YENHER HOLDINGS BERHAD

(Registration No. 202001008388 (1364708-X))
(Incorporated in Malaysia under Companies Act 2016)

Interim Financial Report
For The First Quarter Ended
31 March 2026

25 May 2026

Yenher Holdings Berhad
(Registration No. 202001008388 (1364708-X))
(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2026

Condensed consolidated statement of financial position

	As at 31.03.2026 Unaudited RM	As at 31.12.2025 Audited RM
Assets		
Non-current Assets		
Property, plant and equipment	168,496,706	147,562,644
Investment properties	6,668,819	6,675,007
Intangible assets	2,830,215	2,826,656
	177,995,740	157,064,307
Current Assets		
Inventories	44,322,882	39,107,799
Trade and other receivables	71,738,972	81,164,945
Tax recoverable	100,129	98,538
Placements in money market funds	13,921,157	19,143,940
Short-term deposits, cash and bank balances	7,646,580	13,926,174
	137,729,720	153,441,396
Total Assets	**315,725,460**	**310,505,703**
Equity and Liabilities		
Equity		
Share capital	177,429,501	177,429,501
Merger deficit	(115,534,500)	(115,534,500)
Exchange translation reserve	63,725	57,182
Revaluation reserve	33,757,020	33,766,106
Retained profits	173,167,388	172,188,973
Equity attributable to owners of the Company	268,883,134	267,907,262
Non-controlling interests	470,250	633,044
Total Equity	269,353,384	268,540,306
Non-current Liabilities		
Deferred tax liabilities	4,405,153	4,280,876
Lease liabilities	808,510	-
	5,213,663	4,280,876
Current Liabilities		
Lease liabilities	1,022,475	877,740
Trade and other payables	33,964,609	35,252,912
Tax payable	1,671,329	1,553,869
Dividend payable	4,500,000	-
	41,158,413	37,684,521
Total Liabilities	**46,372,076**	**41,965,397**
Total Equity and Liabilities	**315,725,460**	**310,505,703**
Number of ordinary shares in issue	300,000,000	300,000,000
Net assets per share of the Company (RM)	0.90	0.89

The condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad
(Registration No. 202001008388 (1364708-X))
(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2026

Condensed consolidated statement of profit or loss and other comprehensive income

		Quarter ended		Year-to-date ended	
		31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
		Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue	A11	61,044,636	71,090,065	61,044,636	71,090,065
Cost of sales		(48,066,752)	(58,623,349)	(48,066,752)	(58,623,349)
Gross profit		**12,977,884**	**12,466,716**	**12,977,884**	**12,466,716**
Other income		337,435	894,643	337,435	894,643
Selling and distribution costs		(1,687,909)	(2,775,504)	(1,687,909)	(2,775,504)
Administrative expenses		(4,143,752)	(4,200,241)	(4,143,752)	(4,200,241)
(Additional)/Reversal of impairment losses on trade receivables		(17,789)	51,837	(17,789)	51,837
Research and development costs		(66,268)	(73,264)	(66,268)	(73,264)
Other expenses	A5	(35,115)	(1,865,186)	(35,115)	(1,865,186)
Operating profit		**7,364,486**	**4,499,001**	**7,364,486**	**4,499,001**
Finance costs		(22,349)	(53,014)	(22,349)	(53,014)
Profit before taxation	B5	**7,342,137**	**4,445,987**	**7,342,137**	**4,445,987**
Taxation	B6	(2,035,602)	(1,212,883)	(2,035,602)	(1,212,883)
Profit for the period		**5,306,535**	**3,233,104**	**5,306,535**	**3,233,104**
Other comprehensive income, net of tax					
Item that will be reclassified subsequently to profit or loss :					
- Exchange gain on translation of foreign operation		6,543	4,264	6,543	4,264
Total other comprehensive income for the period		**6,543**	**4,264**	**6,543**	**4,264**
Total comprehensive income for the period		**5,313,078**	**3,237,368**	**5,313,078**	**3,237,368**
(Loss)/Profit for the period attributable to :					
Non-controlling interests		(162,794)	(14,906)	(162,794)	(14,906)
Owners of the Company		5,469,329	3,248,010	5,469,329	3,248,010
		5,306,535	**3,233,104**	**5,306,535**	**3,233,104**
Total comprehensive (loss)/income for the period attributable to :					
Non-controlling interests		(162,794)	(14,906)	(162,794)	(14,906)
Owners of the Company		5,475,872	3,252,274	5,475,872	3,252,274
		5,313,078	**3,237,368**	**5,313,078**	**3,237,368**
Earnings per share attributable to ordinary equity holders of the Company					
Basic and diluted (Sen)	B11	1.82	1.08	1.82	1.08
Weighted average number of ordinary shares in issue	B11	300,000,000	300,000,000	300,000,000	300,000,000

