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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately.

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YENHER

YENHER HOLDINGS BERHAD

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

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED BONUS ISSUE OF UP TO 60,000,000 FREE WARRANTS IN YENHER HOLDINGS BERHAD ("YENHER" OR THE "COMPANY") ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 5 EXISTING ORDINARY SHARES IN YENHER HELD BY THE ENTITLED SHAREHOLDERS WHOSE NAMES APPEAR IN THE COMPANY'S RECORD OF DEPOSITORS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED BONUS ISSUE OF WARRANTS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd

Registration No. 199001003423 (194990-K)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The extraordinary general meeting of Yenher ("**EGM**") will be held at No. 1628, Jalan IKS Simpang Ampat 1, Taman IKS Simpang Ampat, 14100 Simpang Ampat, Seberang Perai Selatan, Pulau Pinang on Tuesday, 30 July 2024 at 11.00 a.m. or at any adjournment thereof. The Notice of EGM together with the Form of Proxy are enclosed in this Circular.

If you decide to appoint a proxy(ies) to participate and vote on your behalf at the EGM, the Form of Proxy must be completed and lodged to the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang or email to info@sshb.com.my not less than 48 hours before the time and date indicated below or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from participating and voting at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Sunday, 28 July 2024 at 11.00 a.m.

Date and time of the EGM : Tuesday, 30 July 2024 at 11.00 a.m.

This Circular is dated 12 July 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	The Companies Act 2016
"Board"	:	The Board of Directors of Yenher
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"Circular"	:	This circular dated 12 July 2024
"Deed Poll"	:	The deed poll constituting the Warrants and governing the rights of the Warrant Holders to be executed by the Company
"Director(s)"	:	The director(s) of Yenher and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
"EGM"	:	The forthcoming extraordinary general meeting of Yenher
"Entitled Shareholders"	:	The shareholders of Yenher whose names appear in the Company's Record of Depositors on the Entitlement Date
"Entitlement Date"	:	A date to be determined and announced later by the Board, on which the names of the Entitled Shareholders must appear in the Company's Record of Depositors as at 5.00 p.m. in order to participate in the Proposed Bonus Issue of Warrants
"EPS"	:	Earnings per share
"FPE"	:	Financial period ended
"FYE"	:	Financial year ended/ ending
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	28 June 2024, being the latest practicable date prior to the printing and despatch of this Circular
"Major Shareholder(s)"	:	<p>A person who has an interest or interests in one or more voting shares in Yenher and the aggregate number of those shares, is:-</p> <ol style="list-style-type: none">i. 10% or more of the total number of voting shares in Yenher; orii. 5% or more of the total number of voting shares in Yenher where such person is the largest shareholder of Yenher. <p>For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act</p>
"NA"	:	Net assets attributable to the owners of Yenher
"Official List"	:	A list specifying all securities listed on the Main Market of Bursa Securities

DEFINITIONS (CONT'D)

"Proposed Bonus Issue of Warrants"	:	Proposed bonus issue of up to 60,000,000 Warrants on the basis of 1 Warrant for every 5 existing Yenher Shares held by the Entitled Shareholders on the Entitlement Date
"Record of Depositors"	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository pursuant to the Securities Industry (Central Depositories) Act, 1991
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"UOBKH" or the "Principal Adviser"	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
"VWAP"	:	Volume weighted average market price
"Warrant(s)"	:	Free warrants in Yenher to be issued pursuant to the Proposed Bonus Issue of Warrants
"Warrant Holder(s)"	:	The holders of the Warrants
"Yenher" or the "Company"	:	Yenher Holdings Berhad (Registration No. 202001008388 (1364708-X))
"Yenher Group" or the "Group"	:	Yenher and its subsidiaries, collectively
"Yenher Share(s)" or "Share(s)"	:	Ordinary share(s) of Yenher

All references to "**you**" in this Circular are made to shareholders who are entitled to attend and vote at the EGM.

Unless specifically referred to, words denoting incorporating the singular shall, where applicable include the plural and vice versa and words denoting incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed Bonus Issue of Warrants. Shareholders are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposed Bonus Issue of Warrants before voting at the EGM.

Key information	Description	Reference to Circular
Summary	<p>The Proposed Bonus Issue of Warrants entails the issuance of up to 60,000,000 Warrants, on the basis of 1 Warrant for every 5 existing Yenher Shares held by the Entitled Shareholders on the Entitlement Date.</p> <p>The Warrants will be issued at no cost to the Entitled Shareholders and the Board has fixed the exercise price of the Warrants at RM1.10 per Warrant.</p>	Section 2
Rationale and justification	<p>(i) To reward the existing shareholders of the Company for their loyalty and continuing support; and</p> <p>(ii) To strengthen the Company's financial position and capital base.</p>	Section 3
Approvals required/ obtained and inter-conditional	<p>The Proposed Bonus Issue of Warrants is subject to the following approvals:-</p> <p>(i) Bursa Securities, which was obtained on 1 July 2024;</p> <p>(ii) Shareholders of the Company at the EGM; and</p> <p>(iii) Any other relevant authorities and/ or parties, if required</p> <p>The Proposed Bonus Issue of Warrants is not conditional upon any other proposals undertaken or to be undertaken by the Company.</p>	Section 8
Interested parties	<p>None of the Directors, Major Shareholders, chief executive of Yenher and/ or persons connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of the Company under the Proposed Bonus Issue of Warrants, which is also available to all other entitled shareholders of the Company on a pro-rata basis.</p>	Section 9
Board's recommendation	<p>The Board, after having considered all aspects of the Proposed Bonus Issue of Warrants, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of the Company and recommends that you VOTE IN FAVOUR of the resolution pertaining to the Proposed Bonus Issue of Warrants at the EGM.</p>	Section 12



