 90

Our average trade payables turnover period decreased from 39 days in FYE 2022 to 34 days in FYE 2023, mainly due to the higher cost of sales arising from increased sales from our distribution and retail segment during FYE 2023.

Our average trade payables turnover period increased from 34 days in FYE 2023 to 39 days in FYE 2024, mainly due to higher purchases at the end of FYE 2024 to stock up for expected demand for festive season. This is reflected in the higher purchases of input materials and products during the last quarter of FYE 2024 which increased by 19.46% compared to the last quarter of FYE 2023.

Our average trade payables turnover period decreased from 39 days in FYE 2024 to 36 days in FYE 2025, mainly due to the lower purchases at the end of FYE 2025. This is reflected in the lower purchases of input materials and products during the last quarter of FYE 2025, which decreased by 18.13% compared to the last quarter of FYE 2024.

The ageing analysis of our trade payables as at 31 July 2025 and the subsequent payments up to the LPD are set out below:

		Exceeded Credit Period				
	Within Credit Period	1-30 days	31-60 days	61-90 days	More than 90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	3,178	1,640	778	143	287	6,026
% of total trade payables	52.74	27.22	12.91	2.37	4.76	100.00
Subsequent payments as at the LPD	(3,048)	(1,640)	(778)	(143)	(287)	(5,896)
Trade payables net of subsequent payments	130	-	-	-	-	130

12. FINANCIAL INFORMATION (Cont'd)

	Exceeded Credit Period					Total
	Within	1-30	31-60	61-90	More	
	Credit Period	days	days	days	than 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
% of total trade payables net of subsequent payments	100.00	-	-	-	-	100.00

As at the LPD, RM5.90 million or 97.84% of our total trade payables outstanding as at 31 July 2025 have been paid to suppliers. The remaining trade payables that are still outstanding as at the LPD accounted for 2.16% of our total trade payables as at 31 July 2025, are still within the credit period.

(iii) Inventory turnover ratio

The breakdown of our inventories for the Periods Under Review is set out as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Total inventory	3,095	6,820	12,678	15,243
<i>Consisting of:</i>				
- Trading goods	2,086	5,137	10,344	12,056
- Raw materials	828	1,245	1,743	2,425
- Finished goods	181	438	591	762
Average inventory ⁽¹⁾	3,010	4,958	9,749	13,961
Cost of sales	59,772	68,098	68,121	69,781
Average inventory turnover period (days) ⁽²⁾	18	27	52	73

Notes:

(1) Computed as follow:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening inventory	2,925	3,095	6,820	12,678
Closing inventory	3,095	6,820	12,678	15,243
Average inventory	3,010	4,958	9,749	13,961

(2) Computed based on average of the opening and closing inventories as at the end of the respective financial year divided by the total cost of sales of the respective financial year, multiplied by 365 days for each financial year.

12. FINANCIAL INFORMATION (Cont'd)

Our inventory comprises the following:

- Trading goods comprising finished products sourced from our suppliers for our distribution and retail operations where we resell them without any further processing;
- Raw materials including vegetables, cooking oil and flavouring ingredients which are used as the input materials for our in-house manufactured flavouring products; and
- Finished goods comprise our in-house manufactured flavouring products.

Our average inventory turnover period increased from 18 days in FYE 2022 to 27 days in FYE 2023, mainly due to higher trading goods purchased to cater to our business growth in the subsequent months. This was reflected in the revenue growth of 51.98% during the first half of FYE 2024.

Our average inventory turnover period increased from 27 days in FYE 2023 to 52 days in FYE 2024, mainly due to higher inventory at the end of FYE 2024 to stock up for expected demand for festive season.

Our average inventory turnover period increased from 52 days in FYE 2024 to 73 days in FYE 2025, mainly due to higher inventory as at the end of FYE 2025. This was mainly due to the inventories of high-value trading goods such as shark fin and abalone for expected demand for festive season.

(iv) Current ratio

The summary of our current ratio for the Periods Under Review is as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FYE 2025</u>
Current assets (RM'000)	22,307	26,794	29,276	33,480
Current liabilities (RM'000)	9,643	10,690	10,273	8,791
Current ratio (times) ⁽¹⁾	2.31	2.51	2.85	3.81

Note:

(1) *Computed based on the current assets over the current liabilities as at the end of the financial year.*

As at 31 July 2023, our current ratio was 2.51 times, which was higher than 2.31 times as at 31 July 2022. This was mainly attributed to the inventories of trading goods which increased by RM3.05 million as at the end of FYE 2023.

As at 31 July 2024, our current ratio was 2.85 times, which was higher than 2.51 times as at 31 July 2023. This was mainly attributed to the inventories of trading goods which increased by RM5.21 million as at the end of FYE 2024. In addition, our current liabilities were lower as at the end of FYE 2024, mainly attributed to absence of amount owing to directors.

As at 31 July 2025, our current ratio was 3.81 times, which was higher than 2.85 times as at 31 July 2024. This was mainly attributed to the lower trade payables, as there were lower purchases at the end of FYE 2025. In addition, the higher current ratio was partly attributed to the increased trade receivables and inventories as at the end of FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**(v) Gearing ratio**

The summary of our gearing ratio for the Periods Under Review is as follows:-

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Bank borrowings (RM'000)	8,501	8,566	22,949	21,506
Total equity (RM'000)	23,423	27,773	35,359	42,584
Gearing ratio (times) ⁽¹⁾	0.36	0.31	0.65	0.51

Note:

- (1) Computed based on the total borrowings including term loans and hire purchase (excluding lease liabilities for right-of-use assets arising from rental of properties) over the total equity as at the end of the respective financial year. For FYE 2022, the total borrowings also include bank overdrafts.

Our gearing ratio remained relatively consistent at 0.36 times as at 31 July 2022 and 0.31 times as at 31 July 2023.

As at 31 July 2024, our gearing ratio was 0.65 times, which was higher than 0.31 times as at 31 July 2023. This was mainly attributed to the drawdown of term loans for the acquisition of Property 8794 (for the setting up of New Integrated Complex) and Property 1587 (for the setting up of New Krubong Facility).

As at 31 July 2025, our gearing ratio was 0.51 times, which was lower than 0.65 times as at 31 July 2024. This was mainly attributed to the higher retained profits which increased from RM33.31 million as at 31 July 2024 to RM40.53 million as at 31 July 2025, mainly arising from higher net profits generated during FYE 2025.

12.7 ACCOUNTING POLICIES AND AUDIT QUALIFICATION

There was no accounting policy adopted which is peculiar to our Group because of the nature of our business or the industry we operate in during the Periods Under Review. The Accountants' Report did not contain any audit qualification for the Periods Under Review.

12.8 TREND ANALYSIS

As at the LPD, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

- (i) 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 financial performance, position, operations, liquidity and capital resources, saved as disclosed in this section, and Sections 7 and 9 of this Prospectus;
- (ii) material commitment for capital expenditure;
- (iii) 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 disclosed in this section, and Sections 7 and 9 of this Prospectus;
- (iv) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and/ or profits, save as disclosed in this section, and Sections 7 and 9 of this Prospectus; and

12. FINANCIAL INFORMATION (Cont'd)

- (v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not indicative of the future financial performance and position, save as disclosed in this section, Sections 7 and 9 of this Prospectus.

12.9 ORDER BOOK

We do not maintain an order book as we are involved in the distribution and retail business whereby our sales are carried out based on purchased orders received from our customers on an on-going basis as well as walk-in sales at our retail outlet.

12.10 DIVIDEND POLICY

It is the intention of our Board to recommend and distribute dividends of up to 30% of our annual audited profit after tax attributable to the shareholders. Nonetheless, it is not a legally binding obligation/ guaranteed commitment to the shareholders.

As we are a holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our subsidiaries, present and future.

The payment of dividends by our Subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of directors deem relevant. Save for certain banking restrictive covenants, which our Subsidiaries are subject to, there is no other dividend restriction imposed on our Subsidiaries as at LPD.

In addition to the factors above which may affect the ability of our Subsidiaries to pay dividends to us, our Board will also consider, among others the following, when recommending the actual dividends for approval by shareholders or when declaring any interim dividends:

- (i) the level of our cash, gearing, return on equity and retained earnings;
- (ii) our expected financial performance;
- (iii) our working capital requirements;
- (iv) our other investment plans;
- (v) any material impact of tax laws and other regulatory requirements; and
- (vi) any restrictive covenants contained in our current and future financing arrangements.

The payment and amount of any dividends and distributions to our shareholders will be at the discretion of our Board and will depend on the factors mentioned above (which may not be exhaustive). There is no assurance as to whether the dividend distribution will occur as intended, the amount of dividend payment or timing of such payment.

Kindly refer to Section 9.3 of this Prospectus for risks relating to investments in our Shares and our Listing.

12. FINANCIAL INFORMATION (Cont'd)

The following table sets out the dividends paid by our Group for the Periods Under Review, and the corresponding dividend payout ratio:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 August 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Total dividend declared	-	-	800 ⁽¹⁾	-	-
PAT	3,998	4,350	6,736	7,225	-
Dividend payout ratio ⁽²⁾	-	-	11.88%	-	-

Notes:

(1) The dividends were paid in FYE 2024.

(2) Computed based on dividends declared divided by PAT.

The dividends distributed for the past FYE 2022 to FYE 2024 were funded entirely from internally generated funds and paid out of the retained earnings of our Group. The declaration of such dividends would not affect the execution and implementation of our Group's future plans or strategies moving forward. Together with the IPO proceeds, we believe that we have sufficient funding of cash from operations and bank borrowings for the funding requirement for our operations and our expansion plans. Further, as at the LPD, there are no dividends which have been declared by our Group but not paid. Our Company does not intend to declare any dividend prior to our Listing.

No inference should or can be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

12.11 SIGNIFICANT CHANGES

Save as disclosed in this Prospectus, there are no significant changes that have occurred which may have a material effect on our financial position and results of operations subsequent to the FYE 2025 and up to the LPD.

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13. ACCOUNTANTS' REPORT



15 DEC 2025

The Board of Directors
Guan Huat Seng Holdings Berhad
Bangunan GHS
388A, Jalan Tengker
Taman Siantan
75200 Melaka
Melaka

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
52 Jalan Kota Laksamana 2/15
Taman Kota Laksamana, Seksyen 2
75200 Melaka
Malaysia
Main +6 06 282 5995
Fax +6 06 283 6449
www.crowe.my

Dear Sirs

REPORTING ACCOUNTANTS' OPINION ON THE FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF GUAN HUAT SENG HOLDINGS BERHAD ("GHS HOLDINGS" OR "THE COMPANY")

OPINION

We have audited the financial information of the Company and its subsidiaries (collectively known as "the Group") which comprises the following:

- (i) The combined statements of financial position as at 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025, combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the financial years ended ("FYE") 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025, as set out in pages 5 to 11; and
- (ii) Notes to the combined financial statements, including a summary of material accounting policy information and other explanatory information, as set out in pages 12 to 80.

This historical financial information has been prepared for inclusion in the prospectus of GHS Holdings in connection with the listing and quotation for the entire enlarged issued share capital of GHS Holdings on the ACE Market of Bursa Malaysia Securities Berhad. This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia (the "Prospectus Guidelines") and is given for the purpose of complying with Chapter 10, Part II, Division 1: Equity of the Prospectus Guidelines and for no other purpose.

In our opinion, the financial information gives a true and fair view of the financial position of the Group as at 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025 and of their financial performance and their cash flows for each of the FYE 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025 in accordance with the Malaysian Financial Reporting Standards and the IFRS Accounting Standards.

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 Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

13. ACCOUNTANTS' REPORT (Cont'd)**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.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION

The Directors of the Group are responsible for the preparation of the financial information of the Group that give a true and fair view in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial information of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the financial information 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 FINANCIAL INFORMATION

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

13. ACCOUNTANTS' REPORT (Cont'd)**REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL INFORMATION (CONT'D)**

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

- Identify and assess the risks of material misstatement of the financial information 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 report to the related disclosures in the financial information 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information of the Group, including the disclosures, and whether the financial information 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

13. ACCOUNTANTS' REPORT (Cont'd)



RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Group for inclusion in the prospectus of GHS Holdings in connection with the listing and quotation for the enlarged issued share capital of GHS Holdings on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without prior written consent. We do not assume responsibility to any other person for the content of this report.

A stylized, handwritten signature in black ink, likely representing the firm Crowe Malaysia PLT.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Melaka

A stylized, handwritten signature in black ink, likely representing the Chartered Accountant Piong Yew Peng.

Piong Yew Peng
03070/06/2027 J
Chartered Accountant

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION

		Audited			
		As at 31 July			
	NOTE	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	17,235	18,325	36,987	37,030
Investment property	5	41	40	-	-
Right-of-use assets	6	1,570	1,064	1,059	783
Intangible assets	7	14	10	22	61
Deferred tax assets	8	403	382	329	361
		<u>19,263</u>	<u>19,821</u>	<u>38,397</u>	<u>38,235</u>
CURRENT ASSETS					
Inventories	9	3,095	6,820	12,678	15,243
Trade receivables	10	8,029	8,992	9,960	11,578
Other receivables, deposits and prepayments	11	1,701	2,495	928	1,034
Fixed deposits with licensed banks	12	5,577	3,775	3,020	729
Cash and bank balances		3,905	4,712	2,690	4,896
		<u>22,307</u>	<u>26,794</u>	<u>29,276</u>	<u>33,480</u>
Asset classified as held for sale	13	-	-	39	-
		<u>22,307</u>	<u>26,794</u>	<u>29,315</u>	<u>33,480</u>
TOTAL ASSETS		<u>41,570</u>	<u>46,615</u>	<u>67,712</u>	<u>71,715</u>
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	-	-	-	*
Invested capital	14	400	400	2,050	2,050
Retained profits		23,023	27,373	33,309	40,534
TOTAL EQUITY		<u>23,423</u>	<u>27,773</u>	<u>35,359</u>	<u>42,584</u>
NON-CURRENT LIABILITIES					
Lease liabilities	15	767	327	320	52
Long-term borrowings	16	7,496	7,554	21,462	19,960
Deferred tax liabilities	8	241	271	298	328
		<u>8,504</u>	<u>8,152</u>	<u>22,080</u>	<u>20,340</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

		Audited			
		As at 31 July			
	NOTE	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
CURRENT LIABILITIES					
Trade payables	19	5,639	6,981	7,665	6,026
Other payables, deposits and accruals	20	394	526	892	826
Amount owing to directors	21	1,750	1,368	-	-
Lease liabilities	15	158	67	83	47
Current tax liabilities		697	736	146	346
Short-term borrowings	22	1,005	1,012	1,487	1,546
		<u>9,643</u>	<u>10,690</u>	<u>10,273</u>	<u>8,791</u>
TOTAL LIABILITIES		<u>18,147</u>	<u>18,842</u>	<u>32,353</u>	<u>29,131</u>
TOTAL EQUITY AND LIABILITIES		<u>41,570</u>	<u>46,615</u>	<u>67,712</u>	<u>71,715</u>
Number of ordinary shares ('000) #		353,500	353,500	353,500	353,500
Net assets ("NA") attributable to owners of the Company (RM'000)		23,423	27,773	35,359	42,584
NA per ordinary share attributable to owners of the Company (sen)		<u>6.63</u>	<u>7.86</u>	<u>10.00</u>	<u>12.05</u>

Notes :

(*) – Denotes RM100

(#) – Assumed to be the number of ordinary shares after the acquisitions of GHS Heng Kee and GHS Food Industries but before public issue.

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13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	NOTE	Audited FYE 31 July			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
REVENUE	24	71,218	81,344	84,822	93,113
COST OF SALES		(59,772)	(68,098)	(68,121)	(69,781)
GROSS PROFIT ("GP")		11,446	13,246	16,701	23,332
OTHER INCOME		278	151	1,398	209
		11,724	13,397	18,099	23,541
ADMINISTRATIVE EXPENSES		(4,747)	(5,738)	(7,253)	(10,353)
SELLING AND DISTRIBUTION EXPENSES		(718)	(765)	(854)	(1,094)
OTHER OPERATING EXPENSES		(642)	(625)	(672)	(774)
FINANCE COSTS		(321)	(390)	(693)	(932)
NET REVERSAL/(ADDITION) OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	25	-	*	61	(94)
PROFIT BEFORE TAXATION ("PBT")	26	5,296	5,879	8,688	10,294
INCOME TAX EXPENSE	27	(1,298)	(1,529)	(1,952)	(3,069)
PROFIT AFTER TAXATION ("PAT")/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		3,998	4,350	6,736	7,225

Note :

(*) – Denotes amount less than RM500

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONT'D)**

	NOTE	Audited			
		FYE 31 July			
		2022	2023	2024	2025
GP Margin (%)		16.07	16.28	19.69	25.06
PBT Margin (%)		7.44	7.23	10.24	11.06
PAT Margin (%)		5.61	5.35	7.94	7.76
Effective tax rate (%)		24.51	26.01	22.47	29.81
Earnings before interest, tax, depreciation and amortisation ("EBITDA") (RM'000)		6,382	7,086	10,345	12,255
Number of ordinary shares ('000) #		353,500	353,500	353,500	353,500
Basic and diluted earnings per share ("EPS") (sen)	28	1.13	1.23	1.91	2.04

Note :

(#) – Assumed to be the number of ordinary shares after the acquisitions of GHS Heng Kee and GHS Food Industries but before public issue.

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13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**COMBINED STATEMENTS OF CHANGES IN EQUITY**

<u>Audited</u>	NOTE	Share Capital RM'000	Invested Capital RM'000	Retained Profits RM'000	Total Equity RM'000
Balance at 1.8.2021		-	400	19,025	19,425
PAT/Total comprehensive income for the financial year		-	-	3,998	3,998
Balance at 31.7.2022/1.8.2022		-	400	23,023	23,423
PAT/Total comprehensive income for the financial year		-	-	4,350	4,350
Balance at 31.7.2023/1.8.2023		-	400	27,373	27,773
PAT/Total comprehensive income for the financial year		-	-	6,736	6,736
Issuance of shares	14	-	1,650	-	1,650
Dividends	29	-	-	(800)	(800)
Total contributions by and distributions to owners		-	1,650	(800)	850
Balance at 31.7.2024/1.8.2024		-	2,050	33,309	35,359
Issuance of shares	14	*	-	-	*
PAT/Total comprehensive income for the financial year		-	-	7,225	7,225
Balance at 31.7.2025/1.8.2025		*	2,050	40,534	42,584

Note :

(*) – Denotes RM100

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS

	Audited			
	FYE 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	5,296	5,879	8,688	10,294
Adjustment for:-				
Amortisation of intangible assets	19	4	23	35
Depreciation of property, plant and equipment	639	808	937	932
Depreciation for investment property	1	1	1	-
Depreciation of right-of-use assets	174	83	82	93
Gain on derecognition due to lease modification	-	(44)	-	-
Gain on lease termination	-	-	-	(38)
Interest expenses	281	369	675	914
Interest expense on lease liabilities	40	21	18	18
Gain on disposal of property, plant and equipment	-	-	(6)	-
Loss on disposal of asset held for sale	-	-	-	*
Unrealised (gain)/loss on foreign exchange	-	-	(122)	87
Interest income	(68)	(79)	(79)	(31)
(Reversal)/Addition of impairment losses on trade receivables	-	*	(61)	94
Operating income before working capital changes	6,382	7,042	10,156	12,398
Increase in inventories	(170)	(3,725)	(5,858)	(2,565)
Increase in trade and other receivables	(2,794)	(157)	(940)	(1,763)
(Decrease)/Increase in trade and other payables	(1,431)	1,474	1,172	(1,792)
CASH FROM OPERATIONS	1,987	4,634	4,530	6,278
Income tax paid	(1,049)	(1,439)	(2,462)	(2,888)
Income tax refunded	-	-	-	17
NET CASH FROM OPERATING ACTIVITIES	938	3,195	2,068	3,407

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

	NOTE	Audited FYE 31 July			
		2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
CASH FLOWS FOR INVESTING ACTIVITIES					
Interest received		68	79	79	31
Proceeds from disposal of property, plant and equipment		-	-	6	-
Proceeds from disposal of asset held for sale		-	-	-	39
Purchase of property, plant and equipment	30(a)	(2,749)	(3,355)	(17,849)	(839)
Purchase of intangible assets	30(a)	(22)	-	(35)	(74)
NET CASH FOR INVESTING ACTIVITIES		(2,703)	(3,276)	(17,799)	(843)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid		-	-	(800)	-
Drawdown of term loans	30(b)	1,445	936	15,389	-
Interest paid	30(b)	(321)	(390)	(693)	(932)
Proceeds from issuance of ordinary shares		-	-	450	-
Repayment of amount owing to directors	30(b)	(13)	(382)	(168)	-
Repayment of hire purchase obligation	30(b)	(49)	(54)	(73)	(102)
Repayment of lease liabilities	30(b)	(143)	(64)	(68)	(83)
Repayment of term loans	30(b)	(803)	(892)	(1,083)	(1,532)
NET CASH FROM/(FOR) FINANCING ACTIVITIES		116	(846)	12,954	(2,649)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,649)	(927)	(2,777)	(85)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		11,063	9,414	8,487	5,710
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	30(d)	9,414	8,487	5,710	5,625

Note :

(*) – Denotes amount less than RM500

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS**1. ABBREVIATIONS**

Unless the context otherwise requires, the following abbreviations shall apply throughout this report:

Abbreviations

GHS Holdings or the Company	Guan Huat Seng Holdings Berhad Registration No: 202401045966 (1591812-A)
GHS Heng Kee	Guan Huat Seng (Heng Kee) Sdn. Bhd. Registration No: 197901004575 (48774-P)
GHS Food Industries	GHS Food Industries Sdn. Bhd. Registration No: 201501028706 (1154027-X)
GHS Group or the Group	GHS Holdings, GHS Heng Kee and GHS Food Industries collectively
MASB	Malaysian Accounting Standards Board
MFRS	Malaysian Financial Reporting Standards
MPERS	Malaysian Private Entity Reporting Standards
FPE	Financial Period Ended
FYE	Financial Year Ended
GHS Shares or Shares	Ordinary shares in GHS Holdings
RM and Sen	Ringgit Malaysia and sen, respectively
CA 2016	Companies Act 2016

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**2. GENERAL INFORMATION****2.1 INCORPORATION AND PRINCIPAL ACTIVITIES**

The Company was incorporated in Malaysia under the CA 2016 on 1 November 2024 as a private limited company under the name of Guan Huat Seng Holdings Sdn. Bhd.. The Company is domiciled in Malaysia and is principally engaged in investment holding. On 11 March 2025, the Company was converted to a public limited company under the name of Guan Huat Seng Holdings Berhad.

