PRESS RELEASE – FOR IMMEDIATE DISTRIBUTION

Yenher Records 37% Year-on-Year Increase in Profit Before Tax for 2QFY2026, Supported by Stronger Distribution Sales and Improved Gross Profit

Penang, 24 August 26 – Yenher Holdings Berhad ("YENHER" or "the Group"), a leading manufacturer and distributor of animal health and nutrition products, today announced its second-quarter financial results for the period ended 30 June 2026, recording higher profitability underpinned by stronger distribution sales and improved gross profit, even as revenue eased marginally.

Financial Highlights

Quarter-on-Quarter Performance (2QFY2026 vs 1QFY2026)

- **Revenue:** RM78.42 million, ↑ **28.47%** (1QFY2026: RM61.04 million)
- **Gross Profit:** RM16.02 million, ↑ **23.42%** (1QFY2026: RM12.98 million)
- **Other Income:** RM0.20 million, ↓ **41.30%** (1QFY2026: RM0.34 million)
- **Selling & Distribution Expenses:** RM2.67 million, ↑ **58.38%** (1QFY2026: RM1.69 million)
- **Administrative Expenses:** RM4.15 million, ↑ **0.18%** (1QFY2026: RM4.14 million)
- **Profit Before Tax (PBT):** RM9.10 million, ↑ **23.91%** (1QFY2026: RM7.34 million)
- **Profit After Tax (PAT):** RM6.66 million, ↑ **25.41%** (1QFY2026: RM5.31 million)

Year-on-Year Performance (2QFY2026 vs 2QFY2025)

- **Revenue:** RM78.42 million, ↓ **0.60%** (2QFY2025: RM78.90 million)
- **Gross Profit:** RM16.02 million, ↑ **15.72%** (2QFY2025: RM13.84 million)
- **Other Income:** RM0.20 million, ↓ **31.56%** (2QFY2025: RM0.29 million)
- **Selling & Distribution Expenses:** RM2.67 million, ↓ **4.85%** (2QFY2025: RM2.81 million)
- **Administrative Expenses:** RM4.15 million, ↓ **0.29%** (2QFY2025: RM4.16 million)
- **Profit Before Tax (PBT):** RM9.10 million, ↑ **36.81%** (2QFY2025: RM6.65 million)
- **Profit After Tax (PAT):** RM6.66 million, ↑ **28.66%** (2QFY2025: RM5.17 million)

Half-Year Performance (1HFY2026 vs 1HFY2025)

- **Revenue:** RM139.47 million, ↓ **7.01%** (1HFY2025: RM149.99 million)
- **Gross Profit:** RM29.00 million, ↑ **10.21%** (1HFY2025: RM26.31 million)
- **Profit Before Tax (PBT):** RM16.44 million, ↑ **48.16%** (1HFY2025: RM11.10 million)
- **Profit After Tax (PAT):** RM11.96 million, ↑ **42.31%** (1HFY2025: RM8.41 million)

Compared with the immediate preceding quarter, YENHER's revenue increased by 28.47% to RM78.42 million, mainly driven by stronger distribution sales, particularly of feed additive products. Gross profit rose by 23.42% to RM16.02 million, while PBT increased by 23.91% to RM9.10 million, as the improvement in gross profit was partially offset by higher selling and distribution expenses in line with increased business activity.

On a year-on-year basis, PBT for 2QFY2026 grew by 36.81% to RM9.10 million from RM6.65 million in 2QFY2025, even as revenue was little changed at RM78.42 million (2QFY2025: RM78.90 million). The improvement was mainly attributable to a 15.72% increase in gross profit to RM16.02 million, led by stronger sales of feed additive products under the distribution segment, while the manufacturing segment's gross profit eased slightly as sales mix shifted between complete feed solutions and premix products.

For the first half of the financial year ("1HFY2026"), the Group recorded revenue of RM139.47 million, down 7.01% from RM149.99 million in 1HFY2025, partly reflecting a higher comparative base arising from accelerated customer purchases in 1HFY2025 ahead of the Sales Tax expansion that took effect on 1 July 2025. Despite the lower revenue, gross profit for 1HFY2026 rose 10.21% to RM29.00 million, while PBT increased 48.16% to RM16.44 million and PAT grew 42.31% to RM11.96 million, aided by the absence of a one-off RM1.78 million inventory write-off recognized in 1QFY2025 following a fire incident in January 2025.

During the quarter, the Group acquired property, plant and equipment amounting to RM2.17 million, bringing total capital expenditure for 1HFY2026 to RM22.60 million, reflecting its continued investment in operational capabilities and future capacity requirements, including the ongoing construction of its new GMP-compliant manufacturing plant that remains on track for completion by end-2026, subject to approvals from the relevant local authorities. This centralised facility, which will also house the Group's R&D operations, warehousing and headquarters, is designed to triple existing production capacity to 31,200 tonnes per annum of premixes and formulated products.

Separately, the Group's 60%-owned joint venture, Yenher Bio Green Sdn Bhd, commenced production in June 2026 at its Black Soldier Fly ("BSF") bioconversion facility. Established in July 2025 in partnership with GLT Bioloop, which holds the remaining 40% stake, the facility converts organic waste into high-value protein and organic fertilizer, with planned annual output of 1,000 tonnes of fresh BSF larvae and 5,000 tonnes of organic fertilizer. The venture supports the Group's sustainability strategy, feeding a new source of protein back into its animal nutrition product portfolio.

Commenting on the results, Dato Cheng Mooh Tat, Executive Chairman of Yenher Holdings Berhad, said:

"Despite a softer revenue showing in our manufacturing segment, arising from a shift in sales mix between complete feed solutions and premix products, profitability there proved resilient, with gross profit declining only marginally. This underscores the strength of our operational efficiency and cost discipline. Together with stronger performance in distribution, particularly feed additive products, this resilience supported the Group's overall earnings for the quarter."

Looking ahead, 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 sources of protein for consumers. The poultry sector is expected to remain resilient, underpinned by stable domestic supply and ongoing production activities.

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.

He added: "The livestock industry remains an essential pillar of Malaysia's food security ecosystem. While we stay mindful of cost volatility, supply chain disruptions and biosecurity risks, YENHER will continue to proactively support our customers through technical expertise, biosecurity-focused solutions and products that enhance productivity and operational efficiency."

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About Yenher Holdings Berhad ("YENHER")

YENHER specializes in the manufacturing and distribution of animal health and nutrition products, including premixes, complete feed, formulated products, and biotech animal feed ingredients. We are committed to delivering high-quality solutions that meet the diverse needs of the livestock and companion animal sectors. Our dedication to innovation and excellence underscores our strategic commitment to growth. With potential expansions through strategic partnerships and product diversification, the Group is well-positioned to enhance its presence in the animal health and nutrition industry.

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