YENHER

YENHER HOLDINGS BERHAD

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

Registered Office

No. 35, 1st Floor, Jalan Kelisa Emas 1
Taman Kelisa Emas
13700 Seberang Jaya
Pulau Pinang
Malaysia

12 July 2024

Board of Directors

Dato' Cheng Mooh Tat (*Executive Chairman*)
Cheng Mooh Kheng (*Executive Director*)
Datin Theoh Mooi Teng (*Executive Director*)
Tan Peng Lam (*Independent Non-Executive Director*)
Dato' Lim Choon Khim (*Independent Non-Executive Director*)
Dr Ong Bee Lee (*Independent Non-Executive Director*)

To: The shareholders of Yenher

Dear Sir/ Madam,

PROPOSED BONUS ISSUE OF WARRANTS

1. INTRODUCTION

On 31 May 2024, UOBKH had, on behalf of the Board, announced that the Company proposed to undertake a bonus issue of up to 60,000,000 free Warrants on the basis of 1 Warrant for every 5 existing Yenher Shares held by the Entitled Shareholders on the Entitlement Date.

On 1 July 2024, UOBKH had, on behalf of the Board, announced that Bursa Securities had on even date resolved to approve the following:-

- (i) admission of the Warrants to the Official List of Bursa Securities; and
- (ii) listing and quotation of 60,000,000 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants and 60,000,000 new Yenher Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities,

subject to the conditions as disclosed in **Section 8** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED BONUS ISSUE OF WARRANTS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE OF WARRANTS TO BE TABLED AT THE EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE OF WARRANTS TO BE TABLED AT THE EGM.

2. PROPOSED BONUS ISSUE OF WARRANTS

2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails the issuance of up to 60,000,000 Warrants, on the basis of 1 Warrant for every 5 existing Shares held by Entitled Shareholders on the Entitlement Date.

As at the LPD, the issued share capital of Yenher is RM177,429,501 comprising 300,000,000 Yenher Shares. As at the LPD, the Company does not retain any treasury shares. Accordingly, a total of up to 60,000,000 Warrants may be issued pursuant to the Proposed Bonus Issue of Warrants. In addition, assuming all the Warrants are exercised, a total of up to 60,000,000 new Shares may be issued therefrom.

The actual number of Warrants to be issued will depend on the number of Yenher Shares in issue on the Entitlement Date.

The entitlement basis for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:-

- (i) compliance with Paragraph 6.50 of the Listing Requirements, which states that the number of new Yenher Shares that will arise from the exercise of all outstanding convertible equity securities, shall not exceed 50% of the total number of issued Shares (excluding treasury shares and before the exercise of the convertible equity securities) at all times;
- (ii) dilutive effects arising from the full exercise of Warrants on the consolidated EPS and NA per Share of the Company; and
- (iii) amount of proceeds the Company could potentially raise as and when the Warrants are exercised during the exercise period of the Warrants.

The Entitlement Date will be determined and announced at a later date by the Board upon receipt of all relevant approvals.

Fractional entitlements of the Warrants, if any, shall be disregarded and dealt with in such manner as the Board may in its absolute discretion deem fit and expedient, and in the best interest of the Company.

The Proposed Bonus Issue of Warrants is not intended to be implemented in stages over a period of time.

2.2 Basis of determining the exercise price of the Warrants

The Warrants will be issued at no cost to the Entitled Shareholders based on their respective shareholdings in the Company on the Entitlement Date.

The Board has fixed the exercise price of the Warrants at RM1.10 each after taking into consideration, amongst others, the following:-

- (i) the historical price movement of Yenher Shares. The exercise price of RM1.10 represents a premium of approximately 14.68% to the 5-day VWAP of Yenher Shares up to and including the LPD of RM0.9592;
- (ii) the Warrants are exercisable at any time for a tenure of 5 years from the date of issuance, which may provide Yenher's shareholders with an opportunity to participate in the equity of the Company and potentially realise a capital gain in the event of any share price appreciation; and
- (iii) the anticipated potential financial performance of Yenher Group moving forward.

The Board is of the view that the exercise of the Warrants may raise additional funds for the Group in the future, as well as improve the trading liquidity of Yenher Shares with the increase in the number of Shares in issue as and when the Warrants are exercised.

