

# HATCHING TO THE FUTURE



**Teo Seng Capital Berhad**

Registration No. 200601013011 (732762-T)



ANNUAL REPORT  
**2025**



**KEY PARTNERS**



力馬藥業有限公司

Ritma Prestasi Sdn Bhd (Reg. No. 200301026590)

Tel: +603-8066 9010 | Fax: +603-8066 9012 | www.ritmapres.com

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## 20<sup>TH</sup> ANNUAL GENERAL MEETING

### Venue:

Teo Seng Capital Berhad Conference  
Room, First Floor, Lot PTD 25740,  
Batu 4, Jalan Air Hitam,  
83700, Yong Peng, Johor

### Date:

Friday, 29 May 2026

### Time:

11.30 a.m.



To access our Annual Report, please download the QR code reader to your smartphone by scanning this QR Code.

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# EVENTS HIGHLIGHT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## FEBRUARY 2025

▼ FAST Pest Control, Biosecurity & Pollution Control Programme



▼ Teo Seng Heart Health Awareness Talk @ Xin Cheng Restaurant



▼ Fortune & CNY Festivities: Year of the Snake @ HQ



▼ Pet EXPO Malaysia



## MAY 2025

▼ VIV Bangkok



▼ Dogathon @ Faculty of Veterinary, UPM



▼ Raya Bersama Teo Seng @ HQ



▼ Root Cause Analysis Training @ HQ



## MARCH 2025

## APRIL 2025

# EVENTS HIGHLIGHT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## • JUNE 2025

▼ Productive Team Building @ Langkawi



## • JULY 2025

▼ BAYTRIL Trip @ Kenya



## • SEPTEMBER 2025

▼ Oh! My Pet Expo @ Mid Valley



## • NOVEMBER 2025

IGUSOL Factory Visit, Spain ▼



▼ Staff Health Test & Vaccination Day with Putra Hospital BP



▼ 3X3 Badminton Championship @ HQ



▼ Corporate Award 2025 by The Edge Malaysia Centurion Club for Highest Growth in Profit After Tax Over 3 Years - Consumer Products & Services



▼ Malaysian Livestock Industry Award 2025 – Outstanding Animal Health Provider



▼ Philippine Poultry Show & ILDEX Philippines



## • AUGUST 2025

# INTEGRATED & SUSTAINABLE

## Hatching For The Future



### Feedmill Division

Advanced and tailor made formulation

### VISION

- Enhance sustainability of business by focusing on cost effectiveness and develop corporate value that is align with the vision.



### Paper Egg Tray Division

1st PEFC eco-friendly egg trays

### WHAT WE DO

The principal activities of Teo Seng's subsidiaries are poultry farming and marketing of chicken eggs and downstream egg related products, manufacturing and marketing of animal feeds, egg trays, organic fermented fertiliser, and distribution of pet food & medicine and animal health products.



### Animal Health Products Division

Animal health care with quality products & customised solution

### MISSION

- To innovate variety of egg products to satisfy different group of people.
- Keeping pace with the time, develops fully-integrated layer farming system and absorbs industrially-advanced technologies & knowledge which aims to sustain competitive advantages.
- To instil professional mind-set of importance of cost-benefit to all level of the participants in company, including general workers, middle-management and top management to improve cost effectiveness.



Renewable Solar Energy

INTEGRATED & SUSTAINABLE



Boiled Eggs



FARMING DIVISION



EGG PROCESSING DIVISION



CENTRAL PACKAGING STATION



HQ & CENTRAL PACKAGING STATION 2
















FERTILISER DIVISION

In summary, the products that are produced, marketed and distributed by Teo Seng can be categorised into six (6) main categories, namely chicken eggs, boiled eggs, animal feeds, paper egg trays, organic fermented fertiliser and animal health products.



Convert chicken manure into organic fertiliser by way of composting

# CORPORATE MILESTONES

Established Teo Seng Farming Sdn. Bhd.	1983	Ritma Prestasi Sdn. Bhd. awarded "Malaysian Livestock Industry Award 2025 – Outstanding Animal Health Provider"
 Set up 1st layer farm	1992	Awarded "The Edge Malaysia Centurion Club 2025 – Highest Growth in Profit After Tax Over Three Years"
Implemented Closed House System	1995	
Own produce paper egg trays	1998	Commissioning of Old Hen Processing Plant
 Launched HAPPY EGG <i>"A Happy Egg" is a Healthy Egg</i>	1999	
Implemented ALL-IN-ALL-OUT System	2002	Establishment of Trendata Science Sdn. Bhd.
Set up feed mill plant	2005	Awarded "The Edge Malaysia Centurion Club 2024 – Highest Growth in Profit After Tax Over Three Years"
Awarded export permit to Singapore by AVA	2008	
Acquisition of animal health products business	2009	4th Distribution Centre commenced operation
	2011	40th Anniversary and 15th Listed Anniversary 
Successfully listed on Second Board of Bursa Malaysia	2015	3 Distribution Centres in operation
Transferred to Main Board of Bursa Malaysia	2016	Commencement of operation of downstream business, Egg Processing Division – Boiled Egg 
	2017	Commencement of operation of Central Packaging Station 3
Incorporation of waste management business	2019	Acquired Professional Vet Enterprise Sdn. Bhd. in Kuching, Sarawak 
Commencement of operation of Central Packaging Station 1	2020	Awarded "The Brand Laureate Best Brand Award – Product Branding" 
Expanded trading of egg business into Singapore	2021	HAPPY EGG product innovation and rebranding 
	2022	
Acquired BH Fresh Food Pte. Ltd. as distribution centre of egg products in Singapore	2023	
		
Incorporation of Ritma Premier Pte. Ltd. in Singapore		
		

## CORPORATE INFORMATION

## BOARD OF DIRECTORS

Executive Chairman  
**Lau Jui Peng**

Managing Director  
**Nam Hiok Joo**

Executive Director  
**Loh Wee Ching**

Independent  
Non-Executive Director  
**Lim Huey Hean**  
**Lim Ying Khoo**  
**Goh Wen Ling**



## AUDIT COMMITTEE

Committee Chairperson  
**Lim Ying Khoo**

Committee Member  
**Lim Huey Hean**  
**Goh Wen Ling**

## RISK MANAGEMENT COMMITTEE

Committee Chairman  
**Nam Hiok Joo**

Committee Member  
**Lim Huey Hean**  
**Lim Ying Khoo**

## NOMINATION COMMITTEE

Committee Chairperson  
**Goh Wen Ling**

Committee Member  
**Lim Huey Hean**  
**Lim Ying Khoo**

## KEY MANAGEMENT PERSONNEL

**Ng Eng Leng**  
Group Finance Director

**Na Eluen**  
Chief Marketing Officer,  
Layer Farming Division

**Na Yi Chan**  
Chief Operating Officer,  
Layer Farming Division

**Nam Ya Jun**  
Executive Director,  
Animal Health Products Division

**Ku Leong Choon**  
Farm General Manager

## REMUNERATION COMMITTEE

Committee Chairman  
**Lim Huey Hean**

Committee Member  
**Lim Ying Khoo**  
**Goh Wen Ling**

## SECRETARIES

**Lee Choon Seng**  
(MAICSA 7003453)  
SSM Practising Certificate No.  
202008002259

**Lum Sow Wai**  
(MAICSA 7028519)  
SSM Practising Certificate No.  
202008002373

**Tan Bee Hwee**  
(MAICSA 7021024)  
SSM Practising Certificate No.  
202008001497

**Lim You Jing**  
(MAICSA 7075638)  
SSM Practising Certificate No.  
202108000369

## PRINCIPAL BANKERS

Hong Leong Bank Berhad  
AmBank (M) Berhad  
OCBC Bank (Malaysia) Berhad

## CORPORATE WEBSITE

[www.teoseng.com.my](http://www.teoseng.com.my)

## REGISTERED OFFICE

201-203, Jalan Abdullah,  
84000 Muar,  
Johor Darul Takzim.  
Tel : 06-9519992  
Fax : 06-9555419  
Email : [tscb@teoseng.com.my](mailto:tscb@teoseng.com.my)

## HEAD OFFICE

Lot PTD 25740, Batu 4,  
Jalan Air Hitam,  
83700 Yong Peng,  
Johor Darul Takzim.  
Tel : 07-4672289  
Fax : 07-4672923

