NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF HSS HOLDINGS BERHAD ("HSS HOLDINGS" OR THE "COMPANY") DATED 29 MAY 2026 ("ELECTRONIC PROSPECTUS")

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad's ("**Bursa Securities**") website at www.bursamalaysia.com ("**Website**").

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, M & A Securities Sdn Bhd ("**M&A Securities**"), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Form is not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, M&A Securities and HSS Holdings take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 29 May 2026 and will close at 5.00 p.m. on 9 June 2026.

In the event the Closing Date is extended, HSS Holdings will advertise the notice of the extension in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia prior to the original Closing Date, and make an announcement on Bursa Securities' website.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users' access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

https://www.hssfood.my/

HSS HOLDINGS BERHAD
(202501015431 (1616846-W))
(Incorporated in Malaysia)

No. 17386, Parit Raja Sari, Jalan Parit Hulu,
Bukit Bakri, 84200, Muar, Johor.

Tel : +606-986 4455
Email : ir@hssfood.my

HSS HOLDINGS BERHAD
(202501015431 (1616846-W))
(Incorporated in Malaysia)

PROSPECTUS

PROSPECTUS

HSS HOLDINGS BERHAD

(202501015431 (1616846-W))
(Incorporated in Malaysia)

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH OUR LISTING ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING:

(I) PUBLIC ISSUE OF 75,000,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:
- **25,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
- **10,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;**
- **10,000,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY ("MITI"); AND**
- **30,000,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS.**

(II) OFFER FOR SALE OF 52,500,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MITI,

AT AN ISSUE/OFFER PRICE OF RM0.18 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Adviser, Sponsor, Underwriter and Placement Agent

M & A SECURITIES SDN BHD
(197301001503 (15017-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

BURSA SECURITIES HAS APPROVED OUR ADMISSION TO THE OFFICIAL LIST OF THE ACE MARKET OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES. THE APPROVAL OF THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT. BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 234.

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

THIS PROSPECTUS IS DATED 29 MAY 2026

Our Directors, Promoters and Selling Shareholders (as defined herein) have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in the Prospectus false or misleading.

M & A Securities Sdn Bhd, being our Adviser, Sponsor, Underwriter and Placement Agent to our IPO (as defined herein), acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

This Prospectus, together with the Application Form (as defined herein), has also been lodged with the ROC (as defined herein), who takes no responsibility for its contents.

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

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 25 February 2026. Our admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

Our Shares are classified as Shariah compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review is undertaken by the SAC. The new status is released in the updated list of Shariah compliant securities, on the last Friday of May and November.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

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

Further, it shall also be your sole responsibility to ensure that your application for our IPO Shares would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Form and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither us nor our Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application (as defined herein) may be subject to risks of problems occurring during the data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions or Participating Securities Firms (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Adviser or the Issuing House (as defined herein), a paper printed copy of this Prospectus.

In the event of any discrepancies arising between the contents of the electronic and the contents of the paper printed copy of this Prospectus for any reason whatsoever, the contents of the paper printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with Bursa Securities, shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

(a) We and our Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;

(b) We and our Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by such parties; and

(c) Any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

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

(a) The Internet Participating Financial Institutions or Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties; and

(b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions or Participating Securities Firms shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions or Participating Securities Firms, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

All terms used are defined under "Definitions" commencing from page vii.

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

Events	**Indicative date**
Issuance of this Prospectus/ Opening of Application	29 May 2026
Closing of Application	9 June 2026
Balloting of Application	11 June 2026
Allotment of IPO Shares to successful applicants	19 June 2026
Date of Listing	23 June 2026

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All terms used in this section are defined under "Definitions" commencing from page vii.

All references to "**HSS Holdings**" and "**Company**" in this Prospectus are to HSS Holdings Berhad (202501015431 (1616846-W)). Unless otherwise stated, references to "**Group**" are to our Company and our subsidiaries taken as a whole; and references to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company, and save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "**Management**" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

Certain abbreviations, acronyms and technical terms used are defined in the "**Definitions**" and "**Technical Glossary**" appearing after this section. Words denoting singular shall include plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

All references to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by our management and various third-parties and cites third-party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, such information can be assumed to originate from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the IMR (as defined herein). We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

The information on our website, or any website directly or indirectly linked to such websites do not form part of this Prospectus.

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FORWARD-LOOKING STATEMENTS

All terms used are defined under "Definitions" commencing from page vii.

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as "**may**", "**will**", "**would**", "**could**", "**believe**", "**expect**", "**anticipate**", "**intend**", "**estimate**", "**aim**", "**plan**", "**forecast**", "**project**", "**propose**" or similar expressions and include all statements that are not historical facts.

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

(a) demand for our products and services;

(b) our business strategies;

(c) our future plans;

(d) our future earnings, cash flows and liquidity; and

(e) our ability to pay future dividends.

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

(a) the economic, political and investment environment in the countries which we operate in; and

(b) Government policy, legislation or regulation of the countries which we operate in.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 – "Risk Factors" and Section 12 – "Financial Information". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of our IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part ll (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines of the SC.

DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless otherwise defined or the context requires otherwise:

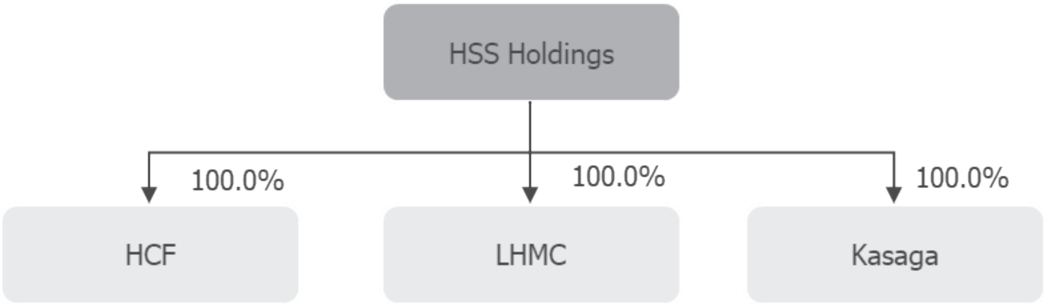
COMPANIES WITHIN OUR GROUP:

“HSS Holdings” or “Company”	:	HSS Holdings Berhad (202501015431 (1616846-W))
“HSS Holdings Group” or “Group”	:	HSS Holdings and its subsidiaries, collectively

Subsidiaries

“HCF”	:	H.S.S. Confectionery Foodstuff Sdn Bhd (200601014720 (734472-D)), a wholly-owned subsidiary of our Company
“Kasaga”	:	Kasaga Bakery Sdn Bhd (202301031130 (1525053-M)), a wholly-owned subsidiary of our Company
“LHMC”	:	Lotus Home Made Cookies Sdn Bhd (201401036368 (1112507-W)), a wholly-owned subsidiary of our Company

A diagrammatic illustration of our Group’s structure is as follows:



GENERAL:

“ACCA”	:	Association of Chartered Certified Accountants
“ACE Market”	:	ACE Market of Bursa Securities
“Acquisition of HCF”	:	Acquisition by our Company of the entire equity interest of HCF from Valura Group, for a purchase consideration of RM21,842,479 which was wholly satisfied by the issuance of 370,840,056 new Shares at an issue price of RM0.0589 per Share, which was completed on 8 August 2025
“Acquisition of Kasaga”	:	Acquisition by our Company of the entire equity interest of Kasaga from Valura Group and Joshua Lau Ern Tien, for a purchase consideration of RM1,579,854 which was wholly satisfied by the issuance of 24,418,138 new Shares at an issue price of RM0.0647 per Share, which was completed on 8 August 2025

"Acquisition of LHMC"	:	Acquisition by our Company of the entire equity interest of LHMC from Valura Group, for a purchase consideration of RM1,751,792 which was wholly satisfied by the issuance of 29,741,805 new Shares at an issue price of RM0.0589 per Share, which was completed on 8 August 2025
"Acquisitions"	:	Acquisition of HCF, Acquisition of Kasaga and Acquisition of LHMC, collectively
"Act"	:	Companies Act 2016
"ADA"	:	Authorised Depository Agent
"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	:	M&A Securities
"AGM"	:	Annual general meeting
"Application(s)"	:	Application(s) for our IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)
"Application Form(s)"	:	Printed application form(s) for the application of our IPO Shares accompanying this Prospectus
"ATM"	:	Automated teller machine
"BNM"	:	Bank Negara Malaysia
"Board"	:	Board of Directors of HSS Holdings
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"CCC"	:	Certificate of completion and compliance
"CDS"	:	Central Depository System
"CDS Account(s)"	:	Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor
"Central Depositories Act" or "SICDA"	:	Securities Industry (Central Depositories) Act 1991
"CF"	:	Certificate of fitness for occupation
"Chatur Capital"	:	Chatur Capital Sdn Bhd (formerly known as Sinar Bakery & Biscuit Supply Sdn Bhd) (201201025751 (1010241-U))
"CMSA"	:	Capital Markets and Services Act 2007

"Constitution"	:	Our constitution
"COVID-19"	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
"Depository Rules" or "Rules of Bursa Depository"	:	Rules of Bursa Depository and any appendices thereto
"Director(s)"	:	An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"DOSH"	:	Department of Occupational Safety and Health
"e-commerce"	:	Electronic commerce
"EBIT"	:	Earnings before interest and tax
"EBITDA"	:	Earnings before interest, tax, depreciation and amortisation
"Essential Family Ventures"	:	Essential Family Ventures Sdn Bhd (202301023775 (1517698-X))
"Electronic Prospectus"	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/ or an electronic storage medium
"Electronic Share Application(s)"	:	Application(s) for IPO Shares through a Participating Financial Institution's ATM
"Eligible Person(s)"	:	The eligible Director(s) and employee(s) of our Group as well as person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations, collectively
"EPF"	:	Employees' Provident Fund
"EPS"	:	Earnings per share
"ERP"	:	Enterprise Resource Planning
"F&B"	:	Food and beverages
"FYE"	:	Financial year(s) ended/ ending 31 December, as the case may be
"GMP"	:	Good Manufacturing Practice
"Government"	:	Government of Malaysia
"GP"	:	Gross profit
"IFRS"	:	International Financial Reporting Standards
"IMR" or "Protégé"	:	Protégé Associates Sdn Bhd (200401037256 (675767-H)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Bakery Products Market in Malaysia"

"Initial Public Offering" or "IPO"	:	Our initial public offering comprising our Public Issue and Offer for Sale
"Internet Participating Financial Institution(s)" or "Participating Securities Firm(s)"	:	Participating financial institution(s) or securities firm(s) for Internet Share Application(s) as listed in Section 16.6
"Internet Share Application(s)"	:	Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s) or Participating Securities Firm(s)
"IPO Price"	:	Issue/ offer price of RM0.18 per Share pursuant to our Public Issue and Offer for Sale
"IPO Share(s)"	:	Issue Share(s) and Offer Share(s), collectively
"Issue Share(s)"	:	New Share(s) to be issued under the Public Issue
"Issuing House" or "Share Registrar"	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
"IT"	:	Information technology
"JAKIM"	:	Department of Islamic Development of Malaysia
"Listing"	:	Listing of and quotation for our entire enlarged share capital of RM38,674,126 comprising 500,000,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"Listing Scheme"	:	Comprising the Public Issue, Offer for Sale and Listing, collectively
"LPD"	:	30 April 2026, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M&A Securities"	:	M & A Securities Sdn Bhd (197301001503 (15017-H))
"Main Market"	:	Main Market of Bursa Securities
"Malaysian Public"	:	Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
"Market Day"	:	A day on which the stock market of Bursa Securities is open for trading in securities, which may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"MCCG"	:	Malaysian Code on Corporate Governance
"MFRS"	:	Malaysian Financial Reporting Standards
"MIA"	:	Malaysian Institute of Accountants

"MIDA"	:	Malaysian Investment Development Authority
"MITI"	:	Ministry of Investment, Trade and Industry
"MOF"	:	Ministry of Finance
"MOH"	:	Ministry of Health
"MPM"	:	Muar Municipal Council
"MyIPO"	:	Intellectual Property Corporation of Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"NIOSH"	:	National Institute of Occupational Safety and Health, Malaysia
"No. 22 Factory"	:	A factory located at No. 22, Jalan Perusahaan, Kawasan Perindustrian Parit Hulu, Parit Batu Nampak, Jalan Parit Hulu, Jalan Bakri, 84200 Muar, Johor, with a built-up area of approximately 13,339.2 sq ft
"Offer for Sale"	:	Offer for sale of 52,500,000 Offer Shares by our Selling Shareholders at our IPO Price
"Offer Share(s)"	:	52,500,000 existing Share(s) to be offered for sale by our Selling Shareholders pursuant to our Offer for Sale
"Official List"	:	A list specifying all securities which have been admitted for listing on the ACE Market and not removed
"OSHA"	:	Occupational Safety and Health Act 1994
"Participating Financial Institution(s)"	:	Participating financial institution(s) for Electronic Share Application as listed in Section 16.5
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"PE Multiple"	:	Price-to-earnings multiple
"Pink Form Allocations"	:	Allocation of 10,000,000 Issue Shares to the Eligible Persons, which forms part of our Public Issue
"Promoter(s)"	:	Valura Group, Goh Chen Chang and Goh Chen Ann, collectively
"Prospectus"	:	This prospectus dated 29 May 2026 in relation to our IPO
"PTD 13425 Warehouse"	:	A previously rented warehouse located at PTD 13425 (Blok B), Jalan Jeram Masjid, Bukit Bakri, 84200 Muar, Johor, with a built-up area of approximately 26,100.0 sq ft

"Public Issue"	:	Public issue of 75,000,000 Issue Shares at our IPO Price
"R&D"	:	Research and development
"ROC"	:	Registrar of Companies
"SAC"	:	Shariah Advisory Council of SC
"SC"	:	Securities Commission Malaysia
"Selling Shareholder(s)"	:	Goh Chen Chang and Essential Family Ventures, who are undertaking the Offer for Sale
"Share(s)" or "HSS Holdings Share(s)"	:	Ordinary share(s) in HSS Holdings
"SINAR®"	:	The trademark bearing denominations of "Sinar Home Style"
"SOP"	:	Standard operating procedures
"Specified Shareholder(s)"	:	Valura Group and Goh Chen Chang, collectively
"SSM"	:	Companies Commission of Malaysia
"UK"	:	United Kingdom
"Underwriting Agreement"	:	Underwriting agreement dated 15 April 2026 entered into between our Company and our Underwriter for the purpose of our IPO
"USA"	:	United States of America
"Vacant Land 1"	:	A vacant land owned by our Group, located at PTD 11741, Parit Raja Sari, Jalan Parit Hulu, Bukit Bakri, 84200 Muar, Johor
"Vacant Land 2"	:	A vacant land owned by our Group, located at PTD 11743, Parit Raja Sari, Jalan Parit Hulu, Bukit Bakri, 84200 Muar, Johor
"Valura Group"	:	Valura Group Sdn Bhd (formerly known as HSS Food Holdings Sdn Bhd) (202301033646 (1527569-U))

OUR OPERATIONAL FACILITIES:

"HSS HQ"	:	A 2-storey office building cum warehouse owned by our Group, which serves as our Group's existing headquarters and warehouse located at No. 17386, Parit Raja Sari, Jalan Parit Hulu, Bukit Bakri, 84200 Muar, Johor, with a built-up area of approximately 59,610.5 sq ft
"Manufacturing Facility 1"	:	A rented factory of our Group, located at Lot 11507, Jalan Perindustrian 1/1, Kawasan Perindustrian Parit Jamil, Mukim Sri Menanti, 84150 Muar, Johor, with a built-up area of approximately 44,056.7 sq ft

DEFINITIONS *(Cont'd)*

"Manufacturing Facility 2"	:	A rented factory and office of our Group, located at No. 20, Jalan Perusahaan 1, Kawasan Perindustrian Parit Hulu, Mukim Jalan Bakri, 84200 Muar, Johor, with a built-up area of approximately 9,600.0 sq ft
"Office and Warehouse 1"	:	A rented office and warehouse of our Group, located at No. 18, Jalan Perusahaan 1, Kawasan Perindustrian Parit Hulu, Mukim Jalan Bakri, 84200 Muar, Johor, with a built-up area of approximately 9,300.0 sq ft
"Office and Warehouse 2"	:	A rented office and warehouse of our Group, located at No. 37, Jalan Pendamar 27/90, Seksyen 27, 40400 Shah Alam, Selangor, with a built-up area of approximately 3,700.0 sq ft

***CURRENCY AND UNITS*:**

"CNY"	:	Chinese Yuan
"kg"	:	Kilogram
"RM" and "sen"	:	Ringgit Malaysia and sen
"SGD"	:	Singapore Dollar
"sq ft"	:	Square feet
"USD"	:	United States Dollar

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TECHNICAL GLOSSARY

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

"bakery product(s)"	:	Cakes, biscuits, cookies or snacks
"pastry product(s)"	:	Baked goods made with flour-based dough that has a high fat content, resulting in a flaky, crumbly or crispy texture. Our pastry products offerings include traditional pastries such as salted green bean pastry, wife pastry and sun pastry
"Distributor(s)"	:	Customer(s) that have been appointed by our Group as distributors of our Group's brands of products in specific regions and actively promote our Group's brands of products
"Retailer(s)"	:	Customer(s) that are chain hypermarkets and supermarkets or retail stores such as sundry shops and petrol stations that our Group has a direct relationship with and who purchases products directly from our Group for onward sale to end-consumer
"SKU(s)"	:	Stock-keeping unit(s), is an item code which allows for tracking of our Group's inventory
"third-party manufacturer(s)"	:	Manufacturer(s) outside of our Group that we engage to produce various bakery products
"Wholesaler(s)"	:	Customer(s) that purchase products from our Group for their onward sale. They may either purchase our Group's brands of products or engage our Group to manufacture or source products for them that are then branded under their brands or unbranded

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Residential address	Nationality/ Profession	Gender
Kee Tong Kiak	Independent Non-Executive Chairman	68, Jalan OZ 2 Ozana Impian Bukit Katil 75450 Melaka	Malaysian/ Advocate and Solicitor	Male
Goh Chen Chang	Managing Director	1-1, Jalan Indah 10/2 Taman Pertama Indah Sungai Abong 84000 Muar Johor	Malaysian/ Director	Male
Goh Chen Ann	Executive Director	1-1, Jalan Indah 10/2 Taman Pertama Indah Sungai Abong 84000 Muar Johor	Malaysian/ Director	Male
Dr. Kong Yee Foon	Independent Non-Executive Director	9-6, Suasana Bangsar Jalan Kaloi 59100 Bangsar Kuala Lumpur	Malaysian/ Director	Female
Tengku Munazirah Binti Tengku Abdul Samad Shah	Independent Non-Executive Director	214, Lorong Maarof 59000 Bangsar Kuala Lumpur	Malaysian/ Director	Female
Chong Lee Ling	Independent Non-Executive Director	368-A, Taman Bunga Raya Bukit Beruang 75450 Melaka	Malaysian/ Director	Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Dr. Kong Yee Foon	Chairperson	Independent Non-Executive Director
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director
Chong Lee Ling	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Chong Lee Ling	Chairperson	Independent Non-Executive Director
Dr. Kong Yee Foon	Member	Independent Non-Executive Director
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

REMUNERATION COMMITTEE

Name	**Designation**	**Directorship**
Tengku Munazirah Binti Tengku Abdul Samad Shah	Chairperson	Independent Non-Executive Director
Dr. Kong Yee Foon	Member	Independent Non-Executive Director
Chong Lee Ling	Member	Independent Non-Executive Director

COMPANY SECRETARIES :

Ng Mei Wan (MIA 28862)
SSM Practising Certificate No. 201908000801
(Chartered Accountant of the MIA)

Tan Hui Khim (LS 0009936)
SSM Practising Certificate No. 201908000859
(Licensed Secretary)

LSCA Management Consultants Sdn Bhd
(198601002345 (151489-K))
7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri
84000 Muar
Johor

Telephone number: +606-954 1705

REGISTERED OFFICE :

7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri
84000 Muar
Johor

Telephone number: +606-954 1705

HEAD OFFICE :

17386, Parit Raja Sari
Jalan Parit Hulu
Bukit Bakri
84200 Muar
Johor

Telephone number: +606-986 4455

EMAIL ADDRESS AND WEBSITE :

Email address: ir@hssfood.my
Website: https://www.hssfood.my/

AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING :

Crowe Malaysia PLT
(201906000005 (LLP0018817-LCA) & AF 1018)

8, Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri
84000 Muar
Johor

Partner-in-charge: Goh Siow Yen
License number: 03557/03/2027 J
(Chartered Accountant of the MIA)

Telephone number: +606-952 4328

1. CORPORATE DIRECTORY *(Cont'd)*

ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT :

M & A Securities Sdn Bhd
(197301001503 (15017-H))

45 & 47, Level 3 and 7
The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Telephone number: +603-2284 2911

SOLICITORS FOR OUR LISTING :

Lee & Tengku Azrina

Level 29, Menara Landmark
12, Jalan Ngee Heng
80888 Ibrahim International Business District
Johor

Telephone number: +607-223 8828

ISSUING HOUSE AND SHARE REGISTRAR :

Tricor Investor & Issuing House Services Sdn Bhd
(197101000970 (11324-H))

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone number: +603-2783 9299

INDEPENDENT MARKET RESEARCHER :

Protégé Associates Sdn Bhd
(200401037256 (675767-H))

Suite C-11-12
Plaza Mont Kiara
2, Jalan Kiara
Mont' Kiara
50480 Kuala Lumpur

Person-in-charge: Seow Cheow Seng
(Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia)

Telephone number: +603-6201 9301

LISTING SOUGHT : ACE Market

SHARIAH STATUS : Approved by the SAC

2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 PRINCIPAL DETAILS OF IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

	Public Issue		**Offer for Sale**		**Total**	
	No. of Shares	**[1]%**	**No. of Shares**	**[1]%**	**No. of Shares**	**[1]%**
Malaysian Public	25,000,000	5.0	-	-	25,000,000	5.0
Pink Form Allocations	10,000,000	2.0	-	-	10,000,000	2.0
Private placement to MITI approved Bumiputera investors	10,000,000	2.0	52,500,000	10.5	62,500,000	12.5
Private placement to selected investors	30,000,000	6.0	-	-	30,000,000	6.0
	75,000,000	**15.0**	**52,500,000**	**10.5**	**127,500,000**	**25.5**

Enlarged number of Shares upon Listing	500,000,000
IPO Price per Share (RM)	0.18
Market capitalisation upon Listing (based on our IPO Price and enlarged number of Shares upon Listing) (RM)	90,000,000

Note:

(1) Based on our enlarged share capital of 500,000,000 Shares after our IPO.