The registered office and principal place of business of the Company are as follows:-

Registered office	:	Suite 5.11 & 5.12 5 th Floor, Menara TJB No. 9, Jalan Syed Mohd. Mufti 80888 Ibrahim International Business District Johor
Principal place of business	:	Bangunan GHS 388A, Jalan Tengker Taman Siantan 75200 Melaka Melaka

The combined financial statements are presented in RM, which is the Group's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

For the purpose of listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad (hereinafter defined as "the Listing"), the Company undertook the acquisition of subsidiaries as disclosed in Note 35 to the combined financial statements.

Details of the subsidiaries are as follow:-

Name of subsidiary	Date and place of incorporation	Effective equity interest %	Issued share capital RM	Principal activities
GHS Heng Kee	6 July 1979 Malaysia	100	500,000	Engaged in the business of distribution and retail of food products.
GHS Food Industries	3 August 2015 Malaysia	100	1,550,000	Engaged in the business of manufacturing of food products.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION****3.1 BASIS OF PREPARATION**

For the purposes of inclusion of combined financial statements in the prospectus of GHS Holdings in connection with the Listing, the financial statements comprise the combined statements of financial position as at 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025, combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the FYE 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. 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 combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of common controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The combined financial statements of the Group for the relevant period were prepared in a manner similar to the merger method, as if the entities within the Group 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 entities within the Group, if later. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant period.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs. The accounting policies of common controlled entities have been changed where necessary to align them with the policies adopted by the Group.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.1 BASIS OF PREPARATION (CONT'D)**

These combined financial statements of the Group are the combination or aggregation of all of the financial statements of the entities of the Group and have been prepared based on the financial statements for the relevant financial years/periods as follows:

Company	Relevant financial years/periods	Accounting standards applied	Auditors
GHS Holdings	FPE from 1 November 2024 to 31 July 2025	MFRS	Crowe Malaysia PLT
GHS Heng Kee	FYE 31 July 2022	MPERS	A.D. Chun & Co.
	FYE 31 July 2023	MPERS	A.D. Chun & Co.
	FYE 31 July 2024	MFRS	Crowe Malaysia PLT
	FYE 31 July 2025	MFRS	Crowe Malaysia PLT
GHS Food Industries	FYE 30 September 2022	MPERS	A.D. Chun & Co.
	FYE 30 September 2023	MPERS	A.D. Chun & Co.
	FPE from 1 October 2023 to 31 July 2024	MFRS	Crowe Malaysia PLT
	FYE 31 July 2025	MFRS	Crowe Malaysia PLT

The financial statements of GHS Heng Kee for FYE 31 July 2022 and 31 July 2023 were re-produced by its directors to comply with MFRSs. The financial statements were re-audited by Crowe Malaysia PLT for the purpose of inclusion in the prospectus of GHS Holdings in connection with the Listing and should not be relied upon for any other purpose.

The directors of GHS Food Industries re-produced the financial statements for FYE 31 July 2022, 31 July 2023 and 31 July 2024 to align to the financial year end of GHS Holdings and to be in compliance with MFRSs. The financial statements were re-audited by Crowe Malaysia PLT for the purpose of inclusion in the prospectus of GHS Holdings in connection with the Listing and should not be relied upon for any other purpose.

The separate statutory audited financial statements of GHS Holdings, GHS Heng Kee and GHS Food Industries were not subject to any modified audit opinions.

The combined financial statements for the FYE 31 July 2022, 31 July 2023 and 31 July 2024 do not include GHS Holdings as it was only incorporated on 1 November 2024.

All material intra-group transactions and balances have been eliminated on combination.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.2 NEW MFRSS, AMENDMENT TO MFRSS AND IC INTERPRETATIONS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE**

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial year:-

MFRSS and/or IC Interpretations (Including The Consequential Amendments)

	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the combined financial statements of the Group upon their initial application.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION

(i) Critical Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Write-down of Inventories

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

(c) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(i) Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below (cont'd):-

(d) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(e) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD (Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(i) Critical Accounting Estimates and Judgements (Cont'd)

Critical Judgement Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the combined financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(ii) Financial Instruments

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(ii) Financial Instruments (Cont'd)

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(iii) Basis of Consolidation

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve.

(iv) Investments in Subsidiaries

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****(v) Property, Plant and Equipment**

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	2%
Electrical installations	10%
Furniture and fittings	10%
Motor vehicles	20%
Office equipment	10%
Plant and machineries	10% - 20%
Signboard	10%
Renovation	10%

Capital work-in-progress represents freehold land and building with outstanding financial obligation. The building is not depreciated until such time when the asset is available for use.

(vi) Investment Property

Investment property is initially measured at cost. Subsequent to the initial recognition, the investment property are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on investment property is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation rate is:-

Building	2%
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13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(vii) Right-of-use Assets and Lease Liabilities

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjustment 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 estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

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 entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

(viii) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****(ix) Impairment****(a) Impairment of Financial Assets**

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, as well as on trade receivables.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(ix) Impairment (Cont'd)

(b) Impairment of Non-Financial Assets (Cont'd)

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

(x) Income Taxes

(a) Current Tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax is recognised using the liability method for temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(x) Income Taxes (Cont'd)

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

(xi) Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(xii) Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(xiii) Revenue From Contracts with Customers

Revenue from contracts with customers is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Sales of Goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

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

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**4. PROPERTY, PLANT AND EQUIPMENT**

<u>Audited</u>	At 1.8.2021 RM'000	Additions (Note 30(a)) RM'000	Depreciation Charges (Note 26) RM'000	At 31.7.2022 RM'000
<i>Carrying Amount</i>				
Freehold land	5,003	-	-	5,003
Buildings	7,835	-	(161)	7,674
Electrical installation	11	3	(3)	11
Furniture and fittings	318	127	(56)	389
Motor vehicles	48	78	(58)	68
Office equipment	657	217	(119)	755
Plant and machineries	1,081	413	(214)	1,280
Signboard	43	-	(6)	37
Renovation	79	-	(22)	57
Capital work-in-progress	-	1,961	-	1,961
	15,075	2,799	(639)	17,235

<u>Audited</u>	At 1.8.2022 RM'000	Additions (Note 30(a)) RM'000	Reclassification RM'000	Depreciation Charges (Note 26) RM'000	At 31.7.2023 RM'000
<i>Carrying Amount</i>					
Freehold land	5,003	-	1,500	-	6,503
Buildings	7,674	-	1,418	(220)	8,872
Electrical installation	11	1	-	(4)	8
Furniture and fittings	389	99	-	(65)	423
Motor vehicles	68	250	-	(71)	247
Office equipment	755	243	-	(146)	852
Plant and machineries	1,280	348	-	(281)	1,347
Signboard	37	-	-	(5)	32
Renovation	57	-	-	(16)	41
Capital work-in-progress	1,961	957	(2,918)	-	-
	17,235	1,898	-	(808)	18,325

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<u>Audited</u>	At 1.8.2023 RM'000	Additions (Note 30(a)) RM'000	Disposal RM'000	Depreciation Charges (Note 26) RM'000	At 31.7.2024 RM'000
<i>Carrying Amount</i>					
Freehold land	6,503	18,070	-	-	24,573
Buildings	8,872	-	-	(269)	8,603
Electrical installation	8	6	-	(3)	11
Furniture and fittings	423	3	-	(65)	361
Motor vehicles	247	207	-	(97)	357
Office equipment	852	212	*	(151)	913
Plant and machineries	1,347	712	-	(297)	1,762
Signboard	32	71	-	(11)	92
Renovation	41	318	-	(44)	315
	18,325	19,599	*	(937)	36,987

<u>Audited</u>	At 1.8.2024 RM'000	Additions (Note 30(a)) RM'000	Depreciation Charges (Note 26) RM'000	At 31.7.2025 RM'000
<i>Carrying Amount</i>				
Freehold land	24,573	-	-	24,573
Buildings	8,603	-	(199)	8,404
Electrical installation	11	17	(3)	25
Furniture and fittings	361	17	(65)	313
Motor vehicles	357	256	(126)	487
Office equipment	913	242	(165)	990
Plant and machineries	1,762	44	(292)	1,514
Signboard	92	11	(12)	91
Renovation	315	388	(70)	633
	36,987	975	(932)	37,030

Note :

(*) – Denotes amount less than RM500

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<u>Audited</u>	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
At 31.7.2022			
<i>Carrying Amount</i>			
Freehold land	5,003	-	5,003
Buildings	8,515	(841)	7,674
Electrical installation	128	(117)	11
Furniture and fittings	728	(339)	389
Motor vehicles	603	(535)	68
Office equipment	1,990	(1,235)	755
Plant and machineries	2,863	(1,583)	1,280
Signboard	56	(19)	37
Renovation	581	(524)	57
Capital work-in-progress	1,961	-	1,961
	22,428	(5,193)	17,235

<u>Audited</u>	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
At 31.7.2023			
<i>Carrying Amount</i>			
Freehold land	6,503	-	6,503
Buildings	9,933	(1,061)	8,872
Electrical installation	129	(121)	8
Furniture and fittings	827	(404)	423
Motor vehicles	853	(606)	247
Office equipment	2,233	(1,381)	852
Plant and machineries	3,211	(1,864)	1,347
Signboard	56	(24)	32
Renovation	581	(540)	41
	24,326	(6,001)	18,325

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<u>Audited</u>	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
At 31.7.2024			
<i>Carrying Amount</i>			
Freehold land	24,573	-	24,573
Buildings	9,933	(1,330)	8,603
Electrical installation	135	(124)	11
Furniture and fittings	830	(469)	361
Motor vehicles	993	(636)	357
Office equipment	2,445	(1,532)	913
Plant and machineries	3,923	(2,161)	1,762
Signboard	127	(35)	92
Renovation	899	(584)	315
	43,858	(6,871)	36,987

<u>Audited</u>	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
At 31.7.2025			
<i>Carrying Amount</i>			
Freehold land	24,573	-	24,573
Buildings	9,933	(1,529)	8,404
Electrical installation	152	(127)	25
Furniture and fittings	847	(534)	313
Motor vehicles	1,249	(762)	487
Office equipment	2,687	(1,697)	990
Plant and machineries	3,967	(2,453)	1,514
Signboard	138	(47)	91
Renovation	1,287	(654)	633
	44,833	(7,803)	37,030

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

- (a) Included in property, plant and equipment of the Group are the following assets acquired under hire purchase terms. These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 18 to the financial statements:-

<i>Carrying Amount</i>	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Motor vehicles	62	247	357	487

- (b) The following assets have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 17 and 23 to the financial statements:-

<i>Carrying Amount</i>	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Freehold land	5,003	6,503	24,573	24,573
Buildings	7,674	8,872	8,603	8,404
Capital work-in-progress	1,961	-	-	-
	14,638	15,375	33,176	32,977

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****5. INVESTMENT PROPERTY**

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Cost:-				
At 1 August	46	46	46	-
Property classified as held for sale	-	-	(46)	-
At 31 July	46	46	-	-
Accumulated depreciation:-				
At 1 August	4	5	6	-
Depreciation during the financial year	1	1	1	-
Property classified as held for sale	-	-	(7)	-
At 31 July	5	6	-	-
	41	40	-	-
Represented by:-				
Building	41	40	-	-
Fair value	530	530	-	-

- (a) The fair value of the investment property was estimated based on management's estimates. The fair value of investment property is within level 2 of the fair value hierarchy and is arrived at by reference to market evidence of transaction prices for similar properties and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.
- (b) The title of the investment property is held in the name of certain directors of a subsidiary.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

6. RIGHT-OF-USE ASSETS

Audited

	At 1.8.2021 RM'000	Depreciation Charges (Note 26) RM'000	Reassessment/ Modification of Lease Liabilities RM'000	At 31.7.2022 RM'000
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31.7.2022

Carrying Amount

Leasehold land	724	(10)	-	714
Shoplots	427	(51)	-	376
Factory	552	(100)	-	452
Hostel	21	(13)	20	28
	1,724	(174)	20	1,570

Audited

	At 1.8.2022 RM'000	Addition (Note 30(a)) RM'000	Depreciation Charges (Note 26) RM'000	Derecognition Due to Lease Modification RM'000	At 31.7.2023 RM'000
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31.7.2023

Carrying Amount

Leasehold land	714	-	(10)	-	704
Shoplots	376	-	(50)	-	326
Factory	452	-	(5)	(447)	-
Hostel	28	24	(18)	-	34
	1,570	24	(83)	(447)	1,064

13. ACCOUNTANTS' REPORT (Cont'd)
GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
6. RIGHT-OF-USE ASSETS (CONT'D)
Audited

	At 1.8.2023 RM'000	Addition (Note 30(a)) RM'000	Depreciation Charges (Note 26) RM'000	Reassessment/ Modification of Lease Liabilities RM'000	At 31.7.2024 RM'000
31.7.2024					
<i>Carrying Amount</i>					
Leasehold land	704	-	(10)	-	694
Shoplots	326	-	(51)	-	275
Hostel	34	44	(21)	33	90
	<u>1,064</u>	<u>44</u>	<u>(82)</u>	<u>33</u>	<u>1,059</u>

Audited

	At 1.8.2024 RM'000	Addition (Note 30(a)) RM'000	Depreciation Charges (Note 26) RM'000	Derecognition due to Lease Termination RM'000	At 31.7.2025 RM'000
31.7.2025					
<i>Carrying Amount</i>					
Leasehold land	694	-	(9)	-	685
Shoplots	275	-	(51)	(224)	-
Hostel	90	60	(33)	(19)	98
	<u>1,059</u>	<u>60</u>	<u>(93)</u>	<u>(243)</u>	<u>783</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****6. RIGHT-OF-USE ASSETS (CONT'D)**

(a) The Group leases certain parcels of leasehold land, two shoplots, a factory and various hostels of which the leasing activities are summarised below:-

- | | | |
|-------|----------------|---|
| (i) | Leasehold land | The Group has entered into 3 (2024 – 3, 2023 – 3 and 2022 – 3) non-cancellable operating lease agreements for the use of land. The leases are for a period between 85 to 90 (2024 – 85 to 90, 2023 – 85 to 90 and 2022 – 85 to 90) years. |
| (ii) | Shoplots | The Group has leased two shoplots that runs Nil (2024 – 3, 2023 – 3 and 2022 – 3) years, with an option to renew the lease after that date. |
| (iii) | Factory | The Group has leased a factory with Nil (2024 – Nil, 2023 – Nil and 2022 – 5) years contract, with an option to renew the lease after expiry. |
| (iv) | Hostels | The Group has leased a number of hostels with 2 to 3 (2024 – 2 to 3, 2023 – 2 to 3 and 2022 – 2 to 3) years contract, with an option to renew the lease after expiry. |

(b) The leasehold land of the Group has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 17 and 23 to the financial statements.

7. INTANGIBLE ASSETSAudited

	At 1.8.2021 RM'000	Additions (Note 30(a)) RM'000	Amortisation Charges (Note 26) RM'000	At 31.7.2022 RM'000
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Carrying Amount

Trademarks	11	22	(19)	14
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Audited

	At 1.8.2022 RM'000	Amortisation Charges (Note 26) RM'000	At 31.7.2023 RM'000
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Carrying Amount

Trademarks	14	(4)	10
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13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****7. INTANGIBLE ASSETS (CONT'D)**

<u>Audited</u>	At 1.8.2023 RM'000	Additions (Note 30(a)) RM'000	Amortisation Charges (Note 26) RM'000	At 31.7.2024 RM'000
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Carrying Amount

Trademarks	10	35	(23)	22
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<u>Audited</u>	At 1.8.2024 RM'000	Additions (Note 30(a)) RM'000	Amortisation Charges (Note 26) RM'000	At 31.7.2025 RM'000
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Carrying Amount

Trademarks	22	74	(35)	61
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<u>Audited</u>	At Cost RM'000	Accumulated Amortisation RM'000	Carrying Amount RM'000
At 31 July 2022			
Trademarks	54	(40)	14

<u>Audited</u>	At Cost RM'000	Accumulated Amortisation RM'000	Carrying Amount RM'000
At 31 July 2023			
Trademarks	54	(44)	10

<u>Audited</u>	At Cost RM'000	Accumulated Amortisation RM'000	Carrying Amount RM'000
At 31 July 2024			
Trademarks	89	(67)	22

<u>Audited</u>	At Cost RM'000	Accumulated Amortisation RM'000	Carrying Amount RM'000
At 31 July 2025			
Trademarks	163	(102)	61

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****8. DEFERRED TAX (ASSETS)/LIABILITIES**

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities	241	271	298	328
Deferred tax assets	(403)	(382)	(329)	(361)
	<u>(162)</u>	<u>(111)</u>	<u>(31)</u>	<u>(33)</u>

The table above is the analysis of deferred tax balances for the financial reporting purposes. For the purpose of presentation in the combined statements of financial position, certain deferred tax assets and liabilities have been offset in the table below.

<u>Audited</u>	At 1.8.2021 RM'000	Recognised in Profit or Loss (Note 27) RM'000	At 31.7.2022 RM'000
2022			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	291	83	374
Right-of-use assets	241	(36)	205
	<u>532</u>	<u>47</u>	<u>579</u>
<i>Deferred Tax Assets</i>			
Lease liabilities	(252)	30	(222)
Provisions	(519)	-	(519)
	<u>(771)</u>	<u>30</u>	<u>(741)</u>
	<u>(239)</u>	<u>77</u>	<u>(162)</u>

<u>Audited</u>	At 1.8.2022 RM'000	Recognised in Profit or Loss (Note 27) RM'000	At 31.7.2023 RM'000
2023			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	374	42	416
Right-of-use assets	205	(118)	87
	<u>579</u>	<u>(76)</u>	<u>503</u>
<i>Deferred Tax Assets</i>			
Lease liabilities	(222)	127	(95)
Provisions	(519)	-	(519)
	<u>(741)</u>	<u>127</u>	<u>(614)</u>
	<u>(162)</u>	<u>51</u>	<u>(111)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****8. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)**AuditedRecognised in
Profit or Loss
(Note 27)
RM'000At 1.8.2023
RM'000At 31.7.2024
RM'000**2024***Deferred Tax Liabilities*Property, plant and equipment
Right-of-use assets
Others

416	38	454
87	1	88
-	29	29
503	68	571

*Deferred Tax Assets*Lease liabilities
Provisions

(95)	(2)	(97)
(519)	14	(505)
(614)	12	(602)
(111)	80	(31)

AuditedRecognised in
Profit or Loss
(Note 27)
RM'000At 1.8.2024
RM'000At 31.7.2025
RM'000**2025***Deferred Tax Liabilities*Property, plant and equipment
Right-of-use assets
Others

454	31	485
88	(25)	63
29	(20)	9
571	(14)	557

*Deferred Tax Assets*Lease liabilities
Provisions

(97)	34	(63)
(505)	(22)	(527)
(602)	12	(590)
(31)	(2)	(33)

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**9. INVENTORIES**

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
At cost:-				
Trading goods	2,086	5,137	10,344	12,056
Raw materials	828	1,245	1,743	2,425
Finished goods	181	438	591	762
	<u>3,095</u>	<u>6,820</u>	<u>12,678</u>	<u>15,243</u>
Recognised in profit or loss:-				
Inventories recognised as cost of sales	<u>59,772</u>	<u>68,098</u>	<u>68,121</u>	<u>69,781</u>

10. TRADE RECEIVABLES

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Third parties	10,686	11,649	12,556	14,268
Less: Allowance for impairment loss (Note 34.1(b)(iii))	(2,657)	(2,657)	(2,596)	(2,690)
Net trade receivables	<u>8,029</u>	<u>8,992</u>	<u>9,960</u>	<u>11,578</u>

The Group's normal trade credit terms range from 30 to 90 (2024 – 30 to 90, 2023 – 30 to 90 and 2022 – 30 to 90) days.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Other receivables	508	488	58	81
Deposits	210	1,755	134	150
Prepayments	116	116	166	704
Advances to suppliers	867	136	570	99
	<u>1,701</u>	<u>2,495</u>	<u>928</u>	<u>1,034</u>

The advances to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

12. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates of 2.35% (2024 – 2.10% to 3.40%, 2023 – 2.10% to 2.90% and 2022 – 1.50% to 1.95%) per annum. The fixed deposits have average maturity periods of 30 to 90 (2024 – 30 to 90, 2023 – 30 to 90 and 2022 – 30 to 90) days.