2.3 Ranking of the Warrants and new Yenher Shares to be issued arising from the exercise of the Warrants

The Warrant Holders will not be entitled to any voting rights or right to participate in any form of distribution other than on winding up, compromise or arrangement of Yenher as set out in the Deed Poll and/ or offer of further securities in Yenher until and unless such Warrant Holders exercise their Warrants into new Yenher Shares.

The new Yenher Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing Yenher Shares, save and except that the new Yenher Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new Yenher Shares.

2.4 Listing and quotation of the Warrants and new Yenher Shares to be issued arising from the exercise of the Warrants

Bursa Securities had, vide its letter dated 1 July 2024, approved the admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of up to 60,000,000 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants and up to 60,000,000 new Yenher Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities.

2.5 Indicative salient terms of the Warrants

The indicative salient terms of the Warrants are set out below:-

Terms	Details
Issue size	: Up to 60,000,000 Warrants.
Form and denomination	: The Warrants will be issued in registered form and will be constituted by the Deed Poll.
Board lot	: For the purpose of trading on Bursa Securities, a board lot of Warrants shall be 100 Warrants carrying rights to subscribe for 100 new Yenher Shares at any time during the exercise period, or such number of Warrants as may be varied from time to time by Bursa Securities and/ or any relevant authorities to constitute a board lot.
Exercise right	: Each Warrant entitles the Warrant Holder to subscribe for 1 new Yenher Share at any time during the exercise period at the exercise price, subject to the adjustments in accordance with the provisions of the Deed Poll.
Exercise price	: RM1.10, being the amount payable in respect of each new Yenher Share to which a Warrant Holder is entitled to subscribe for on exercise of the exercise rights represented by the Warrant involving such new Yenher Share, or such exercise price as may be adjusted under the provisions of the Deed Poll.
Exercise period	: 5 years commencing from and including the date of issuance of the Warrants and ending at 5.00 p.m. in Malaysia on the market day falling immediately preceding the 5 th anniversary of the date of issuance, or if such day is not a market day, then it shall be the market day immediately preceding the said non-market day.
Participating rights of the Warrant Holders	: The Warrant Holders will not be entitled to any voting rights in any general meeting of the Company or to participate in any form of distribution other than on winding up, compromise or arrangement of Yenher and/ or offer of further securities in the Company until and unless the Warrant Holders exercise their Warrants into new Yenher Shares.
Adjustment in the exercise price and/ or number of Warrants	: The exercise price and/ or the number of Warrants in issue shall from time to time be adjusted by the Board in consultation with an approved principal adviser and/ or auditors and certified by the auditors under certain circumstances in accordance with the provisions of the Deed Poll.
Transferability	: The Warrants will only be transferable in the manner set out in the Deed Poll subject always to the provisions of the Securities Industries (Central Depositories) Act, 1991 and the rules of Bursa Malaysia Depository Sdn Bhd, as amended and revised from time to time.

Terms	Details
Rights in the event of winding-up, liquidation, compromise and/ or arrangement	<p>: If a resolution has been passed for a members' voluntary winding up of the Company or where there is a compromise or arrangement whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company, amalgamation or merger of the Company with one or more companies,</p> <p>(i) for the purposes of such winding up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant Holders, or some persons designated by them for such purpose by a special resolution, shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant Holders; or</p> <p>(ii) in any case and to the extent permitted by law, every Warrant Holder shall be entitled (upon and subject to the conditions of the Deed Poll) at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company or six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of its/ his/ her Warrants to the Company by submitting the duly completed and executed exercise notice(s) and payment of the exercise price, elect to be treated as if it/ he/ she had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by such Warrants to the extent specified in the exercise notice(s) and be entitled to receive out of the assets of the Company which would be available in liquidation as if it/ he/ she had on such date been the holder of the Yenher Shares to which it/ he/ she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above six (6) weeks, all exercise rights of the Warrants shall lapse and cease to be valid for any purpose.</p>
Modifications of rights of the Warrant Holders	<p>: Save for modification to the Deed Poll which is not materially prejudicial to the interest of the Warrant Holders, manifest error or to comply with the prevailing laws of Malaysia and/ or the Listing Requirements, any modification, amendment, deletion or addition to the Deed Poll permitted shall require the approval of the Warrant Holders sanctioned by special resolution; be subjected to the approval of the relevant authorities, if any; and be effected by a supplemental deed poll executed by the Company and expressed to be supplemental and comply with the requirements of the Deed Poll.</p>
Listing status	<p>: The Warrants will be listed and quoted on the Main Market of Bursa Securities.</p>
Governing Laws	<p>: The Deed Poll is governed by the laws and regulations of Malaysia.</p>

2.6 Utilisation of proceeds

The Proposed Bonus Issue of Warrants will not raise any immediate funds for the Company as the Warrants will be issued at no cost to the Entitled Shareholders. The amount of proceeds to be raised would depend on the actual number of Warrants exercised during the exercise period. As such, the exact quantum and timeframe for utilisation of the proceeds to be raised cannot be determined at this juncture.