Further details of our IPO are set out in Section 4.

In compliance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders, namely Valura Group and Goh Chen Chang's entire shareholdings after our IPO will be held under moratorium for 6 months from the date of admission to the ACE Market. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of their shares under moratorium upon expiry of the second 6-month moratorium period. The moratorium has been fully accepted by the Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

Separately, the ultimate shareholders of Valura Group, namely Goh Chen Chang and Goh Chen Ann have undertaken not to sell, transfer or assign their respective shareholdings in Valura Group during their abovementioned moratorium period.

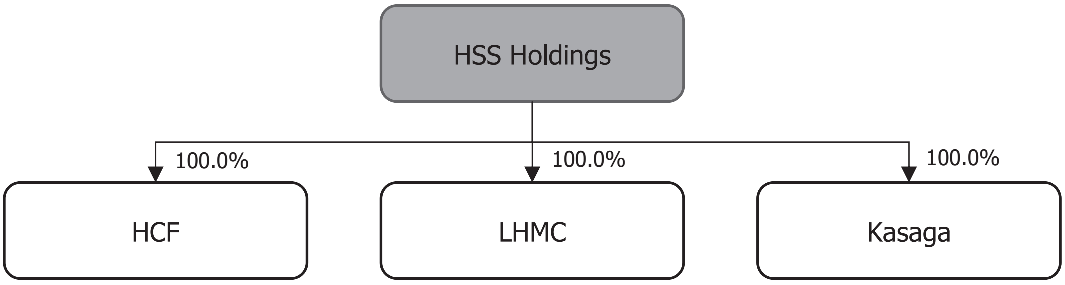
Further details on the moratorium on our Shares are set out in Section 3.2.

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Act on 11 April 2025 as a private limited company under the name of HSS Holdings Sdn Bhd. On 10 September 2025, we converted into a public limited company and adopted our present name.

2. PROSPECTUS SUMMARY

Our principal activity is as an investment holding company. Through our subsidiaries, we are principally involved in the sourcing of bakery products, trading of bakery and other products and manufacturing of bakery products. On 8 August 2025, we undertook the Acquisitions. Arising thereto, our group structure is as follows:



Our Group's business model is as follows:

Business segment	Sourcing	Trading	Manufacturing

Brands	• Bakery products
	  • Customers' brands
	  • Unbranded
	  • Own brands such as *SINAR®* and 合顺成饼家®
		• Bakery products
		  • Third-party brands
		• Other products
		  • Third-party brands
			• Bakery products
			  • Own brands such as *SINAR® and 合顺成饼家®*
			  • Customers' brands
			  • Unbranded

Products	• Bakery products such as biscuits, cookies, cakes, and snacks • Other products such as instant noodles, soft drinks, instant drinks, and fruit juices		• Biscuits, cookies, and cakes
Geographical markets	Malaysia, Singapore, Indonesia, Australia, Cambodia and Korea		
Customers	Wholesalers, Distributors and Retailers		

We offer a wide variety of bakery products for daily consumption (available all year round) and seasonal products (available during festive occasions such as Chinese New Year, Hari Raya and Mid-Autumn Festival). Our bakery products are either manufactured in-house, sourced from third-party manufacturers and/ or suppliers or supplied by brand owners.

The key differences in the manufacturing process between daily consumption products and seasonal products are as follows:

Criteria	**Daily consumption products**	**Seasonal products**
Production focus	Mass production	Produced in smaller batches
Machinery and equipment	Utilises dedicated and often fully automated production lines	While automated lines can be used, manual input is usually required for additional detailing such as individual toppings or decorations
Design	Plain	Intricate
Complexity	Simple for production efficiency	Requires manual detailing
Labor intensity	Lower	Higher

Further details of our Group and our business model are set out in Sections 6 and 7.

We derived our revenue mainly from Malaysia and Singapore for FYE 2022 to 2025. For FYE 2022 to 2025, sales from the sourcing segment are our Group's largest revenue contributor, as it contributed 79.4%, 80.1%, 80.9% and 73.9% of our total revenue respectively.

The breakdown of our Group's revenue by principal business activities for FYE 2022 to 2025 is as follows:

Revenue by business segment	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sourcing	**100,848**	**79.4**	**105,912**	**80.1**	**129,670**	**80.9**	**106,788**	**73.9**
• Customers' brands or unbranded	61,330	48.3	65,707	49.7	76,969	48.0	57,326	39.7
• Own brands	39,518	31.1	40,205	30.4	52,701	32.9	49,462	34.2
Trading	**18,719**	**14.8**	**19,325**	**14.6**	**19,172**	**12.0**	**13,746**	**9.5**
Manufacturing	**7,381**	**5.8**	**6,989**	**5.3**	**11,379**	**7.1**	**23,908**	**16.6**
• Customers' brands or unbranded	3,926	3.1	3,995	3.0	4,512	2.8	7,805	5.4
• Own brands	3,455	2.7	2,994	2.3	6,867	4.3	16,103	11.2
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

2.3 INTERRUPTIONS TO BUSINESS AND OPERATIONS

Our Group had not experienced any other interruptions in our business and operations in the last 12 months from LPD which had a significant effect on our operations.

2.4 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and future growth is built on the following competitive strengths:

(a) We have built a network of Wholesalers, Distributors and Retailers over the past 20 years, establishing long-standing relationships with them. This allows us to leverage on their distribution strengths to penetrate the market faster and to establish a wider reach for our bakery products;

(b) We have an extensive portfolio of products with continued innovation, with a portfolio of more than 6,500 SKUs of cakes, biscuits, cookies and snacks. Our Group continues to adapt to changing consumer trends, while maintaining the traditional offerings that our loyal customer base enjoys. We focus on expanding our product offerings by introducing new flavours and product types, while enhancing our current range of products by redesigning product packaging or adjusting the taste to better meet customer preferences; and

(c) Our Group has an experienced key senior management team spearheaded by our Managing Director and Executive Director, namely Goh Chen Chang and Goh Chen Ann, who has 22 and 18 years of experience in the bakery products market respectively. They possess extensive knowledge and experience in the bakery products market, in areas such as manufacturing and marketing of bakery products, market dynamics and consumer preferences. They are supported by our key senior management team who has the relevant experience in their respective work scope, or relevant to the bakery products market.

Further details of our competitive strengths are set out in Section 7.18.

2.5 BUSINESS STRATEGIES AND FUTURE PLANS

Our business objectives are to maintain sustainable growth and create long term shareholders value. To achieve that, we will implement the following business strategies over the period of 12 months from the date of our Listing:

(a) We intend to purchase new machinery and equipment for our Manufacturing Facility 1 and Manufacturing Facility 2. At Manufacturing Facility 1, we intend to (i) install a new biscuit production line to replace our existing biscuit production line; (ii) purchase machinery and equipment for our existing cookies production line; and (iii) purchase machinery and equipment to further automate the back-end stages of both our biscuit and cookies production. At Manufacturing Facility 2, we intend to install a new automated cake production line, with the addition of a fully automatic suction demoulding machine that can also be used for our existing cake production line. These upgrades will increase our manufacturing capacity, improve operational efficiency, reduce manual labour and enable the production of a wider variety of products;

(b) We intend to enhance our Group's brand awareness of our "SINAR®", "合顺成饼家®" and "Sa1ko®" brands by investing in advertising and promotional activities, through a combination of digital marketing and e-commerce and in-person promotional events. We have established profiles on social media platforms such as Facebook, Instagram, TikTok and *Xiao Hong Shu*. We currently participate in in-person promotional events including in-store promotions at our Retailers' outlets, which allows us to inform customers about our products, answer questions they may have, and ultimately drive customer conversion;

(c) We intend to introduce a dedicated premium product range under a new brand, which will be sold in souvenir shops at airports, heritage sites and attraction spots, to capitalise on Malaysia's growing inbound tourism. These bakery products, including butter cakes, sponge cakes, and layer cakes, will be packaged in gift boxes or tins featuring local motifs, serving as a memorable Malaysian keepsake for tourists; and

(d) We intend to implement an ERP system to streamline and improve the efficiency of our operations. The ERP system is expected to integrate various functions of our operations including administrative, accounting, purchasing, sales, and warehousing. It is also expected to have specific solutions for our manufacturing activities such as demand planning, material requisition, and production scheduling.

Further details of our future plans and strategies are set out in Section 7.19.

2.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 9. Some of the more important risk factors are summarised below:

(a) We are dependent on a stable supply of products from our third-party manufacturers as we only manufacture a small portion of our bakery products in-house, contributing 5.8%, 5.3%, 7.1% and 16.6% of revenue for FYE 2022 to 2025 respectively. As such, any adverse changes to the business relationship between our Group and our major third-party manufacturers may result in disruptions to our business operations, arising from an unstable supply of products, which could adversely affect our financial performance;

(b) Our Group's operations are dependent on the continuous functioning of our warehouses and manufacturing facilities, which may face disruptions or unplanned shutdowns due to events beyond our control, such as fire, power failure, floods or interruptions in water supply. If any of these events occur, we may experience prolonged disruptions, unplanned shutdowns, and damage to our warehouses or manufacturing facilities, which would have a material and adverse impact on our business and financial performance;

(c) We are exposed to the risk of food contamination arising from the use of raw materials which are perishable and can be contaminated when not handled, packed or stored properly. In addition, we are dependent on our employees' consistent adherence to food safety standards during the production process as such process involves human interaction. If any of our manufactured or sourced products are found to be contaminated, they may be deemed unsafe for consumption, which could damage our brand and reputation, thereby materially and adversely affecting our business operations and financial performance;

(d) We finance our operations through a combination of internally-generated funds and bank borrowings. If we are unable to secure the financing required for our operations at competitive rates, the interest cost will likely be higher, which may subsequently affect our cash flow and future growth plans;

(e) We deliver our products to customers in Malaysia and Singapore using our in-house fleet of vehicles as well as third-party logistics providers during peak seasons; whilst deliveries to Australia, Indonesia, Cambodia and Korea are handled entirely through third-party logistics providers. Accordingly, we are exposed to risks of delivery disruptions, which may result in lost deliveries, and may in turn result in revenue loss, damage to our brand name and reputation, as well as adversely affect our business and financial performance;

(f) We are dependent on our Executive Directors and key senior management team, who possess valuable experience and understanding of the business in which we operate. The loss of our experienced directors and key senior management team without timely replacements may affect the execution of our business strategies and have a material adverse effect on our business, results of operations, financial condition and prospects;

(g) We are exposed to the availability and price fluctuation of our finished goods, raw materials and packaging materials. Any shortage or interruption in obtaining the finished goods, raw materials and packaging materials as well as the fluctuation of the price may result in the disruption of our Group's manufacturing operations and affect our financial performance; and

(h) We may be affected by changes in consumer preference, consumer spending habits and market perception. Any change in consumer tastes and preferences or a decline in consumer perception and confidence in our products could result in lower sales of products, put pressure on pricing or lead to increased selling and promotional expenses, which could have an adverse effect on our financial performance.

Further details of our risk factors are set out in Section 9.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	**Designation**
Directors	
Kee Tong Kiak	Independent Non-Executive Chairman
Goh Chen Chang	Managing Director
Goh Chen Ann	Executive Director
Dr. Kong Yee Foon	Independent Non-Executive Director
Tengku Munazirah Binti Tengku Abdul Samad Shah	Independent Non-Executive Director
Chong Lee Ling	Independent Non-Executive Director
Key senior management	
Joshua Lau Ern Tien	Production Director
Wee See Yee	Chief Financial Officer
Pang Teck Heng	Senior Sales Manager
Tho Che Ping	Administration and Human Resources Manager
Koon Kok Feng	Marketing Manager

Further details of our Directors and key senior management are set out in Sections 5.2 and 5.3.

2.8 PROMOTERS AND/ OR SUBSTANTIAL SHAREHOLDERS

The shareholdings of our Promoters and/ or substantial shareholders in our Company before and after IPO are set out below:

		(1)After Acquisitions but before IPO				**(2)After IPO**			
	Place of incorporation/ Nationality	**Direct**		**Indirect**		**Direct**		**Indirect**	
Name		**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoters and substantial shareholders									
Valura Group	Malaysia	263,342,906	62.0	-	-	263,342,906	52.7	-	-
Goh Chen Chang	Malaysian	52,738,188	12.4	(3)263,342,906	62.0	26,488,188	5.3	(3)263,342,906	52.7
Promoter									
Goh Chen Ann	Malaysian	-	-	-	-	-	-	-	-
Substantial shareholders									
Essential Family Ventures	Malaysia	100,089,510	23.5	-	-	73,839,510	14.8	-	-
Kairous Essential Family Sdn Bhd	Malaysia	-	-	(4)100,089,510	23.5	-	-	(4)73,839,510	14.8
Essential Capital Management Sdn Bhd	Malaysia	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8

		(1)After Acquisitions but before IPO				(2)After IPO			
	Place of incorporation/ Nationality	Direct		Indirect		Direct		Indirect	
Name		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Kairous Capital Sdn Bhd	Malaysia	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8
Lim Eng Thian	Malaysian	-	-	(6)100,089,510	23.5	-	-	(6)73,839,510	14.8
See Toh Kean Yaw	Malaysian	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8
Joseph Lee Moh Hon	Malaysian	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8

Notes:

(1) Based on the share capital of 425,000,000 Shares after completion of the Acquisitions but before our IPO.

(2) Based on the enlarged share capital of 500,000,000 Shares after our IPO.

(3) Deemed interested by virtue of his shareholdings in Valura Group pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholdings in Essential Capital Management Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

(7) Deemed interested by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

Further details of our Promoters and/ or substantial shareholders are set out in Section 5.1.

2.9 UTILISATION OF PROCEEDS

The gross proceeds of RM13.50 million to be raised from our Public Issue shall be utilised in the following manner:

Utilisation of proceeds	RM'000	%	(1)Estimated timeframe for utilisation
Capital expenditure for Manufacturing Facility 1	1,108	8.2	Within 12 months
Capital expenditure for Manufacturing Facility 2	1,461	10.8	Within 12 months
Repayment of bank borrowings	4,500	33.4	Within 6 months
Working capital	2,931	21.7	Within 12 months
Estimated listing expenses	3,500	25.9	Within 1 month
	13,500	**100.0**	

Note:

(1) From the date of Listing.

There is no minimum subscription to be raised from our IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.9.

The gross proceeds from the Offer for Sale of RM9.45 million shall accrue entirely to the Selling Shareholders.

2.10 FINANCIAL HIGHLIGHTS

The audited combined financial statements of our Group for FYE 2022 to 2024 consists of the financial statements of HSS Holdings, HCF and LHMC, by applying the principles of merger accounting. In respect of FYE 2025, Kasaga's financial performance was included as part of our Group's financial statements commencing 1 April 2025, by applying the acquisition method of accounting for business combination.

2.10.1 Combined/ Consolidated statements of comprehensive income

The following table sets out the financial highlights based on our combined/ consolidated statements of comprehensive income for FYE 2022 to 2025:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	126,948	132,226	160,221	144,442
GP	19,774	20,586	27,424	27,177
PBT	9,153	7,990	10,800	11,868
PAT	6,439	5,464	7,800	8,588
GP margin (%)(1)	15.6	15.6	17.1	18.8
PAT margin (%)(2)	5.1	4.1	4.9	5.9
Diluted EPS (sen)(3)	1.3	1.1	1.6	1.7

Notes:

(1) GP margin is calculated based on GP divided by revenue.

(2) PAT margin is calculated based on PAT divided by revenue.

(3) Calculated based on PAT divided by our enlarged share capital of 500,000,000 Shares after our IPO.

There were no exceptional items during FYE 2022 to 2025. Our audited combined/ consolidated financial statements for FYE 2022 to 2025 were not subject to any audit qualifications. Further details on the financial information are set out in Sections 12 and 13.

2.10.2 Pro forma consolidated statements of financial position

The following table sets out a summary of the pro forma consolidated statements of financial position of our Group to show the effects of the Acquisitions and subsequent events, Public Issue and utilisation of proceeds. It is presented for illustrative purposes only and should be read together with the pro forma consolidated statements of financial position as set out in Section 14.

	Audited	**I**	**II**	**III**
	As at 31 December 2025	**[1]After Acquisitions and subsequent events**	**After I and Public Issue**	**After II and utilisation of proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
ASSETS				
Total non-current assets	46,864	46,864	46,864	46,864
Total current assets	66,463	64,663	78,163	70,163
TOTAL ASSETS	**113,327**	**111,527**	**125,027**	**117,027**
EQUITY AND LIABILITIES				
Share capital	25,174	25,174	38,674	37,577
Reserves	10,399	7,899	7,899	5,496
TOTAL EQUITY	**35,573**	**33,073**	**46,573**	**43,073**
LIABILITIES				
Total non-current liabilities	19,869	19,869	19,869	15,823
Total current liabilities	57,885	58,585	58,585	58,131
TOTAL LIABILITIES	**77,754**	**78,454**	**78,454**	**73,954**
TOTAL EQUITY AND LIABILITIES	**113,327**	**111,527**	**125,027**	**117,027**
No. of Shares in issue ('000)	425,000	425,000	500,000	500,000
NA per Share (RM)	0.08	0.08	0.09	0.09

Note:

[1] Significant subsequent events comprise:

(a) HCF undertook a drawdown of borrowings totalling RM4.50 million, of which RM3.80 million was applied towards the redemption of banker's acceptances with the remaining balance credited to its bank account; and

(b) On 9 April 2026, we declared an interim dividend of approximately 0.59 sen per Share amounting to RM2.50 million in respect of FYE 2025. Such dividends were paid on 28 May 2026.

2.11 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy, and the declaration of dividends are subject to the discretion of our Board. It is our intention to pay dividends to shareholders in the future, however, such payments will depend upon several factors, including our Group's financial performance, capital expenditure requirements and any other factors considered relevant by our Board.

During FYE 2022 to 2025 and up to LPD, we have declared and paid the following dividends:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**1 January 2026 up to LPD**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Dividends declared	2,500	5,000	6,000	500	(1)2,500
Dividends paid	2,500	3,000	8,000	500	-

Note:

(1) Dividends of RM2.50 million was declared in April 2026 in respect of FYE 2025. Such dividends were paid on 28 May 2026.

The dividends declared and paid in FYE 2022 to 2025 and up to LPD were funded via internally generated funds. Further to the above, we do not intend to declare or pay any dividend prior to our Listing.

Further details of our dividend policy are set out in Section 12.16.

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3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 25 February 2026, approved our admission to the Official List of the ACE Market and the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of Shares.	To be complied
2.	Approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied
3.	The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon;	Complied
4.	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements;	To be complied
5.	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Company at least 1 Market Day prior to the Listing date;	To be complied
6.	Furnish to Bursa Securities a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Guidance Note 10 of the Listing Requirements by all the Directors at least 2 Market Days prior to the Listing date;	To be complied
7.	In relation to the public offering to be undertaken by the Company, please announce at least 2 Market Days prior to the Listing date, the result of the offering including the following: (a) Level of subscription of public balloting and placement; (b) Basis of allotment/ allocation; (c) A table showing the distribution for placement tranche; and (d) Disclosure of placees who become substantial shareholders of HSS Holdings arising from the Public Issue, if any.	To be complied

No.	Details of conditions imposed	Status of compliance
8.	HSS Holdings/ M&A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of HSS Holdings to the Official List of the ACE Market.	To be complied

3.1.2 SC approval

Our Listing is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 4 March 2026, approved our application pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

The approval from the SC is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	HSS Holdings is to allocate Shares equivalent to 12.5% of its enlarged number of issued shares upon Listing to Bumiputera investors to be approved by MITI; and	Complied
(b)	HSS Holdings is to make available at least 50.0% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	Complied

3.1.3 SAC

SAC had, on 8 January 2026, classified our Shares as Shariah-compliant.

3.1.4 MITI approval

The MITI had, vide its letter dated 19 December 2025, taken note of and has no objection to our Listing.

3.2 MORATORIUM ON OUR SHARES

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

(a) The moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the Official List ("**First 6-Month Moratorium**");

(b) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary Shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and

3. APPROVALS AND CONDITIONS *(Cont'd)*

(c) On the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of those Shares held under moratorium.

Details of our Specified Shareholders and their Shares which will be subject to the abovesaid moratorium, are set out below:

	Year 1				**Year 2**		**Year 3**	
	Moratorium shares during the First 6-Month Moratorium		**Moratorium shares during the Second 6-Month Moratorium**		**Moratorium shares**		**Moratorium shares**	
Specified Shareholders	**No. of Shares[(1)]**	**[(2)]%**	**No. of Shares[(1)]**	**[(2)]%**	**No. of Shares[(1)]**	**[(2)]%**	**No. of Shares[(1)]**	**[(2)]%**
Valura Group	263,342,906	52.7	204,436,843	40.9	136,291,229	27.3	68,145,614	13.6
Goh Chen Chang	26,488,188	5.3	20,563,157	4.1	13,708,771	2.7	6,854,386	1.4
	289,831,094	**58.0**	**225,000,000**	**45.0**	**150,000,000**	**30.0**	**75,000,000**	**15.0**

Notes:

(1) After Offer for Sale.

(2) Based on our enlarged share capital of 500,000,000 Shares after our IPO.

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

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

Separately, the ultimate shareholders of Valura Group, namely Goh Chen Chang and Goh Chen Ann have undertaken not to sell, transfer or assign their respective shareholdings in Valura Group during their abovementioned moratorium period.