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad
(Registration No. 202001008388 (1364708-X))
(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2026

Condensed consolidated statement of changes in equity

	Attributable to owners of the Company							
	Non-distributable				Distributable			
	Share capital	Merger deficit	Exchange translation reserve	Revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM
Year-to-date ended 31 March 2026 (Unaudited)								
Balance as at 1 January 2026	177,429,501	(115,534,500)	57,182	33,766,106	172,188,973	267,907,262	633,044	268,540,306
Profit/(Loss) for the period	-	-	-	-	5,469,329	5,469,329	(162,794)	5,306,535
Exchange gain on translation of foreign operation	-	-	6,543	-	-	6,543	-	6,543
Total comprehensive income/(loss) for the period	**-**	**-**	**6,543**	**-**	**5,469,329**	**5,475,872**	**(162,794)**	**5,313,078**
Transfer of revaluation surplus on land and buildings	-	-	-	(9,086)	9,086	-	-	-
Dividends paid (Note A8)	-	-	-	-	(4,500,000)	(4,500,000)	-	(4,500,000)
Balance as at 31 March 2026	**177,429,501**	**(115,534,500)**	**63,725**	**33,757,020**	**173,167,388**	**268,883,134**	**470,250**	**269,353,384**
Year-to-date ended 31 March 2025 (Unaudited)								
Balance as at 1 January 2025	177,429,501	(115,534,500)	48,243	33,802,450	160,451,965	256,197,659	150,766	256,348,425
Profit/(Loss) for the period	-	-	-	-	3,248,010	3,248,010	(14,906)	3,233,104
Exchange gain on translation of foreign operation	-	-	4,264	-	-	4,264	-	4,264
Total comprehensive income/(loss) for the period	**-**	**-**	**4,264**	**-**	**3,248,010**	**3,252,274**	**(14,906)**	**3,237,368**
Transfer of revaluation surplus on land and buildings	-	-	-	(9,086)	9,086	-	-	-
Transactions with the owners of the Company								
Dividends paid (Note A8)	-	-	-	-	(4,500,000)	(4,500,000)	-	(4,500,000)
	-	-	-	-	(4,500,000)	(4,500,000)	-	(4,500,000)
Balance as at 31 March 2025	**177,429,501**	**(115,534,500)**	**52,507**	**33,793,364**	**159,209,061**	**254,949,933**	**135,860**	**255,085,793**

The condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad
(Registration No. 202001008388 (1364708-X))
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Interim Financial Report for the First Quarter Ended 31 March 2026