Nevertheless, the Board anticipates that any proceeds to be raised from the exercise of the Warrants will be utilised by Yenher Group within 12 months from the date of receipt of such proceeds.

Assuming the full exercise of Warrants at the exercise price of RM1.10 per Warrant, the Company is expected to raise gross proceeds of up to RM66.00 million.

Such proceeds to be raised, as and when the Warrants are exercised, are expected to fund the future working capital requirements of the Group in the following manner:-

Details of utilisation for working capital	%
Purchase of raw materials (i.e. feed ingredients used in the production of premixes)	70.0
Production overheads (i.e. tool consumables, maintenance and utilities expenses)	20.0
Staff costs	10.0
	100.0

For information purposes, the proceeds to be raised from the Proposed Bonus Issue of Warrants will be earmarked for the working capital requirements of the Group's manufacturing business. In particular, the Group intends to expand its manufacturing business upon the completion of its new Good Manufacturing Practice ("**GMP**") plant which construction is expected to be completed by June 2025, as outlined in **Section 5.3** of this Circular.

Notwithstanding the above, the proceeds to be used for working capital are subject to the operational requirements of the Group at the point of utilisation, and thus the actual timeframe and breakdown are not determinable at this juncture.

The gross proceeds to be raised from the Proposed Bonus Issue of Warrants will be utilised in the following priority:-

- (i) purchase of raw materials;
- (ii) production overheads; and
- (iii) staff costs.

Pending the utilisation of proceeds raised as and when the Warrants are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board may deem fit. The interest derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will also be used as the working capital of the Group.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED BONUS ISSUE OF WARRANTS

The Proposed Bonus Issue of Warrants aims to reward the existing shareholders of the Company for their loyalty and continuing support, by providing an option to further increase their equity participation in the Company at a pre-determined price over the tenure of the Warrants and to benefit from the future growth and any potential capital appreciation of the Shares arising therefrom.

Further, the Proposed Bonus Issue of Warrants will also strengthen the Company's financial position and capital base, as the Warrants may potentially provide additional working capital as and when the Warrants are exercised without incurring interest costs as compared to bank borrowings.

4. OTHER FUND RAISING EXERCISES IN THE PAST 12 MONTHS

The Company has not undertaken any other fund raising exercises in the 12 months prior to the date of this Circular.

5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE GROUP

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 3% in the fourth quarter of 2023 (3Q 2023: 3.3%; 2Q 2023: 2.9%). Household spending remained supported by improving labour market conditions and easing cost pressures. The unemployment rate declined to the prepandemic level of 3.3% while the labour force participation rate was at a historic high in 2023. Meanwhile, growth in investment activity was underpinned by the progressive realisation of multi-year projects and capacity expansion by firms. Exports, however, remained subdued due to prolonged weakness in external demand amid stronger imports. On the supply side, there was a broad-based expansion. The commodities sector grew. This was supported by higher O&G production as well as expansion in the agriculture sector amid improved labour supply. The services and construction sectors continued to expand. The manufacturing sector remained soft from continued weakness in the electrical & electronics ("E&E") industry. In terms of monthly gross domestic product (GDP), December recorded a growth of 1.4%, lower than November (3.8%) and October (3.9%), attributed mainly to the shorter school holiday period during the month and weaker export-oriented manufacturing sector. On a quarter-on-quarter seasonally-adjusted basis, the economy contracted by 2.1% (3Q 2023: +2.6%).

Overall, the 2023 growth for the Malaysian economy normalised to 3.7%, following a strong growth registered in the previous year (2022: 8.7%). Growth moderated amid a challenging external environment. This was due mainly to slower global trade, the global tech downcycle, geopolitical tensions and tighter monetary policies. On the domestic front, despite the lapse of large policy support provided as the economy started to open up in 2022, the continued recovery in economic activity and labour market conditions supported growth in 2023.

(Source: Economic and Financial Developments in Malaysia in the Fourth Quarter of 2023, Bank Negara Malaysia)

For 2024, the economy is projected to grow within the range of 4% to 5%. The growth is envisaged to be broad-based, led by the services sector as intermediate and final services groups are anticipated to rise further driven by sustained domestic consumption and improved export activities. The retail trade, accommodation and restaurants as well as communication segments are expected to increase in line with consumption trend, while the wholesale trade segment and transport and storage subsector will benefit from higher trade-related activities.

The manufacturing sector is expected to accelerate, driven by improved export-oriented industries, particularly in the E&E products, as external demand recovers while the domestic-oriented industries are anticipated to remain favourable in line with robust domestic consumption and investment. The construction sector is expected to grow supported by expansion across all subsectors. Prospects for the agriculture sector remain positive supported by higher production of crude palm oil, other agricultural products, and livestock. The mining sector is estimated to turn around owing to the recovery in the production of natural gas, crude oil, and condensates.