4. DETAILS OF IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 29 May 2026 and will remain open until 5.00 p.m. on 9 June 2026. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	**Indicative date**
Issuance of this Prospectus/ Opening of Application	29 May 2026
Closing of Application	9 June 2026
Balloting of Application	11 June 2026
Allotment of IPO Shares to successful applicants	19 June 2026
Date of Listing	23 June 2026

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing Scheme

(a) Public Issue

A total of 75,000,000 Issue Shares, representing 15.0% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

25,000,000 Issue Shares, representing 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

(aa) 12,500,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to public investors; and

(bb) 12,500,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to Bumiputera public investors.

(ii) Eligible Persons

10,000,000 Issue Shares, representing 2.0% of our enlarged share capital, are reserved for our Eligible Persons under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.3.

(iii) Private placement to Bumiputera investors approved by MITI

10,000,000 Issue Shares, representing 2.0% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

(iv) Private placement to selected investors

30,000,000 Issue Shares, representing 6.0% of our enlarged share capital, are reserved for private placement to selected investors.

The basis of allocation of the Issue Shares shall take into account our Board's intention to distribute the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public spread requirements and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors.

Upon completion of our Public Issue, our share capital will increase from RM25,174,126 comprising 425,000,000 Shares to RM38,674,126 comprising 500,000,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

Our Public Issue is subject to the terms and conditions of this Prospectus.

(b) Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 52,500,000 Offer Shares, representing 10.5% of our enlarged share capital at our IPO Price. The Offer Shares shall be undertaken by way of private placement to Bumiputera investors approved by MITI.

Further details of our Selling Shareholders are set out in Section 4.3.2.

Our Offer for Sale is subject to the terms and conditions of this Prospectus.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM38,674,126 comprising 500,000,000 Shares shall be listed on the ACE Market.

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4.3.2 Selling Shareholders

Details of our Selling Shareholders are as follows:

Name/ Address	**Relationship with our Group**	**(1) As at LPD/ Before IPO**		**Offer Shares offered**			**After IPO**	
		No. of Shares	**(2)%**	**No. of Shares**	**(2)%**	**(3)%**	**No. of Shares**	**(3)%**
Goh Chen Chang/ 1-1, Jalan Indah 10/2 Taman Pertama Indah Sungai Abong 84000 Muar Johor	Promoter, substantial shareholder and Managing Director	52,738,188	12.4	26,250,000	6.2	5.3	26,488,188	5.3
Essential Family Ventures/ 9-3 Oval Tower @ Damansara 685, Jalan Damansara Taman Tun Dr. Ismail 60000 Kuala Lumpur	Substantial shareholder	100,089,510	23.5	26,250,000	6.2	5.3	73,839,510	14.8

Notes:

(1) After completion of the Acquisitions but before our IPO.

(2) Based on our share capital of 425,000,000 Shares before our IPO.

(3) Based on our enlarged share capital of 500,000,000 Shares after our IPO.

Further details of our Selling Shareholders, who are also our Promoter and/ or substantial shareholders can be found in Section 5.1.

4.3.3 Pink Form Allocations

We have allocated 10,000,000 Issue Shares under the Pink Form Allocations to our Eligible Person(s) as follows:

Category	**No. of eligible persons**	**Aggregate no. of Issue Shares allocated**
Eligible Directors	2	200,000
Eligible employees	21	3,588,000
Persons who have contributed to the success of our Group	23	6,212,000
	46	**10,000,000**

Pink Form Allocations which are not accepted by certain Eligible Persons will be re-allocated among the Eligible Persons at the discretion of our Board. After said reallocation, any balance portion of Issue Shares under the Pink Form Allocations will be allocated to the Malaysian Public. Further details are set out in Section 4.3.4.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors (as approved by our Board where the interested Directors have abstained from deliberation on their respective allocations) are based on, amongst others, their respective roles, responsibilities and anticipated contribution to our Group. Our Managing Director and Executive Director, namely, Goh Chen Chang and Goh Chen Ann have opted not to participate in the Pink Form Allocations as Valura Group (of which they are shareholders of) is already undertaking the Offer for Sale.

Separately, our Independent Non-Executive Directors, namely Tengku Munazirah Binti Tengku Abdul Samad Shah and Chong Lee Ling have opted not to participate in the Pink Form Allocations.

Details of the proposed allocation to our other Directors are as follows:

Name	**Designation**	**No. of Issue Shares allocated**
Kee Tong Kiak	Independent Non-Executive Chairman	100,000
Dr. Kong Yee Foon	Independent Non-Executive Director	100,000
		200,000

(b) Allocation to our eligible employees

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

(i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;

(ii) The number of Issue Shares allocated to our eligible employees are based on their seniority, position, length of service and respective contribution made to our Group as well as other factors deemed relevant to our Board; and

(iii) Full time employees of at least 18 years of age.

Included in the allocation to our eligible employees comprises the proposed allocations to our key senior management as follows:

Name	**Designation**	**No. of Issue Shares allocated**
Tho Che Ping	Administration and Human Resources Manager	500,000
Wee See Yee	Chief Financial Officer	400,000
Joshua Lau Ern Tien	Production Director	222,000
Pang Teck Heng	Senior Sales Manager	111,000
Koon Kok Feng	Marketing Manager	44,000
		1,277,000

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

Persons who have contributed to the success of our Group include business associates, customers and suppliers, who are not related parties to our Group.

The number of Issue Shares to be allotted to those persons who have contributed to the success of our Group are based on, amongst others, the nature and terms of their business relationship with us, length of their relationship with us and the level of contribution and support to our Group.

4.3.4 Placement and underwriting arrangement

Our Underwriter will underwrite 35,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 40,000,000 Issue Shares and 52,500,000 Offer Shares available for application by way of private placement to Bumiputera investors approved by MITI and selected investors will not be underwritten and will be placed out by our Placement Agent.

Any of our Issue Shares not subscribed by the Malaysian Public and Pink Form Allocations shall be subject to the following clawback and reallocation provisions:

(a) If any Issue Shares allocated to the Malaysian Public are undersubscribed, the balance portion will be made available to selected investors via private placement before being allocated for application by our Eligible Person(s) (subject always that public spread requirements are met). Likewise, any Issue Shares which are not taken up by our Eligible Person(s), will firstly be made available to selected investors via private placement before being allocated to the Malaysian Public in the event of an oversubscription.

(b) Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms and conditions of the Underwriting Agreement.

The allocation of Issue Shares to identified Bumiputera investors shall be subject to the allocation as approved by MITI. Such Issue Shares shall be subject to the following clawback and reallocation provisions:

(a) Any unsubscribed Issue Shares and Offer Shares allocated to Bumiputera investors approved by MITI shall firstly be reallocated to Bumiputera public investors via public balloting (in the event of oversubscription). If after the above reallocation, there are still Issue Shares and Offer Shares not taken up, the said unsubscribed Issue Shares and Offer Shares shall then be offered to Malaysian institutional investors.

(b) After (a) above, the remaining portion will be made available for:

    (i) Malaysian Public, in the event of an over-subscription; or

    (ii) application by way of private placement to selected investors to be identified,

    the proportion of which will be determined by our Board and Placement Agent.

The clawback and reallocation shall not apply in the event of over-application of the Issue Shares allocated to the Malaysian Public, Pink Form Allocations and private placement to Bumiputera investors approved by MITI. Our Board will ensure that any excess IPO Shares will be allocated in a fair and equitable manner.

4.3.5 Minimum and over-subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders to comply with the public spread requirements as set out in the Listing Requirements or as approved by Bursa Securities.

In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Directors. Our Board will ensure that any excess IPO Shares will be allocated on a fair and equitable manner.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

As at LPD, save for the Pink Form Allocations as disclosed in Section 4.3.3, to the extent known to our Company:

(a) there are no substantial shareholder(s), Directors or key senior management of our Company who have indicated to our Company that they intend to subscribe for our IPO Shares; and

(b) there are no person(s) who have indicated to our Company that they intend to subscribe for more than 5.0% of our IPO Shares.

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

Upon completion of our IPO, our share capital would be as follows:

Details	**No. of Shares**	**RM**
Share capital		
As at the date of incorporation	1	1
Issued pursuant to the Acquisitions	424,999,999	25,174,125
As at the date of this Prospectus	**425,000,000**	**25,174,126**
Issued under our Public Issue	75,000,000	(1)13,500,000
Enlarged share capital upon our Listing	**500,000,000**	**38,674,126**

Note:

(1) Prior to the capitalisation of estimated listing expenses of approximately RM1.10 million, being the listing expenses that are directly attributable to the new issuance of Shares, which will be capitalised against the share capital of our Company.

Our Offer for Sale will not have any effect on our share capital.

As at the date of this Prospectus, we have only one class of shares, being ordinary shares, all of which rank equally amongst one another.

Our Issue Shares will, upon issuance and allotment, rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of allotment of our Issue Shares.

Our Offer Shares rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares.

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and any surplus if our Company is liquidated in accordance with our Constitution and provisions of the Act.

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder presents in person or by proxy or by other duly authorised representative shall have 1 vote for each Share held.

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

(a) To enable our Group to raise funds for the purposes specified in Section 4.9 herein;

(b) To gain recognition through our listing status to enhance our reputation to market our products and services, expand our customer base, and to retain and attract new and skilled employees from our related industries;

(c) To provide an opportunity for the Malaysian Public, including our Eligible Persons to participate in our equity; and

(d) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise.

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon by us and M&A Securities, as our Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

(a) Our pro forma NA per Share as at 31 December 2025 of RM0.09, calculated based on our pro forma NA after Acquisitions and subsequent events, Public Issue and utilisation of proceeds as at 31 December 2025 of approximately RM43.07 million and enlarged share capital of 500,000,000 Shares upon Listing;

(b) The PE Multiple of our IPO Price of approximately 10.5 times, calculated based on our PAT for FYE 2025 of RM8.59 million and market capitalisation of RM90.00 million upon Listing;

(c) Our historical financial track record as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	126,948	132,226	160,221	144,442
GP	19,774	20,586	27,424	27,177
PAT	6,439	5,464	7,800	8,588

(d) Our competitive strengths as set out in Section 7.18; and

(e) Our business strategies and future plans as set out in Section 7.19.

You should note that our market price upon Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in them. You are reminded to carefully consider the risk factors as set out in Section 9 before deciding to invest in our Shares.

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 500,000,000 Shares upon Listing, our total market capitalisation will be RM90.00 million.

4.8 DILUTION

Dilution is the amount by which our IPO Price exceeds our pro forma NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	RM
IPO Price	0.18
Pro forma NA per Share as at 31 December 2025 after Acquisitions and subsequent events but before Public Issue	0.08
Pro forma NA per Share as at 31 December 2025 after Acquisitions and subsequent events, Public Issue and utilisation of proceeds	0.09
Increase in pro forma NA per Share attributable to existing shareholders	0.01
Dilution in pro forma NA per Share to our new public investors	0.09
Dilution in pro forma NA per Share as a percentage of our IPO Price	50.0%

Further details of our pro forma NA per Share as at FYE 2025 is set out in Section 14.

The following table shows the average effective cost per Share paid by our existing shareholders for our Shares since our incorporation up to LPD:

Shareholders	**(1)No. of Shares received**	**Total consideration**	**Average effective cost per Share**
		RM	**RM**
Valura Group	263,342,906	15,573,848	0.0591
Goh Chen Chang	52,738,188	3,123,854	0.0592
Essential Family Ventures	100,089,510	5,905,162	0.0590
Joshua Lau Ern Tien	8,829,396	571,262	0.0647
	425,000,000	**25,174,126**	

Note:

(1) Being Shares issued under the Acquisitions and including those Shares novated by Valura Group to Goh Chen Chang, Essential Family Ventures and Joshua Lau Ern Tien under the terms of the Acquisitions as well as 1 subscriber share.

Save as disclosed above and the Pink Form Allocations to our eligible Directors and key senior management, there has been no acquisitions or subscription of any of our Shares by our Directors or key senior management, substantial shareholders or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our existing Shares, in the past 3 years up to LPD.

4.9 UTILISATION OF PROCEEDS

4.9.1 Public Issue

The estimated gross proceeds from our Public Issue of RM13.50 million will accrue entirely to us and are planned to be utilised in the following manner:

Utilisation of proceeds	Notes	RM'000	%	[1]Estimated timeframe for utilisation
Capital expenditure for Manufacturing Facility 1	(a)	1,108	8.2	Within 12 months
Capital expenditure for Manufacturing Facility 2	(b)	1,461	10.8	Within 12 months
Repayment of borrowings	(c)	4,500	33.4	Within 6 months
Working capital	(d)	2,931	21.7	Within 12 months
Estimated listing expenses	(e)	3,500	25.9	Within 1 month
		13,500	**100.0**	

Note:

(1) From the date of Listing.

Pending the deployment of the proceeds raised from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions as our Directors may deem appropriate.

(a) Capital expenditure for Manufacturing Facility 1

Our manufacturing of biscuit and cookies is located at Manufacturing Facility 1. As at LPD, our Group has 1 cookies production line and 1 biscuit production line. We intend to allocate RM1.11 million, representing 8.2% of the gross proceeds from our Public Issue, for capital expenditure for Manufacturing Facility 1.

We intend to purchase the following:

Description	Notes	Estimated breakdown
		RM'000
Installation of new biscuit production line to replace our existing biscuit production line	(i)	777
Purchase of machinery and equipment for our existing cookies production line	(ii)	115
To automate the back-end stages of both our biscuit and cookies production	(iii)	216
	Total	**1,108**

Notes:

(i) Installation of new biscuit production line to replace our existing biscuit production line

As at LPD, we operate 1 biscuit production line, which is currently used solely for *roti kok* production. In view of the increasing demand for *roti kok*, we intend to replace our existing biscuit production line with a new, further automated line to improve efficiency and increase manufacturing capacity. Our existing biscuit production line, which has been in-use for more than 8 years, is semi-automated and requires a higher degree of human labour to operate compared to the new biscuit production line that we intend to purchase.

The new biscuit production line will feature a higher degree of automation and improved operational efficiency, enabling us to not only scale up our manufacturing capacity for *roti kok*, but also manufacture other bread-based products. The breakdown of the estimated purchase cost for a new biscuit production line, all of which will be acquired from an overseas supplier, are as follows:

Type	Description	Quantity	Total cost RM'000
Automated biscuit production system	An automated fully integrated system designed to mix, form, cut and bake biscuits	1	777

The new biscuit production line is equipped with essential machinery such as dough mixer, bread encrusting unit, automatic dough pressing and panning machine, rack rotary ovens, and specialised equipment like filling injecting machines, ultrasonic cutting machines and spreader machine. This will allow us to produce the bread base more efficiently and at a larger volume. In addition to support the *roti kok* production, the new biscuit production line will also open up opportunities for our Group to expand into other bread-based products such as cream-filled buns, custard breads, and jam-filled loaves, thus further diversifying our product offerings.

Our existing biscuit production line was commissioned in 2018 and as at 31 December 2025, its NBV amounted to RM0.09 million. We do not expect any salvage value on the existing biscuit production line which will be dismantled to make way for the new biscuit production line.

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(ii) Purchase of machinery and equipment for our existing cookies production line

As at LPD, our cookies production line primarily focuses on seasonal cookies such as peanut and oatmeal cookies. To maximise production output and improve year-round utilisation of our facilities, we intend to acquire machinery such as pan placing machine (a machine that automatically feeds baking trays into our cookies production line according to the preset timing) as well as dough shaping and moulding machine, which will be integrated into our existing cookies production line without the need to install a completely new line. This allows us to produce seasonal and daily consumption cookies simultaneously using the same production line. Upon the installation of the cookies forming and loading system (as stated in the table below), we will be able to manufacture daily consumption cookies as our existing cookies production line is not equipped with the necessary machinery and equipment to handle varying dough consistencies required to make certain types of cookies. As we are unable to manufacture these daily consumption cookies in-house to meet customer demand, our Group has had to rely on third-party manufacturers to fulfil orders of daily consumption cookies.

Based on quotation received, the breakdown of the estimated purchase cost for each type of machinery and equipment, all of which will be acquired from a China supplier, are as follows:

Type	**Description**	**Quantity**	**Total cost** **RM'000**
Cookies forming and loading system			
- Pan placing machine	To automatically feed baking trays into our cookies production line according to the preset timing	2	54
- Dough shape forming and moulding machine	To shape dough into the desired cookie shape	2	61
		Total	**115**

(iii) To automate the back-end stages of both our biscuit and cookies production

As at LPD, the back-end stages of our manufacturing process at Manufacturing Facility 1, such as coating and packaging are carried out manually. As such, we intend to purchase additional machinery and equipment to automate our coating and packaging process which will improve speed and increase production efficiency.

Based on quotation received, the breakdown of the estimated purchase cost for each type of machinery and equipment, all of which will be acquired from a China supplier, are as follows:

Type	Description	Quantity	Total cost RM'000
Chocolate coating system			
- Coating machine and chocolate cooling tunnel	To drizzle chocolate coating on baked products, the baked products are then passed through a cooling conveyor tunnel that solidifies the chocolate coating faster and reduces waiting time for packing	1	134
- Chocolate heat circulation cylinder	To melt chocolate and maintain a consistent temperature to keep the chocolate in a liquid state	2	23
		Subtotal	**157**
Packaging conveyor belt system			
- Stainless steel conveyor belts	To transport items from one workstation to another	20	23
- 90-degree rotation conveyor belt	To transport items from one work process to another	4	36
		Subtotal	**59**
		Total	**216**

Chocolate coating system

We intend to purchase a new automated chocolate coating system, comprising a coating machine and chocolate cooling tunnel as well as chocolate heat circulation cylinder, to replace our existing chocolate coating system. Although this coating machine is mainly built for chocolate coating as it is equipped with the chocolate cooling tunnel and chocolate heat circulation cylinder to melt, coat and cool the chocolate toppings, it can also be used for other types of warm liquid toppings such as caramel and icing glaze.

The new chocolate coating system will be used for both our biscuit and cookies production lines. Our existing chocolate coating system is manually operated and hence limited in capacity, as it can only handle a small volume of products at a time. This slows down production, as it requires more labour and handling and increases the risk of inconsistency in coating quality.

With the new chocolate coating system, the coating process will be fully automated and eliminating the need for manual labour. This will significantly reduce processing time and improve overall efficiency and product consistency.

Packaging conveyor belt system

To improve efficiency and hygiene in our packaging process, we intend to install a new conveyor belt system, which will be used for both our biscuit and cookies production lines. Currently, our packaging process is labour-intensive as the finished products are manually transferred using trolleys across a large area. This manual handling process is time-consuming and increases the risk of food contamination, as the finished products are exposed to air for a longer duration. The new packaging conveyor belt system, which includes stainless steel conveyor belt and 90-degree rotation belt, will enable a smoother, faster and more hygienic transfer of products between stations. By reducing manual handling and minimising exposure time, the system will help us maintain product quality, improve food safety and reduce downtime in the packaging process.

Our manufacturing facility at Manufacturing Facility 1 is currently used for the manufacturing of biscuits and cookies. The production capacities are as follows:

Parameters	FYE 2025 and as at LPD	After utilisation of proceeds
Average hourly output (kg)	125 (biscuits) 310 (cookies)	213 (biscuits) 527 (cookies)
Total operating hours per day	9.5	9.5
Daily production capacity (kg)	1,188 (biscuits) 2,945 (cookies)	2,024 (biscuits) 5,007 (cookies)

This represents an increase in the average hourly output and daily production capacity for our biscuit and cookies production lines of 70.4% and 70.0% respectively.

The commissioning of the new machinery and equipment as well as the new biscuit production line are expected to be completed within 12 months from the date of Listing. The specific milestones for its completion are as follows:

Timeline	Milestone
T	Listing
T + 1 month	Purchase of machinery and equipment as well as a new biscuit production line
T + 6 months	Completion and delivery of machinery and equipment as well as new biscuit production line
T + 8 months	• Dismantling of our existing biscuit production line • Installation of machinery and equipment as well as new biscuit production line
T + 10 months	Test run of all newly purchased machinery and equipment as well as new biscuit production line
T + 12 months	Commissioning of all newly purchased machinery and equipment as well as new biscuit production line

In the event the allocated proceeds are insufficient for the capital expenditure for Manufacturing Facility 1, any shortfall will be funded via internally generated funds and/ or bank borrowings. Conversely, if the actual cost is lower than the amount budgeted above, the excess will be allocated for our general working capital requirements.

(b) Capital expenditure for Manufacturing Facility 2

As at LPD, our Group has 1 automated cake production line located at Manufacturing Facility 2. Our existing automated cake production line has an approximate age of 2 years.

We intend to allocate RM1.46 million or 10.8% from our Public Issue proceeds to purchase an additional automated cake production line to further increase our existing cake manufacturing capacity.

The new cake production line will have the same specifications as our existing cake production line, but with an addition of a fully automatic suction demoulding machine that can also be used for our existing cake production line. This machinery automates the demoulding process for finished products, thereby reducing manual handling, improving operational efficiency and minimising product damage.

The existing and new production lines are equipped with depositor machine (which is used to fill batter into baking pans or cake moulds) and moulds that allow flexible production of various cakes types, including butter cakes, sponge cakes and muffins. We currently do not produce muffins due to capacity constraints. However, the installation of the new production line will expand our manufacturing capacity, which will enable us to tap into the muffin segment and further expand our product range. This expansion supports our strategic focus on growing the cakes production segment, enhancing in-house manufacturing capabilities and reducing reliance on third-party manufacturers.

Based on the quotation received, the breakdown of the estimated purchase cost for each type of machinery and equipment for the new additional production line for cake, all of which will be acquired from a China supplier, are as follows:

Type	**Description**	**Quantity**	**Total cost**
			RM'000
Automated cake production system	An automated fully integrated system designed to mix, deposit, bake and demould cakes for cooling as well as cutting, packaging and sealing	1	1,461

The cakes production capacities at Manufacturing Facility 2 are as follows:

Parameters	**FYE 2025 and as at LPD**	**After utilisation of proceeds**
Average hourly output (kg)	480	960
Total operating hours per day	9.5	9.5
Daily production capacity (kg)	4,560	9,120

With the installation of the new automated production line, the average hourly output and daily production capacity for our cakes production lines are expected to increase by 100.0%.