13. ASSET CLASSIFIED AS HELD FOR SALE

During the FYE 31 July 2024, GHS Heng Kee decided to dispose the investment property located at No. 6, Jalan Hang Lekiu, 75200 Melaka. Accordingly, the investment property has been presented in the combined statement of financial position as "Asset classified as held for sale", measured at its carrying value before it was reclassified as held for sale.

On 28 January 2025, GHS Heng Kee entered into a conditional sale and purchase agreement with a director of GHS Heng Kee and a director of GHS Heng Kee and GHS Food Industries ("the Purchasers") to dispose the investment property at a cash consideration of RM39,000. The disposal was completed on 1 July 2025.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**14. SHARE CAPITAL AND INVESTED CAPITAL****(a) Share Capital**

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	Number of shares ('000)			
Issued And Fully Paid-Up				
<i>Ordinary Shares</i>				
At 1 August	-	-	-	-
Issuance of new shares	-	-	-	^
At 31 July	-	-	-	^

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Issued And Fully Paid-Up				
<i>Ordinary Shares</i>				
At 1 August	-	-	-	-
Issuance of new shares	-	-	-	*
At 31 July	-	-	-	*

Notes :

(^) – Denotes 100 ordinary shares

(*) – Denotes RM100

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**14. SHARE CAPITAL AND INVESTED CAPITAL (CONT'D)**

(b) Invested Capital

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	Number of shares ('000)			
Issued And Fully Paid-Up				
<i>Ordinary Shares</i>				
At 1 August	400	400	400	2,050
Issuance of new shares	-	-	1,650	-
At 31 July	<u>400</u>	<u>400</u>	<u>2,050</u>	<u>2,050</u>

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Issued And Fully Paid-Up				
<i>Ordinary Shares</i>				
At 1 August	400	400	400	2,050
Issuance of new shares	-	-	1,650	-
At 31 July	<u>400</u>	<u>400</u>	<u>2,050</u>	<u>2,050</u>

- (i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Group and are entitled to one vote per ordinary share at meetings of the Group. The ordinary shares have no par value.
- (ii) For the purpose of this report, the total number of ordinary shares as at 31 July 2022, 31 July 2023, 31 July 2024 and 31 July 2025 represent the aggregate number of issued and fully paid-up ordinary shares of all combining entities within the Group.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****15. LEASE LIABILITIES**

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
At 1 August	1,048	925	394	403
Additions (Notes 30(a) and (b))	-	24	44	60
Interest expense recognised in profit or loss	40	21	18	18
Changes due to reassessment of lease term (Note 30(b))	20	-	33	-
Derecognition due to lease modification (Note 30(b))	-	(491)	-	(281)
Repayment of principal	(143)	(64)	(68)	(83)
Repayment of interest expense	(40)	(21)	(18)	(18)
At 31 July	925	394	403	99
Analysed by:				
- current liabilities	158	67	83	47
- non-current liabilities	767	327	320	52
	925	394	403	99

16. LONG TERM BORROWINGS

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Term loans (Note 17)	7,463	7,462	21,323	19,734
Hire purchase payables (Note 18)	33	92	139	226
	7,496	7,554	21,462	19,960

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**17. TERM LOANS**

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current liabilities (Note 22)	904	949	1,394	1,451
Non-current liabilities (Note 16)	7,463	7,462	21,323	19,734
	<u>8,367</u>	<u>8,411</u>	<u>22,717</u>	<u>21,185</u>

- (a) The term loans of the Group are secured as follows:
- (i) by legal charge over certain property, plant and equipment and right-of-use assets of the Group as disclosed in Notes 4 and 6 to the financial statements;
 - (ii) by joint and several guarantees from certain directors of the Group; and
 - (iii) by guarantee from Government of Malaysia through Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP").
- (b) The interest rate profile of the term loans is summarised below:-

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Fixed rate term loans	769	575	373	165
Floating rate term loans	7,598	7,836	22,344	21,020
	<u>8,367</u>	<u>8,411</u>	<u>22,717</u>	<u>21,185</u>

Effective interest rate (%)

Fixed rate term loans	3.50	3.50	3.50	3.50
Floating rate term loans	3.77 – 5.60	4.52 – 6.35	3.95 – 6.35	3.80 – 6.10

- (c) The major covenant of the term loans is a subsidiary's gearing ratio shall not exceed 3.0 times.

The covenants are tested yearly, at 31 July. The Group has complied with the covenants throughout the reporting periods.

There are no indicators that the Group would have difficulties complying with the upcoming covenant assessments.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****18. HIRE PURCHASE PAYABLES**

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Minimum hire purchase payments:-				
- not later than 1 year	38	72	105	112
- later than 1 year but not later than 5 years	38	101	152	250
	76	173	257	362
Less: Future finance charges	(10)	(18)	(25)	(41)
	66	155	232	321
Analysed by:-				
Current liabilities (Note 22)	33	63	93	95
Non-current liabilities (Note 16)	33	92	139	226
	66	155	232	321

The hire purchase of the Group are secured by certain property, plant and equipment under hire purchase terms as disclosed in Note 4 to the financial statements.

Hire purchase payables of the Group bore effective interest rates ranging from 5.10% to 7.08% (2024 – 5.79% to 9.34%, 2023 – 6.13% to 9.34% and 2022 – 4.95% to 9.34%) per annum.

19. TRADE PAYABLES

The normal trade credit terms granted to the Group is 30 to 90 (2024 – 30 to 90, 2023 – 30 to 90 and 2022 – 30 to 90) days.

20. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Other payables:				
- Third parties	111	181	261	279
- Sales tax payable	24	29	26	36
	135	210	287	315
Deposits	17	17	18	13
Accruals	242	299	587	498
	394	526	892	826

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****21. AMOUNT OWING TO DIRECTORS**

The amount owing to directors represents unsecured and interest-free advances granted to the Group. The amount is repayable on demand and is to be settled in cash.

22. SHORT-TERM BORROWINGS

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Bank overdraft (Note 23)	68	-	-	-
Term loans (Note 17)	904	949	1,394	1,451
Hire purchase payables (Note 18)	33	63	93	95
	<u>1,005</u>	<u>1,012</u>	<u>1,487</u>	<u>1,546</u>

23. BANK OVERDRAFT

(a) The bank overdraft of the Group is secured as follows:

- (i) by legal charge over certain property, plant and equipment and right-of-use assets of the Group as disclosed in Notes 4 and 6 to the financial statements; and
- (ii) by joint and several guarantees from certain directors of the Group.

(b) The bank overdraft of the Group at the end of the reporting period bore floating interest rates at Nil (2024 – Nil, 2023 – Nil and 2022 – 4.30%) per annum.

24. REVENUE

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Revenue from Contracts with Customers				
<u>Recognised at a point in time</u>				
Food products	<u>71,218</u>	<u>81,344</u>	<u>84,822</u>	<u>93,113</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****25. NET (REVERSAL)/ADDITION OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS**

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
(Reversal)/Addition of impairment loss:-				
- Trade receivables	-	*	(61)	94

Note :

(*) – Denotes amount less than RM500

26. PROFIT BEFORE TAXATION

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at:-				
<i>After charging</i>				
Amortisation of intangible assets (Note 7)	19	4	23	35
Auditors' remuneration	17	25	67	85
Depreciation:				
- property, plant and equipment (Note 4)	639	808	937	932
- investment property (Note 5)	1	1	1	-
- right-of-use assets (Note 6)	174	83	82	93
Directors' remuneration (Note 31(a))	1,074	1,243	1,543	1,842
Lease expenses:				
- short-term leases	-	-	9	32
Listing expenses	-	-	5	1,875
Loss on foreign exchange:				
- realised	24	16	64	-
- unrealised	-	-	-	87
Staff costs (including other key management personnel as disclosed in Note 31(b)):				
- short-term employee benefits	3,351	4,047	4,674	5,216
- defined contribution benefits	335	371	380	449
Total interest expense on financial liabilities that are not at fair value through profit or loss:				
- hire purchase	7	7	17	14
- term loans	274	362	658	900
Interest expense on lease liabilities (Note 15)	40	21	18	18

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****26. PROFIT BEFORE TAXATION (CONT'D)**

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at (Cont'd):-				
<i>After crediting</i>				
Gain on derecognition due to lease modification	-	(44)	-	-
Gain on lease termination	-	-	-	(38)
Gain on disposal of property, plant and equipment	-	-	(6)	-
Gain on foreign exchange:				
- realised	-	-	-	(119)
- unrealised	-	-	(122)	-
Interest income on financial assets measured at amortised cost:				
- bank interest	(1)	(1)	(1)	(1)
- fixed deposits interest	(67)	(78)	(68)	(30)
- late payment interest	-	-	(10)	-
Lease income:				
- investment property	(17)	(18)	(20)	(7)
Reversionary bonus from insurance	-	-	(1,140)	-

27. INCOME TAX EXPENSE

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current tax expense	1,258	1,475	1,858	3,047
(Over)/Under provision in the previous financial year	(37)	3	14	(24)
	1,221	1,478	1,872	3,023
Real property gains tax	-	-	-	48
	1,221	1,478	1,872	3,071

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****27. INCOME TAX EXPENSE (CONT'D)**

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Deferred tax expense (Note 8):				
- Relating to origination or reversal of temporary differences	63	51	80	(48)
- Under provision in the previous financial year	14	-	-	46
	<u>77</u>	<u>51</u>	<u>80</u>	<u>(2)</u>
Total income tax expense	<u>1,298</u>	<u>1,529</u>	<u>1,952</u>	<u>3,069</u>

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rates to income tax expense at the effective tax rate of the Group is as follows:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	<u>5,296</u>	<u>5,879</u>	<u>8,688</u>	<u>10,294</u>
Taxation at Malaysian statutory tax rate of 24%	1,271	1,411	2,085	2,471
Tax effects of:-				
Non-deductible expenses	92	160	177	684
Non-taxable income	-	*	(279)	-
Claim of double deductions	-	-	-	(111)
Effect of changes in corporate income tax rate	(42)	(45)	(45)	(45)
Real property gains tax arising from disposal of freehold land and building	-	-	-	48
(Over)/Under provision of income tax in the previous financial year	(37)	3	14	(24)
Under provision of deferred tax in the previous financial year	14	-	-	46
Income tax expense for the financial year	<u>1,298</u>	<u>1,529</u>	<u>1,952</u>	<u>3,069</u>

Note :

(*) – Denotes amount less than RM500

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****28. EARNINGS PER SHARE**

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
Profit attributable to the owners of the Company (RM'000)	3,998	4,350	6,736	7,225
Number of ordinary shares ('000) #	353,500	353,500	353,500	353,500
Basic and diluted earnings per shares (sen)	1.13	1.23	1.91	2.04

Note :

(#) – Assumed to be the number of ordinary shares after the acquisitions of GHS Heng Kee and GHS Food Industries but before public issue.

29. DIVIDENDS

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
First interim dividend of RM4.00 per ordinary share by GHS Heng Kee on 100,000 ordinary shares in respect of FYE 31 July 2024, paid on 4 December 2023	-	-	400	-
Second interim dividend of RM0.80 per ordinary share by GHS Heng Kee on 500,000 ordinary shares in respect of FYE 31 July 2024, paid on 28 July 2024	-	-	400	-
	-	-	800	-

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**30. CASH FLOW INFORMATION**

- (a) The cash disbursed for the purchase of property, plant and equipment, addition of intangible assets and right-of-use assets are as follows:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment				
Cost of property, plant and equipment purchased (Note 4)	2,799	1,898	19,599	975
Less: Amount financed through hire purchases arrangements	(50)	(143)	(150)	(191)
Less: Deposits paid in previous financial year	-	-	(1,600)	-
Add: Deposits paid for future purchase	-	1,600	-	55
	<u>2,749</u>	<u>3,355</u>	<u>17,849</u>	<u>839</u>
Right-of-use assets				
Cost of right-of-use assets purchased (Note 6)	-	24	44	60
Less: Addition of new lease liabilities (Notes 15 and 30(b))	-	(24)	(44)	(60)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intangible assets				
Cost of intangible assets purchased (Note 7)	<u>22</u>	<u>-</u>	<u>35</u>	<u>74</u>

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

30. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:

	Term Loans RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Amount Owing to Directors RM'000	Total RM'000
31.7.2022					
At 1 August 2021	7,725	65	1,048	1,763	10,601
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	1,445	50	-	-	1,495
Repayment of principal	(803)	(49)	(143)	(13)	(1,008)
Repayment of interests	(274)	(7)	(40)	-	(321)
	368	(6)	(183)	(13)	166
<u>Other Changes</u>					
Reassessment/modification of leases (Notes 6 and 15)	-	-	20	-	20
Interest expense recognised in profit or loss (Note 26)	274	7	40	-	321
	274	7	60	-	341
At 31 July 2022	8,367	66	925	1,750	11,108

13. ACCOUNTANTS' REPORT (Cont'd)
GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)
30. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

	Term Loans RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Amount Owing to Directors RM'000	Total RM'000
31.7.2023					
At 1 August 2022	8,367	66	925	1,750	11,108
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	936	143	-	-	1,079
Repayment of principal	(892)	(54)	(64)	(382)	(1,392)
Repayment of interests	(362)	(7)	(21)	-	(390)
	(318)	82	(85)	(382)	(703)
<u>Other Changes</u>					
Acquisition of new lease (Notes 15 and 30(a))	-	-	24	-	24
Derecognition due to lease modification (Note 15)	-	-	(491)	-	(491)
Interest expense recognised in profit or loss (Note 26)	362	7	21	-	390
	362	7	(446)	-	(77)
At 31 July 2023	8,411	155	394	1,368	10,328

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**30. CASH FLOW INFORMATION (CONT'D)**

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

	Term Loans RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Amount Owing to Directors RM'000	Total RM'000
31.7.2024					
At 1 August 2023	8,411	155	394	1,368	10,328
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	15,389	150	-	-	15,539
Repayment of principal	(1,083)	(73)	(68)	(168)	(1,392)
Repayment of interests	(658)	(17)	(18)	-	(693)
	13,648	60	(86)	(168)	13,454
<u>Other Changes</u>					
Acquisition of new lease (Notes 15 and 30(a))	-	-	44	-	44
Reassessment/modification of leases (Notes 6 and 15)	-	-	33	-	33
Interest expense recognised in profit or loss (Note 26)	658	17	18	-	693
Issuance of shares	-	-	-	(1,200)	(1,200)
	658	17	95	(1,200)	(430)
At 31 July 2024	22,717	232	403	-	23,352

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

30. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

	Term Loans RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Total RM'000
31.7.2025				
At 1 August 2024	22,717	232	403	23,352
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	191	-	191
Repayment of principal	(1,532)	(102)	(83)	(1,717)
Repayment of interests	(900)	(14)	(18)	(932)
	(2,432)	75	(101)	(2,458)
<u>Other Changes</u>				
Acquisition of new lease (Notes 15 and 30(a))	-	-	60	60
Derecognition due to lease termination (Note 15)	-	-	(281)	(281)
Interest expense recognised in profit or loss (Note 26)	900	14	18	932
	900	14	(203)	711
At 31 July 2025	21,185	321	99	21,605

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****30. CASH FLOW INFORMATION (CONT'D)**

(c) The total cash outflows for leases as a lessee are as follows:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Payment of short-term lease	-	-	9	32
Interest paid on lease liabilities	40	21	18	18
Payment of lease liabilities	143	64	68	83
	<u>183</u>	<u>85</u>	<u>95</u>	<u>133</u>

(d) The cash and cash equivalents comprise the following:-

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	3,905	4,712	2,690	4,896
Fixed deposits with licensed banks	5,577	3,775	3,020	729
Bank overdraft	(68)	-	-	-
	<u>9,414</u>	<u>8,487</u>	<u>5,710</u>	<u>5,625</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**31. KEY MANAGEMENT PERSONNEL COMPENSATION**

The key management personnel of the Group include executive directors and certain members of senior management of the Group.

The key management personnel compensation during the financial year are as follows:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
(a) Directors of the Group				
Short-term employee benefits				
- fees	120	120	210	100
- salaries, bonuses and other benefits	842	991	1,182	1,559
	962	1,111	1,392	1,659
Defined contribution benefits	112	132	151	183
	1,074	1,243	1,543	1,842
(b) Other Key Management Personnel				
Short-term employee benefits	359	403	543	710
Defined contribution benefits	39	49	66	88
	398	452	609	798

32. OPERATING SEGMENTS

Operating segments are prepared in the manner consistent with the information provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a regular basis. For management purposes, the Group is organised into 2 main reportable segments as follows:-

- Distribution of food products
- Retail of food products

(a) The Board of Directors assess the performance of the reportable segments based on their gross profit. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(b) Assets, liabilities, other income and expenses cannot be meaningfully allocated to the reportable segments are therefore not presented.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**32. OPERATING SEGMENTS (CONT'D)****32.1 BUSINESS SEGMENTS**

		Audited			
		FYE 31 July			
		2022	2023	2024	2025
		RM'000	RM'000	RM'000	RM'000
Revenue					
- Distribution segment		59,507	68,556	72,174	80,967
- Retail segment		11,711	12,788	12,648	12,146
		71,218	81,344	84,822	93,113
Cost of Sales					
- Distribution segment		50,566	57,851	58,478	60,931
- Retail segment		9,206	10,247	9,643	8,850
		59,772	68,098	68,121	69,781
Gross Profit					
- Distribution segment		8,941	10,705	13,696	20,036
- Retail segment		2,505	2,541	3,005	3,296
		11,446	13,246	16,701	23,332

32.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

		Audited			
		FYE 31 July			
		2022	2023	2024	2025
		RM'000	RM'000	RM'000	RM'000
Local sales		63,392	74,148	74,091	82,376
Export sales		7,826	7,196	10,731	10,737
		71,218	81,344	84,822	93,113

32.3 MAJOR CUSTOMERS

There is no single customer that contributed more than 10% to the Group's revenue.