(Source: Belanjawan 2024 - Economic Outlook, Ministry of Finance Malaysia)

5.2 Overview and outlook of the animal feed and livestock industry in Malaysia

There are pertinent issues confronting the animal feed industry today. The high price of meat, including chicken meat in Malaysia is the result of the increased cost of running the agriculture farming and meat processing industry. Among the 2,300 poultry breeders nationwide, the cost of poultry feed constitutes 70% of the overall expenses, in addition to logistics, labour, utilities and medicines. The market observed the price of poultry feed increased from RM500 per tonne to RM2,500 per tonne over the past few years.

Furthermore, the livestock industry is also facing significant sustainability challenges due to the scarcity of available land for animal grazing and forage production. Farmers are paying up to RM80 for a 50-kilogram bag of cattle feed in 2023 compared to RM45 in January 2022, as livestock feed materials are increasingly imported.

Impacts from the imported raw materials persist, as the global supply of grains and soymeal cannot fully cater to rising demands. This deficiency is further exacerbated by the challenges faced by source countries, which are striving to recover from the post-COVID economic downturn. In addition, these countries encounter difficulties due to extreme weather patterns and geopolitical conflicts that impeded the cultivation of farmland for grain production.

The global animal feed market is projected to grow at a Compound Annual Growth Rate ("**CAGR**") of 3.3% during 2023- 2028, as it reached United States Dollar ("**USD**") 501.9 billion in 2022. The rising demand for meat and animal-based products with the consequent increase in commercial livestock, poultry and aqua farm production represent some of the factors driving the global animal feed market. As for Malaysia, in 2021, the sales value of manufactured prepared animal feeds in Malaysia was approximately RM16.49 billion, more than RM3 billion increase in value compared to the previous year.

On the scope of the pet market, the global pet food market (valued at USD110.5 billion in 2021) is projected to grow to USD163.7 billion by 2029, exhibiting a CAGR of 5.11 per cent, as quoted by Fortune Business Insights. As for Malaysia, a survey by animal market research firm, PetFair, reported ownership of cats at 658,000 and dogs at 398,000 in 2019.

According to the Department of Statistics Malaysia (DOSM), in 2020, about 69.7 per cent of Malaysia's working age (15-64 years) have adopted pets, especially cats and dogs. Pet owners purchasing practices and changing attitudes significantly impacted the pet food industry. The Malaysian Pet Food market is projected to grow at a CAGR of 6.2% to hit USD331.7 million by 2026 as Malaysian pet owners are being more cautious in ensuring their pets receive the best nutrition.

(Source: Animal Feed – A Critical Component in The Global Food Chain, Malaysian Investment Development Authority)

5.3 Future prospects of the Group

Yenher Group is principally involved in the business of manufacturing and distribution of animal health and nutrition products. Complementary to its products are the technical consulting services provided to its customers to enhance the health and promote the growth of their livestock. To further enhance the Group's current products and services, Yenher had placed an emphasis in the expansion of its research and development ("**R&D**") activities such as innovating new products and strengthening its existing product portfolio.

The global economic outlook for the near future remains challenging, attributed to prevailing macroeconomic uncertainties. The Board anticipates a progressive recovery in the livestock industry based on the feedbacks from its customers and industry players. However, challenges still persist in the swine sector due to the African Swine Fever outbreak. Nonetheless, there remains to be growing optimism on improvements in control strategies and market conditions.

For the poultry sector, increasing demand and supply dynamics are fostering a positive outlook. The Group is committed in playing a pivotal role in this recovery by leveraging on its expertise and product offerings to enhance the sector's resilience and growth trajectory.

Yenher Group is focused on capitalising the improving conditions in the livestock sector. Their strategic priorities are to focus on innovation, sustainability, market expansion and operational excellence. Further, Yenher Group will emphasize on meeting the evolving needs of its customers and delivering long-term value to its shareholders, while remaining committed to deliver its promises and meeting expectations.

During the FYE 31 December 2023, Yenher commenced the construction of its new GMP plant. The plant is estimated to increase the Group's production volume by three-fold and consolidate existing manufacturing facilities in a single location, including new office space, R&D centre as well as warehouse. The Group will closely monitor the construction progress of the new GMP plant as part of its business expansion strategy and to ensure the facility is on track towards its completion in June 2025.

Premised on the above, and barring any unforeseen circumstances, the Board is optimistic about the future prospects of the Group. The Board will continue to monitor and review the performance and progress of the Group's operations and financial performance, and to introduce measures to enhance the Group's financials, if required.