The commissioning of the additional cake production line as well as new machinery and equipment are expected to be completed within 12 months from the date of Listing. The specific milestones for its completion are as follows:

Timeline	**Milestone**
T	Listing
T + 1 month	Purchase of the new cake production line
T + 6 months	Completion and delivery of the new cake production line
T + 8 months	Installation of the new cake production line
T + 10 months	Test run of the new cake production line
T + 12 months	Commissioning of the new cake production line

In the event the allocated proceeds are insufficient for the capital expenditure for Manufacturing Facility 2, any shortfall will be funded via internally generated funds and/ or bank borrowings. Conversely, if the actual cost is lower than the amount budgeted above, the excess will be allocated for our general working capital requirements.

(c) Repayment of borrowings

We have allocated RM4.50 million or 33.4% from our Public Issue proceeds to partially repay our term loan facility from Maybank Islamic Berhad to reduce our overall bank borrowings. As at LPD, our outstanding balance of the aforesaid term loan facility amounts to RM11.03 million, details of which are as follows:

Financier/ Type of facility	**Purpose**	**Effective interest rate**	**Maturity date**	**Balance as at LPD**	**Amount to be repaid from gross proceeds**
		%		**RM'000**	**RM'000**
Maybank Islamic Berhad/ Term loan	To finance the purchase of HSS HQ and Vacant Land 2	3.9	31 December 2043	11,035	4,500

The selection on the type of bank facilities to be repaid via utilisation of Public Issue proceeds was determined after taking into account the following factors:

(i) interest cost of such facilities; and

(ii) outstanding loan amount.

The repayment will not result in any early repayment fee/ penalty. The repayment of RM4.50 million of the term loan facility is expected to result in interest savings of RM0.18 million per annum based on the current effective interest rate. However, the actual interest saving may vary depending on the then applicable interest rates.

Our total outstanding borrowings as at 31 December 2025 amounted to RM40.49 million. After the proposed repayment, our Group's total borrowings will be reduced to RM35.99 million. The proposed repayment of borrowings coupled with the increase in total equity from the issuance of new Shares under our Public Issue will reduce our gearing ratio from 1.1 times as at 31 December 2025 to a pro forma gearing level of 0.85 times (after our Public Issue and utilisation of proceeds).

(d) General working capital

Our Group's working capital requirements are expected to increase in tandem with the growth of our business. We intend to allocate RM2.93 million or 21.7% of the proceeds raised from our Public Issue to supplement the general working capital requirements of our Group. The entire amount will be used for general overhead costs as well as the purchase of finished goods for sale, as follows:

Description	**RM'000**
General overhead costs such as rental, electricity and water charges at our operational facilities	431
Purchase of finished goods such as customers' brands, unbranded and own brands of bakery products sourced from third-party manufacturers and other traded products sourced from suppliers	2,500
	2,931

(e) Estimated listing expenses

An amount of RM3.50 million, representing 25.9% of the proceeds raised from our Public Issue, is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Details	**Estimated expenditure**
	RM'000
Professional fees[1]	2,643
Fees to authorities	109
Underwriting, placement and brokerage fees	447
Printing, advertising fees and contingencies[2]	301
	3,500

Notes:

[1] Includes advisory/ professional fees for, amongst others, our Adviser, solicitors, Reporting Accountants, IMR, independent internal control reviewer, Issuing House and Share Registrar.

[2] Other incidental or related expenses in connection with our IPO.

Save for item (d), any variations from the amounts budgeted above shall be adjusted towards or against, as the case may be, the proceeds allocated for our general working capital requirements. Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds. Any further shortfall shall be funded from our internally generated funds or bank borrowings, at a proportion to be determined at the point of funding.

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of RM9.45 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.24 million.

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

Brokerage is payable in respect of the Issue Shares at the rate of 1.0% of our IPO Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysia Investment Banking Association or the Issuing House.

4.10.2 Placement fees

Our Placement Agent will place out a total of 40,000,000 Issue Shares and 52,500,000 Offer Shares by way of private placement to Bumiputera investors approved by MITI and selected investors.

We will pay our Placement Agent a placement fee of 2.5% of our IPO Price multiplied by the number of Issue Shares placed out by our Placement Agent.

The placement fee of 2.5% of the value of those Offer Shares placed out by our Placement Agent will be paid by our Selling Shareholders.

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 35,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 3.0% of our IPO Price multiplied by the number of Shares underwritten.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 35,000,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.4.

The salient terms in the Underwriting Agreement are as follows:

4.11.1 Conditions precedent

(a) The obligations of our Underwriter under the Underwriting Agreement are conditional upon:

  (i) our Underwriter being provided with such reports or confirmation and being satisfied on the closing of the Application ("**Closing Date**") that:

    (1) no material change or any development is likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of our Group taken as a whole subsequent to the date of the Underwriting Agreement; or

    (2) there has not occurred any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings as set out in the Underwriting Agreement materially untrue or inaccurate or result in a material breach of the Underwriting Agreement by our Company;

  (ii) our Underwriter receiving a certificate in the form or substantially in the form contained in Second Schedule (Certificate) of the Underwriting Agreement dated the Closing Date signed by the duly authorised officer of our Company stating inter alia that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as set out in the Underwriting Agreement;

  (iii) our Underwriter receiving copies certified by a Director or the company secretary of our Company to be a true and accurate copy and in full force and effect of a Board resolution and a members' resolution (where applicable):

    (a) approving the issue of our Issue Shares;

    (b) approving our Prospectus and the application forms, our Listing, Public Issue, Offer for Sale, the Underwriting Agreement and the transactions contemplated by it; and

    (c) authorising a person to sign and deliver the Underwriting Agreement on behalf of our Company;

  (iv) the Underwriting Agreement being duly signed by all parties and stamped;

  (v) the issue, offer and subscription of our IPO Shares not being prohibited or impeded by any statute, order, rule, directive, guideline (whether or not having a force of law) or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any condition imposed by the regulators in approving our IPO Shares and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with our IPO Shares and/or our Listing have been obtained and are in force on the Closing Date or our Underwriter being reasonably satisfied that the same will be in force on the Closing Date;

(vi) our Underwriter being satisfied that our Company has complied with and that our Listing and IPO are in compliance with the policies, guidelines and requirements of the SC and Bursa Securities and all revisions, amendments and/or supplements to it;

(vii) the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") being not lower than 90.00% of the level of the Index for at least 3 consecutive Market Days between the date of the Underwriting Agreement and the Closing Date, both dates inclusive;

(viii) there being no breach of and/or failure to perform any of the terms and/or the undertakings contained in the Underwriting Agreement by our Company;

(ix) Bursa Securities having registered our Prospectus;

(x) the offering of our IPO Shares having been approved by Bursa Securities and any other relevant authority or authorities and remaining in full force and effect and that all conditions precedent to the approvals (except for any which can only be complied with after our IPO has been completed) have been complied with;

(xi) the Underwriting Agreement having become unconditional in all respects (save for any condition requiring the Underwriting Agreement to be unconditional) and not having been terminated or rescinded pursuant to the provisions thereof and upon our Underwriter's (in this regard, in its capacity as the placement agent for the Placement Shares) receipt of the full subscription monies for the Placement Shares on or before the last date for payment of the Placement Shares;

(xii) the delivery of our Prospectus to SSM for registration in accordance with the requirements of Sections 154 and 155 of the Act; and

(xiii) the launching of our Prospectus taking place within 3 months from the date of the Underwriting Agreement or such other later date as our Underwriter and our Company may from time to time agree in writing.

(collectively, the "**Conditions Precedent**")

(b) If after the Conditions Precedent have been complied with and our Company decides not to proceed with our IPO, our Underwriter may treat itself as so released or discharged from its obligations and the Underwriting Agreement shall be terminated and be of no further force or effect provided that our Company shall remain liable, subject always to the Underwriting Agreement for the payment of the sum stated therein and of all other costs and expenses including but not limited to those referred to in the Underwriting Agreement.

(c) Our Underwriter may waive all or any of the Conditions Precedent except for any required by a mandatory rule of law or a mandatory requirement of governmental, public or regulatory authorities in connection with the Underwriting Agreement.

(d) If any of the Conditions Precedent in Section 4.11.1(a)(iii), (iv), (xii) and/or (xiii) above are not satisfied within 3 months from the date of the Underwriting Agreement or such other date as our Underwriter and our Company may from time to time agree in writing and/or if any of the conditions in Section 4.11.1(a)(i), (ii), (v) to (x) to the extent not waived are not satisfied by the Closing Date, our Underwriter after consultation with our Company will thereupon be entitled to terminate the Underwriting Agreement by notice in writing to our Company. In such event the Underwriting Agreement will automatically be terminated and the parties to the Underwriting Agreement will be released and discharged from their obligations, except for the liability of our Company for payments of costs and expenses incurred prior to or in connection with such termination.

4.11.2 Termination

(a) Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may by notice in writing to our Company given at any time before the Closing Date, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares and pursuant thereto terminate the Underwriting Agreement if:

(i) any of the Condition Precedent is not duly satisfied by the Closing Date;

(ii) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement which is not capable of remedy of or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to our Company;

(iii) our Company withholds any information of a material nature from our Underwriter, which, in the reasonable opinion of any underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO or the distribution or sale of our IPO Shares;

(iv) the approval of Bursa Securities in respect of our Listing or the approval-in-principle of Bursa Securities for our Listing is withdrawn;

(v) there has occurred, happened or come into effect any material and adverse change to the business or financial condition of our Company or our Group;

(vi) our Company or any of our subsidiaries becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as they fall due or enters into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors;

(vii) there has occurred, happened or come into effect any event or series of events beyond the reasonable control of our Underwriter (including without limitation to, acts of government, strikes, national disorder, declaration of a state emergency, lockouts, fire, explosion, flooding, landslide, civil commotion, hurricanes/typhoons, tsunami, widespread diseases, acts of war, sabotage, acts of God etc) which would have, or can reasonably be expected to have, a material adverse effect on the business or the operation of our Company or our Group or the success of our IPO or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms;

(viii) there is the imposition of any moratorium, suspension or material restriction on trading in all securities generally on Bursa Securities which would materially prejudice the success of our IPO;

(ix) any government, requisition or other occurrence of any nature whatsoever which would or is likely to have a material adverse effect on the financial and operational condition of our Company; or

(x) there is failure on the part of our Company to perform any of our obligations contained in the Underwriting Agreement.

(b) Upon our Underwriter serving the notice of termination in accordance with Section 4.11.2(a) above:

(i) our Underwriter will be released and discharged of its obligations without prejudice to its rights; and

(ii) the Underwriting Agreement will thereafter be of no further force or effect and no party will be under any liability to any others in respect of the Underwriting Agreement, except that our Company will remain liable in respect of:

(1) any of our obligations and liabilities in relation to representations, warranties and undertakings and right to be indemnified by our Company;

(2) for full payment of the underwriting commission, costs and expenses already incurred up to the date on which such notice was given and for the payment of any taxes, duties or levies; and

(3) to refund to our Underwriter the subscription monies, if any, relating to the Underwritten Shares without any deduction.

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

Our Shares will be admitted to the Official List of the ACE Market and an official quotation will commence after, among others, the receipt of confirmation from Bursa Depository that all of our IPO Shares have been duly credited into the respective CDS Accounts of the successful applicants and the notices of allotment have been issued and despatched to all the successful applicants.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants. Upon our Listing, transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired.

4. DETAILS OF IPO *(Cont'd)*

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares will trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

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

5.1 PROMOTERS AND/ OR SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and/ or substantial shareholders' shareholdings

The shareholdings of our Promoters and/ or substantial shareholders in our Company before and after IPO are set out below:

		(1)After Acquisitions but before IPO				**(2)After IPO**			
		Direct		**Indirect**		**Direct**		**Indirect**	
Name	**Place of incorporation/ Nationality**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoters and substantial shareholders									
Valura Group	Malaysia	263,342,906	62.0	-	-	263,342,906	52.7	-	-
Goh Chen Chang	Malaysian	52,738,188	12.4	(3)263,342,906	62.0	26,488,188	5.3	(3)263,342,906	52.7
Promoter									
Goh Chen Ann	Malaysian	-	-	-	-	-	-	-	-
Substantial shareholders									
Essential Family Ventures	Malaysia	100,089,510	23.5	-	-	73,839,510	14.8	-	-
Kairous Essential Family Sdn Bhd	Malaysia	-	-	(4)100,089,510	23.5	-	-	(4)73,839,510	14.8
Essential Capital Management Sdn Bhd	Malaysia	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8
Kairous Capital Sdn Bhd	Malaysia	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8
Lim Eng Thian	Malaysian	-	-	(6)100,089,510	23.5	-	-	(6)73,839,510	14.8
See Toh Kean Yaw	Malaysian	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8
Joseph Lee Moh Hon	Malaysian	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8

Notes:

(1) Based on the share capital of 425,000,000 Shares after completion of the Acquisitions but before our IPO.

(2) Based on the enlarged share capital of 500,000,000 Shares after our IPO.

(3) Deemed interested by virtue of his shareholdings in Valura Group pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholdings in Essential Capital Management Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

(7) Deemed interested by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

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

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5.1.2 Profiles of Promoters and/ or substantial shareholders

The profiles of our Promoters and/ or substantial shareholders are set out below:

(a) Valura Group
Promoter and substantial shareholder

Valura Group is our Group's Promoter and substantial shareholder. Valura Group was incorporated in Malaysia on 28 August 2023 under the Act as a private limited company, under the name of H.S.S. Food Holdings Sdn Bhd. On 8 August 2024, it changed its name to HSS Food Holdings Sdn Bhd. Subsequently on 6 August 2025, it assumed its present name as Valura Group Sdn Bhd.

Valura Group is principally involved in investment holding in shares in HSS Holdings.

As at LPD, the issued capital of Valura Group is RM25,364,194 comprising 17,894,576 ordinary shares.

The directors and shareholders of Valura Group as at LPD are as follows:

			Direct		Indirect	
Name	**Designation**	**Nationality**	**No. of shares**	**%**	**No. of shares**	**%**
Goh Chen Chang	Director/ Shareholder	Malaysian	17,057,055	95.3	-	-
Goh Chen Ann	Director/ Shareholder	Malaysian	837,521	4.7	-	-

(b) Goh Chen Chang
Promoter, substantial shareholder and Managing Director

Goh Chen Chang, a Malaysian male aged 42, is our founder, substantial shareholder, Promoter and Managing Director. He was appointed to our Board on 11 April 2025. He is responsible for overseeing the overall business operations for our Group, as well as formulation and implementation of our Group's strategic direction and business expansion strategies.

He is an industry veteran with 22 years of working experience in the bakery products industry, specialising in the sourcing and manufacturing of bakery products as well as trading of bakery and other products. His expertise began in 2004 when he established his sole proprietorship under HSS Confectionery Trading, through which he gained extensive experience in supply chain management, product sourcing, logistics coordination and business development within the bakery sector. His practical involvement in the sourcing and trading of bakery and other products subsequently supported his expansion into the manufacturing of bakery products.

In 1999, he finished his Form 2 education in Sekolah Menengah Kebangsaan St Andrew in Muar, Johor. He worked on an ad-hoc basis from 2000 to 2001. In 2002, he started his career as a mechanic in V6 Auto Parts Sdn Bhd, a company involved in the trading of automotive parts and supplies, where he was involved in dismantling of imported auto parts for sale. He left the company in 2002 and subsequently in 2003 joined Maharani Bakery Sdn Bhd, a company involved in the provision of bakery products as a Logistic and Warehouse Executive where he was also in charge of delivery of bakery products to Singapore. He left the company in the same year.

In 2004, he commenced business as a sole proprietor under the trade name of HSS Confectionery Trading, where he traded and sourced a variety of cakes, biscuits, cookies and pastry products from local suppliers and supplied the products through wholesalers to coffee shops and grocery stores in Singapore. In 2006, he incorporated HCF with 3 other shareholders to take over the business of HSS Confectionery Trading. HSS Confectionery Trading ceased its operations in 2006. Since the incorporation of HCF, he has been the managing director of the company.

In 2012, he incorporated Chatur Capital with his brother, Goh Chen Ann, which was principally involved in distributing bakery products to the local market. Chatur Capital had in 2022 ceased operations as Goh Chen Chang wanted to improve operational efficiency by transferring all of Chatur Capital's operations into HCF and consolidating the distribution of bakery products.

Over the years, he spearheaded the strategic business direction and led the continued growth of our Group and has played a pivotal role in changing our direction from being a trader of bakery products to sourcing of bakery products, trading of bakery and other products as well as manufacturing of bakery products.

He is the brother of Goh Chen Ann, our Group's Executive Director.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(b).

(c) Goh Chen Ann

Promoter and Executive Director

Goh Chen Ann, a Malaysian male aged 39, is our Promoter and Executive Director. He was appointed to our Board on 13 August 2025. He is primarily responsible for overseeing the sales and marketing activities of our Group. He develops various sales and marketing strategies, builds brand awareness for our customers' brands and own brands, and identifies new customers.

Upon completing his Form 5 education in Sekolah Menengah Kebangsaan St Andrew in Muar, Johor in 2005, he worked on an ad-hoc basis until 2008.

In 2008, he joined HCF where he was involved in managing inventories and processing orders for customers. He was promoted to Logistics Executive in 2010 and was in charge of managing and organising our logistics operations. In 2012, he was promoted to Sales and Marketing Executive where he was responsible for conducting market research to explore new business avenues to expand our revenue streams. In 2015, he was subsequently promoted to Sales and Marketing Manager where he was responsible for coordinating with various departments such as finance and logistics on designing and implementing new marketing strategies to increase our visibility. In 2017, he was promoted to Business Development Manager where he was in charge of fostering and developing relationships with existing and new customers, alongside strategically implementing operational strategies to improve business opportunities.

In 2012, he incorporated Chatur Capital with his brother, Goh Chen Chang, which was principally involved in distributing bakery products to the local market. He resigned as a director of Chatur Capital in 2019. In 2014, with Goh Chen Chang's support, he established LHMC with his spouse, and was appointed as a Director of LHMC (a company principally involved in the manufacturing of cookies at the time of incorporation). He assumed the position of General Manager of LHMC in 2022, where he oversaw the manufacturing operations of LHMC until 2024. Thereafter, he focuses on overseeing our sales and marketing activities.

Throughout the years, he has assisted our Managing Director, in developing various sales and marketing strategies as well as building brand awareness for our customers' brands and our own brands. He was also involved in the implementation of such strategies as well as the introduction of new bakery products such as different flavours to meet the ever-changing consumer trends.

He is the brother of Goh Chen Chang, our Group's Managing Director.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(c).

(d) Essential Family Ventures

Substantial shareholder

Essential Family Ventures is our Group's substantial shareholder. Essential Family Ventures was incorporated in Malaysia on 22 June 2023 under the Act as a private limited company. Essential Family Ventures is principally involved in investment holding in shares.

As at LPD, the investment portfolio of Essential Family Ventures includes private equity investments in oil and gas industrial equipment manufacturing, food ingredient manufacturing, public equity investments in real estate investment trusts, venture capital funds in technology-based start-ups and industrial and agricultural drone solution providers. Essential Family Ventures' total cost of investments in our Group (via Valura Group) amounted to RM15.00 million, comprising RM10.00 million through subscription of shares in Valura Group (of which RM7.68 million and RM1.75 million were subsequently injected as capital in HCF and LHMC respectively), and RM5.00 million through the acquisition of shares in Valura Group from Goh Chen Chang.

As at LPD, the issued capital of Essential Family Ventures is RM89,656,000 comprising 1,000 ordinary shares and 89,655 non-convertible preference shares.

As at LPD, the directors and ordinary shareholders of Essential Family Ventures and their respective shareholdings in Essential Family Ventures are as follows:

			Direct		Indirect	
Name	**Designation**	**Nationality/ Place of incorporation**	**No. of shares**	**%**	**No. of shares**	**%**
See Toh Kean Yaw	Director/ Shareholder	Malaysian	-	-	(1)1,000	100.0
Joseph Lee Moh Hon	Director/ Shareholder	Malaysian	-	-	(1)1,000	100.0
Kairous Essential	Shareholder	Malaysia	1,000	100.0	-	-

			Direct		Indirect	
Name	**Designation**	**Nationality/ Place of incorporation**	**No. of shares**	**%**	**No. of shares**	**%**
Family Sdn Bhd						
Kairous Capital Sdn Bhd	Shareholder	Malaysia	-	-	(2)1,000	100.0
Essential Capital Management Sdn Bhd	Shareholder	Malaysia	-	-	(2)1,000	100.0
Lim Eng Thian	Shareholder	Malaysian	-	-	(3)1,000	100.0

Notes:

(1) Deemed interested by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd pursuant to Section 8(4) of the Act.

(2) Deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd pursuant to Section 8(4) of the Act.

(3) Deemed interested by virtue of his shareholdings in Essential Capital Management Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd pursuant to Section 8(4) of the Act.

As at LPD, the preference shareholders of Essential Family Ventures are Ye Meiming (550 preference shares), Soh Teck Seong (550 preference shares), Pang Kueh Khim (66,000 preference shares), Lee Kim Chit (1,100 preference shares), Lee Chee Boon (550 preference shares), Kairous Ventures Limited (8,250 preference shares), Essential Family Sdn Bhd (830 preference shares), Avia Kapital Sdn Bhd (11,000 preference shares) and Additech Sdn Bhd (825 preference shares).

For the avoidance of doubt, the ultimate beneficial ownership of Essential Family Ventures vests with the ordinary shareholder as the control and management of Essential Family Ventures lies with them. The preference shareholders do not carry any voting rights, as they serve purely as investors in the company.

(e) Kairous Essential Family Sdn Bhd

Substantial shareholder

Kairous Essential Family Sdn Bhd is our Group's substantial shareholder by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

Kairous Essential Family Sdn Bhd was incorporated in Malaysia on 16 November 2023 under the Act as a private limited company. Kairous Essential Family Sdn Bhd is principally an assets and portfolio management company undertaking investment holding activities through its investment in Essential Family Ventures.

As at LPD, the issued capital of Kairous Essential Family Sdn Bhd is RM100 comprising 100 ordinary shares.