## REGISTRAR

**Tricor Investor & Issuing House  
Services Sdn. Bhd.**  
Registration No. 197101000970  
(11324-H)  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite,  
Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.  
Tel : 03-27839299  
Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

## STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
(Main Market)

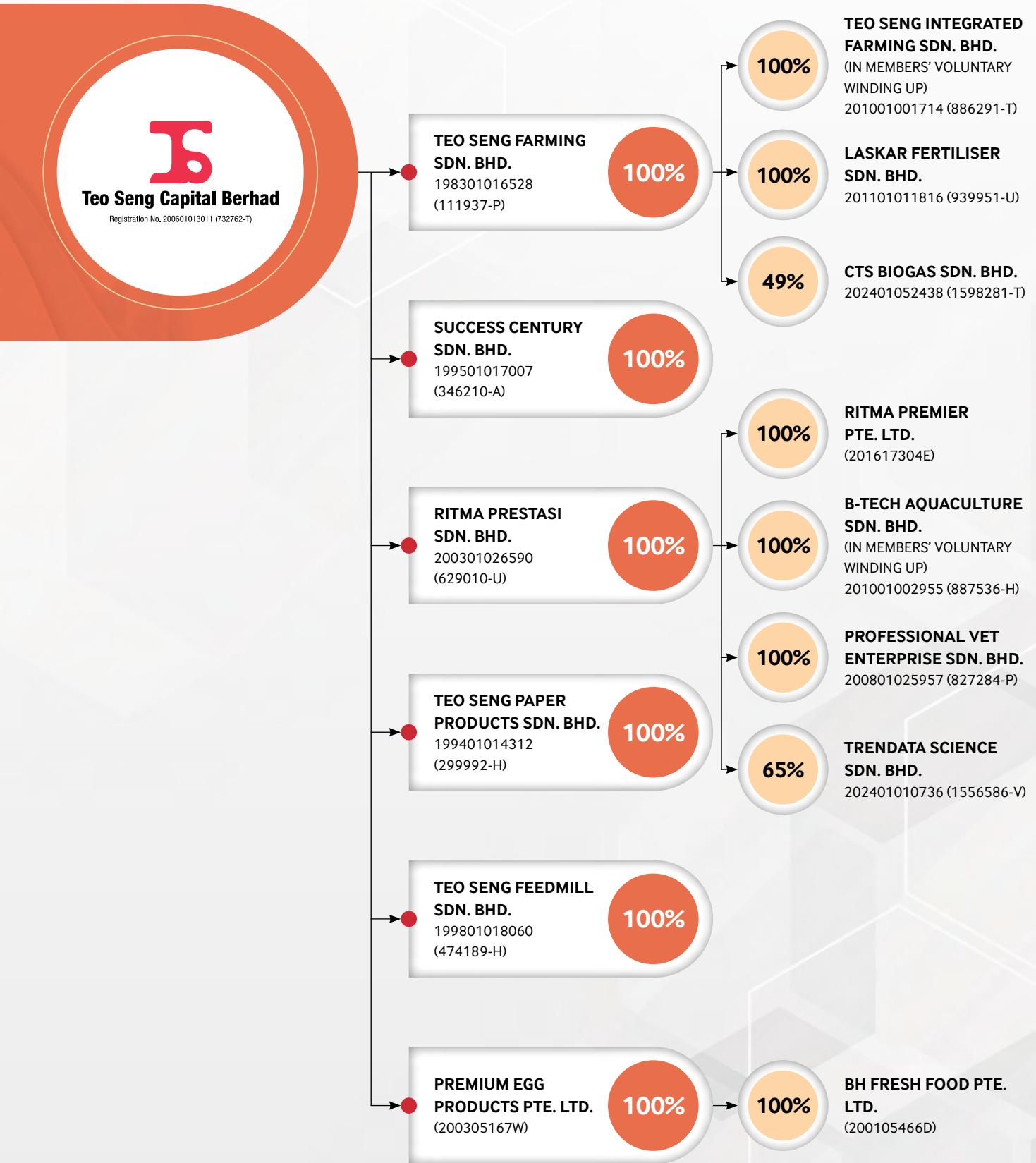
## DATE OF LISTING

29 October 2008

## AUDITORS

**PricewaterhouseCoopers PLT**  
(LLP0014401-LCA & AF 1146)  
Level 15-1, Tower B, Jaya 99,  
99 Jalan Tun Sri Lanang,  
75720 Melaka.

# GROUP CORPORATE STRUCTURE



# BOARD OF DIRECTORS, KEY MANAGEMENT PERSONNEL & COMPANY SECRETARIES



## Standing (From Left to Right)

- |   |   |  |
|---|---|--|
| <p><b>1. Lee Choon Seng</b><br/>Company Secretary</p>                               | <p><b>4. Nam Ya Jun</b><br/>Executive Director,<br/>Animal Health Products Division</p> | <p><b>6. Ku Leong Choon</b><br/>Farm General Manager</p> |
| <p><b>2. Na Yi Chan</b><br/>Chief Operating Officer,<br/>Layer Farming Division</p> | <p><b>5. Na Eluen</b><br/>Chief Marketing Officer,<br/>Layer Farming Division</p>       | <p><b>7. Lum Sow Wai</b><br/>Company Secretary</p>       |
| <p><b>3. Ng Eng Leng</b><br/>Group Finance Director</p>                             |   |  |

## Sitting (From Left to Right)

- |   |  |  |
|---|--|--|
| <p><b>1. Lim Ying Khoo</b><br/>Independent Non-Executive<br/>Director</p> | <p><b>3. Nam Hiok Joo</b><br/>Managing Director</p>  | <p><b>5. Loh Wee Ching</b><br/>Executive Director</p>                    |
| <p><b>2. Lim Huey Hean</b><br/>Independent Non-Executive<br/>Director</p> | <p><b>4. Lau Jui Peng</b><br/>Executive Chairman</p> | <p><b>6. Goh Wen Ling</b><br/>Independent Non-Executive<br/>Director</p> |

## PROFILE OF THE BOARD OF DIRECTORS

### LAU JUI PENG

Executive Chairman

Gender: Male

Age: 55

Nationality: Malaysian

**Date of Appointment:**

19 June 2008

**Length of Service:**

(as at 31 December 2025)

17 years 6 months



**Lau Jui Peng, Malaysian, male, aged 55, was appointed as the Non-Executive Chairman of the Company on 19 June 2008 and presently Executive Chairman, redesignated on 15 November 2022. Mr. Lau acts as the representative of Leong Hup (Malaysia) Sdn. Bhd. to sit on the Board of Directors of the Company.**

Mr. Lau graduated with a Bachelor's Degree in Business Administration, majoring in Marketing, from Hawaii Pacific University, United States in 1996. He began his career with Leong Hup Poultry Farm Sdn. Bhd. as Deputy Chief Executive Officer, where he overseeing production, operations and administrative functions. He was subsequently promoted to Chief Executive Officer and played an active role in the operations of Leong Hup (G.P.S.) Farm Sdn. Bhd. Mr. Lau was appointed to the Board of Leong Hup Poultry Farm Sdn. Bhd. in 2004 and to the Board of Leong Hup (G.P.S.) Farm Sdn. Bhd. in 2007, both of which are subsidiaries of Leong Hup International Berhad. He currently serves as the Chief Executive Officer of Prestige Fortune Sdn. Bhd. and New Soon Teng Poultry Sdn. Bhd. In addition, he sits on the boards of several other subsidiaries within the Leong Hup International Berhad Group as well as various private limited companies. He does not hold any directorships in other public listed companies.

Mr. Lau is an accomplished businessman with extensive knowledge and broad experience in poultry industry production and management, positioning him well to drive the Company's strategic growth and operational excellence. He also served as a member of the Audit Committee from 2009 to 2012. During his tenure, he developed a strong and practical understanding of internal control frameworks and risk management processes, further strengthening his ability to contribute effectively to the Company's governance and oversight functions.