Condensed consolidated statement of cash flows

	Year-to-date ended	
	31.03.2026	**31.03.2025**
	Unaudited	**Unaudited**
	RM	**RM**
Cash flows from operating activities		
Profit before taxation	7,342,137	4,445,987
Adjustments for :-		
Amortisation of intangible assets	6,826	33,873
Depreciation of property, plant and equipment	418,112	353,278
Depreciation of investment properties	6,187	-
Depreciation of right-of-use assets	386,147	276,894
Gain on changes in fair value of money market funds	(66,916)	(184,491)
Gain on redemption of money market funds	(7,287)	(10,697)
Gain on disposal of property, plant and equipment	-	(99,999)
Income from placements in money market funds	(74,481)	(211,199)
Interest income	(20,011)	(90,858)
Interest expense	22,349	53,014
Reversal of write-down in value of inventories	-	(399,386)
Property, plant and equipment written off	-	58,783
Inventories written off	-	1,775,215
Additional/(Reversal of) impairment losses on trade receivables	17,789	(136,064)
Unrealised loss on foreign exchange	15,906	113,674
Operating profit before working capital changes	8,046,758	5,978,024
(Increase)/Decrease in inventories	(5,223,549)	1,574,009
Decrease/(Increase) in trade and other receivables	9,462,563	(17,871,301)
(Decrease)/Increase in trade and other payables	(1,285,891)	1,041,771
Cash generated from/(utilised in) operations	10,999,881	(9,277,497)
Interest received	20,011	120,007
Interest paid	(17,759)	(82,163)
Tax paid	(1,794,369)	(1,207,036)
Net cash from/(used in) operating activities	9,207,764	(10,446,689)
Cash flows from investing activities		
Acquisitions of intangible assets	(3,130)	(6,200)
Acquisitions of property, plant and equipment	(20,434,681)	(3,853,221)
Proceeds from disposal of property, plant and equipment	-	100,000
Net redemption of money market funds	5,296,985	8,892,821
Income from placements in money market funds	73,396	207,179
Net cash (used in)/from investing activities	(15,067,430)	5,340,579

Condensed consolidated statement of cash flows (Cont'd)

	Year-to-date ended	
	31.03.2026	**31.03.2025**
	Unaudited	**Unaudited**
	RM	**RM**
Cash flows from financing activities		
Payments of lease liabilities	(362,240)	(279,039)
Net cash used in financing activities	(362,240)	(279,039)
Net decrease in cash and cash equivalents	(6,221,906)	(5,385,149)
Effect of foreign exchange difference on cash and cash equivalents	(57,688)	(40,400)
Cash and cash equivalents at beginning of period	13,926,174	18,571,694
Cash and cash equivalents at end of period	**7,646,580**	**13,146,145**

The condensed consolidated statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting*

A1. Basis of preparation

This interim financial report of Yenher Holdings Berhad ("Yenher" or "the Company") and its subsidiaries (collectively, "the Group") is unaudited and has been prepared in accordance with the requirements of MFRS 134 and International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as well as Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

This interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

A2.1 Adoption of amendments to MFRSs

The significant accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements of the Group for the financial year ended 31 December 2025, except for the adoption of the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which are relevant and mandatory for the current financial year-to-date under review :

Amendments to MFRS 9 and MFRS 7 :
- Amendments to the Classification and Measurement of Financial Instruments
- Contracts Referencing Nature-dependent Electricity

Annual Improvements to MFRS Accounting Standards - Volume 11 :
- Amendments to MFRS 1 *First-time Adoption of Malaysia Financial Reporting Standards*
- Amendments to MFRS 7 *Financial Instruments : Disclosures and Guidance on Implementing MFRS 7*
- Amendments to MFRS 9 *Financial Instruments*
- Amendments to MFRS 10 *Consolidated Financial Statements*
- Amendments to MFRS 107 *Statement of Cash Flows*

The adoption of the above amendments to MFRSs did not have any material impact on the financial statements of the Group and did not result in significant changes to the Group's existing accounting policies.

A2.2 New MFRSs and Amendments to MFRSs that are in issue but not yet effective

The Group has not early adopted the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective :-

Effective for annual periods beginning on or after 1 January 2027
MFRS 18 *Presentation and Disclosure in Financial Statements*
MFRS 19 and Amendments to MFRS 19 *Subsidiaries without Public Accountability : Disclosures*
Amendments to MFRS 121 - Translation to a Hyperinflationary Presentation Currency

Effective for annual periods beginning on or after a date to be determined by the MASB
Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* (Cont'd)

A2. Significant accounting policies (Cont'd)

A2.2 New MFRSs and Amendments to MFRSs that are in issue but not yet effective (Cont'd)

The Group will apply the above new MFRSs and amendments to MFRSs that are applicable once they become effective and their adoption is not expected to have any material impact on the Group's financial statements in the period of initial application.