As at LPD, the directors and shareholders of Kairous Essential Family Sdn Bhd and their respective shareholdings in Kairous Essential Family Sdn Bhd are as follows:

			Direct		**Indirect**	
Name	**Designation**	**Place of incorporation/ Nationality**	**No. of shares**	**%**	**No. of shares**	**%**
See Toh Kean Yaw	Director/ Shareholder	Malaysian	-	-	(1)70	70.0
Joseph Lee Moh Hon	Director/ Shareholder	Malaysian	-	-	(1)70	70.0
Essential Capital Management Sdn Bhd	Shareholder	Malaysia	30	30.0	-	-
Kairous Capital Sdn Bhd	Shareholder	Malaysia	70	70.0	-	-
Lim Eng Thian	Shareholder	Malaysian	-	-	(2)30	30.0

Notes:

(1) Deemed interested by virtue of his shareholdings in Kairous Capital Sdn Bhd pursuant to Section 8(4) of the Act.

(2) Deemed interested by virtue of his shareholdings in Essential Capital Management Sdn Bhd pursuant to Section 8(4) of the Act.

(f) Kairous Capital Sdn Bhd

Substantial shareholder

Kairous Capital Sdn Bhd is our Group's substantial shareholder by virtue of its shareholdings in Kairous Essential Family Sdn Bhd which in turn is deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

Kairous Capital Sdn Bhd was incorporated in Malaysia on 23 September 2014 under the name of Kairous Advisory Sdn Bhd under the Companies Act 1965 as a private limited company and is deemed registered under the Act. Subsequently on 10 June 2015, it assumed its present name. Kairous Capital Sdn Bhd is principally involved in private equity and venture capital investment as a fund and investment manager, managing venture capital and private equity funds in various sectors including retail, healthcare, technology and manufacturing. It also provides consultancy and advisory services to any corporate in business as well as leasing in office space and other places of business and collecting of rental.

As at LPD, the issued capital of Kairous Capital Sdn Bhd is RM500,000 comprising 500,000 ordinary shares.

As at LPD, the directors and shareholders of Kairous Capital Sdn Bhd and their respective shareholdings in Kairous Capital Sdn Bhd are as follows:

			Direct		**Indirect**	
Name	**Designation**	**Nationality**	**No. of shares**	**%**	**No. of shares**	**%**
See Toh Kean Yaw	Director/ Shareholder	Malaysian	167,500	33.5	-	-
Joseph Lee Moh Hon	Director/ Shareholder	Malaysian	332,500	66.5	-	-

(g) Joseph Lee Moh Hon

Substantial shareholder

Joseph Lee Moh Hon, a Malaysian male aged 53, is our substantial shareholder by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures.

He graduated with a Bachelors of Commerce from MacMaster University, Canada in 1996. He was certified as a Chartered Financial Analyst by CFA Institute, USA in 2000.

After graduating in 1996, he joined Arthur Anderson & Co., Penang, an accounting firm in the same year as a Staff Assistant where he was mainly responsible for audit and assurance. He left Arthur Anderson & Co. in 1999 and in the same year joined FILA Sport (Malaysia) Sdn Bhd, a company principally involved in providing premium sportswear and lifestyle products, as an Accountant. During his tenure with FILA Sport (Malaysia) Sdn Bhd, he assisted the corporate finance manager in overseeing daily operations and smooth running of the accounts department. He left FILA Sport (Malaysia) Sdn Bhd in 2000.

From 2000 to 2004, he worked as an Assistant Manager in the equity research department of UT Securities Sdn Bhd, a company principally involved in stockbroking undertaking research and investment analysis. In 2004, he joined Netrove Partners Sdn Bhd, a company principally engaged in venture capital as an Associate where his main responsibilities include venture capital investments. He left Netrove Partners Sdn Bhd in 2005.

In 2006, he joined Kuwait Finance House (Malaysia) Bhd, a foreign Islamic bank as a Manager, as one of the members of the pioneer team to set up the bank's private equity division and Islamic private equity fund in Asia Pacific. He was involved in control buyout deals in China and Southeast Asia mainly in the manufacturing, waste management, healthcare, retail, and aquaculture sectors. He left the bank in 2012. In the same year, he co-founded Proventus Capital Sdn Bhd, a Southeast Asia-focused control buyout private equity management company specialising in high-growth small and mid-sized companies, where he was a director until 2017.

In 2015, he co-founded Kairous Advisory Sdn Bhd (now known as Kairous Capital Sdn Bhd) together with See Toh Kean Yaw (our Group's substantial shareholder), a regional private equity and venture capital firm focusing on technology investments across China and Southeast Asia. He is also a director of Kairous Capital Sdn Bhd, a position he currently holds.

(h) See Toh Kean Yaw

Substantial shareholder

See Toh Kean Yaw, a Malaysian male aged 53, is our substantial shareholder by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures.

He completed his Diploma in Business Studies in Systematic Business Training Centre, Penang in 1993 and obtained the London Chamber of Commerce and Industry (LCCI) certificate in the same year. He also obtained the ACCA qualification in 1999. In 2005, he graduated with a Master of Business Administration from the University of Portsmouth, UK.

He is certified as a chartered accountant of the MIA since 2001, and is a fellow member of ACCA, UK since 2004.

He started his career with BDO Binder Public Accountants, Penang in 1996 as an Audit Assistant. His employment with BDO Binder Public Accountants was transferred to Chua, Lau and Associates (audit firm) in January 1997, where he was promoted to an Audit Semi-Senior in the same month. He was promoted to Audit Senior in July 1997, a position he held until he left in 1999. During his tenure with BDO Binder Public Accountants and Chua, Lau and Associates, he was involved in auditing, taxation and consulting works.

In March 1999, he joined Ire-Tex (M) Sdn Bhd as an Accountant where he was tasked to oversee the finance department. In December 1999, he assumed the dual role of Accountant and Assistant Administration Manager supervising the administration department. He was promoted to Group Financial Controller in 2002 to oversee the taxation, financial and management accounting of the group of companies, as well as assisting the company in its listing exercise. The company was listed from 2004 until 2024 on Main Market under the name of Ire-Tex Corporation Berhad (now known as Iqzan Holding Berhad). He was Executive Director of the group from 2003 until 2014.

In 2014, together with Joseph Lee Moh Hon, our Group's substantial shareholder, he founded Kairous Advisory Sdn Bhd (now known as Kairous Capital Sdn Bhd), the initial entity which later on developed into the group of companies principally involved in fund raising, deals sourcing, and managing investment deals for private equity and venture capital fund ("**Kairous Capital Group**"). Over the years, Kairous Capital Group has expanded to multiple countries, including Malaysia, Singapore, Hong Kong Special Administrative Region of the People's Republic of China, Cayman, British Virgin Islands and Seychelles.

As a founding partner of Kairous Capital Group, he has acquired more than 10 years of experience in private equity and venture capital including fund raising, deal sourcing, investment portfolio monitoring and value creation. He has concluded investments into several companies based in China and Southeast Asia and also successfully assisted the portfolio companies to exit via initial public offering on the Shanghai Stock Exchange and Hong Kong Stock Exchange.

In 2022, he was appointed as Executive Director of Harvest Miracle Capital Berhad (a company listed on ACE Market), which is an investment holding company with subsidiaries principally engaged in the business of trading of IT and information communication technology, money lending and plantation and property development. He resigned from the position in 2026.

In 2023, he was also appointed as Executive Director of Velocity Capital Partner Berhad (a company listed on Main Market), an investment holding company with its subsidiaries principally engaged in haulage logistics, financial services, electric vehicles and manufacture and export of ceramics and pottery. He resigned from the position in 2026.

In 2025, he was appointed as Non-Independent Non-Executive Director of MMAG Holdings Berhad (a company listed on ACE Market), an investment holding company with subsidiaries principally involved in mobile fulfilment, courier and logistic services, aviation business and financial services. Following his resignation in 2026, he is now mainly involved in his role as a director of Kairous Capital Sdn Bhd, a position he currently holds.

(i) Essential Capital Management Sdn Bhd

Substantial shareholder

Essential Capital Management Sdn Bhd is our Group's substantial shareholder by virtue of its shareholdings in Kairous Essential Family Sdn Bhd, which in turn is deemed interested by virtue of its substantial shareholdings in Essential Family Ventures.

Essential Capital Management Sdn Bhd was incorporated in Malaysia under the Act on 6 July 2022 under the name of Essential Capital (Season) Sdn Bhd as a private limited company. Subsequently on 19 June 2023, it assumed its present name. Essential Capital Management Sdn Bhd is principally an investment holding company, undertaking investment holding activities through its investment in Kairous Essential Family Sdn Bhd.

As at LPD, the issued capital of Essential Capital Management Sdn Bhd is RM3 comprising 3 ordinary shares.

As at LPD, Lim Eng Thian is the sole director and shareholder of Essential Capital Management Sdn Bhd.

(j) Lim Eng Thian

Substantial shareholder

Lim Eng Thian, a Malaysian male aged 57, is our Group's substantial shareholder by virtue of his shareholdings in Essential Capital Management Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures.

He completed his Diploma in Accounting from Rima International College, Kuala Lumpur in 1993. He is an Associate of the Chartered Institute of Management Accountants ("**CIMA**"), UK since 2003, a Fellow Member of CIMA since 2023 and a Chartered Accountant with MIA since 2008.

He started his career with H S Lim & Co. (now known as S.H. Lim & Co.), an audit firm in 1994 as an Audit Assistant. In 1996, he left S.H. Lim & Co. and joined Raki Thomas & Co. (now known as Raki CS Tan & Ramanan) as an Audit Assistant, assisting in the audit process of private limited companies and tax computation.

In 1997, he left Raki Thomas & Co. and joined Dragonpak Industries (M) Sdn Bhd, a plastic packaging manufacturing company as an Account Executive. He was then promoted to Finance Manager in 1999. During his tenure, he was responsible for overseeing the company's accounts and finance matters and daily administrative tasks. He left Dragonpak Industries (M) Sdn Bhd in 2011. In 2009, he became a director of N.K Rubber (M) Sdn Bhd, a company principally involved in manufacturing and sales of all kinds of moulded rubber parts and components. During his stint with N.K Rubber (M) Sdn Bhd, he was principally responsible for managing the company's cash flow and finance matters. He resigned from N.K Rubber (M) Sdn Bhd in 2015.

In 2013, he incorporated and became a director of Vista Density Sdn Bhd, a company involved in workers dormitory management. He also incorporated Essential Capital Management Sdn Bhd in 2022. He currently serves as a director of Vista Density Sdn Bhd and Essential Capital Management Sdn Bhd.

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5.1.3 Changes in Promoters' and/ or substantial shareholders' shareholdings

The changes in our Promoters and/ or substantial shareholders' respective shareholdings in our Company since our incorporation are as follows:

	As at incorporation				**(1)After Acquisitions but before IPO**				**(2)After IPO**			
	Direct		**Indirect**		**Direct**		**Indirect**		**Direct**		**Indirect**	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoters and substantial shareholders												
Valura Group	-	-	-	-	263,342,906	62.0	-	-	263,342,906	52.7	-	-
Goh Chen Chang	1	100.0	-	-	52,738,188	12.4	(3)263,342,906	62.0	26,488,188	5.3	(3)263,342,906	52.7
Promoter												
Goh Chen Ann	-	-	-	-	-	-	-	-	-	-	-	-
Substantial shareholders												
Essential Family Ventures	-	-	-	-	100,089,510	23.5	-	-	73,839,510	14.8	-	-
Kairous Essential Family Sdn Bhd	-	-	-	-	-	-	(4)100,089,510	23.5	-	-	(4)73,839,510	14.8
Essential Capital Management Sdn Bhd	-	-	-	-	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8
Kairous Capital Sdn Bhd	-	-	-	-	-	-	(5)100,089,510	23.5	-	-	(5)73,839,510	14.8
Lim Eng Thian	-	-	-	-	-	-	(6)100,089,510	23.5	-	-	(6)73,839,510	14.8
See Toh Kean Yaw	-	-	-	-	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8
Joseph Lee Moh Hon	-	-	-	-	-	-	(7)100,089,510	23.5	-	-	(7)73,839,510	14.8

Notes:

(1) Based on the share capital of 425,000,000 Shares after completion of the Acquisitions but before our IPO.

(2) Based on our enlarged share capital of 500,000,000 Shares after our IPO.

(3) Deemed interested by virtue of his shareholdings in Valura Group pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Essential Family Ventures pursuant to Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholdings in Essential Capital Management Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

(7) Deemed interested by virtue of his shareholdings in Kairous Capital Sdn Bhd, which in turn is deemed interested by virtue of its shareholdings in Kairous Essential Family Sdn Bhd and Essential Family Ventures pursuant to Section 8(4) of the Act.

5.1.4 Persons exercising control over the corporation

Save for our Promoters and/ or substantial shareholders as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at LPD, there is no arrangement between our Company, the Promoters and/ or our substantial shareholders with any third party which may result in a change in control of our Company at a date subsequent to our Listing.

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5.1.5 Amounts or benefits paid or intended to be paid or given to our Promoters and/ or substantial shareholders

Save for the issuance of our Shares as consideration for the Acquisitions as disclosed in Section 6.2, the dividends paid or intended to be paid as set out in Section 12.16 and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.5, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and/ or substantial shareholders within the 2 years preceding the date of this Prospectus:

	Dividends declared				
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**From 1 January 2026 up to LPD**
Promoters and/ or substantial shareholders	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Promoters and substantial shareholders					
Valura Group	-	-	6,000	375	1,549
Goh Chen Chang	2,353	4,705	-	-	310
Promoter					
Goh Chen Ann	147	295	-	-	-
Substantial shareholder					
Essential Family Ventures	-	-	-	-	589
	2,500	**5,000**	**6,000**	**(1)375**	**(2)2,448**

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	Dividends paid				
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**From 1 January 2026 up to LPD**
Promoters and/ or substantial shareholders	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Promoters and substantial shareholders					
Valura Group	-	-	6,000	375	-
Goh Chen Chang	2,353	2,882	1,823	-	-
Promoter					
Goh Chen Ann	147	118	177	-	-
Substantial shareholder					
Essential Family Ventures	-	-	-	-	-
	2,500	**3,000**	**8,000**	**(1)375**	**(2)-**

Notes:

(1) During FYE 2025, Kasaga declared total dividends of RM0.50 million, of which RM0.38 million was paid to Valura Group. The remaining dividends declared of RM0.12 million was paid to Kasaga's former shareholder, i.e. Joshua Lau Ern Tien, our Production Director.

(2) Subsequent to FYE 2025, we declared total dividends of RM2.50 million, of which RM2.45 million is in respect to our Promoters and/ or substantial shareholders. The remaining dividends of RM0.05 million is in respect to our existing shareholder, i.e. Joshua Lau Ern Tien, our Production Director. Such dividends of RM2.50 million were paid on 28 May 2026.

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5.2 DIRECTORS

Our Board takes note of the recommendations under the MCCG released on 28 April 2021. As at LPD, our Board has adopted all relevant recommendations of the MCCG in respect of our Board composition, which amongst others include the following:

(a) at least half of our Board comprises of independent directors;

(b) our Chairman is not our Chief Executive Officer, and not a member of our Audit and Risk Management Committee, Nominating Committee and Remuneration Committee;

(c) our Board comprises at least 30.0% women directors; and

(d) the tenure of an Independent Non-Executive Director shall not exceed a cumulative term limit of 9 years. Upon completion of the 9 years tenure, an Independent Non-Executive Director may continue to serve on our Board as a Non-Independent Non-Executive Director. If our Board intends to retain an Independent Non-Executive Director beyond 9 years, it shall seek annual shareholders' approval through a two-tier voting process.

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after IPO assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

		(1)As at LPD/ After Acquisitions but before IPO				**(2)After IPO**			
	Designation/	**Direct**		**Indirect**		**Direct**		**Indirect**	
Name	**Nationality**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Kee Tong Kiak	Independent Non-Executive Chairman/ Malaysian	-	-	-	-	(3)100,000	<0.1	-	-
Goh Chen Chang	Managing Director/ Malaysian	52,738,188	12.4	(4)263,342,906	62.0	26,488,188	5.3	(4)263,342,906	52.7
Goh Chen Ann	Executive Director/ Malaysian	-	-	-	-	-	-	-	-

		(1)As at LPD/ After Acquisitions but before IPO				(2)After IPO			
		Direct		Indirect		Direct		Indirect	
Name	**Designation/ Nationality**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Dr. Kong Yee Foon	Independent Non-Executive Director/ Malaysian	-	-	-	-	(3)100,000	<0.1	-	-
Tengku Munazirah Binti Tengku Abdul Samad Shah	Independent Non-Executive Director/ Malaysian	-	-	-	-	-	-	-	-
Chong Lee Ling	Independent Non-Executive Director/ Malaysian	-	-	-	-	-	-	-	-

Notes:

(1) Based on the share capital of 425,000,000 Shares after completion of the Acquisitions but before our IPO.

(2) Based on the enlarged share capital of 500,000,000 Shares after our IPO.

(3) Assuming he/ she fully subscribes for his/ her respective entitlements under the Pink Form Allocations.

(4) Deemed interested by virtue of his shareholdings in Valura Group pursuant to Section 8(4) of the Act.

5.2.2 Profiles of Directors

Save for the profiles of Goh Chen Chang (our Managing Director) and Goh Chen Ann (our Executive Director) which are set out in Section 5.1.2, the profiles of our other Directors are as follows:

(a) Kee Tong Kiak
Independent Non-Executive Chairman

Kee Tong Kiak, a Malaysian male aged 59, is our Independent Non-Executive Chairman. He was appointed to our Board on 13 August 2025.

He obtained his Bachelor of Laws from University of Malaya in 1992. In the same year, he undertook his pupillage with Chin & Rakan-Rakan and was subsequently admitted as an Advocate and Solicitor in 1993. He specialises in civil litigation practice.

Upon his admission to the Malaysian Bar, he commenced his legal career as a Legal Assistant in Chin & Rakan-Rakan in 1993 where he was involved in general and civil litigation. He left the firm in 1994 and joined Nik Hussain & Partners at their Melaka branch as a Legal Assistant, where he continued to focus on general and civil litigation. He became a Partner of the firm in 1998. In the same year, he and 3 other partners facilitated a buyout of the firm's Melaka branch. In 1999, the firm was renamed to Chee Siah Le Kee & Partners and he currently remains as one of the firm's partners.

In 2023, he was appointed as an Independent Non-Executive Director of Homeritz Corporation Berhad (a company listed on Main Market), which is an investment holding company with subsidiaries principally involved in design, manufacture and sale of upholstered home furniture.

In 2024, he was also appointed as an Independent Non-Executive Director of Tomypak Holdings Berhad (a company listed on Main Market), an investment holding company with subsidiaries principally involved in manufacturing and marketing of flexible and industrial packaging materials. He resigned from the position in 2025.

In 2025, he was appointed as the Independent Non-Executive Chairman of Gold Li Holdings Berhad (a company listed on ACE Market), an investment holding company with subsidiaries principally involved in property development.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(a).

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

(b) Dr. Kong Yee Foon

Independent Non-Executive Director

Dr. Kong Yee Foon, a Malaysian female aged 48, is our Independent Non-Executive Director. She was appointed to our Board on 13 August 2025. She is the Chairperson of our Audit and Risk Management Committee and a member of our Nominating Committee and Remuneration Committee.

She graduated with a Bachelor of Arts (Honours) in Accounting and Financial Management from University of Sheffield, UK in 2001. She obtained a Master of Business Administration (International Business) from University of Malaya in 2009. In 2026, she obtained her Doctor of Philosophy from the University of Nottingham Malaysia, specialising in research on Initial Public Offerings (IPO) markets, market sentiment and behavioural finance. She is an award-winning researcher in 2023 and 2024 whose work has been recognised by the Malaysian Finance Association. Her scholarly work includes journal publications and book chapters. She was admitted as a member and Fellow of the ACCA since 2005 and 2010 respectively. She has also been a Chartered Accountant and Member of MIA since 2020, and a Certified Trainer with the Human Resource Development Corporation since 2026.

She began her career in 2001 as a Tax Consulting Assistant at KPMG Tax Services Sdn Bhd, a tax advisory firm in Kuala Lumpur, where she was responsible for preparing tax computations and assisting in tax advisory matters. In July 2003, she was promoted to Tax Consultant, a position she held until her departure in September 2003. She then took a study break from September 2003 to 2004 to complete her ACCA qualification, before joining the investment banking industry, where she has since gained over 20 years of experiences in corporate finance.

In 2004, she joined Malaysian International Merchant Bankers Berhad (which was subsequently renamed as MIMB Investment Bank Berhad and is now known as Hong Leong Investment Bank Berhad), as a Corporate Finance Executive. In 2007, she was promoted to Corporate Finance Assistant Manager, a position she held until she resigned in 2008. During her tenure, she was part of the Corporate Finance team, responsible for executing and coordinating floatation and fundraising exercises, and supporting other corporate finance exercises through the preparation of submissions to relevant regulatory authorities.

In 2008, she joined Maybank Investment Bank Berhad, as an Assistant Vice President in the Corporate Finance department where she was involved in advising on corporate restructuring exercises and deal valuations until her departure in 2009. In the same year, she joined PM Securities Sdn Bhd, a securities firm in Kuala Lumpur, as Manager in the Corporate Finance department where she was responsible for providing independent advisory services, executing and coordinating floatation and fundraising exercises, and assisting with regulatory submissions until December 2009.

In 2010, she joined OSK Investment Bank Berhad, as a Vice President in the Corporate Finance department. In February 2013, following the merger of OSK Investment Bank Berhad and RHB Investment Bank Berhad, she was redesignated as Associate Director in April 2013 and subsequently promoted to Deputy Director in 2019, a position she held until her departure in June 2021. She was responsible for supervising and leading a team in managing end-to-end corporate finance transactions encompassing mergers and acquisitions, takeovers, corporate restructuring, and floatation and fundraising exercises. She oversaw transaction execution, ensured regulatory compliance, and managed client relationships to facilitate deal completion. From July 2021 to October 2021, she took a study break to focus on progressing her doctorate studies.