Mr. Lau together with his siblings, Datuk Lau Joo Hong and Mr. Lau Joo Heng are the indirect major shareholders of the Company. Except for certain related party transactions of revenue nature which are necessary for the day-to-day operation of the Company and its subsidiaries and for which he is deemed to be interested, there are no other business arrangements with the Company in which he has personal interests. Mr. Lau has no conviction of any offences within the past five (5) years or any sanctions and penalties imposed by relevant regulatory bodies in the financial year ended 31 December 2025. Mr. Lau had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

## PROFILE OF THE BOARD OF DIRECTORS

**NAM HIOK JOO**

Managing Director

Gender: Male

Age: 59

Nationality: Malaysian

**Date of Appointment:**

27 June 2018

**Length of Service:***(as at 31 December 2025)*

7 years 6 months



**Nam Hiok Joo, Malaysian, male, aged 59, was appointed as Managing Director of the Company on 27 June 2018. He has also been serving as Chairman of the Risk Management Committee since 20 August 2018.**

Mr. Nam possesses over thirty (30) years of experience in the poultry business and has been actively involved in the poultry industry. In 2001, he was appointed as General Manager of Teo Seng Feedmill Sdn. Bhd., where he oversees the operations and production of chicken feed. Leveraging his deep industry expertise, he ensures stringent quality control in feed production to meet the nutritional requirements of chicken at various growth and laying stages. In addition, Mr. Nam oversees the Group's administrative functions, including human resources and general administration; and coordinates cross-departmental activities to enhance operational efficiency and support the achievement of the Group's strategic objectives.

In 2005, he was appointed as Executive Director of Ritma Prestasi Sdn. Bhd. ("Ritma") and was subsequently promoted to Managing Director, where he continues to contribute actively to the management and strategic direction of Ritma. In March 2010, he assumed the position of Group General Manager of the Company. With his extensive experience in managing the Group's operations, Mr. Nam plays a pivotal role in shaping corporate strategy, driving key decisions and providing leadership in the governance and overall direction of the Group. He also serves on the Boards of several private limited companies and does not hold any directorships in other public listed companies.

Mr. Nam is the sibling of Mr. Na Hap Cheng and Mr. Na Yok Chee who are the indirect major shareholders of the Company. He is the uncle of Mr. Na Eluen, Chief Marketing Officer, Layer Farming Division, Mr. Na Yi Chan, Chief Operating Officer, Layer Farming Division and Mr. Nam Ya Jun, Executive Director, Animal Health Products Division. Except for certain related party transactions of revenue nature which are necessary for the day-to-day operation of the Company and its subsidiaries and for which he is deemed to be interested, there are no other business arrangements with the Company in which he has personal interests. Mr. Nam has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies in the financial year ended 31 December 2025. Mr. Nam had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

## PROFILE OF THE BOARD OF DIRECTORS

**LOH WEE CHING**

Executive Director

Gender: Male

Age: 57

Nationality: Malaysian

**Date of Appointment:**

19 June 2008

**Length of Service:***(as at 31 December 2025)*

17 years 6 months



**Loh Wee Ching, Malaysian, male, aged 57, was appointed as the Non-Executive Director of the Company on 19 June 2008 and redesignated as Executive Director on 17 November 2020. He was also a former member of both Nomination Committee and Remuneration Committee of the Company.**

Prior to joining the Group, Mr. Loh served as a Marketing Executive at Telic Corporation Sdn. Bhd., a diversified company with interests in the poultry business. In 1994, he began his career with Teo Seng Farming Sdn. Bhd. ("TSF") as Sales Manager and was promoted to Senior Marketing Manager in 2003. Over more than twenty (20) years of dedicated service, Mr. Loh has built strong and long-standing relationships with customers and business partners. He currently serves as Marketing Director of the layer farming division. Leveraging his extensive experience, he provides strategic leadership and valuable guidance to the marketing team. Mr. Loh plays a key role in shaping the Group's marketing strategies and business direction by driving innovative initiatives, identifying market opportunities and aligning promotional efforts with the Group's long-term objectives to strengthen its competitive position and support business growth.

Mr. Loh does not hold any directorship in other public listed companies nor have any family relationship with any Director or major shareholder of the Company. Except for certain related party transactions of revenue nature which are necessary for the day-to-day operation of the Company and its subsidiaries and for which he is deemed to be interested, there are no other business arrangement with the Company in which he has personal interest. Mr. Loh has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies in the financial year ended 31 December 2025. He had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

## PROFILE OF THE BOARD OF DIRECTORS

**LIM HUEY HEAN**

Independent Non-Executive Director

Gender: Male

Age: 54

Nationality: Malaysian

**Date of Appointment:**

26 May 2022

**Length of Service:***(as at 31 December 2025)*

3 years 7 months



**Lim Huey Hean, Malaysian, male, aged 54, was appointed as Independent Non-Executive Director of the Company on 26 May 2022. In addition, he was also appointed as Chairman of the Remuneration Committee and a member of the Audit Committee, Nomination Committee and Risk Management Committee of the Company on 26 May 2022.**

Mr. Lim pursued his studies at HELP Institute and graduated with a Bachelor of Science in Economics (Hons) Degree from the University of London in 1995. In 2005, he became an Associate Member of the Institute of Internal Auditors Malaysia ("IIA Malaysia"). With over twenty (20) years of experience in the capital market and financial services industry, Mr. Lim began his career in 1995 as an Internal Auditor with MBF Finance Berhad. He subsequently served as a remiser with Jupiter Securities Sdn. Bhd., Senior Audit Officer at EON Bank Berhad and Senior Finance Executive at American Home Assurance. He also gained internal audit experience in the fast-moving consumer goods ("FMCG") industry with Fraser & Neave Holdings Berhad and Malayan Flour Mills Berhad. During his tenure as an internal auditor, he led audit engagements and managed various audit projects which included developing audit plans and schedules, as well as determining the appropriate technical approaches for audit assignments.

In 2006, Mr. Lim joined the Securities Commission Malaysia ("SC") as a regulator. During his tenure with the SC, he served in the Authorisation & Licensing Department, Market Surveillance Department, and Investigation Department. His responsibilities included conducting surveillance activities on the capital market, undertaking enforcement actions against capital market offences such as market manipulation and insider trading, and performing compliance monitoring for licensed entities.

Subsequently, Mr. Lim joined Standard Chartered Bank (Malaysia) Berhad in 2018 as Team Leader for Trade Surveillance Department and Audit Manager for Internal Audit Department ("IAD"). He was responsible for performing risk assessments on banking operations and functions in the IAD, while leading a team of six analysts in the Trade Surveillance Department for analysing of equity and derivatives trading irregularities.

Mr. Lim later joined a boutique financial services company in 2020 as Associate Director - Operations & Risk Management. He was responsible for overseeing the compliance functions of the group, which includes subsidiaries such as Investment Bank (Labuan) and Money Exchange. His responsibilities included establishing and strengthening the risk management framework, formulating and communicating risk policies and procedures, developing key compliance monitoring metrics and reporting, and conducting compliance audit.

Mr. Lim does not hold any directorship in other public listed companies and does not have any family relationship with any Director/major shareholder of the Company. There is no conflict of interest between Mr. Lim and the Company. Mr. Lim has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025. Mr. Lim had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

## PROFILE OF THE BOARD OF DIRECTORS

**LIM YING KHOO**

Independent Non-Executive Director

Gender: Female

Age: 48

Nationality: Malaysian

**Date of Appointment:**  
26 May 2022

**Length of Service:**  
(as at 31 December 2025)  
3 years 7 months



**Lim Ying Khoo, Malaysian, female, aged 48, was appointed as Independent Non-Executive Director of the Company on 26 May 2022. In addition, she was also appointed as Chairperson of the Audit Committee and a member of the Nomination Committee, Remuneration Committee and Risk Management Committee of the Company on 26 May 2022.**

Ms. Lim graduated with a Bachelor of Business in Accounting from La Trobe University, Australia, in 1999. She became a member of the Certified Practising Accountants (Australia) in 2004, the Malaysian Institute of Accountants ("MIA") in 2005, and the Chartered Tax Institute of Malaysia ("CTIM") in 2009. Additionally, she is a qualified licensed tax agent under Section 153(3) of the Income Tax Act 1967.

Ms. Lim began her career as an audit assistant at Kassim Chan & Co (now known as Deloitte) upon graduating in 2000. In addition to her audit experience, she expanded her expertise into taxation by joining Deloitte Kassim Chan & Co Tax Services in 2003. Currently, she serves as the Director of SC Chua Tax Services Sdn. Bhd., SC Chua Management Services Sdn. Bhd., and All Is Wealth Management Sdn. Bhd. which provides professional services in tax consultancy and planning, company secretarial and accounting services respectively.