33. CAPITAL COMMITMENTS

		Audited			
		FYE 31 July			
		2022	2023	2024	2025
		RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment		933	14,400	356	73

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****34. FINANCIAL INSTRUMENTS**

The activities of the Group are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

34.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk**(i) Foreign Currency Risk**

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia ("RM"). The currencies giving rise to this risk are primarily United States Dollar ("USD") and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign currency exposure

	USD RM'000	SGD RM'000	Total RM'000
31.7.2022			
<u>Financial Assets</u>			
Trade receivables	169	-	169
Other receivables	394	316	710
Cash and bank balances	4	-	4
	<u>567</u>	<u>316</u>	<u>883</u>
<u>Financial Liabilities</u>			
Trade payables	(2,110)	(1,100)	(3,210)
Currency Exposure	<u>(1,543)</u>	<u>(784)</u>	<u>(2,327)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(a) Market Risk (Cont'd)****(i) Foreign Currency Risk (Cont'd)***Foreign currency exposure (Cont'd)*

	USD RM'000	SGD RM'000	Total RM'000
31.7.2023			
<u>Financial Assets</u>			
Cash and bank balances	308	-	308
	<u>308</u>	<u>-</u>	<u>308</u>
<u>Financial Liabilities</u>			
Trade payables	(3,362)	(1,574)	(4,936)
Currency Exposure	<u>(3,054)</u>	<u>(1,574)</u>	<u>(4,628)</u>
31.7.2024			
<u>Financial Assets</u>			
Trade receivables	136	-	136
Other receivables	185	-	185
Cash and bank balances	156	-	156
	<u>477</u>	<u>-</u>	<u>477</u>
<u>Financial Liabilities</u>			
Trade payables	(4,462)	(957)	(5,419)
Other payables and accruals	(121)	-	(121)
	<u>(4,583)</u>	<u>(957)</u>	<u>(5,540)</u>
Currency Exposure	<u>(4,106)</u>	<u>(957)</u>	<u>(5,063)</u>
31.7.2025			
<u>Financial Assets</u>			
Trade receivables	149	112	261
Other receivables	7	-	7
Cash and bank balances	612	-	612
	<u>768</u>	<u>112</u>	<u>880</u>
<u>Financial Liabilities</u>			
Trade payables	(3,327)	(631)	(3,958)
Other payables and accruals	(78)	-	(78)
	<u>(3,405)</u>	<u>(631)</u>	<u>(4,036)</u>
Currency Exposure	<u>(2,637)</u>	<u>(519)</u>	<u>(3,156)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(a) Market Risk (Cont'd)****(i) Foreign Currency Risk (Cont'd)***Foreign currency risk sensitivity analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Effects on Profit After Taxation				
USD/RM				
– strengthened by 8% (2024 – 4%, 2023 – 11%, 2022 – 11%)	(129)	(255)	(125)	(160)
– weakened by 8% (2024 – 4%, 2023 – 11%, 2022 – 11%)	129	255	125	160
SGD/RM				
– strengthened by 3% (2024 – 3%, 2023 – 7%, 2022 – 8%)	(48)	(84)	(22)	(12)
– weakened by 3% (2024 – 3%, 2023 – 7%, 2022 – 8%)	48	84	22	12

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group is not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(a) Market Risk (Cont'd)****(ii) Interest Rate Risk (Cont'd)**

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 17 and Note 23 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	Audited			
	FYE 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Effects on Profit After Taxation				
Increase of 25 basis points (2024 – 71 basis points, 2023 – 71 basis points, 2022 – 48 basis points)	(20)	(33)	(77)	(42)
Decrease of 25 basis points (2024 – 71 basis points, 2023 – 71 basis points, 2022 – 48 basis points)	20	33	77	42

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

(i) Credit Risk Concentration Profile

The Group does not have any significant credit risk related to any individual customer or counterparty.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group closely monitors the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 150 (2024 – 150; 2023 – 150; 2022 – 180) days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables including related party have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate, Gross Domestic Product (GDP) and inflation rate as the key macroeconomic factors of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)**Trade Receivables (Cont'd)*Allowance for Impairment Losses*

The reconciliations of allowance for impairment losses are as follows:-

	Non-credit Impaired RM'000	Credit Impaired RM'000	Total RM'000
<u>Trade Receivables</u>			
Balance at 1.8.2021	2,163	494	2,657
Reversals (Note 25)	-	-	-
Balance at 31.7.2022/ 1.8.2022	2,163	494	2,657
Reversals (Note 25)	-	*	*
Balance at 31.7.2023/ 1.8.2023	2,163	494	2,657
Reversals (Note 25)	(61)	-	(61)
Balance at 31.7.2024/ 1.8.2024	2,102	494	2,596
Additions (Note 25)	94	-	94
Balance at 31.7.2025	2,196	494	2,690

Note :

(*) – Denotes amount less than RM500

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)**Trade Receivables (Cont'd)*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables is as follows:-

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
31.7.2022				
Current (not past due)	4,125	-	(104)	4,021
1 to 30 days past due	2,820	-	(106)	2,714
31 to 60 days past due	907	-	(67)	840
61 to 90 days past due	494	-	(119)	375
91 to 120 days past due	123	-	(55)	68
121 to 150 days past due	11	-	(8)	3
151 to 180 days past due	99	-	(91)	8
More than 180 days past due	1,613	-	(1,613)	-
Credit impaired	494	(494)	-	-
	<u>10,686</u>	<u>(494)</u>	<u>(2,163)</u>	<u>8,029</u>

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment for Impairment Losses (Cont'd)**Trade Receivables (Cont'd)*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables is as follows (Cont'd):-

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
31.7.2023				
Current (not past due)	5,040	-	(264)	4,776
1 to 30 days past due	3,208	-	(153)	3,055
31 to 60 days past due	1,083	-	(101)	982
61 to 90 days past due	265	-	(98)	167
91 to 120 days past due	22	-	(16)	6
121 to 150 days past due	43	-	(40)	3
More than 150 days past due	1,494	-	(1,491)	3
Credit impaired	494	(494)	-	-
	11,649	(494)	(2,163)	8,992

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment for Impairment Losses (Cont'd)**Trade Receivables (Cont'd)*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables is as follows (Cont'd):-

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
31.7.2024				
Current (not past due)	5,003	-	(74)	4,929
1 to 30 days past due	3,377	-	(87)	3,290
31 to 60 days past due	1,126	-	(70)	1,056
61 to 90 days past due	484	-	(80)	404
91 to 120 days past due	352	-	(133)	219
121 to 150 days past due	162	-	(103)	59
More than 150 days past due	1,558	-	(1,555)	3
Credit impaired	494	(494)	-	-
	12,556	(494)	(2,102)	9,960

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment for Impairment Losses (Cont'd)**Trade Receivables (Cont'd)*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables is as follows (Cont'd):-

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
31.7.2025				
Current (not past due)	5,603	-	(78)	5,525
1 to 30 days past due	3,056	-	(60)	2,996
31 to 60 days past due	1,781	-	(97)	1,684
61 to 90 days past due	947	-	(112)	835
91 to 120 days past due	596	-	(155)	441
121 to 150 days past due	205	-	(112)	93
More than 150 days past due	1,586	-	(1,582)	4
Credit impaired	494	(494)	-	-
	<u>14,268</u>	<u>(494)</u>	<u>(2,196)</u>	<u>11,578</u>

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables and contract assets that impacted the allowance for impairment losses.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment for Impairment Losses (Cont'd)**Other Receivables

The Group also applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group uses 3 categories to reflect its credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)**Other Receivables (Cont'd)

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
31.7.2022						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	3.31 - 5.02	925	1,046	193	693	160
Hire purchase payables	4.95 - 9.34	66	76	38	38	-
Term loans	3.50 - 5.60	8,367	11,493	1,263	4,698	5,532
Trade payables	-	5,639	5,639	5,639	-	-
Other payables and accruals	-	353	353	353	-	-
Amount owing to directors	-	1,750	1,750	1,750	-	-
Bank overdraft	4.30	68	68	68	-	-
		17,168	20,425	9,304	5,429	5,692

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(c) Liquidity Risk (Cont'd)***Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
31.7.2023						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	3.31 - 5.02	394	457	85	279	93
Hire purchase payables	6.13 - 9.34	155	173	72	101	-
Term loans	3.50 - 6.35	8,411	10,230	1,290	4,363	4,577
Trade payables	-	6,981	6,981	6,981	-	-
Other payables and accruals	-	480	480	480	-	-
Amount owing to directors	-	1,368	1,368	1,368	-	-
		17,789	19,689	10,276	4,743	4,670

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(c) Liquidity Risk (Cont'd)***Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

31.7.2024	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	3.31 - 5.02	403	456	101	327	28
Hire purchase payables	5.79 - 9.34	232	257	105	152	-
Term loans	3.50 - 6.35	22,717	33,844	2,443	8,670	22,731
Trade payables	-	7,665	7,665	7,665	-	-
Other payables and accruals	-	848	848	848	-	-
		31,865	43,070	11,162	9,149	22,759

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(c) Liquidity Risk (Cont'd)***Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

31.7.2025	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	3.31 - 4.89	99	105	51	54	-
Hire purchase payables	5.10 - 7.08	321	362	112	250	-
Term loans	3.50 - 6.10	21,185	30,206	2,325	8,147	19,734
Trade payables	-	6,026	6,026	6,026	-	-
Other payables and accruals	-	777	777	777	-	-
		28,408	37,476	9,291	8,451	19,734

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.2 CAPITAL RISK MANAGEMENT**

The Group manages its capital to ensure that the entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. The debt-to-equity ratio of the Group at the end of the reporting period are as follows:-

	Audited			
	FYE 31 July			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Term loans (Note 17)	8,367	8,411	22,717	21,185
Hire purchase payables (Note 18)	66	155	232	321
Total borrowings	8,433	8,566	22,949	21,506
Less: Cash and cash equivalents (Note 30(d))	(9,414)	(8,487)	(5,710)	(5,625)
(Net cash)/ Net debts	(981)	79	17,239	15,881
Total equity	23,423	27,773	35,359	42,584
Debt-to-equity ratio (times)	*	^	0.49	0.37

* Not applicable as the Group's cash and cash equivalents exceed its borrowings.

^ The debt-to-equity ratio is less than 0.01 times.

There was no change in the Group's approach to capital management during the financial years.

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****34. FINANCIAL INSTRUMENTS (CONT'D)****34.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS**

	Audited			
	As at 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Financial assets				
<u>Amortised Cost</u>				
Trade receivables (Note 10)	8,029	8,992	9,960	11,578
Other receivables (Note 11)	508	488	58	81
Fixed deposits with licensed banks	5,577	3,775	3,020	729
Cash and bank balances	3,905	4,712	2,690	4,896
	18,019	17,967	15,728	17,284
Financial liabilities				
<u>Amortised Cost</u>				
Trade payables	5,639	6,981	7,665	6,026
Other payables and accruals (Note 20)	353	480	848	777
Amount owing to directors	1,750	1,368	-	-
Term loans (Note 17)	8,367	8,411	22,717	21,185
Hire purchase payables (Note 18)	66	155	232	321
Lease liabilities (Note 15)	925	394	403	99
Bank overdraft	68	-	-	-
	17,168	17,789	31,865	28,408

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**
(Incorporated in Malaysia)**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)****34. FINANCIAL INSTRUMENTS (CONT'D)****34.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS**

	Audited			
	FYE 31 July			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Financial assets				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	68	80	140	(63)
Financial liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(345)	(406)	(635)	(863)

34.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

	FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE LEVEL 2 RM'000	TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
31.7.2022			
<u>Financial Liabilities</u>			
Hire purchase payables	69	69	66
Term loans:			
- fixed rate	769	769	769
- floating rate	7,598	7,598	7,598
31.7.2023			
<u>Financial Liabilities</u>			
Hire purchase payables	159	159	155
Term loans:			
- fixed rate	575	575	575
- floating rate	7,836	7,836	7,836

13. ACCOUNTANTS' REPORT (Cont'd)**GUAN HUAT SENG HOLDINGS BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)**34. FINANCIAL INSTRUMENTS (CONT'D)****34.5 FAIR VALUE INFORMATION (CONT'D)**

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period (Cont'd):-

	FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE LEVEL 2 RM'000	TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
31.7.2024			
<u>Financial Liabilities</u>			
Hire purchase payables	233	233	232
Term loans:			
- fixed rate	373	373	373
- floating rate	22,344	22,344	22,344
31.7.2025			
<u>Financial Liabilities</u>			
Hire purchase payables	322	322	321
Term loans:			
- fixed rate	165	165	165
- floating rate	21,020	21,020	21,020

Fair Values of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (i) The fair value of the Group's terms loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair values of hire purchase payables and term loans that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	Audited			
	As at 31 July			
	2022	2023	2024	2025
	%	%	%	%
Hire purchase payables	4.95 – 9.34	6.13 – 9.34	5.79 – 9.34	5.10 – 7.08
Term loans	3.50	3.50	3.50	3.50

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONT'D)

35. SIGNIFICANT EVENT OCCURRED DURING AND AFTER REPORTING PERIOD

On 28 February 2025, the Company entered into a conditional share sale agreement with existing shareholders of GHS Heng Kee to acquire the entire equity interest in GHS Heng Kee comprising 500,000 ordinary shares for a total purchase consideration of RM27,770,000, satisfied by way of issuance of 277,700,000 new ordinary shares in the Company at an issue price of RM0.10 each to the existing shareholders of GHS Heng Kee.

On 28 February 2025, the Company entered into a conditional share sale agreement with existing shareholders of GHS Food Industries to acquire the entire equity interest GHS Food Industries comprising 1,550,000 ordinary shares for a total purchase consideration of RM7,580,000, satisfied by way of issuance of 75,800,000 new ordinary shares in the Company at an issue price of RM0.10 each to the existing shareholders of GHS Food Industries.

These acquisitions were completed on 17 October 2025 and the Company became the holding company of GHS Heng Kee and GHS Food Industries.

13. ACCOUNTANTS' REPORT (Cont'd)

GUAN HUAT SENG HOLDINGS BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, Yeo Tien Ee and Yeo Tian Seng, being two of the directors of Guan Huat Seng Holdings Berhad, state that, in the opinion of the directors, the combined financial statements set out on pages 5 to 80 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and Prospectus Guidelines issued by the Securities Commission Malaysia so as to give a true and fair view of the financial position of the Group as at 31 July 2022, 31 July 2023, 31 July 2024, and 31 July 2025 and of their financial performance, and their cash flows for each of the financial years then ended.

Signed in accordance with a resolution of the Directors dated **15 DEC 2025**

On behalf of the Board of Directors,



Yeo Tien Ee



Yeo Tian Seng

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION



15 DEC 2025

The Board of Directors
Guan Huat Seng Holdings Berhad
Bangunan GHS
388A, Jalan Tengker
Taman Siantan
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Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
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Dear Sirs

**GUAN HUAT SENG HOLDINGS BERHAD ("GHS HOLDINGS" OR "THE COMPANY")
REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF
FINANCIAL POSITION AS AT 31 JULY 2025**

We have completed our assurance engagement to report on the compilation of Pro Forma Combined Statements of Financial Position of GHS Holdings and its subsidiaries (collectively known as the "Group") as at 31 July 2025 and the related notes as set out in Appendix A, for which we have stamped for the purpose of identification. The Pro Forma Combined Statements of Financial Position have been prepared by the Board of Directors of the Company for inclusion in the Prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of GHS Holdings on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

The applicable criteria on the basis of which the Board of Directors of the Company have compiled the Pro Forma Combined Statements of Financial Position are described in the notes thereon to the Pro Forma Combined Statements of Financial Position. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Combined Statements of Financial Position have been compiled by the Board of Directors of the Company to illustrate the impact of the events or transactions as described in the notes thereon to the Pro Forma Combined Statements of Financial Position as if the events have occurred or the transactions have been undertaken on 31 July 2025. As part of this process, information about the Group's financial position has been extracted by the Board of Directors of the Company from the combined statements of financial position of the Group as at 31 July 2025 as set out in the Accountants' Report of the Company.

THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)



REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, by the Board of Directors of the Company on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board as 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 has compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion 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 Pro Forma Combined Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)



REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis set out in notes thereon to Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note, involves performing procedures to assess whether the applicable criteria used by the Board of Directors of the Company in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Combined Statements of Financial Position reflects 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 has 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.

OPINION

In our opinion, the Pro Forma Combined Statements of Financial Position has been compiled, in all material respects, on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

OTHER MATTER

This report has been prepared solely for the purpose of inclusion in the Prospectus of GHS Holdings, in connection with the Listing. As such, this report should not be 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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Melaka

Piong Yew Peng
03070/06/2027 J
Chartered Accountant

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025

		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
		As At	Adjustment for	After	Adjustment for	After Pro	Adjustment for	After
		31.07.2025 [^]	Acquisitions	Acquisitions	for Public	Forma I and	Utilisation of	Pro Forma II
	NOTE	RM'000	of Subsidiaries	of Subsidiaries	Issue	Public Issue	Proceeds	and Utilisation
			RM'000	RM'000	RM'000	RM'000	RM'000	of Proceeds
								RM'000
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment		37,030	-	37,030	-	37,030	-	37,030
Right-of-use assets		783	-	783	-	783	-	783
Intangible assets		61	-	61	-	61	-	61
Deferred tax assets		361	-	361	-	361	-	361
		<u>38,235</u>		<u>38,235</u>		<u>38,235</u>		<u>38,235</u>
CURRENT ASSETS								
Inventories		15,243	-	15,243	-	15,243	-	15,243
Trade receivables		11,578	-	11,578	-	11,578	-	11,578
Other receivables, deposits and prepayments	6.1	1,034	-	1,034	-	1,034	(521)	513
Fixed deposits with licensed banks		729	-	729	-	729	-	729
Cash and bank balances	6.2	4,896	-	4,896	30,000	34,896	(2,099)	32,797
		<u>33,480</u>		<u>33,480</u>		<u>63,480</u>		<u>60,860</u>
TOTAL ASSETS		<u>71,715</u>		<u>71,715</u>		<u>101,715</u>		<u>99,095</u>

Note:

^(^) – Extracted from the Group's audited combined financial statements for the financial year ended 31 July 2025.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

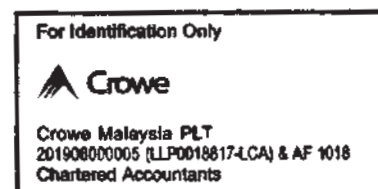
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
		As At	Adjustment for	After	Adjustment	After Pro	Adjustment for	After
		31.07.2025 [^]	Acquisitions	Acquisitions	for Public	Forma I and	Utilisation of	Pro Forma II
	NOTE	RM'000	of Subsidiaries	of Subsidiaries	Issue	Public Issue	Proceeds	and Utilisation
			RM'000	RM'000	RM'000	RM'000	RM'000	of Proceeds
								RM'000
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6.3	*	35,350	35,350	30,000	65,350	(1,450)	63,900
Invested capital	6.4	2,050	(2,050)	-	-	-	-	-
Merger reserve	6.5	-	(33,300)	(33,300)	-	(33,300)	-	(33,300)
Retained profits	6.6	40,534	-	40,534	-	40,534	(1,170)	39,364
TOTAL EQUITY		42,584		42,584		72,584		69,964
NON-CURRENT LIABILITIES								
Lease liabilities		52	-	52	-	52	-	52
Long-term borrowings		19,960	-	19,960	-	19,960	-	19,960
Deferred tax liabilities		328	-	328	-	328	-	328
		20,340		20,340		20,340		20,340
CURRENT LIABILITIES								
Trade payables		6,026	-	6,026	-	6,026	-	6,026
Other payables, deposits and accruals		826	-	826	-	826	-	826
Lease liabilities		47	-	47	-	47	-	47
Current tax liabilities		346	-	346	-	346	-	346
Short-term borrowings		1,546	-	1,546	-	1,546	-	1,546
		8,791		8,791		8,791		8,791
TOTAL LIABILITIES		29,131		29,131		29,131		29,131
TOTAL EQUITY AND LIABILITIES		71,715		71,715		101,715		99,095

Notes:

(^) – Extracted from the Group's audited combined financial statements for the financial year ended 31 July 2025.

(*) – Amount is less than RM500.



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14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

	<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
	As At 31.07.2025 [^] RM'000	Adjustment for Acquisitions of Subsidiaries RM'000	After Acquisitions of Subsidiaries RM'000	Adjustment for Public Issue RM'000	After Pro Forma I and Public Issue RM'000	Adjustment for Utilisation of Proceeds RM'000	After Pro Forma II and Utilisation of Proceeds RM'000
<i>Number of ordinary shares ('000)</i>	#		353,500		473,500		473,500
<i>Net assets ("NA") attributable to owners of the Company (RM'000)</i>	42,584		42,584		72,584		69,964
<i>NA per ordinary share (sen)</i>	42,584,583		12.05		15.33		14.78

Notes:

([^]) – Extracted from the Group's audited combined financial statements for the financial year ended 31 July 2025.

(#) – Less than 500 ordinary shares.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

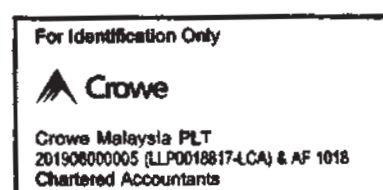
NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025

1. ABBREVIATIONS

Unless the context otherwise requires, the following abbreviations shall apply throughout this report:-

Abbreviations

Bursa Securities	Bursa Malaysia Securities Berhad
GHS Group or the Group	GHS Holdings, Guan Huat Seng (Heng Kee) Sdn. Bhd. and GHS Food Industries Sdn. Bhd.
GHS Holdings or the Company	Guan Huat Seng Holdings Berhad Registration No: 202401045966 (1591812-A)
GHS Shares or Shares	Ordinary shares in GHS Holdings
IPO	Initial public offering comprising the Public Issue and the Offer for Sale, collectively
IPO Price	IPO price of RM0.25 per IPO Share
IPO Share(s)	The Public Issue Shares and Offer Shares, collectively
Listing	Listing of and quotation for the entire enlarged issued share capital of GHS Holdings comprising 473,500,100 Shares on the ACE Market of Bursa Malaysia Securities Berhad
Offerors	Chan Kim Yeo, Yeo Tien Ee and Yeo Tian Seng, being the selling shareholders, collectively
Offer for Sale	Offer for sale of 21,000,000 Offer Shares by the Offerors
Offer Shares	Existing 21,000,000 Shares to be offered by Offerors pursuant to the Offer for Sale
Official List	A list specifying all securities which have been admitted for listing on Bursa Securities and not removed



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

1. ABBREVIATIONS (CONT'D)

Unless the context otherwise requires, the following abbreviations shall apply throughout this report (Cont'd):-

Abbreviations (Cont'd)

PAT	Profit after taxation
Public Issue	Public issue of 120,000,000 Public Issue Shares by the Company
Public Issue Shares	New Shares to be issued under the Public Issue
Subsidiaries	Guan Huat Seng (Heng Kee) Sdn. Bhd. and GHS Food Industries Sdn. Bhd.