In November 2021, she joined CIMB Bank Berhad, as a Vice President in the Group Corporate Finance and Investment Management department, where she was responsible for providing in-house corporate finance advisory services. She left CIMB Bank Berhad in May 2022 and subsequently joined Alliance Islamic Bank Berhad (formerly known as Alliance Investment Bank Berhad), as a Team Head/ Vice President in the Corporate Finance department in June 2022. She held this position until December 2024, during which she led floatation and fundraising exercises, as well as oversaw various corporate finance exercises, ensured compliance with regulatory requirements and alignment with clients' objectives. Subsequent to the end of her tenure at the bank in December 2024, she incorporated Capital Market Consulting Sdn Bhd, a company engaged in the provision of business management consultancy and training services. She remains as the sole director and shareholder of the company to-date.

In July 2025, she was appointed as Independent Non-Executive Director of Gold Li Holdings Berhad (a company listed on ACE Market), an investment holding company with its subsidiaries principally involved in property development. In October 2025, she joined UNITAR International University as a Senior Lecturer, a position she continues to hold to-date.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(d).

(c) Tengku Munazirah Binti Tengku Abdul Samad Shah

Independent Non-Executive Director

Tengku Munazirah Binti Tengku Abdul Samad Shah, a Malaysian female aged 39, is our Independent Non-Executive Director. She was appointed to our Board on 13 August 2025. She is the Chairperson of our Remuneration Committee and a member of our Audit and Risk Management Committee and Nominating Committee.

She obtained her Swiss Diploma in Hotel Operational Management and Swiss Higher Diploma in Hospitality Management from the Swiss Hotel Management School, Switzerland in 2007 and January 2008 respectively. She graduated with a Bachelor of Arts (Hons) in Hospitality Management from the University of Derby, UK in November 2008 and Swiss Hotel Management School University Centre in January 2009.

After a short break from graduation, she started her career as a Customer Service Officer at the Ritz-Carlton Millenia, a hotel located in Singapore in November 2009 where she handled high profile guests, delivered personalised service, organised personalised tours and arranged meetings for VIP guests. She left Ritz-Carlton Millenia in 2010 and took a break.

In 2011, she founded The Hope Factory Sdn Bhd, a social enterprise that creates awareness and supports other non-profit organisations by channelling their profit back to 6 different areas of need including medical care, protecting children, sheltering the homeless, education, preventing hunger and bringing awareness to animal rights to the public, where she was responsible for directing all operations, branding, overseeing pricing decisions, as well as planning fundraising events and campaigns. She is also the President of Pertubuhan Harapan Istimewa Malaysia, a non-governmental organisation set up under The Hope Factory Sdn Bhd, a position she continues to hold. The Hope Factory Sdn Bhd was dissolved in 2017 and its functions were taken over by Pertubuhan Harapan Istimewa Malaysia.

In 2021, she joined Sin Heap Lee Development Sdn Bhd, a property development company as an Executive Officer for Property Development. She also holds the position as Head of Governmental Affairs in SHL Consolidated Berhad (a company listed on Main Market), the holding company of Sin Heap Lee Development Sdn Bhd. As an Executive Officer for Property Development as well as the Head of Governmental Affairs, she is responsible for leading the company's objectives involving local, state and federal government affairs, maintaining and nurturing relationships with the government, associated authorities and all committees to facilitate project development.

She also holds several roles in non-governmental organisations. These include among others, Secretary General of Koperasi Pumas Berhad since 2023, Royal Patron of Persatuan Kebajikan A Plus since 2020, a Trustee of Yayasan Perintis Malaysia since 2019, Royal Patron of Humanitarian Aid Selangor Society and Persatuan Insan Istimewa IMC Selangor since 2017.

In addition, in 2024, she was appointed as an Independent Non-Executive Director of Vetece Holdings Berhad (a company listed on ACE Market), which is an investment holding company with its subsidiaries specialising in enterprise application, integration, cloud and data management solution services.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(e).

(d) Chong Lee Ling

Independent Non-Executive Director

Chong Lee Ling, a Malaysian female aged 52, is our Independent Non-Executive Director. She was appointed to our Board on 13 August 2025. She is the Chairperson of our Nominating Committee and the member of our Audit and Risk Management Committee and Remuneration Committee.

She graduated with a Bachelor in Arts & Social Science, majoring in International Studies from University of Malaya in 1998.

In the same year, she commenced her career as a Purchasing & Shipping Executive in Tung Shung Machinery Sdn Bhd, a company specialising in film and plate processors for the printing industry. She was mainly in charge of the purchasing activities, material planning used in production and inventory management. She left Tung Shung Machinery Sdn Bhd in February 1999 and in the same year, she joined Gateway Sdn Bhd, a Fortune 500 company principally engaged in the build-to-order personal computers. She held the position as a Logistic Analyst where she was responsible for driving cost efficiency through meticulous analysis and recommendations to management. She resigned from Gateway Sdn Bhd in 2001.

In 2002, she joined Advanced Modules Sdn Bhd, a manufacturing company pioneering Malaysia-made memory modules for the international market, as a Sales and Marketing Executive, where she was involved in pricing analysis and distribution of products to multiple sales channels located both locally and overseas. She was also responsible for the logistics functions within the company. She left Advanced Modules Sdn Bhd in 2005 and ventured into the semiconductor industry by joining Ismeca Malaysia Sdn Bhd as a Logistics & Warehousing Manager for almost 10 years until August 2015. During her tenure with Ismeca Malaysia Sdn Bhd, she was mainly involved in warehouse management and ensuring stock accuracy, logistics functions, driving cost improvement on global logistics expenses and ensuring compliance of customs rulings and statutory requirements.

In September 2015, she joined Arm Strong Auto Parts Sdn Bhd, a company principally involved in automotive parts manufacturing, as Material Service Manager, where she was mainly responsible for ensuring seamless delivery schedules to customers. In 2016, she left Arm Strong Parts Sdn Bhd and in 2017, joined Cohu Malaysia Sdn Bhd, a subsidiary of Cohu Inc, USA as a Global Spare Parts Manager. Cohu Malaysia Sdn Bhd is principally involved in the business of supplying test, automation, inspection and metrology products and services to the semiconductor industry. In 2024, she was promoted to Senior Customer Success Manager and holds the position till date.

In 2025, she was appointed as an Independent Non-Executive Director in Wegmans Holdings Berhad (a company listed on Main Market), an investment holding company with subsidiaries principally involved in home furniture manufacturing.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(f).

5.2.3 Principal business performed outside our Group

Save as disclosed below, none of our Directors have any other principal directorship and/ or principal business activities performed outside our Group in the past 5 years up to LPD:

(a) Kee Tong Kiak

			Date of appointment/	% of shareholdings held	
Company	**Principal activities**	**Position held**	**Date of cessation**	**Direct**	**Indirect**
Present involvement					
Homeritz Corporation Berhad (listed on Main Market)	Investment holding company with subsidiaries principally involved in design, manufacture and sale of upholstered home furniture	Independent Non-Executive Director	15 May 2023/ -	-	-
Daxanyuan Sdn Bhd	Property investment and letting of properties	Director/ Shareholder	25 January 2013/ -	20.0	-
Daxanyuan Marina 9 Sdn Bhd	Investment of property and letting of properties	Director/ Shareholder	22 February 2013/ -	23.5	-
Chee Siah Le Kee & Partners	Legal firm	Partner	14 April 1999/ -	17.0	-
Gold Li Holdings Berhad (listed on ACE Market)(1)	Investment holding company with subsidiaries principally involved in property development	Independent Non-Executive Chairman	28 July 2025/ -	-	-

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Past involvement					
H.S.S. Food Berhad	Dissolved on 26 June 2025, previously was an investment holding company	Director	4 August 2022/ 18 September 2024	-	-
Tomypak Holdings Berhad (listed on Main Market)	Investment holding company with subsidiaries principally involved in manufacturing and marketing of flexible and industrial packaging materials	Independent Non-Executive Director	30 September 2024/ 18 December 2025	-	-

Note:

(1) The listing of Gold Li Holdings Berhad was completed on 18 May 2026, subsequent to LPD.

(b) Goh Chen Chang

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Chatur Capital	Dormant, with intended activity of property investment	Director/ Shareholder	17 July 2012/ -	100.0	-
Abadi Samudera Sdn Bhd	Real estate activities with own or leased property	Director/ Shareholder	6 December 2023/ -	75.0	-
Valura Group	Investment holding in shares of HSS Holdings	Director/ Shareholder	28 August 2023/ -	95.3	-

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Past involvement					
Carlos Marketing (M) Sdn Bhd	Dormant, previously intended to be used for trading; wholesale of confectionery; wholesale of clothing; real estate activities with own or leased property	Director	12 December 2017/ 14 February 2022	-	-
Fantasy World Sdn Bhd	Operator of indoor playgrounds	Director	31 July 2019/ 31 May 2021	-	-
H.S.S. Food Berhad	Dissolved on 26 June 2025, previously was an investment holding company	Director/ Shareholder	9 February 2022/ 26 June 2025	50.0	-

(c) Goh Chen Ann

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Valura Group	Investment holding in shares of HSS Holdings	Director/ Shareholder	28 August 2023/ -	4.7	-
Past involvement					
H.S.S. Food Berhad	Dissolved on 26 June 2025, previously was an investment holding company	Director/ Shareholder	9 February 2022/ 26 June 2025	50.0	-

(d) Dr. Kong Yee Foon

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Capital Market Consulting Sdn Bhd	Business management consultancy services; other management consultancy and training services	Director/ Shareholder	16 December 2024/ -	100.0	-
Gold Li Holdings Berhad (listed on ACE Market)(1)	Investment holding company with subsidiaries principally involved in property development	Independent Non-Executive Director	28 July 2025/ -	-	-

Past involvement

Nil

Note:

(1) The listing of Gold Li Holdings Berhad was completed on 18 May 2026, subsequent to LPD.

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(e) Tengku Munazirah Binti Tengku Abdul Samad Shah

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Vetece Holdings Berhad (listed on ACE Market)	Investment holding company with subsidiaries specialising in enterprise application, integration, cloud and data management solution services	Independent Non-Executive Director	22 February 2024/ -	-	-
Aixo Solution Sdn Bhd	Wholesale of sports equipment and related goods	Shareholder	-	20.0	-
Stride Sports Sdn Bhd	Retail of sports goods and equipment	Shareholder	-	20.0	-
Stride Development Sdn Bhd	Construction of utility projects, construction of other engineering projects, development of building projects for own operation and renting of space in these buildings	Shareholder	-	20.0	-

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held Direct	% of shareholdings held Indirect
Past involvement					
Samadiyah Sdn Bhd	Dissolved on 9 December 2024, previously involved in the business of leasing, chartering or hiring of boats, ships and all other vessels of any description; Business or merchants, managers of shipping property, freight contractor carried by land, water and airship owners.	Director/ Shareholder	5 December 2012/ 9 December 2024	12.5	-

(f) Chong Lee Ling

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held Direct	% of shareholdings held Indirect
Present involvement					
Wegmans Holdings Berhad (listed on Main Market)	Investment holding company with subsidiaries principally involved in home furniture manufacturing	Independent Non-Executive Director	30 May 2025/ -	-	-

Past involvement

Nil

The involvement of our Directors as disclosed above excludes shares in public listed companies held by them as minority shareholders (less than 5.0% of the total number of issued shares of a public listed company), and for which they do not hold any directorship. Such shares are held for trading and personal investment purposes.

As at LPD, the directorships of our Directors in other companies are in compliance with Rule 15.06 of the Listing Requirements as our Directors do not hold more than 5 directorships in public listed companies.

As at LPD, the involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Additionally, the involvement of our Executive Directors in those business activities does not require a significant amount of time as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

5.2.4 Directors' remuneration and benefits

The remuneration of our Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The fees and any benefits payable to our Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.3 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2023 to 2026 are as follows:

	Directors' fees	**Salaries**	**Bonuses**	**Other emolument**	**Benefits-in-kind**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
FYE 2023 (Paid)						
Goh Chen Chang	-	600	400	121	18	**1,139**
Goh Chen Ann	-	268	80	44	7	**399**
FYE 2024 (Paid)						
Goh Chen Chang	-	620	800	172	48	**1,640**
Goh Chen Ann	-	276	180	57	11	**524**

	Directors' fees	Salaries	Bonuses	Other emolument	Benefits-in-kind	Total
FYE 2025 (Paid)						
Kee Tong Kiak	(1)18	-	-	-	-	**18**
Goh Chen Chang	-	720	420	138	59	**1,337**
Goh Chen Ann	-	276	115	48	31	**470**
Dr. Kong Yee Foon	(1)18	-	-	-	-	**18**
Tengku Munazirah Binti Tengku Abdul Samad Shah	(1)16	-	-	-	-	**16**
Chong Lee Ling	(1)16	-	-	-	-	**16**
FYE 2026 (Proposed)						
Kee Tong Kiak	48	-	-	-	-	**48**
Goh Chen Chang	-	720	(2)-	88	55	**863**
Goh Chen Ann	-	276	(2)-	35	31	**342**
Dr. Kong Yee Foon	48	-	-	-	-	**48**
Tengku Munazirah Binti Tengku Abdul Samad Shah	42	-	-	-	-	**42**
Chong Lee Ling	42	-	-	-	-	**42**

Notes:

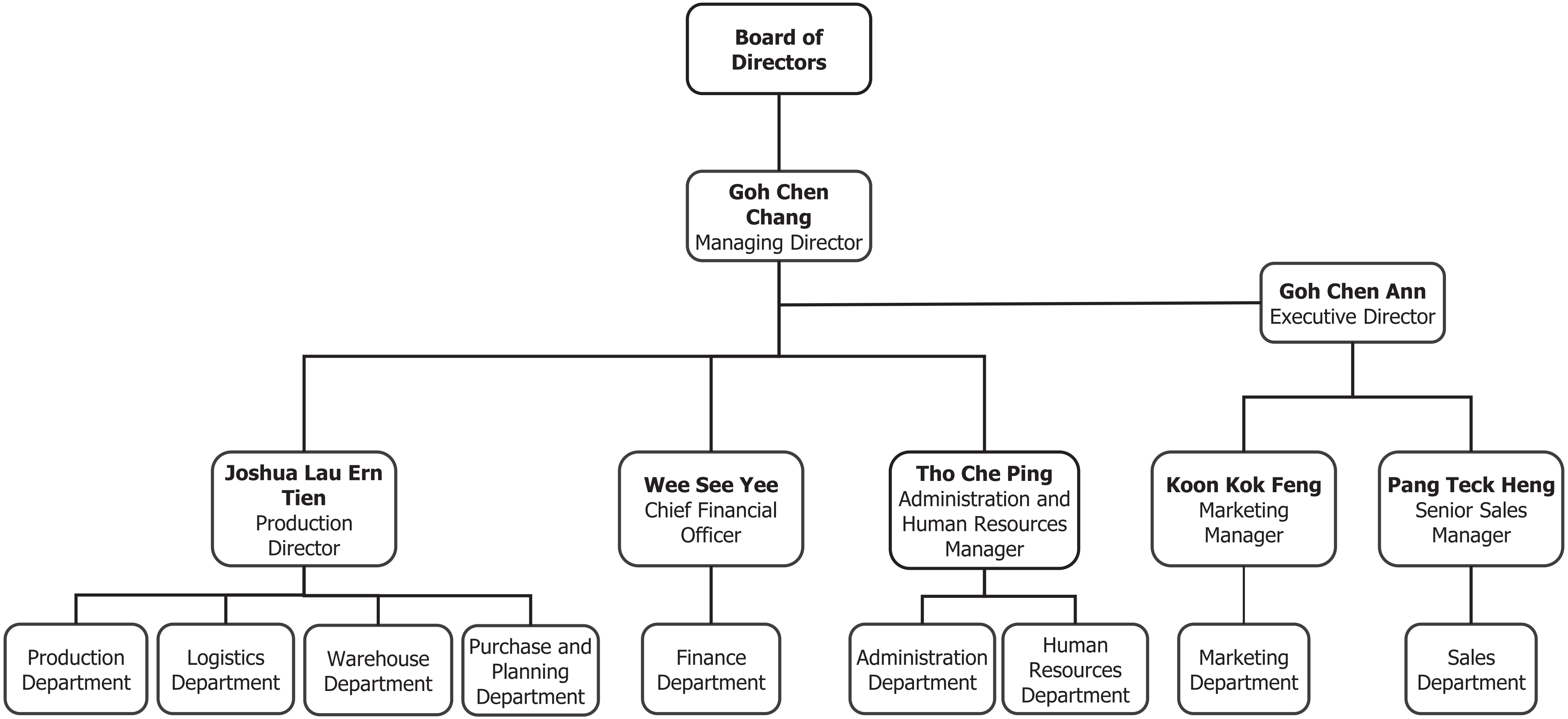
(1) Pro-rated based on their date of appointment to our Board.

(2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance and our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after IPO (assuming they fully subscribe for their Pink Form Allocations), save for Goh Chen Chang and Goh Chen Ann (our Promoters and Executive Directors), which are disclosed in Section 5.2.1 are set out below:

		[1]As at LPD/ After Acquisitions but before IPO				**[2]After IPO**			
		Direct		**Indirect**		**Direct**		**Indirect**	
Name	**Designation/ Nationality**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Joshua Lau Ern Tien	Production Director/ Malaysian	8,829,396	2.1	-	-	9,051,396	1.8	-	-
Wee See Yee	Chief Financial Officer/ Malaysian	-	-	-	-	400,000	<0.1	-	-
Pang Teck Heng	Senior Sales Manager/ Malaysian	-	-	-	-	111,000	<0.1	-	-
Tho Che Ping	Administration and Human Resources Manager/ Malaysian	-	-	-	-	500,000	0.1	-	-
Koon Kok Feng	Marketing Manager/ Malaysian	-	-	-	-	44,000	<0.1	-	-

Notes:

(1) Based on the share capital of 425,000,000 Shares after completion of the Acquisitions but before our IPO.

(2) Based on the enlarged share capital of 500,000,000 Shares after our IPO.

5.3.3 Profiles of key senior management

Save for the profiles of Goh Chen Chang and Goh Chen Ann, which are set out in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

(a) Joshua Lau Ern Tien

Production Director

Joshua Lau Ern Tien, a Malaysian male aged 38, is our Production Director. He is responsible for ensuring our Group's smooth factory operations, daily flow of production, product projection planning, logistics planning as well as production of new products.

He graduated with a Diploma in Hotel and Catering Management, Professional Baking, by City & Guilds in 2008. He was awarded a certificate for Level 3 Vocational Training Officer in 2016 by the Department of Skills Development, a government agency under the Ministry of Human Resources Malaysia.

After graduation, he worked on an ad-hoc basis in 2008. In January 2009, he worked as a Kitchen Helper with Flamingo Hotel, Ampang for 8 months until September 2009. He left Flamingo Hotel and took a career break for 6 months. In 2010, he joined Shangri-La Hotel, Kuala Lumpur as a Station Chef until 2011. In the same year, he joined Bakerzin Singapore as a Junior Chef until 2012.

His career path then switched to academic and education in the F&B industry when he formed a sole proprietorship, Bakewise Academy in 2012 which provided vocational education in Culinary Art and Patisserie. He then incorporated Bakewise Academy Sdn Bhd in 2015 which assumed the operations of Bakewise Academy until it ceased operations in 2020. For clarity, Bakewise Academy became dormant since 2015 until its expiration in 2021. While managing Bakewise Academy Sdn Bhd, he also assumed the position as a Lecturer. He was employed at the same time by a ready-to-eat food manufacturing company, AKIMA Service Sdn Bhd, taking up the position of Head of Operation from 2019 until 2020, mainly responsible for overseeing the company's production and operation matters. He also joined Big Belly Supply Sdn Bhd, a company principally involved in supplying food for foreign workers as a Head of Operation, mainly involved in managing the daily operations of the company from 2019 until 2021.

He then incorporated Maharani International Sdn Bhd in August 2021, a company principally involved in wholesale of confectionery, manufacturing of bread, cakes and other bakery products as well as the retail sale of bakery products and sugar confectionery. He assumed the position of Manager in December 2021 until 2023. The company has become dormant since 2024. He resigned as a director in 2025.

In 2023, he set up Kasaga together with Goh Chen Chang, our Group's Managing Director and was appointed as director of Kasaga.

Details of his involvements in other companies outside of our Group are set out in Section 5.3.4(a).

(b) Wee See Yee

Chief Financial Officer

Wee See Yee, a Malaysian female aged 48, is our Chief Financial Officer. She is responsible for our Group's accounting and finance matters.

She graduated from University Putra Malaysia with Bachelor of Accountancy (Honours) in 2002. She was certified as a Chartered Accountant by MIA in 2006.

In 2002, she joined SC Lim, Ng & Co, Chartered Accountants as an Audit Assistant, where she was primarily responsible for auditing private limited companies. She left her position in April 2003. In the same month, she became a temporary Teacher at Sekolah Menengah Kebangsaan Sri Muar until December 2003. She then joined Sekolah Menengah Kebangsaan St Andrew in January 2004 as a temporary Teacher. She ceased teaching in June 2004 and rejoined SC Lim, Ng & Co as an Audit Assistant. She was subsequently promoted to Audit Senior at SC Lim, Ng & Co. in 2006, where she was primarily responsible for auditing process including planning and supervision of audit, evaluation of internal control, preparation and review of profit/ cash flow forecast.

She left SC Lim, Ng & Co. and joined Edaran Precision Industries Sdn Bhd (a subsidiary of YBS International Berhad, a company listed on ACE Market), which is involved in design and manufacture of high precision moulds, tools and dies, as a Senior Account Executive in 2006 and was subsequently promoted to Assistant Accountant in 2007, where she was responsible for the operations of the accounts department and all financial and accounting functions of the company.

In 2008, she left Edaran Precision Industries Sdn Bhd and was employed by Home Upholstery Industries Sdn Bhd (a subsidiary of Homeritz Corporation Berhad, listed on Main Market), a company involved in designing, manufacturing and sale and upholstery furniture products, as a Group Accountant. During her tenure with Homeritz group of companies, she was primarily responsible for preparing the group's financial reporting and overseeing the operation of the account department. She worked in the company for 15 years before joining HCF on 1 October 2023. Prior to her joining HCF, our Group's finance and accounting functions were overseen by the previous Financial Controller, who left HCF on 31 October 2023.