Ms. Lim possesses over 20 years of experience in accounting, company secretarial and taxation matters. Throughout her career, she has frequently liaised with the Inland Revenue Board of Malaysia ("IRB") and the Companies Commission of Malaysia ("CCM"). Her extensive involvement across various professional domains has shaped her into a well-rounded advisor, enabling her to offer valuable insights to the Group, particularly on audit and tax-related issues, thereby supporting the Group in making informed financial decisions.

Ms. Lim does not hold any directorship in other public listed companies and does not have any family relationship with any Director/major shareholder of the Company. There is no conflict of interest between Ms. Lim and the Company. Ms. Lim has no conviction of any offences within the past five (5) years or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025. Ms. Lim had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

## PROFILE OF THE BOARD OF DIRECTORS

**GOH WEN LING**

Independent Non-Executive Director

Gender: Female

Age: 46

Nationality: Malaysian

**Date of Appointment:**  
26 May 2022**Length of Service:**  
(as at 31 December 2025)  
3 years 7 months

**Goh Wen Ling, Malaysian, female, aged 46, was appointed as Independent Non-Executive Director of the Company on 26 May 2022. In addition, she was also appointed as Chairperson of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company on 26 May 2022.**

Ms. Goh graduated with a Bachelor of Laws (Honours) Degree from the University of Hull in 2000 and obtained her Postgraduate Diploma from the City University London, Inns of Court School of Law in 2001. She was called to the Bar of England and Wales in 2001 as the Barrister-at-Law of Honourable Society of the Middle Temple and admitted to the High Court of Malaysia as an advocate and solicitor in 2002.

Ms. Goh commenced her professional career in 2002 at Messrs. Shook Lin & Bok as an associate in the Intellectual Property Department. During her tenure at Messrs. Shook Lin & Bok, she primarily focused on intellectual property litigation, advising and assisting businesses with the registration of patents, trademarks and industrial designs, as well as providing general advisory services related to intellectual property rights. In 2003, she established her own event management company, Aldrea Dream Media Sdn. Bhd. Through the experience of founding a business, addressing clients' needs and navigating various challenges, Ms. Goh has honed her ability to understand client requirements and developed strong problem-solving skills.

Ms. Goh returned to law practice in 2004 and she was designated as junior partner. She currently heads the conveyancing, corporate and banking department in Andrew T.S. Goh & Khairil, overseeing a wide range of legal matters and providing strategic counsel to clients. With over twenty (20) years of experience in the legal industry, Ms. Goh possesses the expertise and a deep understanding of corporate law, regulatory compliance and risk management enabling her to offer insightful and effective advice on the Group's affairs from a legal perspective.

Ms. Goh also sits on the Board of Leong Hup International Berhad, MYMBN Berhad and PCCS Group Berhad. She does not have any family relationship with any Director/major shareholder of the Company. There is no conflict of interest between Ms. Goh and the Company. Ms. Goh has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025. Ms. Goh had attended all of the five (5) Board of Directors' meetings held in the financial year ended 31 December 2025.

# PROFILE OF THE KEY MANAGEMENT PERSONNEL

## NG ENG LENG

Group Finance Director

**Gender:** Male

**Age:** 55

**Nationality:** Malaysian

Ng Eng Leng, Malaysian, male, aged 55, has been serving as the Director of Teo Seng Farming Sdn. Bhd. since March 2002. He was appointed as the Group Financial Controller of the Company in March 2010 and was subsequently redesignated as Group Finance Director on 3 January 2024. In addition, Mr. Ng is a member of the Sustainability Steering Committee reporting to the Audit Committee and serves as the Risk Manager, leading the Group Risk Management Team reporting to the Board's Risk Management Committee. He holds an Executive Master in Business Management, majoring in finance from Asia e University (2012) and Master of Business Administration from Buckinghamshire New University, UK (2014).

Mr. Ng is primarily responsible for overseeing the Group's financial management, corporate affairs and administrative functions. With many years of experience in the private corporate sector, he has developed extensive expertise in accounting, cost management, taxation, internal control systems, acquisitions and corporate finance.

Throughout his tenure of over 20 years, including his services in senior management roles within the Group, Mr. Ng has gained substantial exposure and hands-on experience in key areas of financial governance, corporate strategy and operational administration. His in-depth knowledge and practical insights enable him to serve as a key advisor to the Board, contributing meaningfully to the Group's strategic decision-making and corporate planning. The Group's continued growth and operational success reflect his significant involvement in its management and development. In addition, Mr. Ng serves on the Boards of several subsidiaries of the Company where he provides strategic oversight and ensures alignment of the subsidiaries' objectives with the Group's long-term growth strategy.

Mr. Ng does not have any family relationship with any Director/major shareholder of the Company. There is no conflict of interest between Mr. Ng and the Company. He has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.



## NA ELUEN

Chief Marketing Officer, Layer Farming Division

**Gender:** Male

**Age:** 43

**Nationality:** Malaysian

Na Eluen, Malaysian, male, aged 43, was appointed on 1 January 2018 and promoted to Chief Marketing Officer, Layer Farming Division on 3 January 2024. With over 20 years of experience in sales, marketing and business development, he brings a wealth of expertise to his roles.

Beginning his career as a Junior Sales in 2003, Mr. Na's career path reflects his earnest dedication and hard work. From Teo Seng Farming Sdn. Bhd. to Ritma Prestasi Sdn. Bhd., he navigated various roles diligently, earning promotions along the way. In 2011, he assumed the responsibilities of General Manager for Premium Egg Products Pte. Ltd. and BH Fresh Food Pte. Ltd., contributing to growth and development of business operation in Singapore.

Since 2016, Mr. Na has served as the Director of Premium Egg Products Pte. Ltd. and BH Fresh Food Pte. Ltd. In 2018, upon his appointment as the Deputy Chief Operating Officer, Marketing, Layer Farming Division, he returned to Malaysia, marking a new chapter for the Group. He led sales and marketing initiatives, focusing on developing direct selling strategies and expanding retail businesses. Under his guidance, the Group's distribution centres were established across Northern, Southern and the East Coast of Malaysia. This not only increased market share but, more importantly, made it easier for local residents to access and enjoy our egg products.

In his current role as Chief Marketing Officer, Layer Farming Division, Mr. Na oversees the planning, execution and measurement of all sales and marketing activities, both domestically and overseas. His responsibilities include brand building and supervision of the Logistic Department. His extensive knowledge and experience in marketing and operational management has significantly contributed to the overall value of the team.

Mr. Na Eluen is the nephew of the Company's Managing Director, Mr. Nam Hiok Joo, and indirect major shareholder, Mr. Na Yok Chee. He is the son of Mr. Na Hap Cheng, indirect major shareholder of the Company. He has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.



## PROFILE OF THE KEY MANAGEMENT PERSONNEL

**NA YI CHAN**

Chief Operating Officer, Layer Farming Division

**Gender:** Male

**Age:** 37

**Nationality:** Malaysian

Na Yi Chan, Malaysian, male, aged 37, was appointed as Deputy Chief Operating Officer of Layer Farming Division since 1 January 2018 and be promoted as Chief Operating Officer, Layer Farming Division on 3 January 2024. Mr. Na is also appointed as Chairman of the Group's Sustainability Steering Committee reporting to the Audit Committee on 21 November 2023.

Mr. Na studied business management degree programme at HELP University and College. He commenced his career with Teo Seng Group on 14 January 2011 as a Production Administrator, where he was responsible for managing layer farming production. In recognition of his capabilities and performance, he was promoted to Assistant Operation Manager in 2012 and subsequently to Operation Manager in 2014. In 2015, he advanced to the role of Business Operation Manager. In addition to overseeing the production functions of the layer farming operations, Mr. Na actively participates in both local and international seminars and conferences to stay abreast of the latest industry developments, technologies and best practices within the poultry sector. His extensive exposure and hands-on experience have further strengthened his industry expertise and leadership capabilities.

As the Chief Operating Officer of the Layer Farming Division, Mr. Na provides strategic leadership and direction across the Group's layer farming operations, including production management, farm administration, feedmill operations, organic fertiliser production and related activities. In addition, he is actively involved in the Group's expansion into downstream activities of old hen and boiled-egg processing, where he guides their establishment and operational development to support the diversification of the Group's value chain and business growth.