(Source: Management of Yenher)

6. EFFECTS OF THE PROPOSED BONUS ISSUE OF WARRANTS

6.1 Issued share capital

	No. of Shares	RM
Issued share capital as at the LPD	300,000,000	177,429,501
Assuming full exercise of Warrants	60,000,000	66,000,000 ^{*1}
Enlarged issued share capital	360,000,000	243,429,501

Note:-

^{*1} Computed based on the exercise price of RM1.10 per Warrant

6.2 NA per Share and gearing

Based on the latest audited consolidated statements of financial position of the Group as at 31 December 2023, the pro forma effects of the Proposed Bonus Issue of Warrants on the NA per Share and gearing of the Group are set out as follows:-

	Audited as at 31 December 2023 RM	Assuming full exercise of Warrants RM
Share capital	177,429,501	243,429,501 ^{*2}
Merger deficit ^{*1}	(115,534,500)	(115,534,500)
Exchange translation reserve	(7,686)	(7,686)
Revaluation reserve	25,495,306	25,495,306
Retained profits	147,845,476	147,595,476 ^{*3}
Shareholders' fund/ NA	235,228,097	300,978,097
No. of Shares in issue	300,000,000	360,000,000
NA per Share (RM)	0.78	0.84
Total borrowings ^{*4}	-	-
Gearing ratio (times) ^{*3}	-	-

Notes:-

- *1 *The merger deficit of RM115.53 million arose from the difference between the purchase consideration and the issued share capital of Yenher's subsidiaries acquired upon consolidation using the principles of merger accounting in respect of business combinations under common control.*
- *2 *Assuming full exercise of 60,000,000 Warrants at the exercise price of RM1.10 per Warrant*
- *3 *After deducting estimated expenses of RM0.25 million in relation to the Proposed Bonus Issue of Warrants*
- *4 *Yenher Group does not have any bank borrowings as at 31 December 2023*

6.3 EPS

The Proposed Bonus Issue of Warrants is not expected to have any material effect on the consolidated earnings of the Group for the FYE 31 December 2024. However, assuming that the consolidated earnings of the Group remain unchanged, the EPS of the Group will be correspondingly diluted as a result of the increase in the number of Yenher Shares in issue as and when the Warrants are exercised into new Yenher Shares.

The potential effects of the exercise of the Warrants on the future earnings and EPS of the Group will depend upon, amongst others, the number of Warrants exercised at any point in time and the benefits to be accrued to the Group from the utilisation of proceeds raised from the exercise of the Warrants.

6.4 Convertible securities

As at the LPD, the Company does not have any convertible securities in issue.

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6.5 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Bonus Issue of Warrants on the substantial shareholders' shareholdings in Yenher are set out below:-

Substantial shareholders	Shareholdings as at the LPD				After assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	% ^{*1}	No. of Shares	% ^{*1}	No. of Shares	% ^{*2}	No. of Shares	% ^{*2}
CGH Holdings Sdn Bhd	135,000,000	45.00	-	-	162,000,000	45.00	-	-
Dato' Cheng Mooh Tat	22,500,000	7.50	135,563,300	45.19 ^{*3}	27,000,000	7.50	162,675,960	45.19 ^{*3}
Cheng Mooh Kheng	10,500,000	3.50	135,222,000	45.07 ^{*4}	12,600,000	3.50	162,266,400	45.07 ^{*4}
Cheng Mooh Chye	10,500,000	3.50	136,944,900	45.65 ^{*5}	12,600,000	3.50	164,333,880	45.65 ^{*5}

Notes:-

^{*1} Based on 300,000,000 issued Shares as at the LPD

^{*2} Based on 360,000,000 enlarged issued Shares

^{*3} Deemed interested by virtue of his shareholding in CGH Holdings Sdn Bhd and through the shareholding of his children pursuant to Sections 8 and 59(11)(c) of the Act

^{*4} Deemed interested by virtue of his shareholding in CGH Holdings Sdn Bhd and through the shareholding of his spouse pursuant to Sections 8 and 59(11)(c) of the Act

^{*5} Deemed interested by virtue of his shareholding in CGH Holdings Sdn Bhd and through the shareholding of his spouse and children pursuant to Sections 8 and 59(11)(c) of the Act

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7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Yenher Shares as traded on Bursa Securities for the past 12 months from July 2023 to June 2024 are set out below:-

	High RM	Low RM
2023		
July	0.923	0.880
August	0.909	0.851
September	0.870	0.821
October	0.968	0.816
November	0.885	0.841
December	0.855	0.816
2024		
January	0.860	0.811
February	0.880	0.811
March	0.895	0.841
April	0.885	0.835
May	1.020	0.875
June	1.060	0.940
Last transacted market price of Yenher Shares as at 30 May 2024 (being the latest transacted date prior to the announcement of the Proposed Bonus Issue of Warrants)		0.960
Last transacted market price as at the LPD		0.955

(Source: Bloomberg)

8. APPROVALS REQUIRED/ OBTAINED

The Proposed Bonus Issue of Warrants is subject to the following approvals being obtained:-

- (i) Bursa Securities, for the following:-
 - (a) the admission of the Warrants to the Official List of Bursa Securities; and
 - (b) the listing and quotation of the Warrants and new Yenher Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities,

the approval of which has been obtained vide Bursa Securities' letter dated 1 July 2024 subject to the following conditions:-

	Conditions	Status of compliance
(a)	Yenher and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue of Warrants;	To be complied
(b)	Yenher and UOBKH are required to inform Bursa Securities upon completion of the Proposed Bonus Issue of Warrants;	To be complied
(c)	Yenher and UOBKH are required to provide a written confirmation that the terms of the Warrants are in compliance with Paragraph 6.54(3) of the Listing Requirements;	To be complied

	Conditions	Status of compliance
(d)	Yenher is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Warrants is completed; and	To be complied
(e)	Yenher is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
(ii)	The shareholders of the Company at the EGM; and	
(iii)	Any other relevant authorities and/ or parties, if required.	