2. INTRODUCTION

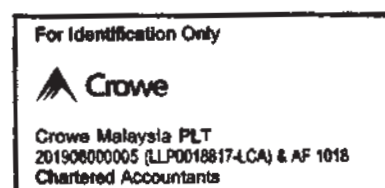
The Pro Forma Combined Statements of Financial Position of the Group as at 31 July 2025 together with the related notes, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus in connection with the Listing and should not be relied upon for any other purposes.

3. BASIS OF PREPARATION

The Pro Forma Combined Statements of Financial Position of the Group as at 31 July 2025 have been prepared for illustration purposes using the audited combined financial statements of the Group as at 31 July 2025, which was prepared in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards, and in a manner consistent with the format of the financial statements and accounting policies of the Group.

The audited combined financial statements of the Group used in the preparation of these Pro Forma Combined Statements of Financial Position were not subject to any audit qualification, modification or disclaimer.

The Pro Forma Combined Statements of Financial Position have been prepared solely to illustrate the effects of the transactions as set out in Notes 4.1 and 4.2 to the Pro Forma Combined Statements of Financial Position had the transactions been effected on 31 July 2025. The Pro Forma Combined Statements of Financial Position are not necessarily indicative of the financial positions that would have been attained had the Listing actually occurred at the respective dates.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**
4. LISTING SCHEME

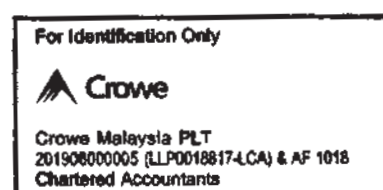
In conjunction with and as an integral part of the Listing, the Company implemented and intends to undertake the following:

4.1 Acquisitions of Subsidiaries

GHS Holdings was incorporated on 1 November 2024 and on 28 February 2025 entered into conditional share sale agreements with the respective shareholders to acquire the entire issued share capital in Subsidiaries:-

	Equity Interest (%)	Purchase Consideration RM	No. of Shares Issued by GHS Holdings
Guan Huat Seng (Heng Kee) Sdn. Bhd.	100	27,770,000	277,700,000
GHS Food Industries Sdn. Bhd.	100	7,580,000	75,800,000
		<u>35,350,000</u>	<u>353,500,000</u>

The purchase consideration of Subsidiaries was arrived at a "willing-buyer willing-seller basis", after taking into consideration the audited net assets of Subsidiaries as at 31 July 2024. The acquisitions were completed on 17 October 2025 and the Subsidiaries became wholly-owned subsidiaries of GHS Holdings.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**

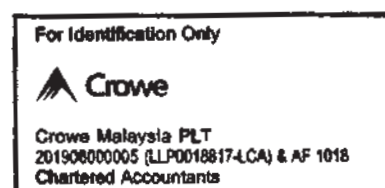
4. LISTING SCHEME (CONT'D)

In conjunction with and as an integral part of the Listing, the Company implemented and intends to undertake the following (Cont'd):

4.2 Public Issue

GHS Holdings will undertake a public issue of 120,000,000 new Shares, representing approximately 25.34% of the enlarged issued share capital of GHS Holdings of 473,500,100 Shares, at IPO Price to be allocated and allotted in the following manner:-

- (a) 23,800,000 new Shares, representing approximately 5.02% of the enlarged number of Shares of GHS Holdings, made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for Bumiputera investors;
- (b) 14,000,000 new Shares, representing approximately 2.96% of the enlarged number of Shares of GHS Holdings, made available for application by the eligible Directors, employees and persons who have contributed to the success of the Group;
- (c) 59,200,000 new Shares, representing approximately 12.50% of the enlarged number of Shares of GHS Holdings, made available by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry ("MITI"); and
- (d) 23,000,000 new Shares, representing approximately 4.86% of the enlarged number Shares of GHS Holdings, made available by way of private placement to selected investors.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**

4. LISTING SCHEME (CONT'D)

In conjunction with and as an integral part of the Listing, the Company implemented and intends to undertake the following (Cont'd):

4.3 Offer for Sale

Concurrent with the Public Issue, the Offerors will undertake an Offer for Sale of 21,000,000 Offer Shares, representing approximately 4.44% of the enlarged number of Shares of GHS Holdings at IPO Price by way of private placement to selected investors.

The Offer for Sale does not have any impact on the Pro Forma Combined Statements of Financial Position as at 31 July 2025.

4.4 Listing

Upon completion of the IPO, the Company shall be admitted to the Official List and the entire enlarged share capital of RM65,350,100 comprising 473,500,100 Shares shall be listed and quoted on the ACE Market of Bursa Securities.

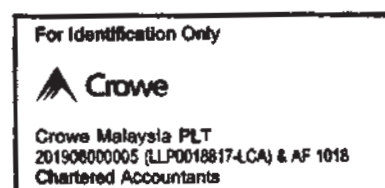
5. PRO FORMA ADJUSTMENTS TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

5.1 Pro Forma I

Pro Forma I incorporates the effects of Acquisitions of Subsidiaries as set out in Note 4.1 to the Pro Forma Combined Statements of Financial Position.

5.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the Public Issue as set out in Note 4.2 to the Pro Forma Combined Statements of Financial Position.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

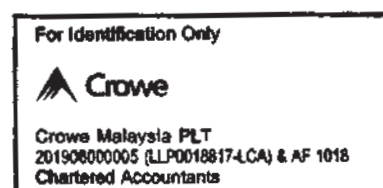
**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**
5. PRO FORMA ADJUSTMENTS TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)
5.3 Pro Forma III

Pro Forma III incorporates the effects of Pro Forma II and the utilisation of proceeds from the Public Issue. The proceeds from the Public Issue will be utilised as follows:-

Purposes	Amount of proceeds		Estimated timeframe for utilisation from the date of Listing
	RM'000	%	
Part finance the setup of a new integrated complex #	12,000	40.00	Within 36 months
Part finance the setup of a new Krubong facility #	9,000	30.00	Within 36 months
Working capital #	3,000	10.00	Within 24 months
Marketing expenses #	1,500	5.00	Within 24 months
Estimated listing expenses *^	4,500	15.00	Within 3 months
	30,000	100.00	

Notes:-

- (#) - These utilisations of proceeds are not adjusted in the Pro Forma III to the Pro Forma Combined Statements of Financial Position as they are not factually supportable and hence, they have been remained in the cash and bank balances.
- (*) - 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.
- (^*) - The estimated listing expenses of RM1,450,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM3,050,000 that is attributable to the Listing will be expensed off to profit or loss. As of 31 July 2025, RM2,401,000 has been paid and RM1,880,000 was expensed off to profit or loss while RM521,000 has been recognised as prepayment. RM521,000 is recognised as prepayment as this is directly attributable to Public Issue which will be offset against share capital upon Listing.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

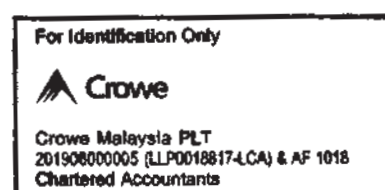
Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)****6. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION****6.1 Other Receivables, Deposits and Prepayments**

	RM'000
As at 31 July 2025/As per Pro Forma I and II	1,034
Less: Prepayment for listing expenses ^	(521)
As per Pro Forma III	<u>513</u>

*Note:-**(^) – As of 31 July 2025, RM521,000 of listing expenses have been recognised as prepayment which will be offset against share capital upon Listing.***6.2 Cash and Bank Balances**

	RM'000
As at 31 July 2025/As per Pro Forma I	4,896
Add: Proceeds from Public Issue	30,000
As per Pro Forma II	<u>34,896</u>
Less: Estimated listing expenses	(2,099)
As per Pro Forma III	<u>32,797</u>



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**
6. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)
6.3 Share Capital

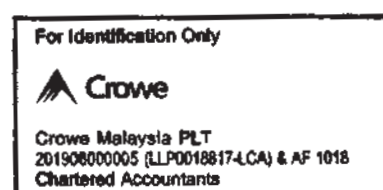
	Number of Ordinary Shares '000	Amount of Share Capital RM'000
As at 31 July 2025	#	*
Add: Acquisitions of Subsidiaries	353,500	35,350
As per Pro Forma I	353,500	35,350
Add: Public Issue	120,000	30,000
As per Pro Forma II	473,500	65,350
Less: Estimated listing expenses ^	-	(1,450)
As per Pro Forma III	473,500	63,900

Notes:-

(^)- The estimated listing expenses of RM1,450,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM1,170,000 that is attributable to the Listing will be expensed off to profit or loss.

(#)- Less than 500 ordinary shares.

(*)- Amount is less than RM500.



14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

**NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2025 (CONT'D)**
6. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)
6.4 Invested Capital

	RM'000
As at 31 July 2025	2,050
Less: Acquisitions of Subsidiaries	(2,050)
As per Pro Forma I, II and III	<u>-</u>

6.5 Merger Reserve

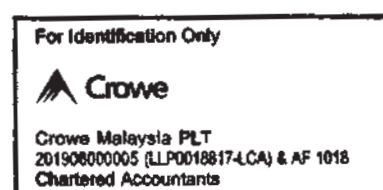
	RM'000
As at 31 July 2025	-
Less: Acquisitions of Subsidiaries	(33,300)
As per Pro Forma I, II and III	<u>(33,300)</u>

6.6 Retained Profits

	RM'000
As at 31 July 2025/As per Pro Forma I and II	40,534
Less: Estimated listing expenses ^	(1,170)
As per Pro Forma III	<u>39,364</u>

Note:-

(^)- The estimated listing expenses of RM1,450,000 directly attributable to the Public Issue will be offset against share capital and the remaining estimated listing expenses of RM1,170,000 that is attributable to the Listing will be expensed off to profit or loss. The Group has recognised RM5,000 and RM1,875,000 of listing expenses to profit or loss during the financial years ended 31 July 2024 and 31 July 2025 respectively.



**14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA
COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)**

Appendix A

GUAN HUAT SENG HOLDINGS BERHAD

Registration No: 202401045966 (1591812-A)

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated **15 DEC 2025**

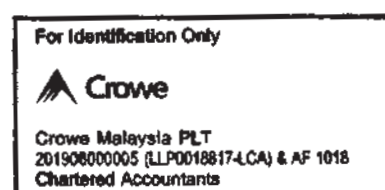
On behalf of the Board of Directors,



Yeo Tien Ee



Yeo Tian Seng



15. STATUTORY AND OTHER GENERAL INFORMATION

15.1 SHARE CAPITAL

- (i) No securities will be allotted or issued or offered on the basis of this Prospectus later than 6 months after the date of the issuance of this Prospectus.
- (ii) As at the date of this Prospectus, our Company has only 1 class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Save for the issuance of our subscriber's shares upon our incorporation and new Shares issued for the Acquisitions of Subsidiaries and Public Issue as disclosed in this Prospectus, no shares, debentures, 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, during the Periods Under Review and up to the date of this Prospectus. Details of our share capital are set out in Section 6.4 of this Prospectus. Details of the share capital of our Subsidiaries, are set out in Section 6.5 of this Prospectus.
- (iv) None of the share capital of our Company or our Subsidiaries is under option or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.
- (v) As at the LPD, save for the Public Issue Shares reserved for subscription by our Eligible Parties as disclosed in Section 4.3.1(ii) of this Prospectus:
 - (a) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our Subsidiaries; and
 - (b) there is no scheme involving our Directors or employees of our Group in the shares of our Company or our Subsidiaries.
- (vi) Our Company and our Subsidiaries do not have any outstanding convertible debt security as at the date of this Prospectus.

15.2 EXTRACT OF OUR CONSTITUTION

The following is extracted from our Constitution and is qualified in its entirety by the remainder of the provision 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 they are otherwise defined herein or the context otherwise requires.

Words	Definition
"Deposited Security"	means a Security of the Company standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense, subject to the provisions of the Central Depositories Act.
"Employee Share Scheme"	means collectively a Share Issuance Scheme and a Share Grant Scheme.
"Exchange"	means Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W)) and its successors-in-title and permitted assigns.
"General Meeting"	means a meeting of Members of the Company.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Words	Definition
“Major Shareholder”	means a major shareholder as defined under the Listing Requirements.
“Member” or “Members” or any like expression	means any person/persons for the time being holding one or more shares in the Company and whose name appears in the Record of Depositors, including a Depositor who will be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excluding the Depository in a capacity as a bare trustee and its nominee company.
“Register of Members”	means the register of members to be kept pursuant to the Act and includes, where appropriate, the Record of Depositors of the Company.
“Rules” or “Rules of Depository”	means the Rules of Depository has the meaning given in Section 2 of the Capital Markets and Services Act 2007 including any amendment that may be made from time to time.
“Securities”	has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007.
“Share Grant Scheme”	means a scheme involving the grant of the Company’s existing shares to employees and/ or Directors.
“Share Issuance Scheme”	means a scheme involving a new issuance of the Company’s shares to employees and/ or Directors.
“Special Resolution”	has the meaning given in Section 292 of the Act.

(1) Transfer of securities

The provision in our Company’s Constitution in respect of the arrangements for transfer of securities and restrictions on their free transferability are as follows:

“Clause 40

- (a) Subject to the restriction of this Constitution, the Central Depositories Act and the Rules, Securities that are not Deposited Securities shall be transferable by a duly executed and stamped instrument of transfer lodged at the Office accompanied by the certificate of the shares to be transferred (if any) and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. All instruments of transfer which shall be registered shall be retained by the Company.
- (b) The transfer of Deposited Securities 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 Securities.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 41

Subject to the provisions of the Act, the Central Depositories Act and the Rules, the instrument of transfer of any share which is not a Deposited Security lodged with the Company shall be executed by or on behalf of both the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. The instrument of transfer shall in any one instance relate to one class of shares.

Clause 42

In the case of Deposited Security, the Depository may refuse to effect any transfer of Deposited Security that does not comply with the Central Depositories Act and Rules or where the reason for the transfer does not fall within any of the approved reasons provided in the Rules.

Clause 43

- (a) The Directors may in their absolute discretion refuse or delay to register any transfer of shares that is not a Deposited Security where the registration of the transfer would result in contravention of or failure to observe the provisions of any laws in Malaysia; or the transfer is in respect of a partly paid shares of which a call has been made and is unpaid or which the Company has a lien.
- (b) A Directors' resolution shall be passed within thirty (30) days from the receipt of the instrument of transfer to refuse or delay the registration of transfer of a share that is not a Deposited Security and such notice of the resolution including the reasons thereof shall be sent to the transferor and the transferee within seven (7) days of the resolution being passed.
- (c) The Company shall refuse to register more than three (3) persons as joint holders of a share unless they are executors or trustees of a deceased shareholder.

Clause 46

No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 47

A Record of Depositors requested by the Company as at any specified date and/or for any specified purpose when made available to the Company may be treated as the final Record of Depositors as at the specified date and/or for the specified purpose. If there shall be more than one Record of Depositors made available to the Company as at the specified date and/or for the specified purpose then the later or last of the Record of Depositors prepared by the Central Depository shall be the final Record of Depositors as at the specified date and/or for the specified purpose."

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15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**(2) Remuneration of Directors**

The provisions in our Constitution in respect of the remuneration of Directors are as follows:

“Clause 117

The fees of the non-executive Directors shall be a fixed sum and not by a commission on or percentage of profits or turnover, and such fee shall be divided amongst the non-executive Directors as they shall determine or failing agreement, equally. The salaries payable to executive Directors, may however, include such percentage of profits as the Directors may determine but shall not in any circumstances include a commission on or percentage of turnover. The Director shall (including alternate directors) also be paid such travelling, hotel or other expenses as may reasonably be incurred by them in the execution of their duties including such expenses incurred in connection with their attendance at meetings of Directors. If by arrangement with the other Directors any Director shall perform or render any duties or services outside his ordinary duties as a Director or shall 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 shall give special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration in a lump sum in addition to his ordinary remuneration. The fees of Directors, and any benefits payable to Directors shall be approved by Members annually at a General Meeting.

Clause 121

Subject to the provisions of the Act, any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company.

Clause 124

The remuneration of a Managing Director, a Deputy Managing Director and an Executive Director given due to his office as executive or management position, if any, shall 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 shall not be a commission on or percentage of turnover but it may be a term of their appointment that they shall receive pension, gratuity or other benefits upon their retirement. The remuneration of a Director(s) appointed to an executive position under Clause 123 shall be determined by the Board and can either be in addition to or in lieu of his/their fee as a Director.”

(3) Voting and borrowing powers of Directors

The provisions in our Constitution in respect of the voting and borrowing powers of the Directors are as follows:

“Clause 97

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 120

No Director shall be disqualified by his office from holding any office or place of profit under the Company or under any company in which the Company shall be a shareholder or otherwise interested in conjunction with his office of Director (except that of auditor) or from contracting with the Company either as vendor, purchaser, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relations thereby established provided always that Sections 221, 222 and 228 and all other relevant provisions of the Act and this Constitution are complied with. A Director who is in any way, whether directly or indirectly, interested in a contract entered into or proposed to be entered into by the company, unless the interest is one that need not be disclosed under Section 221 of the Act, shall be counted only to make the quorum at the meeting of the Directors but shall not participate in any discussion while the contract or proposed contract is being considered during the meeting and shall not vote on the contract or proposed contract.

Clause 122

A general notice given to the Board by a Director to the effect that the Director is an officer or member of a specified corporation or a member of a specified firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that corporation or firm shall be deemed to be a sufficient declaration of interest in relation to any contract made if the notice specifies the nature and extent of the Director's interest in the specified corporation or firm and the interest is not different in nature or greater in extent than the nature and extent so specified in the general notice at the time any contract is so made. Such notice shall be of no effect unless the notice is given at a meeting of the Directors or the Director takes reasonable steps to ensure that the notice is brought up and read at the next meeting of the Directors after it is given.

Clause 126

The business of the Company shall be managed by, or under the direction of the Directors who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by law or by this Constitution required to be exercised or done by the Company in General Meeting, but the exercise of all such powers shall be subject to and in accordance with the provisions of any law and of this Constitution and shall also be subject to and in accordance with any regulations or provisions made by the Company in General Meeting, provided that no regulation so passed shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Clause 127

The Directors may from time to time by power of attorney under Seal or such other manner authorised by the Act, appoint any corporation, firm or person or body of persons whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretion vested in him.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 128

Subject to the provisions of the Act, the Directors shall not acquire an undertaking or property of a substantial value or dispose of the whole or substantially the whole of the undertaking of the Company unless approval of the Members at a General Meeting has been obtained.

Clause 142

Subject to the provisions of this Constitution, question arising at any meeting shall be decided by a majority of votes of the Directors present, each Director having one (1) vote. In case of an equality of votes, the chairman shall have a second or casting vote provided always that the chairman of a meeting at which only two (2) Directors are present or at which only two (2) Directors are competent to vote on the questions at issue shall not have a second or casting vote.

Clause 149

A resolution in writing signed or approved by a majority of the Directors or their alternates shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. All such resolutions shall be described as "Directors' Circular Resolutions" and may consist of several documents in like form each signed by one or more Directors or their alternates and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the minutes book of board proceedings. A Directors' Circular Resolution shall be inoperative if it shall purport to authorise or to do any act which a meeting of Directors has decided shall not be authorised or done, until confirmed by a meeting of the Directors. The expressions of "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.

Clause 152

The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow for the purpose of the Company such sums of moneys as they think proper. The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' 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.

Clause 153

The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Clause 154

The Company may in General Meeting grant a right for the holders of bonds, debentures, debenture stock or securities to exchange the same for the shares in the Company authorised to be issued.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 155

Subject as aforesaid, the Directors may secure or provide for the payment of any moneys to be borrowed or raised by mortgage of or charge upon all or any part of the undertaking or property of the Company, both present and future, and any capital remaining unpaid upon shares of the Company, whether called up or not or by any other security, and the Directors may confer upon any mortgagees or persons in whom any debentures, debenture stock or security is vested, such rights and powers as they think necessary or expedient; and they may vest any property of the Company in trustees for the purpose of securing any money so borrowed or so raised, and confer upon the trustees or any receiver to be appointed by them or by any debenture holder, such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company, or the management, or the realisation thereof, of the making, receiving or enforcing of calls upon the Members in respect of unpaid capital and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.

Clause 156

The Directors may give security for the payment of any moneys payable by the Company in like manner as for the payment of money borrowed or raised, but in such case the amount shall be reckoned as part of the money borrowed.

Clause 157

Debentures, debenture stock or other Securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Clause 158

Any debentures, debenture stock, bonds or other Securities may be issued with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.