Mr. Na also serves on the Boards of the Group's subsidiaries, namely Teo Seng Farming Sdn. Bhd. and Success Century Sdn. Bhd., where he contributes to strategic oversight and operational governance. In this capacity, he plays an important role in supporting the growth and sustainability of the Group's layer farming and downstream processing businesses, including overseeing the implementation of relevant policies, operational frameworks and development initiatives. With his extensive experience in production management and farm operations, Mr. Na continues to contribute meaningfully to the operational excellence and long-term development of the Group.

Mr. Na is the nephew of the Company's Managing Director, Mr. Nam Hiok Joo, and indirect major shareholder, Mr. Na Hap Cheng. He is the son of Mr. Na Yok Chee, indirect major shareholder of the Company. He has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.

**NAM YA JUN**

Executive Director, Animal Health Products Division

**Gender:** Male

**Age:** 44

**Nationality:** Malaysian

Nam Ya Jun, a 44-year-old Malaysian male, serves as the Executive Director of Ritma Prestasi Sdn. Bhd. ("Ritma"), a key subsidiary of the Group specialising in the distribution of animal healthcare products. He graduated with First-Class Honours in Science from Victoria University of Wellington, New Zealand, in 2004.

Mr. Nam commenced his career with the Teo Seng Group on 1 July 2005 as an Executive within the Human Resources and Administrative Department. In his early tenure, he was instrumental in overseeing the Group's administrative functions while simultaneously spearheading the development of a structured business system for Ritma. His contributions led to his subsequent promotion to Group Assistant Manager.

In 2011, Mr. Nam was appointed General Manager of Ritma, where he assumed responsibility for daily operations, business development and the formulation of operational strategies. Under his leadership, Ritma strengthened its market position and successfully secured long-term partnerships with several prominent global animal healthcare providers. Demonstrating a clear vision for regional growth, he oversaw the Group's expansion into Singapore via the incorporation of Ritma Premier Pte. Ltd. in 2016, followed by the strategic acquisition of Professional Vet Enterprise Sdn. Bhd. in 2019 to establish a presence in East Malaysia.

On 31 January 2018, Mr. Nam was appointed Executive Director of Ritma. Under his stewardship, the Animal Health Products & Consumables Division has achieved substantial growth, underpinned by innovative marketing strategies and robust business initiatives. Throughout his tenure, he has orchestrated comprehensive restructuring and innovation efforts, effectively navigating volatile market dynamics to sustain annual growth despite broader economic challenges. Leveraging his deep expertise in corporate management, Mr. Nam continues to make pivotal contributions to the advancement of the Group's diversified business portfolio.

Mr. Nam is the nephew of the Managing Director, Mr. Nam Hiok Joo, and the indirect major shareholders of the company, Mr. Na Hap Cheng and Mr. Na Yok Chee. He has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.



## PROFILE OF THE KEY MANAGEMENT PERSONNEL

**KU LEONG CHOON**

Farm General Manager

**Gender:** Male**Age:** 59**Nationality:** Malaysian

Ku Leong Choon, Malaysian, male, aged 59, is holding the position of Farm General Manager since March 2002. In 1987, Mr. Ku initiated his career with Teo Seng Group as a farmworker. He was later promoted to Farm Manager in 1995 and Senior Farm Manager in 2002.

Mr. Ku possesses over 30 years of extensive experience in farming operations. He is primarily responsible for supervising and coordinating the functions of farm managers, overseeing overall farm activities and ensuring that poultry farms operate within a safe, efficient and conducive environment. He also provides operational support to the Chief Operating Officer of the Layer Farming Division in managing day-to-day farm operations.

Drawing on his deep industry knowledge and practical expertise, Mr. Ku offers valuable guidance and strategic advice to management and farm personnel on operational and production matters. As a highly respected senior member of the team, he serves as a role model to younger farm managers, mentoring and guiding them in upholding structured management practices and sustainable farming standards. His leadership and experience play an important role in strengthening operational discipline and promoting long-term sustainability within the Group's farming operations.

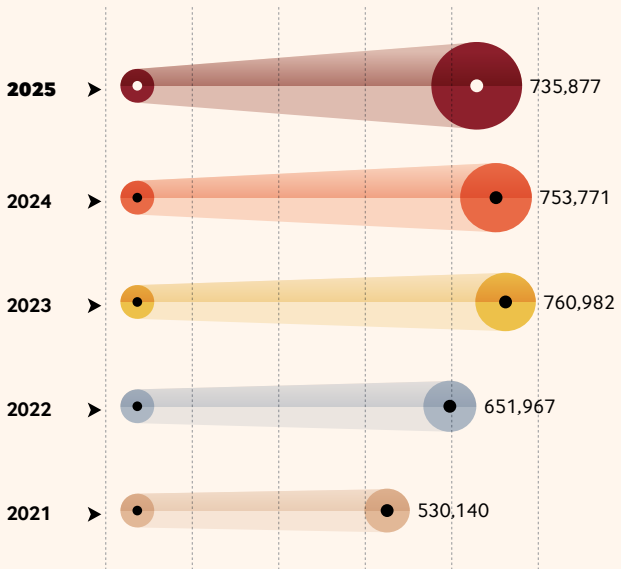
Mr. Ku does not have any family relationship with any Director/major shareholder of the Company. There is no conflict of interest between Mr. Ku and the Company. He has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.