The Proposed Bonus Issue of Warrants is not conditional upon any other proposals undertaken or to be undertaken by the Company.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED WITH THEM

None of the Directors, Major Shareholders, chief executive of Yenher and/ or persons connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of the Company under the Proposed Bonus Issue of Warrants, which is also available to all other Entitled Shareholders of the Company on a pro-rata basis.

10. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Bonus Issue of Warrants is expected to be completed by the third quarter of 2024.

The tentative timetable for the implementation of the Proposed Bonus Issue of Warrants is set out below:-

Date	Events
30 July 2024	<ul style="list-style-type: none"> • Convening of EGM to obtain the approval of shareholders of Yenher
Early August 2024	<ul style="list-style-type: none"> • Announcement of the Entitlement Date
End August 2024	<ul style="list-style-type: none"> • Entitlement Date • Listing and quotation of the Warrants on the Main Market of Bursa Securities • Completion of the Proposed Bonus Issue of Warrants

11. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Bonus Issue of Warrants, the Board confirms that there are no other outstanding corporate exercises, which have been announced but not yet completed.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Bonus Issue of Warrants, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of the Company.

Accordingly, the Board recommends that you **VOTE IN FAVOUR** of the resolution pertaining to the Proposed Bonus Issue of Warrants at the EGM.

13. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at No. 1628, Jalan IKS Simpang Ampat 1, Taman IKS Simpang Ampat, 14100 Simpang Ampat, Seberang Perai Selatan, Pulau Pinang on Tuesday, 30 July 2024 at 11.00 a.m or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Bonus Issue of Warrants.

If you are unable to attend, participate, speak and vote at the EGM, you may appoint a proxy or proxies to attend, participate, speak and vote on your behalf. In such event, the Form of Proxy must be lodged at the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang or email to info@sshsb.com.my not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

14. FURTHER INFORMATION

Shareholders are advised to refer to the appendix set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board
YENHER HOLDINGS BERHAD

DATO' CHENG MOOH TAT
Executive Chairman

APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

UOBKH, being the Principal Adviser for the Proposed Bonus Issue of Warrants, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to Yenher for the Proposed Bonus Issue of Warrants.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Board is not aware of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially or adversely affect the position or business of the Group.

5. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, the Board is not aware of any other material commitments incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the financial results or position of the Group.

Material commitments of the Group	RM'000
Authorised and contracted capital expenditure not provided for:-	
(i) Acquisition of property, plant and equipment	10,587
(ii) Construction of a new factory building	15,386
(iii) Mechanical and electrical engineering works	3,900
	<u>29,873</u>
Authorised but not contracted for:-	
(i) Acquisition of property, plant and equipment	9,000
	<u>9,000</u>

6. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on the financial results or position of the Group.

APPENDIX I – FURTHER INFORMATION (CONT'D)

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's registered office at No. 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Pulau Pinang, Malaysia during the normal business hours from Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the EGM:-

- i. the Constitution of Yenher;
- ii. the audited consolidated financial statements of Yenher Group for the past 2 financial years up to the FYE 31 December 2023 and the latest unaudited consolidated financial statements for the 3-month FPE 31 March 2024;
- iii. the letter of consent and declaration of conflict of interest referred to in **Section 2** and **Section 3** hereinabove, respectively; and
- iv. the draft Deed Poll.

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YENHER

YENHER HOLDINGS BERHAD

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting ("**EGM**") of Yenher Holdings Berhad ("**Yenher**" or the "**Company**"), which will be held at No. 1628, Jalan IKS Simpang Ampat 1, Taman IKS Simpang Ampat, 14100 Simpang Ampat, Seberang Perai Selatan, Pulau Pinang on Tuesday, 30 July 2024 at 11.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification the resolution as set out in this notice.

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF UP TO 60,000,000 FREE WARRANTS IN YENHER ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 5 EXISTING ORDINARY SHARES IN YENHER HELD BY THE ENTITLED SHAREHOLDERS WHOSE NAMES APPEAR IN THE COMPANY'S RECORD OF DEPOSITORS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED BONUS ISSUE OF WARRANTS")

"THAT subject to the approvals of all relevant authorities and/ or parties (where applicable) being obtained for the Proposed Bonus Issue of Warrants, authority be and is hereby given to the Board of Directors of Yenher ("**Board**") to issue and allot up to 60,000,000 Warrants to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date on the basis of 1 Warrant for every 5 existing ordinary shares in Yenher ("**Yenher Share(s)**" or "**Share(s)**") held;