Clause 159

The Directors shall cause proper register to be kept in accordance with the provisions of the Act of all charges specifically affecting the property of the Company and all floating charges on the undertaking or any property of the Company and shall duly comply with the requirements of the Act in regard to the registration of charges therein specified and otherwise.

Clause 160

If the Directors or any of them, or any other persons 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."

(4) Changes in capital or variation of class rights and rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

The provisions in our Constitution in respect of the changes in capital or variation of class rights and rights, preferences and restrictions attached to each class of securities relating to voting dividend, liquidation and any special rights are as follows:

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

“Clause 7

The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to Dividend, capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine.

Clause 9

The shares in the Company shall only be issued by the Directors with the prior approval of the Company in General Meeting where necessary under the provisions of the Act and the Listing Requirements. Subject as aforesaid and always to the provisions of this Constitution, the Listing Requirements and the Act, the Directors may allot or otherwise dispose of the shares in the Company to such persons on such terms and conditions and at such times as the Directors think fit and with full power to give to any person the right to call for the allotment of any shares for such time and for such consideration as the Directors may see fit, provided always:

- (a) except in the case of an issue of shares on a pro-rata basis to all Members, every issue of shares to employees, Directors, Major Shareholders or person connected with any Director or Major Shareholder of the Company shall be approved by the Members in General Meeting and no Director, Major Shareholder shall participate in such issue of share unless:
 - (i) the Members in General Meetings have approved the specific allotment to be made to such Director, Major Shareholder or person connected with such Director or Major Shareholder; and
 - (ii) in the case of a Director, such Director holds office in the Company in an executive capacity provided always that a Director not holding office in an executive capacity may so participate in any issue of shares pursuant to a public issue or public offer or special issue, provided that such participation to be approved by the relevant authorities;
- (b) no Director shall participate in an Employee Share Scheme unless Members in General Meeting have approved the specific allotment to be made to such Director.

Clause 14

The Company shall have power with the sanction of an Ordinary Resolution of the Company to issue preference shares carrying a right to redemption or liable to be redeemed at the option of the Company or to issue preference shares ranking equally with or in priority to preference shares already issued. The Directors may subject to the Act, redeem such shares on such terms and in such manner as they may think fit provided always that the rights attaching to shares of a class other than ordinary shares shall be expressed.

Clause 15

The rights attaching to shares of a class other than ordinary shares be expressed in the resolution creating the same.

Clause 16

The right conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking equally therewith but in no respect in priority thereto.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**Clause 18**

The repayment of preference capital other than redeemable preference, or any other alteration of preference shareholders rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned, provided always that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths 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 19

Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class. To every such separate General Meeting the provisions in this Constitution relating to the General Meeting shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the 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. To every such Special Resolution the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply.

Clause 62

Subject to the provisions of the Act and the Listing Requirements, the Company may by passing a Special Resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by this Constitution by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards Dividend, return of capital, voting or otherwise over the others or any other of such shares;
- (c) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (d) subject to the provisions of this Constitution and the Act, convert and/or re-classify any class of shares into any other class of shares.

Clause 63

The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any reserve account, in any manner authorised by the Act.

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 67

- (a) Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), the repayment of preference capital other than redeemable preference or any other alteration of preference shareholders' rights may, subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated only with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of that class or, as the case may be, the preference shareholders concerned and to every such Special Resolution the provisions of the Act shall with such adaptations as are necessary apply.
- (b) To every such separate General Meeting the provisions of this Constitution relating to General Meetings shall mutatis mutandis apply, so that the necessary quorum shall be two (2) persons at least holding or representing by proxy or by attorney, one-third (1/3) of the number of issued shares of the 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.
- (c) If that class of Shares only has one (1) holder, a quorum is constituted by one (1) person present holding Shares of such class. For an adjourned meeting, 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.
- (d) Provided always that where the necessary majority for such a Special Resolution is not obtained at such separate General Meeting, consent in writing if obtained from the holders representing not less than seventy five per centum (75%) of the total voting rights of the class concerned or, as the case may be, the preference shareholders concerned, within two (2) months of the General Meeting shall be as valid and effectual as a Special Resolution, carried at the General Meeting.

Clause 167

The Directors may subject to the Act and the Listing Requirements, from time to time declare Dividends, if the Company is solvent, but no such Dividend shall be payable except out of profits of the Company, provided that the Directors may, if they think fit, from time to time pay to the Members such interim Dividends as appear to them to be justified by the profits of the Company. No higher Dividend shall be paid than is recommended by the Directors. The Directors may only authorise the payment of any Dividends (including interim Dividends) if they are satisfied that the Company will in accordance with the Act, be solvent immediately after the payment of Dividends is made.

Clause 168

Subject to the provisions contained and to the rights of Members whose shares have been issued with special rights as to Dividend, every Dividend shall be paid to the Members in proportion to the amounts paid up on their shares. For the purposes of this Clause, no amount paid on a share in advance of calls shall be treated as paid up on such share. Where capital is paid up during a period in respect of which a Dividend is declared such capital shall entitle the holder, unless otherwise provided as to the term of the issue, only to an apportioned amount of such Dividend as from the date or dates of payment of such capital."

15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

15.3 NO LIMITATION ON THE RIGHT TO OWN SECURITIES

There are no limitations on the right to own securities, including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on our Shares imposed by law or by constituent documents of our Company.

15.4 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts which are not in the ordinary course of our Group's business within the Periods Under Review and up to the date of this Prospectus:

- (i) sale and purchase agreement dated 23 February 2022 entered into between GHS Food Industries and Angel Court (M) Sdn Bhd for the acquisition by GHS Food Industries of Property 1595-1 for a cash consideration of RM2.80 million. This acquisition was completed on 29 July 2022;
- (ii) sale and purchase agreement dated 15 August 2023 entered into between GHS Heng Kee and Fungsi Mewah Sdn Bhd for the acquisition by GHS Heng Kee of Property 8794 for a cash consideration of RM16.00 million. This acquisition was completed on 15 January 2024;
- (iii) sale and purchase agreement dated 1 November 2023 entered into between GHS Food Industries and Wong Thim Weng for the acquisition by GHS Food Industries of Property 1587 for a cash consideration of approximately RM1.24 million. This acquisition was completed on 8 April 2024;
- (iv) conditional share sale agreement dated 28 February 2025 entered into between our Company (as purchaser) as well as Yeo Tien Ee, Yeo Tian Seng and Chan Kim Yeo (as vendors of GHS Heng Kee, collectively) to acquire the entire issued share capital of GHS Heng Kee, for a purchase consideration of RM27,770,000 via the issuance of 277,700,000 new Shares at an issue price of RM0.10 per Share. This acquisition was completed on 17 October 2025;
- (v) conditional share sale agreement dated 28 February 2025 entered into between our Company (as purchaser) as well as Yeo Tien Ee, Yeo Tian Seng and Chan Kim Yeo (as vendors of GHS Food Industries, collectively) to acquire the entire issued share capital of GHS Food Industries, for a purchase consideration of RM7,580,000 via the issuance of 75,800,000 new Shares at an issue price of RM0.10 per Share. This acquisition was completed on 17 October 2025; and
- (vi) Underwriting Agreement dated 11 December 2025 entered into between our Company and the Underwriter. Further details of the Underwriting Agreement are set out in Section 4.10 of this Prospectus.

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15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

15.5 MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation, claim and/ or arbitration, whether as plaintiff or defendant, which might materially and adversely affect our business or financial position, and our Directors confirm that there are no legal proceedings, pending or threatened, or of any fact likely to give rise to any legal proceeding which may materially and adversely affect our business or financial position.

15.6 PUBLIC TAKE-OVERS

During the last financial year and up to the LPD, there were:

- (i) no public take-over offers by third parties in respect of our Shares; and
- (ii) no public take-over offers by us in respect of other companies' shares.

15.7 REPATRIATION OF CAPITAL AND REMITTANCE OF PROFITS AND TAXATION

Our Group has not established any other place of business outside of Malaysia and is not subject to governmental laws, decrees, regulations and/ or other legislations that may affect the repatriation of capital and remittance of profit by or to our Group.

Under Malaysia's single-tier taxation system, all dividends distributed by Malaysian resident companies are exempted from tax at the shareholder level. However, effective from the year of assessment 2025, individual shareholders receiving dividend income exceeding RM100,000 per annum will be subject to a 2% tax. Further, the Government does not levy withholding tax on dividend payment. Therefore, dividends paid to non-residents by Malaysian resident companies are not subject to withholding tax. Gains arising from the disposal of listed shares are not subject to tax in Malaysia, to the extent that the gains are capital in nature.

15.8 LETTERS OF CONSENT

- (i) The written consent of our Principal Adviser, Sponsor, Underwriter and Placement Agent, Company Secretaries, Solicitors to our Company, Share Registrar and Issuing House for the inclusion in this Prospectus of their names and all references herein in the form and context in which such 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 its name, Reporting Accountants' report on the compilation of pro forma combined statements of financial position as at 31 July 2025, Accountants' Report and all references herein 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, the IMR Report and all references herein 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.

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15. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

15.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office located at Suite 5.11 & 5.12, 5th Floor, Menara TJB, No. 9, Jalan Syed Mohd. Mufti, 80888 Ibrahim International Business District, Johor during the normal office hours for a period of 6 months from the date of this Prospectus:

- (i) the Constitution of our Company;
- (ii) the material contracts as referred to in Section 15.4 of this Prospectus;
- (iii) the IMR Report as set out in Section 8 of this Prospectus;
- (iv) Reporting Accountant's report on the pro forma combined statements of financial position as referred to in Section 14 of this Prospectus;
- (v) Accountants' Report referred to in Section 13 of this Prospectus;
- (vi) the letters of consent as referred to in Section 15.8 of this Prospectus;
- (vii) the audited financial statements of our Company for the financial period from 1 November 2024 to 31 July 2025; and
- (viii) the audited financial statements of our Subsidiaries for the Periods Under Review.

15.10 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and the Offerors 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 the Prospectus false or misleading.

TA Securities, being 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 THE 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 APPLICATION

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 5 JANUARY 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 9 JANUARY 2026

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

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS**16.2.1 Application for our IPO Shares by the Malaysian Public and Eligible Parties**

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed.

Types of Application and category of investors	Application method
Applications by Eligible Parties	Pink Application Form only
Applications by the Malaysian Public:	
(i) Individuals	<ul style="list-style-type: none"> • White Application Form; or • Electronic Share Application; or • Internet Share Application
(ii) Non-individuals	White Application Form only

16.2.2 Application by identified institutional and/ or selected investors and identified Bumiputera investors approved by MITI via private placement

Types of Application and category of investors	Application method
Applications by:	
(i) Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instruction.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Types of Application and category of investors	Application method
(ii) Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Selected investors and Bumiputera investors approved by MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application, where applicable.

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.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT SHOULD CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATION DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

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

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) You must submit an Application by using only one of the following methods:
 - (a) White Application Form; or
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16.3.3 Application by Eligible Parties

Our Eligible Parties will be provided with Pink Application Forms and letters from us detailing their respective allocations. The applicants must follow the notes and instructions in those documents and where relevant, of our Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

Eligible Parties 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, the Issuing House, TA Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or members of the Malaysian Investment Banking Association.

16.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

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 FULL amount payable is RM0.25 for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. 690**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Method below is relevant for White Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Company, through the Human Resources or Finance Department.

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:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya
 Selangor Darul Ehsan

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

or

P.O. Box 00010

Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (ii) **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

so as to arrive not later than 5.00 p.m. on 9 January 2026 or by such other time and date specified in any change to the date or time for closing.

We, together with the 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 the Issuing House.

16.5 APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATIONS

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 APPLICATIONS BY WAY OF INTERNET SHARE APPLICATIONS

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, Hong Leong Investment Bank Berhad, iFAST Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad and RHB Bank Berhad. 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. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The 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), in accordance with Section 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the 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.

16.8 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 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 SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website www.mih.com.my within 1 market day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's total number of 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 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, subject to the re-allocation as set out in Section 4.3.3 of this 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. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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 Form

- (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 ten (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 the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The 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 ten (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).

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.9.2 For Applications by way of Electronic Share Application and Internet Share Application

- (i) The 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 two (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 two (2) Market Days after the receipt of confirmation from the 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 the 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 ten (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 two (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 two (2) Market Days after the receipt of confirmation from the 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 registered or correspondence address last 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 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 the Rules.
- (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.

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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 Telephone at telephone no. 03-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 p.m. Alternatively, you may contact any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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ANNEXURE A - MATERIAL PROPERTIES**A. Material properties owned by our Group**

The details of the material properties owned by our Group as at the LPD are as set out below:

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC / CF	Express condition/ Restriction in interest/ Encumbrances on property	NBV as at 31 July 2025 (RM'000)
1.	GHS Heng Kee	<p><u>Property address:</u> 388A, Bangunan GHS, Taman Siantan Sek 2, Jalan Tengker, 75200 Melaka</p> <p><u>Title details:</u> Geran 63201, Lot 11056, Kawasan Bandar III, Daerah Melaka Tengah, Negeri Melaka ("Lot 11056") & Geran 63200, Lot 11055, Kawasan Bandar III, Daerah Melaka Tengah, Negeri Melaka ("Lot 11055")</p> <p><u>Tenure:</u> i) Lot 11056 (Freehold) ii) Lot 11055 (Freehold)</p>	<p><u>Description:</u> Four-storey building with mezzanine floor</p> <p><u>Existing use:</u> Headquarter, retail outlet and warehouse</p> <p><u>Category of land use:</u> i) Lot 11056 (Industrial) ii) Lot 11055 (Building)</p>	<p><u>Land area:</u> i) Lot 11056 (301.39) ii) Lot 11055 (55,218.86)</p> <p><u>Built-up area:</u> 62,333.78</p>	15 January 2019	<p><u>Express condition:</u> i) Lot 11056 (For electrical substation only) ii) Lot 11055 (For commercial building only)</p> <p><u>Restriction in interest:</u> i) Lot 11056 (The land cannot be transferred or leased without the consent of the state authority, saved for the transfer to Tenaga Nasional Berhad) ii) Lot 11055 (The land cannot be transferred or leased without the consent of the state authority)</p> <p><u>Encumbrances:</u> Both Lot 11056 and Lot 11055 are charged to CIMB Bank Berhad</p>	11,143

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC / CF	Express condition/ Restriction in interest/ Encumbrances on property	NBV as at 31 July 2025 (RM'000)
2.	GHS Heng Kee	<u>Property address:</u> No 3, Jalan TTC 8, Taman Teknologi Cheng, 75250 Melaka <u>Title details:</u> PN 20320, Lot 4402, Mukim Cheng, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Leasehold (expiring on 14 August 2096)	<u>Description:</u> 1 ½ storey warehouse <u>Existing use:</u> Warehouse <u>Category of land use:</u> Industrial	<u>Land area:</u> 19,999.35 <u>Built-up area:</u> 24,948	7 January 1994	<u>Express condition:</u> For industrial use only <u>Restriction-in interest:</u> The land cannot be transferred or leased without the consent of the state authority <u>Encumbrances:</u> The land is currently charged to Ambank (M) Berhad	291
3.	GHS Heng Kee	<u>Property address:</u> No 32, Jalan TTC 24, Taman Teknologi Cheng, 75250 Melaka <u>Title details:</u> PN 20146, Lot 4861, Mukim Cheng, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Leasehold (expiring on 14 August 2096)	<u>Description:</u> 1 ½ -storey semi- detached factory <u>Existing use⁽¹⁾:</u> Manufacturing facilities and warehouse <u>Category of land use:</u> Industrial	<u>Land area:</u> 12,905.93 <u>Built-up area:</u> 9,203	29 June 1996	<u>Express condition:</u> For industrial use only <u>Restriction-in interest:</u> The land cannot be transferred or leased without the consent of the state authority <u>Encumbrances:</u> The land is currently charged to Malayan Banking Berhad	507

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC / CF	Express condition/ Restriction in interest/ Encumbrances on property	NBV as at 31 July 2025 (RM'000)
4.	GHS Heng Kee	<u>Property address:</u> No. 8794, Batu 4 1/4, Batu Berendam, 75350 Hang Tuah Jaya, Melaka <u>Title details:</u> Geran Mukim 532, Lot 101, Mukim Batu Berendam, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Freehold	<u>Description:</u> 6 acres land together with an office building ⁽²⁾ <u>Existing use:</u> Vacant <u>Category of land use:</u> Industrial	<u>Land area:</u> 262,230.39 <u>Built-up area:</u> N/A ⁽²⁾	-(²)	<u>Express condition:</u> Nil <u>Restriction-in interest:</u> Nil <u>Encumbrances:</u> The land is currently charged to Maybank Islamic Berhad	16,783
5.	GHS Food Industries	<u>Property address:</u> No. 30, Jalan TTC 24, Taman Teknologi Cheng, 75250 Melaka <u>Title details:</u> PN 20145, Lot 4860, Mukim Cheng, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Leasehold (expiring on 14 August 2096)	<u>Description:</u> 1 ½ storey semi-detached factory <u>Existing use:</u> Manufacturing facilities and warehouse <u>Category of land use:</u> Industrial	<u>Land area:</u> 12,529.19 <u>Built-up area:</u> 9,203.14	29 June 1996	<u>Express condition:</u> For industrial use only <u>Restriction-in interest:</u> The land cannot be transferred or leased without the consent of the state authority <u>Encumbrances:</u> N/A	465

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC / CF	Express condition/ Restriction in interest/ Encumbrances on property	NBV as at 31 July 2025 (RM'000)
6.	GHS Food Industries	<u>Property address:</u> No. 1595-1, Taman Perindustrian Krubong, 75250 Melaka <u>Title details:</u> Geran 27679, Lot 2548, Mukim Krubong, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Freehold	<u>Description:</u> 1 ½ storey warehouse <u>Existing use:</u> Storage space <u>Category of land use:</u> Industrial	<u>Land area:</u> 21,603.17 <u>Built-up area:</u> 13,508.71	30 March 2007	<u>Express condition:</u> For industrial only <u>Restriction-in interest:</u> The land cannot be transferred or leased without the consent of the state authority <u>Encumbrances:</u> i) The land is currently charged to Public Bank Berhad; and ii) A caveat has been lodged against the land by Public Bank Berhad.	2,725
7.	GHS Food Industries	<u>Property address:</u> PT 1587, Jalan PK 12, Taman Perindustrian Krubong, 75260 Melaka <u>Title details:</u> Geran 27671, Lot 2540, Mukim Krubong, Daerah Melaka Tengah, Negeri Melaka <u>Tenure:</u> Freehold	<u>Description:</u> Vacant land <u>Existing use:</u> Vacant <u>Category of land use:</u> Industrial	<u>Land area:</u> 22,421.23 <u>Built-up area:</u> N/A	N/A	<u>Express condition:</u> For industrial only <u>Restriction-in interest:</u> The land cannot be transferred or leased without the consent of the state authority <u>Encumbrances:</u> The land is currently charged to Public Islamic Bank Berhad	1,287

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

Notes:

- (1) *This property is currently rented to GHS Food Industries by GHS Heng Kee at a monthly rental of RM8,000.*
- (2) *This property is currently vacant, and our Group intends to demolish the existing structure to develop a New Integrated Complex, utilising a portion of the gross proceeds from the Public Issue. For further details, please refer to Section 4.8.1 of this Prospectus.*

Additionally, while the CCC/ CF for the property could not be located, this does not constitute non-compliance as the property is not currently in use by our Group.

B. Material properties owned by our Group and rented out to third parties

As at the LPD, there are no material properties owned by our Group and rented out to third parties by our Group.