Details of her involvements in other companies outside of our Group are set out in Section 5.3.4(b).

(c) Pang Teck Heng

Senior Sales Manager

Pang Teck Heng, a Malaysian male aged 62, is our Senior Sales Manager. He is responsible for promoting the sales of our own brands of bakery products, such as "SINAR®" and "合顺成饼家®".

In 1982, he completed his Form 5 education in Sekolah Menengah Jenis Kebangsaan Yok Bin, Malacca. Upon finishing his secondary education, he worked on an ad-hoc basis from 1982 to 1985.

In 1985, he started his career as a Sales Representative in Emporium Supermarket Kuantan Sdn Bhd, a company involved in the operation of supermarkets, where he was responsible for the promotion and distribution of products to existing and prospective customers. In 1986, he was promoted to Assistant Division Supervisor where he was involved in executing department sales target. He was promoted to Division Supervisor in May 1987 where he implemented the department's sales target.

In September 1987, Lion Group (Natvest Sdn Bhd), a company involved in the operation of shopping malls took over Emporium Supermarket Kuantan Sdn Bhd. He continued to serve in the company as a Senior Supervisor where he was responsible for overseeing the sales operation functions. He left the company in 2000 and joined Markins Corporations Sdn Bhd, a company principally involved in biscuits manufacturing as Sales Executive cum Brand Head where he was responsible for planning and implementing marketing strategies. He resigned from the company in 2009.

In the same year, he joined Noraini Food & Beverages (M) Sdn Bhd, a company involved in the manufacturing and sales of cookies, as National Sales Manager where he was in charge of developing sales strategies for cookies market segment. He left Noraini Food & Beverages (M) Sdn Bhd in 2011 and joined Four Season Trading (Borneo) Sdn Bhd, a company involved in the trading and distribution of foodstuff, as Area Sales Manager responsible for building distribution marketing network and implementing sales plan to drive sales.

He left Four Season Trading (Borneo) Sdn Bhd in 2013 and joined Chatur Capital as a Sales Executive in charge of local sales for biscuits and cookies. When Chatur Capital ceased its distribution of bakery products operations in 2016, he was transferred to our Group where he assumed the position of Sales and Marketing Senior Manager. Upon an internal reorganisation on the management's roles and responsibilities of our Group, he continues to serve our Group as a Senior Sales Manager.

As at LPD, he does not have any involvement in other companies outside of our Group.

(d) Tho Che Ping
Administration and Human Resources Manager

Tho Che Ping, a Malaysian male aged 54, is our Administration and Human Resources Manager. He is responsible for enforcing our Group's workplace disciplinary policies and overseeing compliance-related matters concerning buildings, company vehicles, health and safety program, and other administrative functions as well as human resources functions.

He graduated with a Bachelor of Business Administration Major in Finance from Eastern Michigan University, USA in 1996. Following that, he obtained his Master of Business Administration in 1997 from the same university.

In 1996, he was appointed as Research Assistant and received a corresponding tuition scholarship with an on-campus employment position as a Database Controller for Menu Management System ("**MMS**") at Eastern Michigan University Dining Services department. He was in charge of maintaining MMS database network system and the compiling of sales and cost reports from all on-campus restaurants' supervisor, as well as training new employees to use the MMS. Upon graduation of his Master's degree, he left the Eastern Michigan University Dining Services department in 1997.

In 1998, he started his career as a Marketing Research Management Trainee in Ann Arbor Acura Hyundai, USA, a full service centre car dealership, where he was responsible in building customers database for the marketing department to enhance sales revenue of automotive products for the company. He was later promoted to Marketing Research Analyst in 1999 where his role was to implement marketing programmes. He left the company in 2001 and returned to Malaysia and pursued his personal interests until 2002.

In 2002, he worked as a Sales and Marketing Executive in MZ Motorrad Sdn Bhd, a company involved in the manufacturing and sales of motorcycles and motorcycle parts, where he was in charge of developing and expanding motorcycle dealership networks nationwide. In 2005, he was promoted to Senior Sales Executive, where he implemented sales strategies and prepared sales and marketing related management analysis reports. In 2007, he was promoted to Sales Manager for the Southern Region where he managed and strengthened the company's dealership network. In 2008, MZ Motorrad Sdn Bhd was wound up and he was transferred to a related company, Hong Leong Yamaha Motor Sdn Bhd, a company involved in the manufacturing and sales of motorcycles, as a Branch Manager, where he was responsible for overseeing the East Malaysia market, perform market intelligence data analysis in relation to market trends as well as enhance brand building activities.

He left Hong Leong Yamaha Motor Sdn Bhd in 2009 and joined Biofact Life Sdn Bhd, a herbal healthcare product manufacturer as Sales and Marketing Manager, where he was responsible for the development and implementation of the company's sales and marketing strategies, the set-up of new sales office, building the sales team as well as monitoring the team's performance. He left the company in June 2012.

He joined MJ Life Enterprises Sdn Bhd, an operator of health screening centre, from 2012 until 2013 as Deputy General Manager. He was in charge for the company's operations as well as formulating the company's growth strategies. From 2014 until 2016, he was attached to Nova Talent Sdn Bhd, a furniture manufacturer, as Assistant General Manager where he was in charge of overseeing and managing the operations for the local market and formulating procedures for export market.

He commenced business as a sole proprietor under the trade name Mywell Curtain (providing curtain, home decoration, cabinet services, installation and trading of textile and curtain) in 2015 and Mywell Furnishing (trading of furniture, curtain and furnishing related home appliances, furnishing renovation, built-in furnishing, furnishing decoration and curtain design) in 2016. In 2016, Mywell Curtain ceased its operation. In 2017, Mywell Furnishing was converted into a partnership upon admission of a business partner. He was involved in managing Mywell Furnishing's operation until his resignation from his executive role in Mywell Furnishing in 2021.

In 2021, he joined our Group as the General Operations Manager, where he was responsible for formulating work policies, reviewing operational procedures and overseeing our operations, purchasing and planning, warehouse and logistic departments. Upon an internal reorganisation on the management's roles and responsibilities of our Group, he assumed his current position and responsibilities in 2024.

Details of his involvements in other companies outside of our Group are set out in Section 5.3.4(c).

(e) Koon Kok Feng

Marketing Manager

Koon Kok Feng, a Malaysian male aged 28, is our Marketing Manager. He is responsible for the full oversight of our Group's marketing department operations. His main roles include the planning of our Group's marketing schemes and overseeing the packaging and visual design of our Group's products.

He graduated with a Bachelor of Marketing Management in Multimedia University, Melaka in 2021.

Upon graduation, he joined HCF in the same year as a Senior Marketing Officer. After joining, he has helped in setting up and expanding our Group's marketing department, which includes promotional team, product team as well as design and art team. Further details of marketing department are set out in Section 7.8. He was promoted as our Group's Marketing Manager in 2025.

He is currently leading our Group's marketing department which encompasses 3 teams, including the promotional team, product team as well as design and art team. The functions of the 3 marketing teams are further detailed in Section 7.8.

Details of his involvements in other companies outside of our Group are set out in Section 5.3.4(d).

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5.3.4 Principal business performed outside our Group

Save as disclosed in Section 5.2.3 and below, none of our key senior management has any other principal directorship and/ or principal business activities performed outside our Group within the last 5 years up to LPD.

(a) Joshua Lau Ern Tien

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held Direct	% of shareholdings held Indirect
Present involvement					
Nil					
Past involvement					
Di Wang Rice	Expired on 7 July 2022, previously in retail business in F&B, retail sale of food products, manufacturing food products, food cart, food stall	Sole proprietor	7 July 2020/ 7 July 2022	100.0	-
Meituan Food	Expired on 21 July 2022, previously in retail sale of food products, food stall, mixed rice shop, chicken rice shop	Partner	20 July 2020/ 21 July 2022	33.3	-
Bakewise Academy	Expired on 9 May 2021, previously in the business of providing courses in baking bread, cakes and making western food, training services, coaching and moderator/negotiator	Sole proprietor	10 May 2011/ 9 May 2021	100.0	-

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Sinar Saga Sdn Bhd	Dissolved on 10 August 2023, previously in the business of wholesale of other foodstuffs; other food service activities; manufacture of other food products	Director/ Shareholder	7 September 2021/ 10 August 2023	70.0	-
Maharani International Sdn Bhd	Dormant, previously involved in wholesale of confectionery; manufacturing of bread, cakes and other bakery products; retail sale of bakery products and sugar confectionery	Director/ Shareholder	27 August 2021/ Ceased to be a director on 8 August 2025 and a shareholder on 14 August 2025	20.0	-
Bakewise Academy Sdn Bhd	Dissolved on 22 December 2025, previously engaged in the business as an educational institution to carry courses in all subjects related to bakery	Director/ Shareholder	13 January 2015/ 22 December 2025	50.0	-

(b) Wee See Yee

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Nil					
Past involvement					
CS Corporate Consultancy Sdn Bhd	Provision of various consultancy services and investment holding	Director	2 June 2022/ 5 August 2022	-	-

(c) Tho Che Ping

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Nil					
Past involvement					
Mywell Curtain	Curtain, home decoration, cabinet services/ installation/ trading, trading textile/ curtain	Sole proprietor	11 October 2015/ 21 March 2022	100.0	-
Mywell Furnishing	Furniture trading, furnishing renovation, built-in furnishing, furnishing decoration, furnishing related home appliances trading, curtain design & furnishing, curtain trading	Partner	29 May 2016/ 1 January 2022	-	-

(d) Koon Kok Feng

Company	Principal activities	Position held	Date of appointment/ Date of cessation	% of shareholdings held	
				Direct	Indirect
Present involvement					
Nil					
Past involvement					
Kedai Makanan dan Minuman Da Shi Dai	Restaurant	Sole proprietor	19 August 2023/ 12 August 2025	100.0	-
Minddubber Enterprise	Online retail of apparels	Sole proprietor	1 December 2020/ 1 December 2021	100.0	-

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5.3.5 Key senior management remuneration and benefits

The remuneration of our key senior management including salaries, bonuses, allowances, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board.

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.5) for services rendered in all capacities to our Group for FYE 2023 to 2026 are as follows:

	(1)Remuneration band			
	FYE 2023 (Paid)	**FYE 2024 (Paid)**	**FYE 2025 (Paid)**	**(2)FYE 2026 (Proposed)**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Joshua Lau Ern Tien	-	150 - 200	200 - 250	200 - 250
Wee See Yee	50 - 100	250 - 300	200 - 250	200 - 250
Pang Teck Heng	350 - 400	450 - 500	350 - 400	200 - 250
Tho Che Ping	100 - 150	100 - 150	100 - 150	100 - 150
Koon Kok Feng	50 - 100	50 - 100	100 - 150	50 - 100

Notes:

(1) The remuneration for key senior management includes salaries, bonuses, commissions, allowances and other emoluments.

(2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance and our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

5.4 BOARD PRACTICE

5.4.1 Board

Our Board commits itself and its Directors to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members. Accordingly, our Board's role includes:

(a) overseeing and evaluating the conduct and sustainability of the businesses of our Group;

(b) reviewing and adopting the overall strategic direction, business plans and annual budgets of our Group, including major capital commitments;

(c) ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;

(d) establishing key performance indicators and succession plans;

(e) reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;

(f) reviewing, challenging and deciding on management's proposals for our Company and monitoring their implementation by management;

(g) supervising and assessing management performance to determine whether our business is being properly managed;

(h) identifying and understanding the principal risks of our Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;

(i) reviewing the adequacy and integrity of our Group's internal control systems, risk management and management information systems;

(j) setting the risk appetite within which our Board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;

(k) ensuring that key senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of our Board and key senior management;

(l) ensuring that our Company has in place procedures to enable effective communication with stakeholders;

(m) supervising the creation and execution of the investor relations program or shareholders' communication policy for our Company to facilitate productive communication;

(n) ensuring our Group's core values, vision and mission and shareholders' interests are met;

(o) ensuring all significant systems and procedures are in place for our Group to run effectively, efficiently and meets all legal and contractual requirements;

(p) collaborating with key senior management to establish and maintain effective corporate governance practices, which include ethical, prudent and professional conduct standards and fostering a corporate responsibility culture throughout our Group; and

(q) ensuring the integrity of our Company's financial and non-financial reporting.

In accordance with our Constitution, one-third of our Directors for the time being or if the number is not multiple of three, then the number nearest to one-third shall retire from office at each AGM provided always that each Director shall retire from the office once at least in every 3 years. A retiring Director is eligible for re-appointment. It provides that any new or additional Director appointed by our Board during the year shall hold office until the next AGM and shall then be eligible for re-election. The election of each Director is voted separately.

As at LPD, the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in office are as follows:

Name	**Date of appointment as Director**	**Date of expiration of the current term in office**	**Approximate tenure in office as at LPD**
Kee Tong Kiak	13 August 2025	At the AGM in 2027	Less than 1 year
Goh Chen Chang	11 April 2025	At the AGM in 2027	1 year
Goh Chen Ann	13 August 2025	At the AGM in 2029	Less than 1 year
Dr. Kong Yee Foon	13 August 2025	At the AGM in 2028	Less than 1 year
Tengku Munazirah Binti Tengku Abdul Samad Shah	13 August 2025	At the AGM in 2029	Less than 1 year
Chong Lee Ling	13 August 2025	At the AGM in 2028	Less than 1 year

The members of our Board are set out in Section 5.2. The composition of our Board is in compliance with the MCCG.

5.4.2 Audit and Risk Management Committee

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its responsibility on the oversight of the integrity of our Group's accounting and financial reporting matters. Our Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

(a) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;

(b) to review with the external auditors:

  (i) their audit plan, scope and nature of the audit of our Group;

  (ii) their evaluation and findings of the system of risk management and internal controls;

  (iii) their audit reports on financial statements;

  (iv) the management letter and management's response with regard to problems and reservations arising from their audits;

  (v) the coordination of audits where more than one audit firm is involved; and

  (vi) any other matters that the external auditors may wish to discuss (in the absence of management where necessary).

(c) to ensure coordination between the external auditors and the internal auditors;

(d) to review and assess the adequacy of the scope, functions, competency, experience and resources of the internal audit functions of which the internal auditors should report directly to our Audit and Risk Management Committee and to ensure the internal auditors are independent and objective and have the relevant qualifications and be responsible for assuring our Audit and Risk Management Committee that the internal controls are operating effectively;

(e) to review the internal audit plan, processes, the results of internal audit assessments, investigations undertaken and whether or not appropriate action is taken on the recommendations made;

(f) to review the adequacy and effectiveness of our Group's internal control systems, anticorruption and whistle-blowing as evaluated, identified and reported by our management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely;

(g) to review the quarterly results and year end financial statements of our Group before the approval by our Board;

(h) to prepare the Audit and Risk Management Committee's report at the end of each financial year for inclusion in the annual report of our Company;

(i) to ensure that our Board establishes a comprehensive framework/policy to identify, evaluate, approve and report related party transactions;

(j) conflict of interest ("**COI**")

  (i) to review the adequacy of the arrangements within our Group for the purpose of identifying, evaluating, approving, reporting, monitoring and mitigating COI (including potential, actual, perceived or persisting COI) within our Group involving Directors and key senior management of our Company;

  (ii) to review the COI matters based on the assessment conducted by our management including any potential, actual, perceived or persisting COI within our Group on a quarterly basis and report to our Board for deliberation including the measures taken to resolve, eliminate, or mitigate such COI;

  (iii) to review any COI situations to ensure that interested parties do not abuse their powers to gain unfair advantage; and

  (iv) to include in the Audit and Risk Management Committee report, a summary of any COI or potential COI situation(s) reviewed by our Audit and Risk Management Committee and the measures taken to resolve, eliminate, or mitigate such conflicts.

(k) to assist our Board to effectively discharge its risk oversight responsibilities by monitoring and overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group;

(l) to review our Group's risk management policy and implementation of the risk management framework;

(m) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;

(n) to verify the allocation of options under a share issuance scheme or the allocation of shares according to any incentive plan for employees of our Group, if any;

(o) to review and conduct an annual performance evaluation of the internal and external auditors in respect of each financial year under review; and

(p) to carry out such other functions or assignments as may be delegated by our Board from time to time.

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board.

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

Name	**Designation**	**Directorship**
Dr. Kong Yee Foon	Chairperson	Independent Non-Executive Director
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director
Chong Lee Ling	Member	Independent Non-Executive Director

Our Nominating Committee will review the composition, performance and effectiveness of our Audit and Risk Management Committee annually.

5.4.3 Nominating Committee

The duties and responsibilities as stated in the terms of reference of our Nominating Committee include the following:

(a) to review, assess and recommend suitable candidates for appointment as Directors of our Company, as well as retiring Directors seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, our Committee must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy. These criteria include, but are not limited to:

  (i) diversity in skills, knowledge, expertise, experience, age, cultural background and gender;

  (ii) competence and professionalism;

  (iii) character and integrity;

  (iv) time and commitment;

  (v) any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and

  (vi) in the case of candidates for the position of Independent Director, our Nominating Committee shall also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from the Independent Director.

(b) to ensure there is a gender-diverse Board and our Nominating Committee may seek out independent sources to identify qualified candidates for our Board;

(c) to evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and our Board Committees. Our Board Committees will assess the contribution and performance of each Director to ensure our Board and our Board Committees operate effectively and efficiently;

(d) to review the size, structure, balance and composition of our Board and our Board Committees to ensure optimal performance;

(e) to identify and review the core competencies, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of the Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of our Board;

(f) to review and evaluate the contributions made by each member of our Board, including the Independent Non-Executive Directors and the Chairman of our Board, as well as the Managing Director and Executive Director(s);

(g) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates actively, efficiently and effectively in all its decision making;

(h) to conduct an annual review of the term of office and performance of the Audit and Risk Management Committee and each of its members. The review will assess whether the Audit and Risk Management Committee and its members have fulfilled their duties in accordance with their terms of reference;

(i) to evaluate annually the effectiveness of our Board and our Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;

(j) to review and assess annually the independence of the Independent Non-Executive Directors of our Company;

(k) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than 9 years;

(l) to oversee the development of succession planning of our Board and key senior management;

(m) to assess and recommend the re-election of Directors who are due to retire in accordance with our Constitution;

(n) to remain up-to-date and fully informed about strategic issues and commercial changes that impact our Company and the market in which we operate; and

(o) to carry out such other functions or assignments as may be delegated by our Board from time to time.

The recommendations of our Nominating Committee are subject to the approval of our Board.

The members of our Nominating Committee as at LPD are as follows:

Name	Designation	Directorship
Chong Lee Ling	Chairperson	Independent Non-Executive Director
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director
Dr. Kong Yee Foon	Member	Independent Non-Executive Director

5.4.4 Remuneration Committee

The duties and responsibilities as stated in the terms of reference of our Remuneration Committee include the following:

(a) to review and recommend to our Board the appropriate remuneration packages for the Managing Director and Executive Directors of our Company, with or without professional advice;

(b) to review and recommend fees and benefits payable to our Non-Executive Directors;

(c) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus and other benefits for the Directors and key senior management;

(d) to ensure that remuneration packages and benefits for the Directors and key senior management of our Company align with our business strategies, long-term objectives and remuneration policy as well as comply with all laws, rules, regulations and guidelines set by relevant authorities and our Board;

(e) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and key senior management, which considers the demands, complexities and performance of our Company, as well as the skills and experience required;

(f) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board and key senior management;

(g) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments or conditions and our Company's operating results, as well as the Directors' or key senior management's merit, qualification, competence and individual performance;

(h) to ensure that appropriate rewards, benefits, compensation and remuneration are offered to retain Directors and key senior management and structuring remuneration packages to link rewards to individual performance; and

(i) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of our Remuneration Committee's duties and responsibilities.

The recommendations of our Remuneration Committee are subject to the approval of our Board.

The members of our Remuneration Committee as at LPD are as follows:

Name	Designation	Directorship
Tengku Munazirah Binti Tengku Abdul Samad Shah	Chairperson	Independent Non-Executive Director
Dr. Kong Yee Foon	Member	Independent Non-Executive Director
Chong Lee Ling	Member	Independent Non-Executive Director

5.5 RELATIONSHIPS AND/ OR ASSOCIATIONS

Save as disclosed below, there are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD:

Name	Position	Relationship
Goh Chen Chang	Promoter, substantial shareholder and Managing Director	• Brother of Goh Chen Ann • Director and shareholder of Valura Group
Goh Chen Ann	Promoter and Executive Director	• Brother of Goh Chen Chang • Director and shareholder of Valura Group

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors; or between any companies within our Group with any key senior management which provide for benefits upon termination of employment.

5.7 DECLARATIONS FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

(a) in the last 10 years, a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against him/ her or any partnership in which he/ she was a partner or any corporation of which he/ she was a Director or a member of key senior management;

(b) disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(c) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(d) in the last 10 years, any judgment that was entered against him/ her, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his/ her part, involving a breach of any law or regulatory requirement that relates to the capital market;

(e) in the last 10 years, was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his/ her part that relates to the capital market;

(f) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him/ her from engaging in any type of business practice or activity;

(g) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and

(h) has any unsatisfied judgment against him/ her.

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 11 April 2025 as a private limited company under the name of HSS Holdings Sdn Bhd. On 10 September 2025, we were converted into a public limited company and adopted our present name.

Our principal activity is investment holding. Through our subsidiaries, our Group is principally involved in the sourcing of bakery products, trading of bakery and other products and manufacturing of bakery products. Please refer to Section 7.1 for detailed information of our Group's history and business model. Save as disclosed therein, there has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD.

As at LPD, our share capital is RM25,174,126 comprising 425,000,000 Shares, all of which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration/ Types of issue	Cumulative share capital
			RM
11 April 2025	1	RM1/ Subscriber's share	1
8 August 2025	424,999,999	RM25,174,125/ Consideration for the Acquisitions	25,174,126

As at LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

Upon completion of our IPO, our enlarged share capital will increase to RM38,674,126 comprising 500,000,000 Shares.