A3. Auditors' report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2025.

A4. Seasonal or cyclical factors

The Group's business is not subjected to any seasonal or cyclical trend.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows of the Group during the current quarter and financial year-to-date under review.

A6. Material changes in estimates

There were no material changes in estimates of amounts reported in the prior financial years that have a material effect on the financial results of the Group for the current quarter and financial year-to-date under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and financial year-to-date under review.

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* (Cont'd)

A8. Dividends

The following dividends were declared/paid during the current and previous corresponding financial year-to-date :

	Year-to-date ended	
	31.03.2026	**31.03.2025**
	RM	**RM**
For the financial year ended 31 December 2025		
Second single-tier interim dividend of 1.50 sen per ordinary share, declared on 27 February 2026 and paid on 10 April 2026	4,500,000	-
For the financial year ended 31 December 2024		
Second single-tier interim dividend of 1.50 sen per ordinary share, declared on 27 February 2025 and paid on 11 April 2025	-	4,500,000
	4,500,000	4,500,000

Save as disclosed above, there were no other dividends declared or paid during the current quarter and financial year-to-date under review.

A9. Property, plant and equipment ("PPE") and Investment properties ("IP")

The Group acquired PPE amounting to RM20.43 million during the current quarter and the financial year-to-date under review.

There were no material disposals of PPE and IP during the current quarter and financial year-to-date under review.

There were no valuations of PPE and IP conducted during the current quarter and financial year-to-date under review.

A10. Impairment losses

Save as disclosed in Note B5 below, there were no other impairment losses or reversals of impairment losses arising from PPE, IP, financial assets or other assets during the current quarter and financial year-to-date under review.

A11. Operating revenue

The Group's revenue from sales of goods is recognised at a point in time and is derived from the following business activities :

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* (Cont'd)

A11. Operating revenue (Cont'd)

	Quarter ended		Year-to-date ended	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM	**RM**	**RM**	**RM**
Manufacturing	29,267,244	29,830,141	29,267,244	29,830,141
Distribution	31,777,392	41,259,924	31,777,392	41,259,924
	61,044,636	71,090,065	61,044,636	71,090,065

A12. Segmental information

The Group is mainly involved in manufacturing, supplying and marketing of health and nutrition products for livestock and companion animals which collectively are considered as one business segment. Accordingly, the operating revenue and results of this segment are reflected in the Group's statement of profit or loss and other comprehensive income. The segment assets and liabilities are as presented in the Group's statement of financial position.

The revenue from external customers by location of customers is set out below :

	Quarter ended		Year-to-date ended	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM	**RM**	**RM**	**RM**
Malaysian customers	53,099,622	60,613,688	53,099,622	60,613,688
Overseas customers	7,945,014	10,476,377	7,945,014	10,476,377
	61,044,636	71,090,065	61,044,636	71,090,065

A13. Material event subsequent to the end of reporting period

There was no material event subsequent to the end of the current quarter up to the date of this interim financial report.

A14. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date under review.

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* (Cont'd)

A15. Fair value of financial instruments

The Group measures its financial instruments carried at fair value in accordance with the following levels of fair value hierarchy which are categorised based on the input used in the valuation technique :

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; and

Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable input).

The Group's financial instruments as at the end of the financial period under review measured at fair value are as follows :

	As at 31.03.2026 RM	As at 31.12.2025 RM
Level 1		
Financial assets at fair value through profit or loss - Placements in money market unit trust funds	13,921,157	19,143,940

The fair value of the placements in money market unit trust funds is determined by reference to market price at the end of the reporting period.

A16. Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets as at the end of the reporting period.