# FINANCIAL HIGHLIGHTS

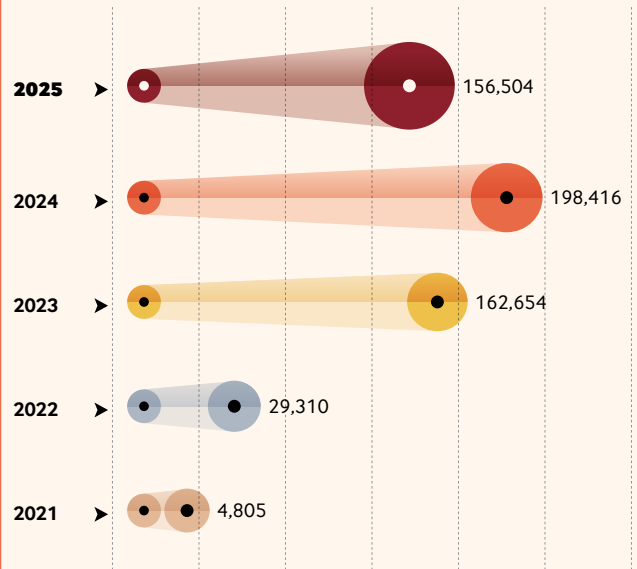
## REVENUE

RM'000



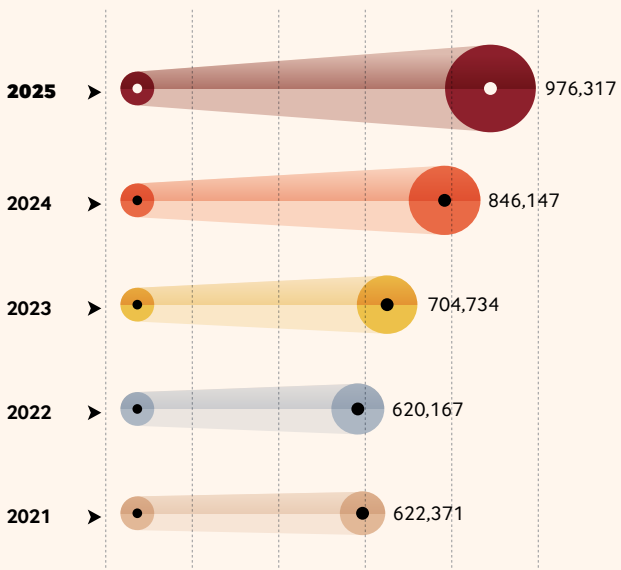
## PROFIT BEFORE TAXATION

RM'000



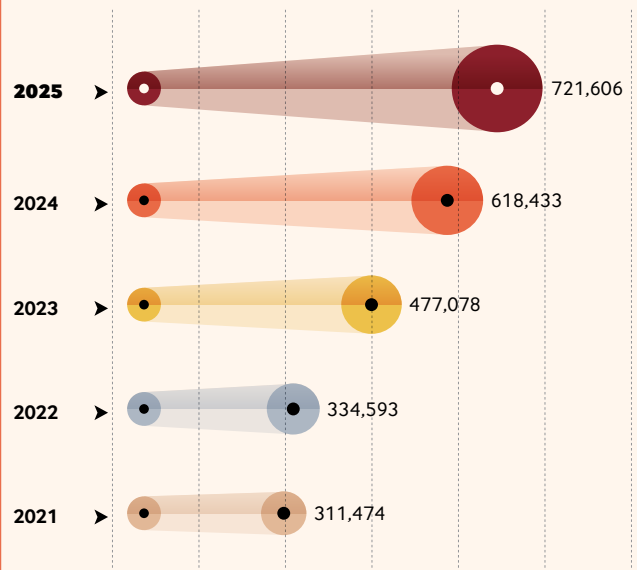
## TOTAL ASSET

RM'000



## TOTAL EQUITY

RM'000



# MANAGEMENT DISCUSSION AND ANALYSIS

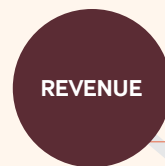
Started in 1983, Teo Seng Group has grown from a household farm model to a leading integrated poultry player in Malaysia. We continue to uphold our simple yet important mission—to produce eggs at their freshest for an affordable price. Over the last four decades, Teo Seng has evolved through operational enhancements, technological innovations, and superior execution. Today, Teo Seng is one of the largest egg producers in Malaysia, playing a pivotal role in ensuring that national food security remains sustainable and resilient.

Currently, Teo Seng Group comprises two main business pillars: poultry farming and the investment and trading of poultry-related products.

Our integrated poultry model allows us to have feed, egg trays, waste management, downstream processing and animal health product division that complement each other seamlessly, driving a powerful synergy contribution that enhances overall efficiency and growth. While the poultry-related products trading segment possesses over 20 years of distribution experience with various local and international brands, its business channels specialise in the Farm Animal Strategic Team (“FAST”) and Companion Animal Strategic Team (“CAST”).



## KEY HIGHLIGHTS OF 2025



**RM735.9**  
MILLION



**RM156.5**  
MILLION

**RM721.6**  
MILLION



**0.18**  
TIMES



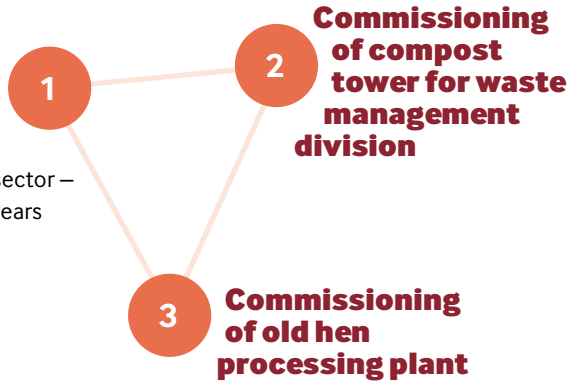
**RM0.24**

MANAGEMENT DISCUSSION AND ANALYSIS

KEY ACHIEVEMENTS OF 2025

**Winner of The Edge Malaysia Centurion Club Corporate Award 2025** under

consumer products & service sector – Highest Growth in PAT over 3 years



**Commissioning of compost tower for waste management division**

**Commissioning of old hen processing plant**

**POULTRY FARMING**

- Layer Farming
- Manufacturing of Animal Feeds
- Manufacturing of Egg Trays
- Fertiliser
- Egg Processing

**INVESTMENT AND TRADING OF POULTRY RELATED PRODUCTS**

- Investment Holding
- Animal Health Products

**POULTRY FARMING**

In Teo Seng, all 25 farms are operated and managed effectively through the standardisation of policies, procedures, and processes (3Ps). This approach enables us to adhere to the best and highest farming practices. Teo Seng has adopted modern farm management practices—All In All Out (“AIAO”) and Closed House System (“CHS”)—and all farms are certified with poultry licenses and Malaysia Good Agricultural Practice (“MyGAP”). The MyGAP certificates are official recognitions for farms in Malaysia that follow sustainable, safe, and quality-focused farming methods. Furthermore, our farming methods have also received recognition from the Singapore Food Agency (“SFA”), which oversees food safety and security in Singapore. With this recognition, we can export our eggs to Singapore and meet regional demand.

Our integrated model allows us to have complementary division, namely feedmill, paper egg trays, waste management and egg processing division to support poultry farming segment.

Our Feedmill Division manufactures custom-formulated feeds to supply all of our integrated farms, precisely satisfying the nutritional requirements at every life stage of hens—from starter, grower to layer. Through strategic bulk procurement of raw materials, we achieve cost efficiencies that bolster our market competitiveness. Additionally, as an in-house operation, our Feedmill Division ensures greater operational agility, enabling swift adaptations to formulations and prompt fulfilment of farm demands.

To support our egg production, we have established a dedicated paper egg tray manufacturing division. This division produces eco-friendly and durable egg trays that are essential for the safe storage and transportation of eggs. By producing our own egg trays, we minimise logistical challenges, reduce costs and ensure that our eggs reach customers in the best condition. Worth noting that our paper egg trays are certified with Chain of Custody (“CoC”) under Programme for the Endorsement of Forest Certification (“PEFC”).



**Our waste management initiatives underscore our commitment to sustainability and circular economy principles, transforming chicken manure from our farms into environmental friendly organic fertiliser through controlled composting.**

This process reduces landfill use and emissions, yielding nutrient-rich products—high in nitrogen, phosphorus, and potassium—that enhance soil health for vegetable and fruit farmers. By reusing resources efficiently, we reduce environmental harm, aid sustainable farming, and create business value within local community.

In recent years, we have strategically focused on downstream activities, particularly value-added processing and distribution, to enhance overall operational efficiency and market positioning. Boiled egg products continue to sustain strong sales momentum, reflecting robust consumer demand and effective execution of our growth strategies, which has positioned us well to actively expand our downstream product portfolio.

## MANAGEMENT DISCUSSION AND ANALYSIS

Drawing on the proven success and valuable experience gained from boiled egg processing, we have successfully rolled out a new product—egg mayo—specifically targeted at the business-to-business (“B2B”) segment. The rollout is progressing smoothly, and we plan to intensify marketing efforts once production fully stabilises, ensuring sustained scalability. Meanwhile, our much-anticipated old hen processing plant has reached its final construction stage, marking a significant milestone in our expansion plans. All processing equipment has been installed and is currently undergoing rigorous testing and commissioning to safeguard food safety standards while enhancing plant performance, efficiency, and reliability. Once operating in full swing, this facility will enable us to capture greater economic value from old hens by optimising depopulation schedules, improving storage capacity, and unlocking new opportunities in downstream processing.

### INVESTMENT AND TRADING OF OTHER POULTRY RELATED PRODUCTS

In the investment and trading of other poultry related products segment, we cover all areas within the animal health portfolio, offering a one-stop solution with 360° coverage. Our channel specialisation focuses on FAST and CAST. This division operates through two specialised teams, strategically serving distinct market segments with tailored product portfolios. The FAST team prioritises farm animals, supplying comprehensive biosecurity solutions, advanced farm equipment, feed additives, vaccines, diagnostic tools, water-soluble treatments, and nutritional supplements essential for optimising poultry and livestock productivity while upholding stringent disease prevention standards. Complementing this, the CAST team focuses on companion animals, delivering premium antiparasitics, nutraceuticals, pet consumables, and specialised nutrition products through established retail pet shops, veterinary clinics nationwide and e-commerce. This dual-channel specialisation enables Teo Seng to capture growth across both commercial farming and premium pet care markets, strengthening our position as a versatile leader in Malaysia’s animal health solutions landscape.