THAT the Board be and is hereby authorised to enter into and execute a deed poll constituting the Warrants ("**Deed Poll**") with full powers to assent to any condition, modification, variation and/ or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company, and with full powers for the Board to implement, finalise and give full effect to the Deed Poll;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of Warrants in accordance with the provisions of the Deed Poll and where required, to adjust the exercise price and/ or the number of Warrants to be issued (including, without limitation, any additional Warrants as may be required or permitted to be issued) in consequence of the adjustments pursuant to the provisions of the Deed Poll;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of new Yenher Shares pursuant to the exercise of the Warrants by the holders of the Warrants in accordance with the provisions of the Deed Poll;

THAT the Board be and is hereby authorised to disregard and deal with any fractional entitlements from the Proposed Bonus Issue of Warrants, if any, in such a manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT the new Yenher Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing Yenher Shares, save and except that the new Yenher Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new Yenher Shares;

THAT the Board be and is hereby authorised to use the proceeds to be raised from the exercise of the Warrants for such purposes and in such manner as set out in **Section 2.6** of the Circular to shareholders of the Company dated 12 July 2024, and the Board be authorised with full powers to vary the manner and/ or purpose of the use of such proceeds in such manner as the Board may deem fit, necessary and/ or expedient or in the best interest of the Company, subject to the approval of the relevant authorities (where required);

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Bonus Issue of Warrants with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants."

By Order of the Board,
YENHER HOLDINGS BERHAD

ONG LU SEE (LS 0006228) (SSM PC No. 201908001450)
KONG SOWN KAEY (MAICSA 7047655) (SSM PC No. 202008001434)
Company Secretaries

Pulau Pinang, Malaysia
12 July 2024

Notes:-

- i) *For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 95 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors ("ROD") as at 22 July 2024. Only a members whose name appears on such ROD shall be entitled to attend the said meeting or appoint proxies to attend and/ or vote on his/ her behalf.*
- ii) *A member entitled to attend and vote at the EGM is entitled to appoint one (1) or more proxies to attend and vote in his/ her stead. A proxy may but need not be a member of the Company.*
- iii) *A member shall not be entitled to appoint more than two (2) proxies to attend the same meeting and such appointment shall be invalid unless he/ she specifies the proportions of his/ her shareholdings to be represented by each proxy.*
- iv) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- v) *The Form of Proxy, in the case of an individual shall be signed by the appointer or his/ her attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.*
- vi) *The Form of Proxy must be deposited at the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang or email to info@sshb.com.my not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof.*
- vii) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice will be put to vote by way of poll.*



FORM OF PROXY

YENHER

YENHER HOLDINGS BERHAD

Registration No. 202001008388 (1364708-X)

Number of Shares Held	
CDS Account No.	

I/We, _____ NRIC/Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

contact no. _____ email address _____ being a member/ members YENHER HOLDINGS BERHAD ("Yenher" or the "Company") hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Extraordinary General Meeting ("EGM") of the Company which will be held at No. 1628, Jalan IKS Simpang Ampat 1, Taman IKS Simpang Ampat, 14100 Simpang Ampat, Seberang Perai Selatan, Pulau Pinang on Tuesday, 30 July 2024 at 11.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification the resolution as set out in this notice.

IMPORTANT NOTE:

Please (i) tick [✓] either ONE of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the EGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/Registration No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			
				100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the EGM as my/ our proxy			

or failing him/ her, the Chairman of the EGM as my/ our proxy to vote for me/ us on my/ our behalf at the EGM of the Company and my/ our proxy/proxies is/ are to vote as indicated below:

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolution, the proxy shall vote at his/ her discretion, or abstain from voting as the proxy thinks fit.

NO.	RESOLUTION	FOR		AGAINST	
		PROXY 1	PROXY 2	PROXY 1	PROXY 2
Ordinary Resolution	Proposed Bonus Issue of Warrants				

Dated this _____ day of _____ 2024

Signature / Common Seal of Shareholder

Contact No: _____



Notes:-

- i) For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 95 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors ("**ROD**") as at 22 July 2024. Only a member whose name appears on such ROD shall be entitled to attend the said meeting or appoint proxies to attend and/ or vote on his/ her behalf.
- ii) A member entitled to attend and vote at the EGM is entitled to appoint one (1) or more proxies to attend and vote in his/ her stead. A proxy may but need not be a member of the Company.
- iii) A member shall not be entitled to appoint more than two (2) proxies to attend the same meeting and such appointment shall be invalid unless he/ she specifies the proportions of his/ her shareholdings to be represented by each proxy.
- iv) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- v) The Form of Proxy, in the case of an individual shall be signed by the appointer or his/ her attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- vi) The Form of Proxy must be deposited at the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang or email to info@sshshb.com.my not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof.
- vii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice will be put to vote by way of poll.

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AFFIX
STAMP

**The Share Registrar of
YENHER HOLDINGS BERHAD**
c/o Securities Services (Holdings) Sdn Bhd
Suite 18.05, MWE Plaza
No. 8, Lebuhr Farquhar
10200 George Town
Pulau Pinang
Malaysia

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Fold This Flap For Sealing