A17. Capital commitments

	As at 31.03.2026 RM	As at 31.12.2025 RM
Authorised and contracted capital expenditure not provided for in the financial statements :		
- Acquisition of property, plant and equipment	8,952,299	14,495,801
- Construction of new factory buildings	11,063,529	11,409,007
- Patents and Know-How licensing fee	5,386,025	5,412,038
	25,401,853	31,316,846

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* (Cont'd)

A18. Significant related party transactions

	Quarter ended		Year-to-date ended	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
	RM	RM	RM	RM
Transactions with a company in which certain Directors of the Group have substantial financial interests :				
- Payments for leases	(316,800)	(316,800)	(316,800)	(316,800)
Transactions with companies in which persons connected to certain Directors of the Group have substantial financial interests :				
- Sales of goods	315,977	783,634	315,977	783,634
- Purchases of goods	(35,806)	(10,640)	(35,806)	(10,640)
- Rendering of services	-	(8,407)	-	(8,407)
Rental charged by a Director of the Company	(14,500)	(16,660)	(14,500)	(16,660)

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements

B1. Performance review

	Current quarter performance			
	Quarter ended		Changes	
	31.03.2026 ("Q1-2026")	31.03.2025 ("Q1-2025")	Q1-2026 vs Q1-2025	
	RM	RM	RM	%
Revenue	61,044,636	71,090,065	(10,045,429)	(14.13%)
Gross profit	12,977,884	12,466,716	511,168	4.10%
Profit before taxation	7,342,137	4,445,987	2,896,150	65.14%
Profit for the period	5,306,535	3,233,104	2,073,431	64.13%

	Financial year-to-date performance			
	Year-to-date ended		Changes	
	31.03.2026 ("YTD2026")	31.03.2025 ("YTD2025")	YTD2026 vs YTD2025	
	RM	RM	RM	%
Revenue	61,044,636	71,090,065	(10,045,429)	(14.13%)
Gross profit	12,977,884	12,466,716	511,168	4.10%
Profit before taxation	7,342,137	4,445,987	2,896,150	65.14%
Profit for the year	5,306,535	3,233,104	2,073,431	64.13%

In Q1-2026 and YTD2026, the Group's revenue declined by RM10.05 million or 14.13%, from RM71.09 million in Q1-2025 to RM61.04 million. The decline was mainly attributable to lower revenue from the distribution activity, which decreased by RM9.48 million or 22.98% to RM31.78 million, primarily due to lower sales of grains and oil seeds. Revenue from the manufacturing activity remained relatively stable at RM29.27 million compared to RM29.83 million in Q1-2025, with changes in sales mix between complete feed solutions and premix products. Details of the Group's business activity performance are disclosed in Note A11 above.

Despite the lower revenue, the Group recorded a gross profit of RM12.98 million for Q1-2026, representing an increase of RM0.51 million or 4.10% from RM12.47 million in Q1-2025, with gross profit margin improving from 17.54% to 21.26%. The improvement was mainly driven by a better product mix in the manufacturing activity and the strengthening of the Malaysian Ringgit, which reduced the cost of imported raw materials. The manufacturing activity contributed RM6.96 million, or 53.62% of total gross profit in Q1-2026, representing an increase of RM1.26 million or 22.10% from RM5.70 million in the corresponding quarter of the preceding year. Meanwhile, the distribution activity recorded a gross profit of RM6.02 million, or 46.38% of total gross profit in Q1-2026, a decrease of RM0.75 million or 11.06% from RM6.77 million in the corresponding quarter of the preceding year.

The Group recorded a profit before taxation of RM7.34 million for Q1-2026, an increase of RM2.90 million or 65.14% from RM4.45 million in Q1-2025. The improvement was mainly attributable to lower distribution expenses in Q1-2026 and the absence of a one-off inventory write-off of RM1.78 million recorded in Q1-2025 following a fire incident in January 2025.

The lower distribution expenses in Q1-2026 were mainly driven by reduced overall business activities during the quarter, particularly lower in grain trading sales, reduced travelling amid ongoing geopolitical uncertainties, as well as lower commissions and incentives following the finalisation of sales-related achievements.

Correspondingly, profit after taxation increased by RM2.07 million or 64.13% to RM5.31 million, compared to RM3.23 million in Q1-2025.