### FINANCIAL PERFORMANCE REVIEW

Key Financial Result	2025 (RM'000)	2024 (RM'000)	Change (RM'000)	Change (%)
Revenue	735,877	753,771	(17,894)	(2.37)
Finance Cost	4,395	5,221	(826)	(15.82)
Profit Before Tax	156,504	198,416	(41,912)	(21.12)
Profit After Tax	142,074	183,361	(41,287)	(22.52)
Gearing ratio (times)	0.18	0.16	0.02	12.50
Net asset/share (RM)	1.22	1.04	0.18	17.31
Current ratio (times)	2.66	2.48	0.18	7.26
Return on equity (%)	19.69	29.65	(9.96)	(33.59)
Basic earnings per share (cents)	24.09	30.97	(6.88)	(22.22)

### CAPITAL EXPENDITURE AND STRUCTURE

For the financial year 2025, total capital expenditure of RM95.2 million was incurred for the following projects:

1. Land acquisition for expansion
2. Expansion on the capacity of layer farming activity
3. Upgrading of existing farm facilities and equipment
4. Egg processing division project
5. Old hen processing division project
6. Installation of compost tower for farm waste management

#### Poultry farming

Throughout the current financial year, the Company has achieved notable advancements in operational efficiency, infrastructure development, and technological infrastructure. These initiatives underscore our dedication to pioneering industry innovations, coupled with an unwavering emphasis on quality, productivity, and customer satisfaction. The ultimate purpose is to refine operational workflows, lower operational costs, and enhance service delivery to our customers.

In a strategic move to bolster our production capacity amid growing market demand, we completed construction of a new layer farm this year—bringing our total number of farms to 25 across Yong Peng, Johor with additional capacity of 270,000 birds. This expansion significantly boosts our egg production volumes and positions us to advance steadily toward our ambitious target of 5 million eggs per day by optimising resource utilisation and operational throughput. Featuring modern, biosecurity farm design and state-of-the-art equipment—including automated conveyor systems for efficient egg delivery, robotics for real-time monitoring of chicken health, centralised egg collection centre. The new facility enhances overall efficiency, strengthens biosecurity measures, and promotes sustainability across our operations, paving the way for long-term growth and reliability. It signifies a major milestone in our strategic commitment to continually refining and elevating our existing operations.

In the downstream segment, a significant milestone was reached with our boiled egg products securing export permit to Singapore, paving the way for our inaugural exports to Singapore. This accomplishment underscores our commitment to meeting rigorous international standards and quality excellence.

## MANAGEMENT DISCUSSION AND ANALYSIS

Beyond our established local focus, it represents a pivotal step in expanding our footprint overseas, diversifying revenue streams, and tapping into high-demand regional markets. Looking ahead, we will continue to invest substantial efforts in targeted marketing initiatives to penetrate additional overseas markets, fostering sustainable growth and enhancing our competitive edge regionally.

Leveraging our extensive expertise in boiled egg production, we doubled down on our downstream segment strategy by intensifying investments in value-added products, launching egg mayo production lines to diversify revenue streams and capture emerging market opportunities in Malaysia's dynamic food processing landscape. Our egg mayo production commenced with agile small-batch manufacturing, positioning us as an original equipment manufacturer ("OEM") tailored for convenience store chains. This move capitalises on the surging established of major convenience store chains, enabling us to supply premium, ready-to-eat products that meet consumer demands for convenience, quality, and affordability. Additionally, the liquid egg production line advanced to preliminary layout design and planning stages, targeting high-volume buyers such as bakeries, confectioneries, and biscuit manufacturers who prioritise substantial quantities of fresh, pasteurised ingredients for consistent product excellence and extended shelf life.

Meanwhile, we are pleased to report significant progress on our state-of-the-art old hen processing plant, a project aimed at bolstering our production capabilities and market leadership in the poultry sector. All essential machinery and equipment have now been successfully installed and placed in position. With this foundational milestone achieved, we have seamlessly transitioned into the critical testing and commissioning phase, where rigorous trials, performance validations, and fine-tuning of automated systems are underway to guarantee seamless integration and optimal output upon full operation. Our team is thrilled with the momentum and remains excited about the imminent completion of this facility, which we foresee will substantially enhance our competitive edge by increasing throughput capacity, reducing turnaround times, enabling premium product processing, and supporting our commitment to delivering superior quality to customers across Malaysia and beyond.

The Malaysian government introduced the Solar Accelerated Transition Action Programme ("Solar ATAP") on 1 January 2026, succeeding the Net Energy Metering ("NEM") programme that ended in June 2025. Solar ATAP promotes widespread rooftop solar PV adoption by enabling all TNB customers—residential, commercial, and industrial—to install systems for self-consumption while exporting surplus energy with capacities up to 100% of maximum demand. Compared with NEM, Solar ATAP offers unlimited quotas and higher capacity limits. Leveraging this enhanced scheme, we are actively identifying suitable facility locations with optimal rooftops—prioritising large, sun-exposed, structurally robust surfaces—to maximise solar capacity, reduce operational expenses in our poultry operations, strengthen Environmental, Social and Governance ("ESG") commitments, aligning with national renewable targets of 70% renewable energy by 2050.

Teo Seng Group is advancing its digital transformation agenda by upgrading to Microsoft Dynamics 365 ("MsD365"), a comprehensive cloud-based Enterprise Resources Planning ("ERP") platform that integrates Customer Relationship Management ("CRM"), finance, supply chain, and operational modules into a unified system, enabling seamless data flow and intelligent automation. We have successfully identified and engaged a certified implementation partner, with the quotation formally signed to initiate this strategic project. Preliminary works, including system assessments, data migration planning, and customisation scoping, have commenced and will proceed in structured phases to ensure minimal disruption and progressive value realisation. Adopting MsD365 will deliver key advantages such as AI-powered predictive insights for demand forecasting and inventory optimisation, robust compliance with industry regulations, cost savings through process automation, and elevated customer service via integrated sales and service management.

Our poultry farming segment continues to be the primary driver of Teo Seng Group's financial performance. For financial year 2025, this segment generated revenue of RM621.2 million, represented 84.4% of the total revenue of RM735.9 million. In term of profit contribution, poultry farming contributed Profit Before Tax ("PBT") of RM133.5 million, accounted 85.3% of full year PBT. We expect the performance of this segment to remain resilient attributed by eggs are the most available and affordable protein for all Malaysians.

#### Investment and trading of poultry related products

In 2025, our wholly-owned subsidiary, Ritma Prestasi Sdn. Bhd. marked a significant milestone at Livestock Malaysia 2025 by receiving the Outstanding Animal Health Provider award, celebrating 20 years of dedicated service to Malaysia's farm animal health sector. This prestigious recognition underscores our unwavering commitment since inception: to be the most innovative and trusted multinational animal healthcare solutions provider, delivering practical, science-backed solutions that enhance productivity, animal welfare, and farm efficiency across the poultry and livestock industries.

Ritma Prestasi Sdn. Bhd., through its subsidiary, Trendata Science Sdn. Bhd., made strategic inroads into the rapidly growing poultry technology markets across the Philippines, Indonesia, and Vietnam by actively participating in prominent regional livestock events throughout the year. These high-profile engagements provided invaluable opportunities for networking with key industry stakeholders, showcasing cutting-edge poultry management solutions, and gathering critical market intelligence to pinpoint high-potential growth areas in advanced automation, biosecurity technologies, and data-driven farm optimisation across Southeast Asia's dynamic animal health landscape.

In parallel, we significantly bolstered our business-to-consumer segment through enthusiastic participation in a series of leading pet expos and exhibitions nationwide. These consumer-facing platforms enabled us to bring our premium poultry-related products—ranging from nutritional supplements to specialised feeds—directly to pet owners and enthusiasts, fostering meaningful face-to-face interactions, collecting actionable real-

## MANAGEMENT DISCUSSION AND ANALYSIS

time customer insights, and dramatically enhancing brand visibility and loyalty within Malaysia's increasingly competitive retail pet care market.

In 2025, this segment achieved revenue of RM114.7 million, reflecting a solid 4.2% increase compared to the previous year. PBT reached RM23.0 million, marking a robust 22.4% year-on-year growth, driven by higher demand for animal health products and operational efficiencies.

### RISK AND MITIGATION MEASURES

#### Risk of poultry disease

Teo Seng Group maintains an unwavering commitment to disease prevention and control, fully recognising that poultry health directly drives operational efficiency, product quality, and enduring business sustainability. Across all farming facilities, the Company deploys rigorous biosecurity protocols to adopt a forward-thinking strategy against disease risks. Through full implementation of the CHS system and consistent application of AIAO farming protocols at 25 locations, Teo Seng consistently meets and exceeds industry benchmarks for disease management. Our specialised team of skilled veterinarians and operations experts provides round-the-clock monitoring of farm environments, rapidly countering emerging threats with state-of-the-art diagnostic technology and targeted preventive measures. Even amid persistent poultry disease pressures, Teo Seng demonstrates adaptability and innovation dedication, securing long-term expansion and industry leadership within Malaysia's competitive poultry landscape.