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ANNEXURE A - MATERIAL PROPERTIES (Cont'd)
C. Material properties rented by our Group

The details of material properties rented by our Group as at the LPD are set out below:

No.	Registered owner/ Landlord	Tenant	Property address and Title details	Description / Existing use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC/ CF	Term of tenancy	Rental
1.	Hoo Suk Yin	GHS Food Industries	<u>Property Address:</u> No. 61, Jalan Jasa Merdeka 18, Taman Datuk Tamby Chik Karim, 75350, Batu Berendam, Melaka ⁽¹⁾ <u>Title details:</u> PN 8059, Lot 5247, Mukim Batu Berendam, Daerah Melaka Tengah, Negeri Melaka	<u>Description:</u> 2-storey terraced house <u>Existing use:</u> Staff accommodation	<u>Land area:</u> 957.99 <u>Built-up area:</u> 975	22 December 1993	1 May 2024 to 31 May 2026	RM600.00 per month
2.	Pang Boon How	GHS Food Industries	<u>Property Address:</u> No. 9, Jalan KJ19, Taman Krubong Jaya, Krubong, 75250 Melaka ⁽²⁾ <u>Title details:</u> PN 48974, Lot 8680, Mukim Krubong, Daerah Melaka Tengah, Negeri Melaka	<u>Description:</u> 2-storey terraced house <u>Existing use:</u> Staff accommodation	<u>Land area:</u> 1,399.31 <u>Built-up area:</u> 1,920	29 January 2016	1 August 2024 to 31 July 2027	RM1,000.00 per month

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

No.	Registered owner/ Landlord	Tenant	Property address and Title details	Description / Existing use	Land area/ Built-up area (sq. ft)	Date of issuance of CCC/ CF	Term of tenancy	Rental
3.	Mitra Unique Sdn Bhd	GHS Food Industries	<u>Property Address:</u> Block A, A-04-06, Pangsapuri Bukit Beruang, Bukit Baru, 75450 Ayer Keroh, Melaka ⁽³⁾ <u>Title details:</u> Geran 34879, Lot 8605, Daerah Melaka Tengah, Mukim Bukit Baru, Negeri Melaka	<u>Description:</u> Pangsapuri (centralised labour quarter) <u>Existing use:</u> Staff accommodation	<u>Land area:</u> Not applicable <u>Built-up area:</u> 931.5	7 December 2004	21 March 2025 to 31 March 2026	RM1,740.00 per month
4.	Mitra Unique Sdn Bhd	GHS Heng Kee	<u>Property Address:</u> Block A, A-03-05, Pangsapuri Bukit Beruang, Bukit Baru, 75450 Ayer Keroh, Melaka ⁽³⁾ <u>Title details:</u> Geran 34879, Lot 8605, Daerah Melaka Tengah, Mukim Bukit Baru, Negeri Melaka	<u>Description:</u> Pangsapuri (centralised labour quarter) <u>Existing use:</u> Staff accommodation	<u>Land area:</u> Not applicable <u>Built-up area:</u> 1,147.5	7 December 2004	1 January 2025 to 31 December 2025 ⁽⁴⁾	RM3,300.00 per month
5.	Nur Brothers Hostel Management (M) Sdn Bhd	GHS Food Industries	<u>Property Address:</u> No.26-2, Jalan CE 1, Taman Cheng Emas, 75260 Cheng, Melaka ⁽⁵⁾ <u>Title details:</u> H.S.(M) 2886, PT 8651, Daerah Melaka Tengah, Mukim Cheng, Negeri Melaka	<u>Description:</u> A unit of shop office (centralised labour quarter) <u>Existing use:</u> Staff accommodation	<u>Land area:</u> 1,399.31 <u>Built-up area:</u> 1,399.31	2 June 2014	1 May 2025 to 30 April 2027	RM2,640.00 per month

ANNEXURE A - MATERIAL PROPERTIES (Cont'd)

Notes:

- (1) *This property has been certified with a valid and subsisting certificate of accommodation issued by the Department of Labour Peninsular Malaysia, Ministry of Human Resources (also known as Jabatan Tenaga Kerja Semenanjung Malaysia) ("JTKSM"), which is valid from 30 September 2024 to 30 September 2027, in compliance with Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.*
- (2) *This property has been certified with a valid and subsisting certificate of accommodation issued by JTKSM, which is valid from 30 September 2024 to 30 September 2027, in compliance with Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.*
- (3) *The centralised labour quarter has been certified with a valid and subsisting certificate of accommodation issued by JTKSM, which is valid from 5 April 2024 to 5 April 2027.*
- (4) *Our Group has no intention to renew the tenancy after expiry.*
- (5) *This property has been certified with a valid and subsisting certificate of accommodation issued by JTKSM, which is valid from 23 August 2024 to 23 August 2027, in compliance with Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.*

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ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS

The details of our major licences, certificates and permits applicable to our Group as at the LPD are as set out below:

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
1.	GHS Heng Kee	Business licence (for the supply and wholesale of seafood products, distributor/ supplier of grocery/ daily goods, selling alcohol and cold room – storage of frozen food) and advertisement licence for Bangunan GHS	<u>Authority:</u> MBMB <u>Reference No.:</u> L1. 16711	29 May 2025 / 10 July 2026	Nil	Not applicable
2.	GHS Heng Kee	Business licence (grocery storage, warehouse and frozen food store) for Property 3	<u>Authority:</u> MBMB <u>Reference No.:</u> L4. 15185	6 March 2025 / 26 March 2026	Nil	Not applicable
3.	GHS Food Industries	Business licence (food production, food packaging, warehouse and frozen food store) and advertisement licence for Property 30 and Property 32	<u>Authority:</u> MBMB <u>Reference No.:</u> L1. 08663	4 December 2025 / 31 December 2026	Nil	Not applicable
4.	GHS Food Industries	Business licence (food production factory, food packaging, warehouse and frozen food store) for Property 1595-1	<u>Authority:</u> MBMB <u>Reference No.:</u> L1. 16632	10 June 2025 / 13 June 2026	Nil	Not applicable
5.	GHS Heng Kee	Certificate of fitness for (A11) Lif Penumpang Tanpa Bilik Jentera No. L1 with the registration no. MK PMA 80340 placed at Bangunan GHS	<u>Authority:</u> DOSH <u>Reference No.:</u> PMA-MK/A24-56150	13 December 2024 / 9 March 2026	Nil	Not applicable

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
6.	GHS Heng Kee	Certificate of fitness for (A11) Lif Barang No. G1 with the registration no. MK-PMA-80341 placed at Bangunan GHS	Authority: DOSH Reference No.: PMA-MK/A24-56149	13 December 2024 / 9 March 2026	Nil	Not applicable
7.	GHS Food Industries	Certificate of fitness for 0.42 KL above ground LPG storage tank (200 kg) with the registration no. MK PMT 80130 placed at Property 30	Authority: DOSH Certificate No.: PMT-MK/A25-61012	8 August 2025 / 21 October 2026	Nil	Not applicable
8.	GHS Food Industries	Certificate of fitness for 0.42 KL above ground LPG storage tank (200 kg) with the registration no. MK PMT 80131 placed at Property 30	Authority: DOSH Certificate No.: PMT-MK/A25-61013	8 August 2025 / 21 October 2026	Nil	Not applicable
9.	GHS Food Industries	Certificate of fitness for 0.42 KL above ground LPG storage tank (200 kg) with the registration no. MK PMT 80132 placed at Property 30	Authority: DOSH Certificate No.: PMT-MK/A25-61014	8 August 2025 / 21 October 2026	Nil	Not applicable
10.	GHS Food Industries	Certificate of fitness for 0.42 KL above ground LPG storage tank (200 kg) with the registration no. MK PMT 80133 placed at Property 30	Authority: DOSH Certificate No.: PMT-MK/A25-61015	8 August 2025 / 21 October 2026	Nil	Not applicable

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
11.	GHS Food Industries	Manufacturing licence for Property 30 and Property 32	<u>Authority:</u> MITI <u>Licence No.:</u> A026265	7 November 2024 / Nil	(a) GHS Food Industries shall notify MITI and Malaysian Investment Development Authority of any sale of shares in GHS Food Industries.	Noted
					(b) GHS Food Industries shall comply with the minimum Capital Investment Per Employee (CIPE) of RM140,000.	Complied
					(c) The full-time workforce of GHS Food Industries shall consist of at least 80% Malaysian citizen. Employment of foreign workers will be subject to the applicable policy at the time.	Exempted ⁽¹⁾
					(d) GHS Food Industries shall submit information regarding its investment performance and projects implemented under the Industrial Co-ordination Act 1975 and Malaysian Investment Development Authority Act 1965 when required by Malaysian Investment Development Authority.	Noted
					(e) GHS Food Industries shall implement its project as approved and comply with any laws and regulations of Malaysia.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
12.	GHS Heng Kee	Licence for fish dealings <u>Entry Point:</u> Any entry point that may be gazetted <u>Categories of fish:</u> Frozen	<u>Authority:</u> LKIM <u>Licence No.:</u> 0001697	23 May 2025 / 30 May 2026	<div>(a) GHS Heng Kee must comply with the quality, quantity and type of fish to be imported and exported.</div> <div>(b) GHS Heng Kee must adhere to good fish handling practices as per the Schedule, Rules 8 and 9 of the Fish Marketing Rules 2010.</div> <div>(c) GHS Heng Kee must comply with the fish grading system as required by LKIM.</div> <div>(d) GHS Heng Kee must comply with all reasonable requests and instructions from the officers of LKIM or other officers as authorised under The Fisheries Development Authority of Malaysia Act 1971.</div> <div>(e) GHS Heng Kee is responsible for all acts of its employees related to the approved activities under this licence.</div> <div>(f) GHS Heng Kee must conduct business only at the registered lot.</div>	<div>Complied</div> <div>Complied</div> <div>Complied</div> <div>Noted</div> <div>Noted</div> <div>Complied</div>

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(g) GHS Heng Kee must not trade, process, export or import fish that is not safe for human consumption without the prior written approval from LKIM.	Noted
					(h) GHS Heng Kee is prohibited from trading, processing, exporting, or importing any fish obtained or caught illegally under the Fish Marketing Regulations 2010.	Noted
					(i) This licence shall not be transferred or used by anyone other than GHS Heng Kee.	Noted
					(j) GHS Heng Kee is prohibited from importing and exporting live fish unless it has obtained the approval of the Department of Fisheries, Malaysia.	Noted
					(k) Trading and processing of fish can be conducted at the location stipulated in this licence only.	Complied
					(l) This licence may be revoked if any of the limitations and conditions of this licence or the provisions of The Fisheries Development Authority of Malaysia Act 1971 or the rules made thereunder are violated or not complied by GHS Heng Kee,	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
						or that GHS Heng Kee is found to have committed relevant offences under any written laws.	
13.	GHS Food Industries	Licence for fish dealings <u>Entry Point:</u> Any entry point that may be gazetted <u>Categories of fish:</u> Process	<u>Authority:</u> LKIM <u>Licence No.:</u> 0005068	24 January 2025 / 2 February 2026	(a)	GHS Food Industries must comply with the quality, quantity and type of fish to be imported and exported.	Complied
					(b)	GHS Food Industries must adhere to good fish handling practices as per the Schedule, Rules 8 and 9 of the Fish Marketing Rules 2010.	Complied
					(c)	GHS Food Industries must comply with the fish grading system as required by LKIM.	Complied
					(d)	GHS Food Industries must comply with all reasonable requests and instructions from the officers of LKIM or other officers as authorised under The Fisheries Development Authority of Malaysia Act 1971.	Noted
					(e)	GHS Food Industries is responsible for all acts of its employees related to the approved activities under this licence.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(f) GHS Food Industries must conduct business only at the registered lot.	Complied
					(g) GHS Food Industries must not trade, process, export or import fish that is not safe for human consumption without the prior written approval from LKIM.	Noted
					(h) GHS Food Industries is prohibited from trading, processing, exporting, or importing any fish obtained or caught illegally under the Fish Marketing Regulations 2010.	Noted
					(i) This licence shall not be transferred or used by anyone other than GHS Food Industries.	Noted
					(j) GHS Food Industries is prohibited from importing and exporting live fish unless it has obtained the approval of the Department of Fisheries, Malaysia.	Noted
					(k) Trading and processing of fish can be conducted at the location stipulated in this licence only.	Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(l) This licence may be revoked if any of the limitations and conditions of this licence or the provisions of Fisheries Development Authority of Malaysia Act 1971 or the rules made thereunder are violated or not complied by GHS Food Industries, or that GHS Food Industries is found to have committed relevant offences under any written law.	Noted
14.	GHS Heng Kee	Schedule controlled goods licence to engage in retail activity for sale of sugar, cooking oil and wheat flour and to store up to 1,000 kg of each commodity at Bangunan GHS	Authority: KPDN Licence No.: AR04000487	5 August 2024 / 4 August 2026	(a) GHS Heng Kee is subject to all provisions under the Control of Supplies Act 1961 and Control of Supplies Regulations 1974.	Noted
					(b) GHS Heng Kee must display the licence in a visible location within the business premises.	Complied
					(c) GHS Heng Kee must comply with the directives of the Controller of Supplies Malaysia regarding the purchase and sale of controlled goods listed in this licence.	Complied
					(d) GHS Heng Kee must comply with any directives issued by the Controller of Supplies Malaysia under the Control of Supplies Act 1961.	Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
15.	GHS Food Industries	Schedule controlled goods permit to purchase and store of 1,000 kg of sugar (non-subsidy) and 1,600 kg of cooking oil (non-subsidy) at Property 32	Authority: KPDN Licence No.: PBKB/2024/P/M-000168	15 November 2024 / 14 November 2027	(a) Comply with the description of scheduled controlled items specified in the permit.	Complied
					(b) Store scheduled controlled items at the address specified in the permit only.	Complied
					(c) Keep or have in possession scheduled controlled goods not exceeding the quantity allowed in the permit.	Complied
					(d) Purchase scheduled controlled goods stated in the permit for personal use and not for resale purposes.	Complied
					(e) Maintain a purchase record book that contains the supplier's name and address, date of purchase, quantity and price and keep invoices, receipts or any purchase documents for review purposes.	Complied
					(f) This permit cannot be transferred.	Noted
					(g) The renewal of the permit shall be submitted 30 days prior to the expiry of the current permit.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
16.	GHS Food Industries	Schedule controlled goods permit to purchase and store of 3,000 kg liquefied petroleum gas at Property 32	Authority: KPDN Licence No.: PBKB/2024/P/M-000169	15 November 2024 / 14 November 2027	(a) Comply with the description of scheduled controlled items specified in the permit.	Complied
					(b) Store scheduled controlled items at the address specified in the permit only.	Complied
					(c) Keep or have in possession scheduled controlled goods not exceeding the quantity allowed in the permit.	Complied
					(d) Purchase scheduled controlled goods stated in the permit for personal use and not for resale purposes.	Complied
					(e) Maintain a purchase record book that contains the supplier's name and address, date of purchase, quantity and price and keep invoices, receipts or any purchase documents for review purposes.	Complied
					(f) Label the skid tank used for the storage of diesel fuel and petrol oil with the details of the permit reference number, the type of scheduled control item, the name and address of the permit holder and the telephone number of the responsible officer.	Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(g) This permit cannot be transferred.	Noted
					(h) The renewal of the permit shall be submitted 30 days prior to the expiry of the current permit.	Noted
17.	GHS Food Industries	Schedule controlled goods permit to purchase and store of 8,000 kg cooking oil (non-subsidy) and 800 kg liquefied petroleum gas (non-subsidy) at Property 1595-1	Authority: KPDN Reference No.: BPGK(M)SK/033/2 019(A&LPG)	9 December 2025 / 8 December 2028	(a) Comply with the description of scheduled controlled items specified in the permit.	Complied
					(b) Store scheduled controlled items at the address specified in the permit only.	Complied
					(c) Keep or have in possession scheduled controlled goods not exceeding the quantity allowed in the permit.	Complied
					(d) Purchase scheduled controlled goods stated in the permit for personal use and not for resale purposes.	Complied
					(e) Maintain a purchase record book that contains the supplier's name and address, date of purchase, quantity and price and keep invoices, receipts or any purchase documents for review purposes.	Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(f) Label the skid tank used for the storage of diesel fuel and petrol oil with the details of the permit reference number, the type of scheduled control item, the name and address of the permit holder and the telephone number of the responsible officer.	Complied
					(g) This permit cannot be transferred.	Noted
18.	GHS Heng Kee	Licence to engage in retail activity for sale of rice and to store up to 10 tonne of rice at Bangunan GHS	<u>Authority:</u> KPKM <u>Licence No.:</u> D 163717	12 July 2023 / 11 July 2026	(a) The licence must be signed by GHS Heng Kee or nominee named in the licence with the company's stamp.	Complied
					(b) GHS Heng Kee must display the licence in a visible location within the business premises.	Complied
					(c) GHS Heng Kee may not store rice in a place other than stated in the licence.	Complied
					(d) GHS Heng Kee may not freeze, cover or destroy rice.	Noted
					(e) GHS Heng Kee may not obtain or purchase rice from any source other than a valid rice wholesale licence holder.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(f) GHS Heng Kee cannot sell more than 100kg of rice to any person at a time.	Noted
					(g) GHS Heng Kee must place a label or sign in Malay that shows the grade and price of rice or containers of rice for sale displayed in the part of the premises that can be entered by the public.	Complied
19.	GHS Heng Kee	Certificate of registration for food premises for Bangunan GHS	Authority: MOH Certificate No.: FSSM072113243-0	19 July 2024 / 19 July 2027	Nil	Not applicable
20.	GHS Heng Kee	Certificate of registration for food premises for Property 3	Authority: MOH Certificate No.: FSSM092403558-0	26 September 2024 / 26 September 2027	Nil	Not applicable
21.	GHS Food Industries	Certificate of registration for food premises for Property 30	Authority: MOH Certificate No.: FSSM062101251-0	30 June 2024 / 30 June 2027	Nil	Not applicable
22.	GHS Food Industries	Certificate of registration for food premises for Property 30 and Property 32	Authority: MOH Certificate No.: FSSM092403908-0	30 September 2024 / 30 September 2027	Nil	Not applicable

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
23.	GHS Food Industries	Certificate of registration for food premises for Property 1595-1	Authority: MOH Certificate No.: FSSM092403712-0	27 September 2024 / 27 September 2027	Nil	Not applicable
24.	GHS Heng Kee	Retail shop licence for Bangunan GHS	Authority: District Office of Melaka Tengah Licence No.: 178327	9 January 2025 / 31 December 2025 ⁽²⁾	(a) 24-hour business premises are not allowed to possess a liquor licence.	Complied
					(b) Prohibited to sell liquor to anyone under the age of 21.	Complied
					(c) Alcoholic beverages (including beer) must be separated from other drinks, in a designated enclosed/ protected or locked area.	Complied
					(d) A special counter for liquor sales must be provided, and no employees of the Islamic faith should be placed at that counter.	Complied
					(e) The sale of liquor is not permitted to be mixed with halal products and services.	Complied
					(f) The licence issued cannot be rented, transferred, or business premises moved to another location without the permission of the licensing authority.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(g) The licensing authority will revoke the licence of any liquor licence holder who does not comply with the conditions and regulations set forth in accordance with the Excise Act 1976.	Noted
25.	GHS Food Industries	Certificate of Halal Authentication to certify that: 1. anchovies powder / serbuk ikan bilis 2. asam seafood sauce / sos asam pedas 3. black pepper powder / serbuk lada hitam 4. black sesame spread / jem bijan hitam 5. Cantonese steam ribs spices / rempah herba kukus 6. chilli pickle / cili jeruk 7. chilli powder / serbuk cili 8. chilli prawn floss / serunding udang 9. chinchalok chili sauce / cinalok 10. coconut jam / kaya original 11. crispy cuttle fish chilli / sambal sotong ranggup / sos cili sotong ranggup	Authority: JAKIM Reference No.: JAKIM.700-2/3/1 105-08/2012	16 February 2024 / 15 February 2026	(a) This certificate and the Malaysian HALAL logo shall not be traded, transferred nor shall its content be altered. (b) Any changes to the name or address of GHS Food Industries products, factory or premise, name of product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM for further action. (c) GHS Food Industries shall at all times be subject to inspection, monitoring and enforcement conducted either by JAKIM, MAIN or KPDN.	Noted Noted Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
		12. crispy fish chilli / sambal ikan ranggup / sos ikan ranggup 13. crispy fish chilli tom yam / sambal ikan ranggup tom yam 14. crispy korea seaweed chilli / sambal rumpai laut ranggup 15. crispy prawn chilli / sambal udang ranggup / sos udang ranggup 16. crispy prawn chilli satay / sambal udang ranggup satay 17. crispy szechuan chilli / sambal ranggup szechuan 18. curry laksa sauce / pes laksa nyonya 19. durian jam / kaya durian 20. emperor chicken herbs & spices / rempah herba ayam maharaja 21. english garlic pepper chicken chop marinade 22. five spices fried chicken mix / rempah ayam five spice 23. five spices powder / serbuk lima rempah 24. flounder fish powder / serbuk ikan sebelah 25. flounder fish seasoning / serbuk ikan sebelah 26. flounder fish seasoning / serbuk ikan sebelah (no msg) 27. fragrant garlic in canola oil / bawang putih goreng 28. fragrant shallots in canola oil / bawang goreng 29. fried garlic / bawang putih goreng 30. fried onion / bawang goreng			(d) This certificate may be suspended or withdrawn at any time by JAKIM, MAIN or KPDN if there is doubt in terms of Islamic Law or violation of any laws or regulations that are currently in force. (e) GHS Food Industries shall exhibit the logo on the product or the approved premises as stated in this certificate. (f) The use of the logo on the approved product or premise shall be accompanied by the reference number and the standard number as stated in the certificate for such product or premise.	Noted Complied Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		31. fried shallot / bawang goreng 32. ginseng chicken soup herbs & spices / rempah herba sup ginseng 33. golden salted egg powder / serbuk telur masin keemasan 34. green tea spread / jem teh hijau 35. italian lemon & herb chicken chop marinade 36. kapitan curry sauce / sos kari Kapitan 37. malaysia turmeric chicken chop marinade 38. master stock / stok ayam dan kapis 39. master stock with scallop extract / stok ayam dan kapis 40. meat curry powder / serbuk kari daging 41. Nyonya achar 42. Nyonya chicken curry sauce / sos kari ayam 43. Nyonya cili garam / sos cili garam 44. Nyonya fish curry sauce / pes kari ikan 45. Nyonya sambal / sambal tumis 46. Nyonya sauce / sos Nyonya 47. Nyonya stewed fragrant sauce / tumisan herba 48. Nyonya white curry sauce / pes kari putih ayam 49. oriental honey bbq chicken chop marinade 50. pandan jam / kaya pandan					