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B2. Comparison with immediate preceding quarter

	Quarter ended 31.03.2026 ("Q1-2026")	Immediate preceding quarter 31.12.2025 ("Q4-2025")	Changes	
	RM	RM	RM	%
Revenue	61,044,636	73,505,239	(12,460,603)	(16.95%)
Gross profit	12,977,885	15,235,718	(2,257,833)	(14.82%)
Other income	337,435	237,567	99,868	42.04%
Selling and distribution costs	(1,687,909)	(2,631,775)	943,866	(35.86%)
Administrative expenses	(4,143,752)	(4,078,630)	(65,122)	1.60%
(Additional)/Reversal of impairment losses on trade receivables	(17,789)	(1,656,297)	1,638,508	(10,776.14%)
Other expenses	(35,115)	(71,890)	36,775	(51.15%)
Profit before taxation	7,342,137	7,020,248	321,889	4.59%

The Group’s revenue for Q1-2026 declined by RM12.46 million or 16.95% to RM61.04 million, compared to RM73.51 million in Q4-2025. The decline was mainly attributable to lower manufacturing revenue, which decreased by RM7.78 million or 21.00% to RM29.27 million. This was primarily due to changes in sales mix between complete feed solutions and premix products. In addition, manufacturing revenue was affected by fewer working days in Q1-2026 arising from the Chinese New Year festive holidays as compared to Q4-2025.

Revenue from the distribution activity also declined by RM4.68 million or 12.84% to RM31.78 million, mainly due to lower grains trading sales during the quarter under review. Nevertheless, the decline in grains trading sales was partially offset by the increase in sales of certain feed additive products, driven by customers securing supply positions amid uncertainties arising from ongoing geopolitical conflicts and supply chain concerns.

Correspondingly, the Group’s gross profit declined by RM2.26 million or 14.82% to RM12.98 million from RM15.24 million in the preceding quarter. Manufacturing gross profit decreased by RM2.39 million or 25.54%, in line with the lower sales volume, which was partly attributable to fewer working days in Q1-2026. Meanwhile, distribution gross profit improved marginally by RM0.13 million or 2.19%, supported by a better product mix.

Despite the lower gross profit, profit before taxation for Q1-2026 increased by RM0.32 million or 4.59% to RM7.34 million, compared to RM7.02 million in Q4-2025. This was mainly due to lower net impairment losses on trade receivables of RM1.66 million recorded in Q4-2025. The improvement was further supported by lower distribution expenses of RM0.94 million compared to Q4-2025, which were mainly driven by reduced overall business activities during the quarter, particularly lower grain trading sales, reduced travelling amid ongoing geopolitical uncertainties, as well as lower commissions and incentives following the finalisation of sales-related achievements.

B3. Prospect of the Group for the financial year ending 31 December 2026

The Group anticipates a cautious yet steady outlook for Malaysia’s livestock industry for the financial year ending 31 December 2026, supported by stable demand for poultry meat and eggs, which continue to serve as affordable primary source of protein for consumers. The poultry sector is expected to remain resilient, underpinned by stable domestic supply and ongoing production activities.

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B3. Prospect of the Group for the financial year ending 31 December 2026

Nevertheless, the operating environment continues to face challenges arising from geopolitical tensions, global economic uncertainties, volatility in fuel and commodity prices, and disruptions in global shipping and supply chains. These factors may continue to exert pressure on raw material costs, freight charges and overall operating expenses.

The livestock industry remains an essential component of Malaysia's food security ecosystem. While the Group remains mindful of cost volatility, supply chain disruptions and biosecurity risks, the Group will continue to proactively support customers through technical expertise, biosecurity-focused solutions and products that enhance productivity and operational efficiency.

In line with the Group's long-term growth and operational expansion plans, the completion of the new plant is presently targeted by the end of 2026, subject to approvals from the relevant local authorities.