#### Sustainability initiatives - Waste management

Effective waste management forms the cornerstone of Teo Seng Group's sustainability framework, ensuring responsible handling of chicken waste while minimising environmental impact across our operations. We have implemented comprehensive protocols prioritising efficiency, safety, and ecological stewardship, highlighted by the strategic installation of advanced compost towers that accelerate the transformation of chicken manure into high-quality organic fertiliser. These innovative systems not only speed up decomposition but also produce nutrient-rich soil amendments that promote sustainable agriculture, reduce reliance on synthetic alternatives, enhance soil health, control odours, and prevent harmful pollutant release. Understanding the risks of improper disposal, we continuously refine processes through ongoing research, technological upgrades, and circular economy principles to explore new waste value-added opportunities. These efforts significantly mitigate waste accumulation while reducing our carbon footprint. Our relentless commitment to waste management excellence reinforces Teo Seng's leadership in sustainable poultry farming, delivering long-term environmental responsibility and supporting healthier communities throughout Malaysia.

#### Manpower and succession planning

To tackle the labour-intensive demands of Malaysia's poultry farming sector, Teo Seng is steadfast in cutting dependence on foreign workers by cultivating a robust, self-reliant local workforce. The Company invests in automation and smart farming solutions—like precision feeding systems, robotic egg collection, and machine monitoring—to boost efficiency and reduce manual labour needs. Complementing these innovations, Teo Seng emphasises employee growth via training and upskilling initiatives, empowering local talent to thrive in poultry operations. Competitive remuneration packages, enhanced workplace environments, and clear career progression paths form the backbone of efforts to recruit and retain skilled locals, fostering enduring stability. Strategic workforce diversification further buffers against shortages, building a versatile, agile team. These forward-thinking steps bolster Teo Seng's operational strength, secure continuity, and sharpen our edge in the shifting poultry industry.

#### Foreign currency risk

Teo Seng Group upholds a disciplined commitment to prudent financial stewardship, continuously enhancing strategies to mitigate foreign exchange risks that directly influence operational stability. As an integrated poultry farming business reliant on imported raw materials, the Group fully recognises how currency volatility—particularly USD fluctuations affecting feed purchase costs—can elevate operational expenses, compress margins, and disrupt financial planning. To counter these pressures, Teo Seng strategically deploys forward contracts and currency options to secure favourable exchange rates, ensuring predictable cash flows and shielding profitability from adverse movements. Complementing these hedging instruments, our finance team maintains vigilant oversight of global economic indicators, geopolitical developments, and forex market dynamics to execute timely, data-driven risk management decisions.

#### Regulation

Recognising the highly regulated nature of Malaysia's poultry farming industry, Teo Seng Group maintains vigilant oversight of evolving economic policies and regulatory frameworks that impact operations. To bolster compliance and enable proactive decision-making, the Group established a dedicated Corporate Affairs Committee, comprising key leaders including the Group Finance Director, Company Secretaries, and Senior Corporate Affairs Manager. Supported by internal specialists and external advisors, this committee analyses regulatory developments, evaluates operational impacts, and crafts strategic responses while fostering proactive communication with relevant authorities to ensure alignment and timely approvals. This forward-thinking governance structure positions Teo Seng to navigate complex regulatory landscapes effectively, preserving operational efficiency and financial stability. By staying ahead of policy shifts and industry mandates, we not only mitigate compliance risks but also reinforce our dedication to sustainable, responsible practices throughout the poultry sector.

## MANAGEMENT DISCUSSION AND ANALYSIS

**Prospect**

2025 has been a truly remarkable year for Teo Seng Group, marked by exceptional achievements that reinforce our leadership across poultry farming.

We are particularly proud to have clinched, for the second consecutive time, The Highest Growth in Profit After Tax over three years in the Consumer Products and Services sector under The Edge Centurion Club 2025 awards—an elite recognition that speaks volumes about the Teo Seng Group’s sustained excellence, operational resilience, and strategic execution even amidst volatile market conditions, fluctuating input costs, and evolving consumer demands; this accolade not only validates our diversified business model but also highlights our ability to deliver consistent shareholder value through disciplined cost management, expanded market reach, and unwavering focus on operational excellence.

Poultry farming continues to serve as Teo Seng Group’s primary growth engine, with capacity expansion remaining the core strategic pillar driving our long-term value creation. We have several expansion projects actively in the pipeline, including new layer farm developments, strategic upgrades of existing closed-house facilities for higher bird densities while maintaining superior biosecurity standards. The completed construction of our state-of-the-art slaughtering plant that will significantly enhance processing throughput for premium fresh poultry products. These initiatives, underpinned by disciplined capital allocation and operational excellence, position us to capitalise on rising domestic protein demand while strengthening supply chain resilience against market volatility. Complementing this core segment, our investments and trading of poultry-related products serve as a vital buffer, providing diversified revenue streams, risk mitigation during farming cycle fluctuations, and synergistic opportunities to enhance overall group margins through integrated solutions.

Teo Seng Group remains steadfast in our sustainability journey, embedding Economic, Environmental, Social, and Governance (“EESG”) principles across our operations to deliver long-term value for stakeholders, communities, and the environment. Key achievements include accelerating Solar ATAP adoption by identifying suitable rooftops across multiple facilities for large-scale installations, poised to dramatically slash energy costs, reduce carbon emissions, and enhance energy independence in line with Malaysia’s National Energy Transition Roadmap. Our state-of-the-art old hen processing plant incorporates advanced sustainability features, including water recycling systems that recover water for reuse and energy-efficient machinery for optimal energy savings. Meanwhile, we have strategically installed compost towers to process chicken manure into high-quality organic fertiliser, transforming byproducts into valuable resources while eliminating landfill contributions. These initiatives underscore our holistic commitment to responsible resource stewardship from farm to fork, positioning Teo Seng as a pioneer in sustainable poultry production amid growing consumer demand for ethically sourced proteins.

Looking ahead, the poultry industry—particularly our eggs division—is expected to remain resilient due to eggs serving as the most affordable and accessible protein source for Malaysians across all demographics, further bolstered by the booming tourism sector through the Visit Malaysia 2026 campaign that will stimulate heightened egg demand in hospitality and food and beverages (“F&B”) outlets. Additionally, the exemption of soybeans and animal feed from Sales and Service Tax will play a crucial role in stabilising input prices for essential food products including eggs, enabling us to maintain competitive pricing while safeguarding healthy margins and positioning Teo Seng for continued robust performance in 2026 and beyond.

Looking forward to 2026, we remain cautiously optimistic in delivering value to our stakeholders while strengthening our position as a market leader. Our focus remains firmly on our core business segments, integrated layer farming, as we actively explore more growth opportunities to further strengthen our competitive edge. Underpinned by favourable conditions that support our growth trajectory, this will position us to drive sustainable growth, deliver value to our stakeholders, and continuously to adapt in a dynamic and challenging market environment.

**Dividend**

The Board remains committed to balancing shareholder returns with the Group’s long-term financial stability and growth objectives. In line with this commitment, the dividend payout is subject to a thorough assessment of retained earnings, cash flow availability and the Group’s capital expenditure and funding needs. This approach ensures that while shareholders are rewarded for their investment, the Group also retains sufficient reserves to support business expansion and operational resilience. However, it is important to note that this policy reflects the Board’s present intention and does not guarantee future dividend payments. The actual declaration of dividends will be contingent upon various factors, including the Group’s financial performance, liquidity position and prevailing economic conditions. Should dividend payments pose a risk to the Group’s financial health or operational stability, the Board reserves the right to revise or waive distributions in adherence to the solvency requirements outlined in the Companies Act 2016. Through this prudent and flexible approach, the Group strives to create sustainable value for shareholders while safeguarding its long-term financial health.

In recognition of the exceptional performance achieved for the financial year ended 2025, the Board had announced total three (3) interim cash dividend amounting to a total of RM23.5 million, which is approximately 16.6% of Profit After Tax (“PAT”) for financial year ended 2025.