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		51. pei tee shell / top hat / tepung acuan kueh pei tee 52. pepper salt prawn spices / campuran lada udang goreng 53. pepper soup herbs & spices / rempah sup lada putih 54. perencah satay 55. perencah udang / prawn stock 56. pes kari hijau thai 57. pes kari merah thai 58. pes nasi ayam Hainan/ Hainanese chicken rice paste 59. pongteh sauce / pes bijian Nyonya 60. prawn flavour fried chicken mix / rempah ayam goreng perisa udang 61. prawn noodle paste / pes mee udang 62. prawn powder / serbuk udang 63. pumpkin kaya / jem labu 64. purple sweet potato spread / jem keladi ungu 65. rendang sauce / pes rendang 66. salt baked chicken herbs & spices / rempah ayam masin 67. salted egg spread / kaya telur masin 68. salted fish floss / serunding ikan masin 69. sambal belacan 70. sambal ikan masin 71. sambal nasi lemak 72. satay celup sauce / sos satay celup					

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		73. serbuk kari / curry powder 74. sebuk kari ikan / fish curry powder 75. serunding udang / chilli shrimp floss 76. shrimp taste sauce 77. Singapore salted egg chicken chop marinade 78. sos abalone 79. sos asam pedas 80. sos ayam masak merah 81. sos campuran 82. sos cili garam / chilli garam sauce 83. sos cili kam heong / kam heong paste 84. sos kapis 85. sos kari ayam 86. sos lada hiam 87. sos lemak nenas / lemak nenas sauce 88. sos manis bbq / sweet sauce 89. sos penang asam laksa 90. sos rendang ayam 91. sos satay celup / satay celup hotpot sauce (box) 92. sos sweet & sour 93. sos tandoori 94. squid powder / perencah sotong 95. squid powder / serbuk sotong 96. stewed fragrant herbs & spices / rempah herba reneh 97. sweet potato flour / tepung ubi keledrek tulen 98. sweet potato jam / jem keledrek 99. taro spread / jem keladi / yam jam					

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		100. tea egg herbs & spices / rempah herba telur manufactured / distributed / managed by GHS Food Industries has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Melaka.					
26.	GHS Food Industries	Certificate of Halal Authentication to certify that: 1. assam pedas nyonya paste 2. belachan powder / serbuk belacan 3. chicken rendang paste / pes rendang 4. chicken rice paste / pes nasi ayam 5. chili crab nyonya paste 6. chilli sauce / sos cili 7. cili nasi ayam / chicken rice chilli 8. cinalok / cinalok shrimp paste 9. coconut milk powder / serbuk santan 10. coconut palm sugar / gula melaka 11. crispy prawn chilli sauce 12. curry gravy 13. curry laksa meal kit / kari laksa meal kit / singapore curry laksa meal kit 14. curry laksa paste / pes kari laksa 15. curry paste	Authority: JAKIM Reference No.: JAKIM.700-2/3/1 105-08/2012	16 November 2024 / 15 November 2026	(a)	This certificate and the Malaysian HALAL logo shall not be traded, transferred nor shall its content be altered.	Noted
					(b)	Any changes to the name or address of GHS Food Industries products, factory or premise, name of product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM for further action.	Noted
					(c)	GHS Food Industries shall at all times be subject to inspection, monitoring and enforcement conducted either by JAKIM, MAIN or KPDN.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
		16. dark soy sauce / sos kicap hitam 17. durian kaya / kaya durian / durian jam 18. egg kaya / kaya original / coconut jam 19. fried garlic oil / bawang putih goreng 20. fried onion oil / bawang goreng 21. fried shallot oil / bawang goreng 22. ginger garlic paste / pes bawang putih halia 23. ginger paste / pes halia 24. hainanese chicken rice chilli / cili nasi ayam 25. hainanese chicken rice meal kit / nasi ayam hainan meal kit/ singapore hainanese chicken rice meal kit 26. indonesian rendang 27. kaya / kaya pandan / pandan jam 28. laksa gravy 29. laksa nyonya paste 30. malaysian red curry 31. multipurpose sambal / sambal serbaguna / Nyonya chilli paste 32. nacho cheese 33. nasi lemak rendang meal kit / Malaysia nasi lemak with rendang meal kit / Malaysia rendang with nasi lemak meal kit 34. Nyonya satay sauce / sos satay Nyonya 35. perapan bbq lada hitam Sarawak / Sarawak black pepper bbq marinade			<div>(d)</div> <p>This certificate may be suspended or withdrawn at any time by JAKIM, MAIN or KPDN if there is doubt in terms of Islamic Law or violation of any laws or regulations that are currently in force.</p>	Noted
					<div>(e)</div> <p>GHS Food Industries shall exhibit the logo on the product or the approved premises as stated in this certificate.</p>	Complied
					<div>(f)</div> <p>The use of the logo on the approved product or premise shall be accompanied by the reference number and the standard number as stated in the certificate for such product or premise.</p>	Complied

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		36. perapan bbq madu manis korea / Korean sweet flavour bbq marinade 37. perapan bbq satay Indonesia / Indonesian satay bbq marinade 38. perapan bbq serai wangi Vietnam/ Vietnamese lemongrass bbq marinade 39. perapan bbq thai kari / thai curry bbq marinade 40. perencah daging / beef stock 41. peri-peri sauce (hot) / sos peri-pari (pedas) 42. peri-peri sauce (original) / sos peri-peri (asli) 43. pineapple satay sauce / sos satay nenas 44. pongteh Nyonya paste 45. premix crispy cereal / campuran goreng rangup 46. rendang Nyonya paste 47. salted egg yolk paste / pes telur kuning masin 48. sambal chili crunch 49. sambal chili crunch – shrimp / crispy spicy shrimp 50. sambal Nyonya paste 51. sambal sauce / sambal 52. sambal tumis 53. sambal tumis Nyonya paste 54. satay marinade spices / perapan perencah satay 55. satay meal kit / Indonesian satay with pineapple satay meal kit 56. satay spices / rempah satay					

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed		Compliance status
		57. seafood stock / perencah makanan laut 58. serbuk ikan sebelah / pure flounder fish powder 59. serbuk udang / pure prawn powder 60. sesame oil / minyak bijan 61. Singaporean laksa 62. traditional ginseng soup / sup ginseng 63. truffle oil seasoning / black truffle infused in refined sunflower oil manufactured / distributed / managed by GHS Food Industries has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Melaka.					
27.	GHS Food Industries	HACCP certificate (Hazard Analysis and Critical Control Point)	Issuer: Interlek Certification International Sdn Bhd Certificate No.: H934488	10 December 2025 / 5 January 2029	Nil		Not applicable
28.	GHS Food Industries	MeSTI certificate (Makanan Selamat Tanggungjawab Industri)	Authority: MOH Licence/ Reference No.: ME0924159-0/1	8 November 2024 / 7 November 2027	(a)	The MeSTI Certificate and Logo shall not be transferred nor shall its content be altered.	Noted

ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

No.	Company	Description of licence/ certificate/ permit	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(b) Any changes to the name or address of the factory or premise, certification scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premise ceased operation.	Noted
					(c) GHS Food Industries shall be subjected to inspection, monitoring and enforcement activities conducted by MOH.	Noted
					(d) The certificate remains the property of the MOH. It may be withdrawn or terminated at any time if there is violation of any guidelines, laws or regulations that are currently in force.	Noted

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ANNEXURE B - MAJOR LICENCES, CERTIFICATES AND PERMITS (Cont'd)

Notes:


- (1) *Pursuant to an article issued by MIDA on 16 December 2024 (<https://www.mida.gov.my/mida-news/miti-suspension-of-foreign-worker-ratio-in-manufacturing-extended-until-multi-tier-levy-is-enforced/>), compliance with the condition that the total full-time workforce of a company to be at least 80% Malaysian citizens as stated in all manufacturing licenses is exempted until the multi-tier levy mechanism (MTLM) is fully implemented. This exemption is applicable to GHS Food Industries.*
- (2) *The licence has been renewed, with the validity period from 1 January 2026 to 31 December 2026.*

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ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS




As at the LPD, our Group has not registered or applied for any material intellectual property rights other than those disclosed below:

Locally Registered Trademarks



No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
1.		GHS Heng Kee	TM2019019831	MyIPO	3 June 2019 to 3 June 2029	35	The bringing together, for the benefits of others, of a variety of goods namely foodstuffs and household goods, enabling customers to conveniently view and purchase those goods in a retail outlet, online retail store services in connection with the aforesaid goods, sales management services on the internet, internet shopping services, online trading services being the facilitation of the sale of aforesaid goods, demonstration of goods, presentation of goods on communication media, for retail purposes, advertising, sales promotion for others, business information, organization of exhibitions and trade fairs for commercial or advertising purposes, business consultancy services, business management advisory services, imports and exports services

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ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
2.		GHS Heng Kee	TM2019019832	MyIPO	3 June 2019 to 3 June 2029	35	The bringing together, for the benefits of others, of a variety of goods namely foodstuffs and household goods, enabling customers to conveniently view and purchase those goods in a retail outlet, online retail store services in connection with the aforesaid goods, sales management services on the internet, internet shopping services, online trading services being the facilitation of the sale of aforesaid goods, demonstration of goods, presentation of goods on communication media, for retail purposes, advertising, sales promotion for others, business information, organization of exhibitions and trade fairs for commercial or advertising purposes, business consultancy services, business management advisory services, imports and exports services
3.		GHS Heng Kee	97015745	MyIPO	10 November 2024 to 4 November 2034	30	Corn flour, flour for food, pepper, sauces (except salad dressings), sauce (tomato), seasonings
4.		GHS Heng Kee	2010019474	MyIPO	15 October 2020 to 15 October 2030	29	Canned button mushrooms, dried mushrooms, preserved longans, canned longans, canned lychees, preserved fruits, canned sweet corns, baked beans, abalones, canned abalone and dried abalone, preserved pacific calms, canned pacific calms, sardines, preserved sea asparagus and canned sea asparagus


ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
5.		GHS Heng Kee	2015065245	MyIPO	12 September 2025 to 12 September 2035	29	Preserved vegetables; canned vegetables, canned button mushrooms, dried mushrooms; preserved fruits; canned fruits, preserved longans, canned longans, canned lychees; canned sweet corns; baked beans; canned abalone, dried abalone; preserved pacific clams, canned pacific clams; canned sardines; preserved sea asparagus, canned sea asparagus; canned sea cucumbers, preserved sea cucumbers
6.		GHS Heng Kee	2015065246	MyIPO	12 September 2025 to 12 September 2035	30	Coffee, artificial coffee; tea; cocoa; chocolate; sugar; rice; tapioca; sago; flours and cereal preparations; honey; treacle; yeast; baking-powder; mustard; vinegar; custard powder; preparations for making puddings; peppers; preparations for making meat tender; ketchup, tomato sauce, chilli sauce, mixture of chilli and tomato sauce, soya sauce; sauces (condiments); oyster sauce; spices; dried culinary herbs (seasonings), dried herbs (seasonings), garden herbs, preserved (seasonings), herbal extracts, other than for medicinal purposes; marinades containing herbs; powders for sauces; breadng flours; seasonings for foods; condiments; condiment extracts; spices; herbs; cooking salt; cocoa products namely chocolate masses and toppings; confectionery, marzipan, pasta for cooking and filling for pastries; frozen confections; chilled desserts; mousses, sorbets; sauces for pasta and rice, salad dressings; savoury spreads; mayonnaise; dips; marinades; thickening agents for cooking foodstuff

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)



No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
7.		GHS Heng Kee	2015067233	MyIPO	12 October 2025 to 13 October 2035	29	Bouillon, preparations for making bouillon; bouillon concentrates and cubes; soup pastes; canned sauces; luncheon meats; preserved meat; meat extracts; sea foods (not live), fish (not live), prawns (not live); preserved fish; foods prepared from sea foods; foods prepared from poultry; preserved, dried and cooked fruits; dried and preserved vegetables; canned button mushrooms, dried mushrooms; edible seaweed; preserved longans, canned longans; canned lychees; canned sweet corns; baked beans; abalones, canned abalone and dried abalone; preserved pacific calms, canned pacific calms; sardines; preserved sea asparagus and canned sea asparagus
8.		GHS Heng Kee	2017062717	MyIPO	8 July 2017 to 8 July 2027	29	Bouillon, preparations for making bouillon; bouillon concentrates and cubes; soup pastes; canned sauces; santan (coconut milk); peanut butter and roasted peanuts; fruit jams; jellies; edible oils and edible fats; milk and dairy products (for food), yoghurt; luncheon meats; frozen meat and chilled meat; preserved meat; meat extracts; sea foods (not live), fish (not live), prawns (not live); preserved fish; foods prepared from sea foods; foods prepared from poultry; preserved, dried and cooked fruits and vegetables; compotes; marmalades

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)




No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
9.		GHS Heng Kee	2017062718	MyIPO	8 July 2017 to 8 July 2027	30	Chili sauces; chili seasonings; chili oils use as a seasoning or condiment; chili powders; dried culinary herbs (seasonings), dried herbs (seasonings), preserved (seasonings), herbal extracts, other than for medicinal purposes; marinades containing herbs; powders for sauces; oyster sauces; soya sauces; tomato sauces; ketchup; breading flour; seasonings for foods; condiments, food condiments consisting primarily of ketchup and salsa; condiment extracts; spices; vinegar; canned pasta foods; mustard; cooking salt; cocoa, cocoa products, namely chocolate masses and toppings; pasta for cooking; filling for pastries; frozen confections; chilled desserts; mousses; sorbets; vegetable pastes (sauces); sauces for pasta and rice; curried food pastes; fruit pastries; salad dressings; savoury spreads; mayonnaise; dips; marinades; marinades containing spices; thickening agents for cooking foodstuff

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ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)
Foreign Registered Trademarks

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
1.		GHS Heng Kee	302349108	Intellectual Property Department of Hong Kong	17 August 2022 to 16 August 2032	29	Preparations for making soup; dried and cooked fruit and vegetables; fruit sauces edible jellies; jams; prepared meals consisting principally of vegetables
						30	Sauces (condiments); soya sauce; ketchup; tomato sauce; chili sauce; powders for sauces; breading flour; seasonings for foods; spices; herbs
2.		GHS Heng Kee	UK00003075580	Intellectual Property Office of the United Kingdom	6 October 2024 to 6 October 2034	30	Flavourings made from shrimps; shrimp dumpling; chilli sauces; chilli seasoning; chilli oils use as a seasoning or condiment; chilli powders; hot chilli bean pastes; dried culinary herbs (seasoning); dried herbs (seasoning); preserved (seasoning); herbal extracts, other than for medicinal purposes; powders for sauces; oyster sauces; soya sauces; seasoning for foods; condiment extracts; spices; curried food pastes; fruit pastries; fruit sauces; mayonnaise; dips; marinades; marinades containing herbs; marinades containing spices; thickening agents for cooking foodstuff

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)


No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
3.		GHS Heng Kee	303727422	Intellectual Property Department of Hong Kong	30 March 2016 to 29 March 2026	30	Condiments; dried culinary herbs (seasonings); preserved herbs (seasonings); sauces (condiments); sauce powders; seasonings; spices; spice preparations; spice extracts
4.		GHS Heng Kee	40201605796X	Intellectual Property Office of Singapore ("IPOS")	1 April 2016 to 1 April 2026	30	Condiments; dried culinary herbs (seasonings); preserved herbs (seasonings); sauces (condiments); sauce powders; seasonings; spices; spice preparations; spice extracts
5.		GHS Heng Kee	UK00003481183	Intellectual Property Office of the United Kingdom	14 April 2020 to 14 April 2030	30	Flavourings made from shrimps; shrimp dumpling; chili sauces; chili seasonings; chili oils use as a seasoning or condiment; chili powders; hot chili bean pastes; dried culinary herbs (seasonings); dried herbs (seasonings); preserved (seasonings); herbal extracts, other than for medicinal purposes; powders for sauces; oyster sauces; soya sauces; seasonings for foods; condiment extracts; spices; curried food pastes; fruit pastries; fruit sauces; mayonnaise; marinades; marinades containing herbs; marinades containing spices; thickening agents for cooking foodstuff

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description
6.		GHS Food Industries	303926278	Intellectual Property Department of Hong Kong	11 October 2016 to 10 October 2026	30	Chili sauce and spicy sauces
7.		GHS Food Industries	303926287	Intellectual Property Department of Hong Kong	11 October 2016 to 10 October 2026	30	Chili sauce and spicy sauces
8.		GHS Food Industries	40201618051T	IPOS	27 October 2016 to 27 October 2026	30	Chili sauce; spicy sauces
9.		GHS Food Industries	40201618053X	IPOS	27 October 2016 to 27 October 2026	30	Chili sauce; spicy sauces

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ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)**Local Trademark Applications**

No.	Trademark	Company / Applicant	Application No.	Authority	Application date	Class	Description	Status
1.		GHS Holdings	TM2025005408	MyIPO	22 February 2025	35	Advertising; Advertising agency services; Advertising and business advice; Advertising and business management consultancy; Advertising and marketing services; Advertising and marketing services provided by means of social media; Advertising for others; Advertising services provided via the internet; Advertising services relating to the commercialization of new products; Advertising services relating to the sale of goods; Advertising services to create brand identity for others; Advertising via electronic media; Advertising via mobile phone networks; Brand consultancy services; Brand creation services; Brand evaluation services; Business administration and management services; Business advice relating to franchising; Business advice relating to marketing; Business and marketing research; Business data analysis services; Business information; Business management of wholesale and retail outlets; Business research and surveys; Commercial business management services; Conducting market surveys; Conducting trade fairs; Consultancy services relating to import-export agency services; Consumer research services; Customer relationship management; Distribution of samples;	Provisional Refusal (Objected) ⁽¹⁾

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Company / Applicant	Application No.	Authority	Application date	Class	Description	Status
							Electronic billboard advertising; Electronic processing of orders; Internet advertising services; Inventory management; Marketing; Mobile advertising services for others; On-line marketing; On-line retail store services featuring food preparation implements; Opinion polling; Organisation of prize draws for advertising purposes; Organising exhibitions for commercial or advertising purposes; Organization of advertising events; Organizing exhibitions for commercial or advertising purposes; Outdoor advertising; Pay per click advertising services; Preparation of business surveys; Preparation of marketing reports; Presentation of products to the public; Promotional sponsorship of cultural events; Promotional sponsorship of sports events; Promotional sponsorship of sports teams; Providing and rental of advertising space on the internet; Publicity and promotional services; Radio advertising; Radio advertising agency services; Retail services provided by supermarkets; Marketing advisory services in the field of food and drink catering; On-line retail store services featuring foodstuffs; On-line retail store services featuring seafood; On-line wholesale distributorship services for food and drinks; On-line wholesale store services featuring food	

ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Company / Applicant	Application No.	Authority	Application date	Class	Description	Status
							cooking equipment; Online wholesale distributorship services for food and beverages; Retail services for food cooking equipment; Retail store services for seafood; Wholesale services for foodstuffs; Wholesale store services for foodstuffs; Wholesale store services for seafood; Advice relating to business management; Business management advisory services relating to franchising; Business management and business administration; Business management assistance within the framework of a franchise contract; Business management consultancy and advisory services; Providing advice in the field of business management and marketing; Providing business management assistance in the establishment and operation of restaurants	

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ANNEXURE C - INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Note:

- (1) *An application to register this trademark was submitted by GHS Holdings on 22 February 2025. On 25 April 2025, our Group received a notice from MyIPO stating that the applied-for trademark is substantially similar to trademarks registered under "GHS Heng Kee", namely Trademark No. TM2019019831 and TM2019019832, for identical or closely related goods/services, as disclosed above.*

Following the notice, the appeal was filed by the trademark agent on 25 June 2025.

In view that GHS Heng Kee has confirmed it has no objection to the trademark application, the trademark agent is of the view that the appeal is likely to be successful. The trademark agent has further indicated that the outcome of the appeal is expected to be available approximately 18 months from the date of submission of the appeal. If the appeal is successful, the applied-for trademarks will be published for a two (2)-month opposition period. During this period, any third party may file an opposition to the registration. In the absence of any opposition within the stipulated period, the applied-for trademarks are expected to proceed to registration upon the expiry of the opposition period.

Based on the current timeline, the trademark agent has further indicated that the overall registration process is expected to take between 10 to 18 months, assuming no opposition is raised by any third party during the opposition period.

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