B4. Variance of actual profit from profit forecast or profit guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

B5. Profit before taxation

	Quarter ended		Year-to-date ended	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	RM	**RM**	**RM**	**RM**
This includes the following items of income/ (expense) :				
Interest income	20,011	90,858	20,011	90,858
Income from placements in money market funds	74,481	211,199	74,481	211,199
Gain on changes in fair value of money market funds	66,916	184,491	66,916	184,491
Gain on redemption of money market funds	7,287	10,697	7,287	10,697
Gain on disposal of property, plant and equipment	-	99,999	-	99,999
Insurance compensation	-	-	-	-
Realised gain on foreign exchange	69,516	214,761	69,516	214,761
Unrealised loss on foreign exchange	(15,906)	(113,674)	(15,906)	(113,674)
Reversal of write-down in value of inventories	-	399,386	-	399,386
Amortisation of intangible assets	(6,826)	(33,873)	(6,826)	(33,873)
Depreciation of investment properties	(6,187)	-	(6,187)	-
Depreciation of property, plant and equipment	(418,112)	(353,278)	(418,112)	(353,278)
Depreciation of right-of-use assets	(386,147)	(276,894)	(386,147)	(276,894)
(Additional)/Reversal of impairment losses on trade receivables	(17,789)	136,064	(17,789)	136,064
Interest expense	(22,349)	(53,014)	(22,349)	(53,014)
Property, plant and equipment written off	-	(58,783)	-	(58,783)
Inventories written off	-	(1,775,215)	-	(1,775,215)

Save as disclosed above, the other disclosure items as required under Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B6. Taxation

	Quarter ended		Year-to-date ended	
	31.03.2026 RM	31.03.2025 RM	31.03.2026 RM	31.03.2025 RM
Current tax	1,911,325	1,174,025	1,911,325	1,174,025
Deferred tax resulting from origination and reversal of temporary differences	90,293	53,454	90,293	53,454
	2,001,618	1,227,479	2,001,618	1,227,479
Under/(Over) provided in prior year - Income tax	33,984	(14,596)	33,984	(14,596)
	2,035,602	1,212,883	2,035,602	1,212,883
Effective tax rate (%)	27.26%	27.61%	27.26%	27.61%
Statutory tax rate (%)	24.00%	24.00%	24.00%	24.00%

The effective tax rate of the Group for the current quarter and financial year-to-date under review was higher than the statutory tax rate due to the certain expenses not allowable for tax purposes.

B7. Status of corporate proposals

There was no corporate proposal announced by the Company during the financial period under review to date.

B8. Borrowings and debt securities

The Group does not have any borrowings and debt securities outstanding as at the end of the current quarter under review.

B9. Derivative financial instruments

The Group has entered into forward foreign exchange contracts to manage the foreign currency exposures arising from the Group’s receivables and payables denominated in United States Dollar and European Union Euro. The notional principal amount of the Group’s outstanding forward foreign exchange contracts as at 31 March 2026 in was RM8.27 million (31.03.2025 : RM4.20 million) and have maturities of less than one year as at the end of the reporting period. The fair value of these outstanding forward foreign exchange contracts has not been recognised in the current quarter under review as the financial impact is considered as immaterial.

B10. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial year-to-date under review as the Group did not have any financial liabilities measured at fair value.

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B11. Earnings per share ("EPS")

	Quarter ended		Year-to-date ended	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
Profit attributable to ordinary equity holders of the Company (RM)	5,469,329	3,248,010	5,469,329	3,248,010
Weighted average number of shares in issue	300,000,000	300,000,000	300,000,000	300,000,000
Basic and diluted EPS (Sen)	1.82	1.08	1.82	1.08

The basic EPS is computed based on the profit attributable to ordinary equity holders of the Company for the period divided by the weighted average number of ordinary shares in issue during the financial period under review. The diluted EPS is equivalent to the basic EPS as there were no dilutive potential ordinary shares outstanding as at the end of the financial period under review.

B12. Material litigations

Other than as disclosed in Note B2 above, there was no material litigation involving the Group since the date of the last annual statement of financial position to the date of this interim financial report.

B13. Dividends

Save as disclosed in Note A8 above, there was no dividend that has been declared or recommended for payment by the Directors of the Company during the financial period under review to date.

By Order of the Board
Company Secretary
25 May 2026