6.2 DETAILS OF THE ACQUISITIONS

6.2.1 Acquisition of HCF

On 8 August 2025, we entered into a share sale agreement to acquire the entire equity interest in HCF comprising 8,800,000 ordinary shares from Valura Group for a purchase consideration of RM21.84 million ("**HCF SSA**").

Purchase consideration for Acquisition of HCF

The purchase consideration for the Acquisition of HCF was satisfied by the issuance of 370,840,056 new Shares to Valura Group and its nominees at an issue price of RM0.0589 each as follows:

	Shareholdings in HCF			
HCF vendor	No. of shares acquired	% of share capital	Purchase consideration	No. of Shares issued
			RM	
Valura Group	8,800,000	100.0	21,842,479	370,840,056

The purchase consideration for the Acquisition of HCF of RM21.84 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the cost of investments of Valura Group in HCF (being the audited NA of HCF as at 31 December 2022 (RM14.18 million) and additional capital injection in HCF), which amounts to RM21.86 million.

Nomination of Essential Family Ventures and Goh Chen Chang to accept partial Shares

Pursuant to the HCF SSA, Valura Group nominated its shareholders, namely Goh Chen Chang and Essential Family Ventures to accept 137,097,133 Shares issued to them pursuant to the Acquisition of HCF in the following manner:

HCF vendor and nominees	Shares allotted from Acquisition of HCF	Shares nominated	After nomination of Shares	%
Valura Group	370,840,056	(137,097,133)	233,742,923	63.0
Essential Family Ventures	-	91,079,645	91,079,645	24.6
Goh Chen Chang	-	46,017,488	46,017,488	12.4
	370,840,056		**370,840,056**	**100.0**

6.2.2 Acquisition of LHMC

On 8 August 2025, we entered into a share sale agreement to acquire the entire equity interests in LHMC comprising 2,000,000 ordinary shares from Valura Group for a purchase consideration of RM1.75 million ("**LHMC SSA**").

Purchase consideration for Acquisition of LHMC

The purchase consideration for the Acquisition of LHMC was satisfied by the issuance of 29,741,805 new Shares to Valura Group and its nominees at an issue price of approximately RM0.0589 each as follows:

	Shareholdings in LHMC			
LHMC vendor	No. of shares acquired	% of share capital	Purchase consideration	No. of Shares issued
			RM	
Valura Group	2,000,000	100.0	1,751,792	29,741,805

The purchase consideration for the Acquisition of LHMC of RM1.75 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the cost of investments of Valura Group in LHMC (being the adjusted audited NA of LHMC as at 31 December 2022 (RM3,044) and additional capital injection in LHMC), which amounts to RM1.75 million.

Nomination of Essential Family Ventures and Goh Chen Chang to accept partial Shares

Pursuant to the LHMC SSA, Valura Group nominated its shareholders, namely Goh Chen Chang and Essential Family Ventures to accept 10,995,350 Shares issued to them pursuant to the Acquisition of LHMC in the following manner:

LHMC vendor and nominees	Shares allotted from Acquisition of LHMC	Shares nominated	After nomination of Shares	%
Valura Group	29,741,805	(10,995,350)	18,746,455	63.0
Essential Family Ventures	-	7,304,694	7,304,694	24.6
Goh Chen Chang	-	3,690,656	3,690,656	12.4
	29,741,805		**29,741,805**	**100.0**

6.2.3 Acquisition of Kasaga

On 8 August 2025, we entered into a share sale agreement to acquire the entire equity interest in Kasaga comprising 1,500,000 ordinary shares from Valura Group and Joshua Lau Ern Tien for a purchase consideration of RM1.58 million ("**Kasaga SSA**").

Purchase consideration for Acquisition of Kasaga

The purchase consideration was satisfied by the issuance of 24,418,138 new Shares to Valura Group and Joshua Lau Ern Tien and/ or their nominees at an issue price of approximately RM0.0647 each as follows:

	Shareholdings in Kasaga			
Kasaga vendors	No. of shares acquired	% of share capital	Purchase consideration	No. of Shares issued
			RM	
Valura Group	1,125,000	75.0	1,184,890	18,313,603
Joshua Lau Ern Tien	375,000	25.0	394,964	6,104,535
	1,500,000	**100.0**	**1,579,854**	**24,418,138**

The purchase consideration for the Acquisition of Kasaga of RM1.58 million was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Kasaga as at 31 December 2024 of RM1.58 million.

Nomination of Joshua Lau Ern Tien, Essential Family Ventures and Goh Chen Chang to accept partial Shares

Pursuant to the Kasaga SSA, Valura Group nominated Joshua Lau Ern Tien, Essential Family Ventures and Goh Chen Chang to accept 7,460,075 Shares issued to them pursuant to the Acquisition of Kasaga in the following manner:

Kasaga vendors and nominees	Shares allotted from Acquisition of Kasaga	Shares nominated	After nomination of Shares	%
Valura Group	18,313,603	(7,460,075)	10,853,528	44.4
Joshua Lau Ern Tien	6,104,535	2,724,861	8,829,396	36.2
Essential Family Ventures	-	1,705,171	1,705,171	7.0
Goh Chen Chang	-	3,030,043	3,030,043	12.4
	24,418,138		**24,418,138**	**100.0**

The basis of consideration for the Acquisition of Kasaga and the corresponding issue price per share of RM0.0647 were determined based on its audited financial position as at 31 December 2024, reflecting the timing of Valura Group's acquisition in April 2025. In contrast, the Acquisition of HCF and Acquisition of LHMC and the corresponding issue price per share of RM0.0589 were based on Valura Group's cost of investments derived from the audited financial positions as at 31 December 2022 at the time of Valura Group's acquisitions in December 2023, adjusted for subsequent capital injections of RM7.68 million and RM1.75 million by Essential Family Ventures (via Valura Group) into HCF and LHMC, respectively. The difference in basis and issue price reflects the different acquisition dates and financial reference periods used, which was a result of negotiations amongst Valura Group, Essential Family Ventures, Goh Chen Chang and Joshua Lau Ern Tien.

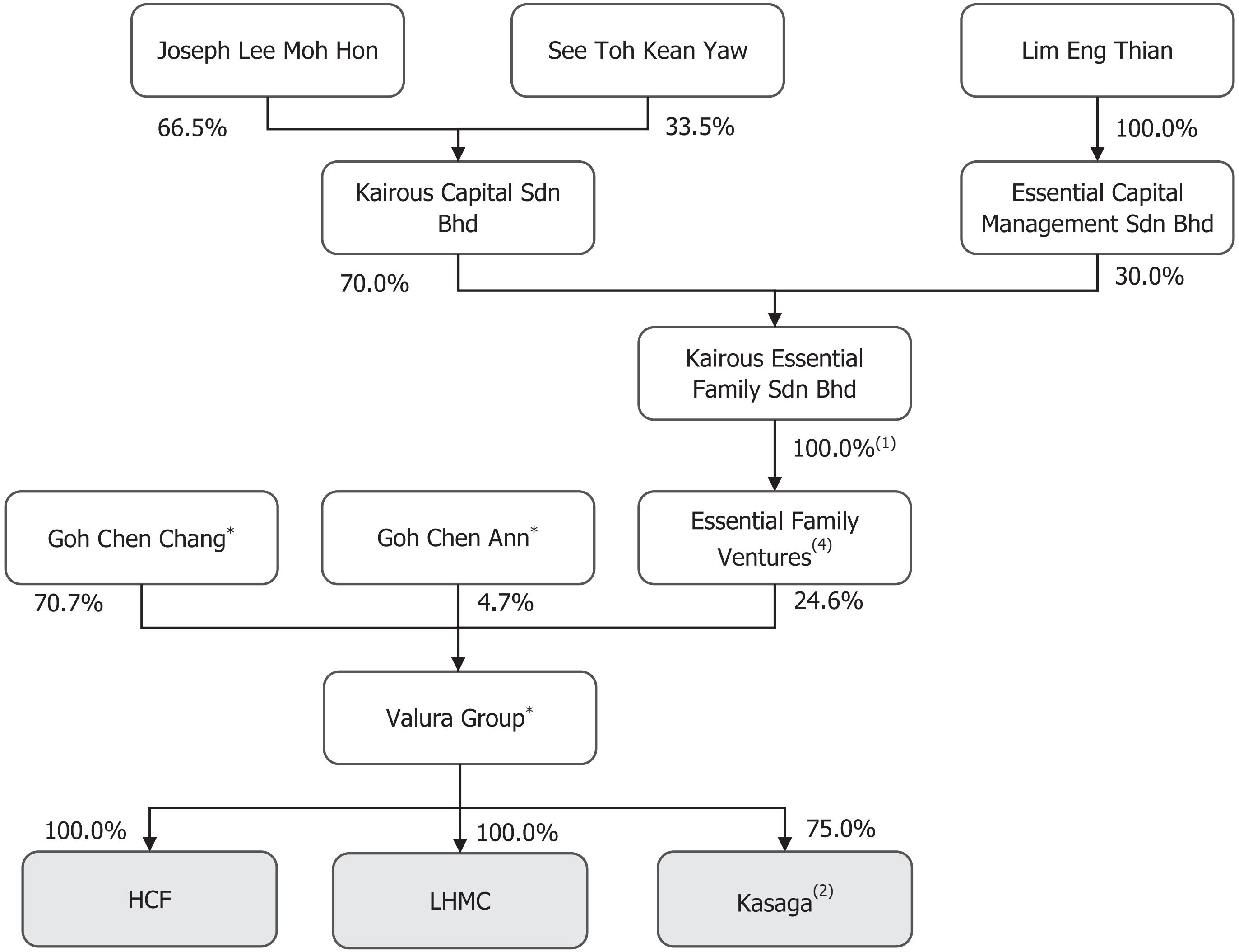
The Acquisitions were completed on 8 August 2025. Thereafter, HCF, LHMC and Kasaga became our wholly-owned subsidiaries, as set out in our group structure in Section 6.3.

The nomination of Shares pursuant to the Acquisitions was carried out to establish the shareholding structure agreed among the parties. This agreed structure was intended to reflect each party's respective interest and contribution in the acquired subsidiaries prior to the Acquisitions. Accordingly, the number of Shares allocated to each party was determined to arrive at the agreed ownership structure in our Company.

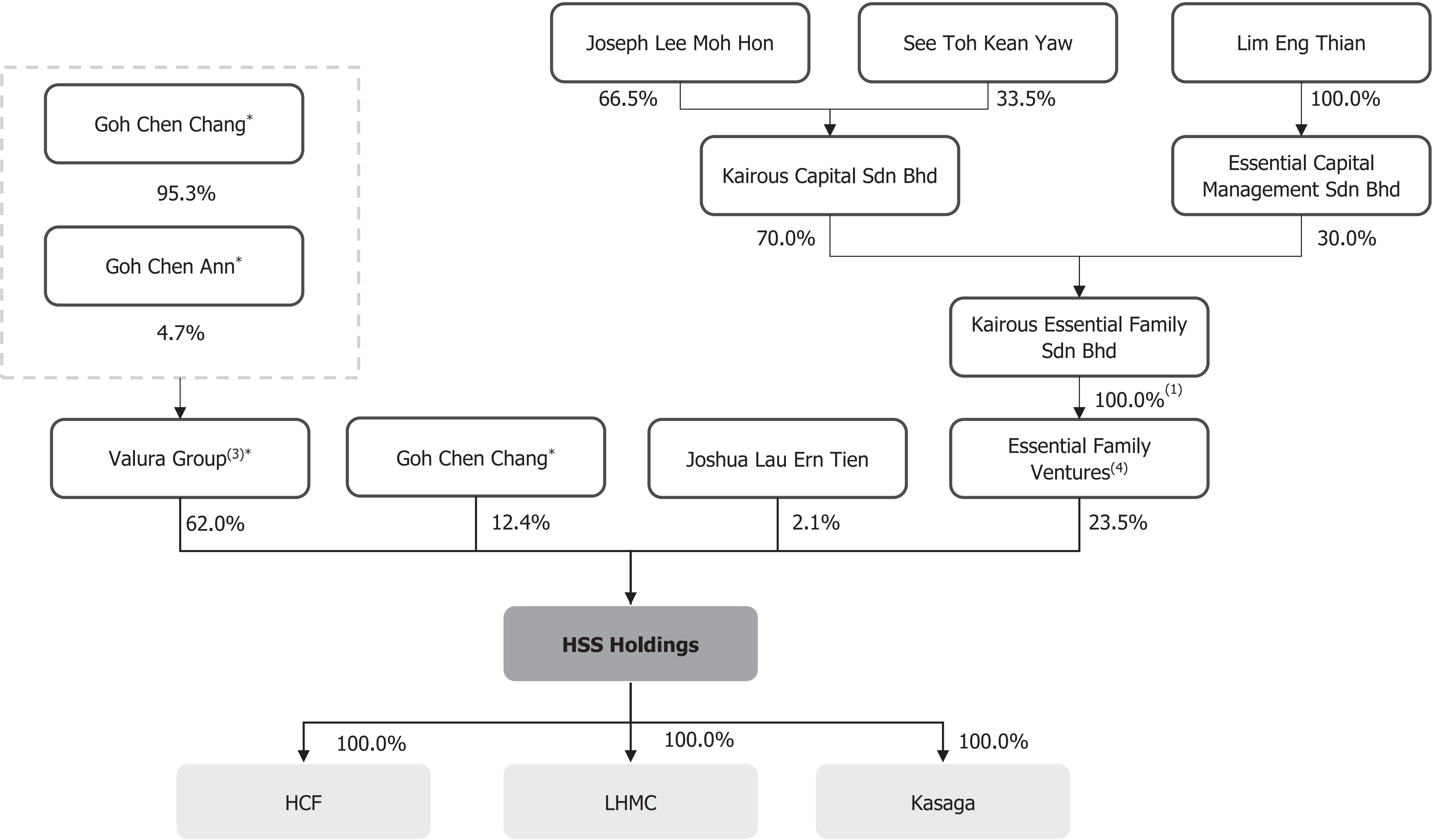
The new Shares issued under the Acquisitions rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/ or other distributions, the entitlement date of which is subsequent to the date of allotment of the new Shares.

6.3 GROUP STRUCTURE

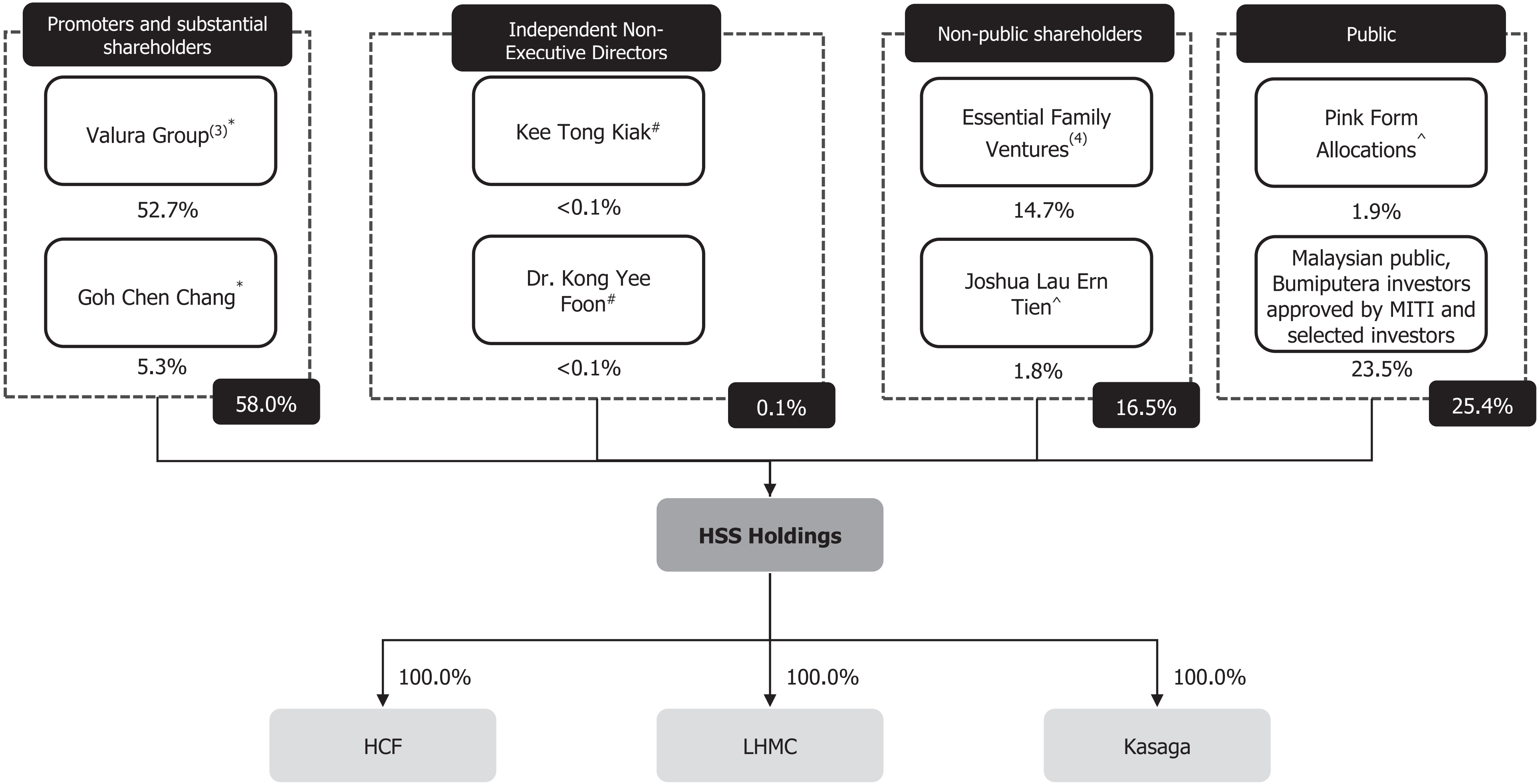
Before the Acquisitions



After Acquisitions but before IPO



After Acquisitions, Shareholdings Reorganisation and after IPO



Notes:

* Relates to the Promoters.

\# Assuming full subscription of Pink Form Allocations by our eligible Directors, who collectively holds 0.1%.

^ Assuming full subscription of Pink Form Allocations by our eligible employees and persons who have contributed to the success of our Group, save for eligible Directors as stated under #.

(1) Being the effective equity interest of Kairous Essential Family Sdn Bhd in Essential Family Ventures which consists of 1,000 ordinary shares constituting 100.0% of its equity share capital. For information, Essential Family Ventures also has preference share capital of RM89,655,000 comprising 89,655 non-convertible preference shares held by several shareholders. Such non-convertible preference shares are held by Additech Sdn Bhd (825 preference shares), Avia Kapital Sdn Bhd (11,000 preference shares), Essential Family Sdn Bhd (830 preference shares), Kairous Ventures Limited (8,250 preference shares), Lee Chee Boon (550 preference shares), Lee Kim Chit (1,100 preference shares), Pang Kueh Khim (66,000 preference shares), Soh Teck Seong (550 preference shares) and Ye Meiming (550 preference shares). For avoidance of doubt, the ultimate beneficial owner of Essential Family Ventures vests with the ordinary shareholder as the control and management of Essential Family Ventures lies with them. The preference shareholders do not carry voting rights, as they serve purely as investors in the company.

(2) The remaining shares of Kasaga were held by Joshua Lau Ern Tien (25.0%), who is also our Production Director and a director of Kasaga.

(3) Concurrent with the completion of the Acquisitions, Essential Family Ventures has transferred its entire shareholdings in Valura Group to Goh Chen Chang. Pursuant to the shares transfer, the shareholders of Valura Group are Goh Chen Chang (95.3%) and Goh Chen Ann (4.7%).

(4) Essential Family Ventures emerged as a 24.6% shareholder of Valura Group upon completion of its acquisition and subscription of shares of Valura Group on 3 April 2024. Essential Family Ventures is principally involved in investment holding of shares, focused on private equity growth fund, whereby the investment in Valura Group is primarily for capital gain and to support its growth in Malaysia. Since Essential Family Ventures joined as a shareholder, it has provided capital contribution to our Group (via the subscription proceeds of RM10.00 million, of which RM9.43 million was injected into HCF and LHMC, and the balance of RM0.57 million was retained by Valura Group for working capital purposes) and assisted our Group with its strategic and corporate planning as well as digital transformation via the introduction of ERP system. As at LPD, the ordinary shareholder of Essential Family Ventures is Kairous Essential Family Sdn Bhd (100.0%), whereby the shareholders of Kairous Essential Family Sdn Bhd are Kairous Capital Sdn Bhd (70.0%) and Essential Capital Management Sdn Bhd (30.0%). As at LPD, the shareholders of Kairous Capital Sdn Bhd are Joseph Lee Moh Hon (66.5%) and See Toh Kean Yaw (33.5%) while the shareholder of Essential Capital Management Sdn Bhd is Lim Eng Thian (100.0%).

6.4 SUBSIDIARIES, JOINT VENTURE AND ASSOCIATED COMPANIES

Details of our subsidiaries as at LPD are summarised as follows:

Company/ Registration no.	Date/ Place of incorporation	Principal place of business	Issued share capital	Effective equity interest	Principal activities
			RM	%	
HCF/ 200601014720 (734472-D)	19 May 2006/ Malaysia	Malaysia	8,800,000	100.0	Sourcing of bakery products, trading of bakery and other products
LHMC/ 201401036368 (1112507-W)	9 October 2014/ Malaysia	Malaysia	2,000,000	100.0	Manufacturing of biscuits and cookies
Kasaga/ 202301031130 (1525053-M)	10 August 2023/ Malaysia	Malaysia	1,500,000	100.0	Manufacturing of cakes

Details of the share capital of our subsidiaries are set out in Section 15.2.

As at LPD, we do not have any joint venture or associated company.

6.5 MATERIAL CONTRACTS

Save as disclosed below, there were no contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2022 to 2025 and up to LPD:

(a) Sale and purchase agreement dated 1 June 2023 entered into between Trent Upholstery Industries Sdn Bhd (as vendor) and HCF (as purchaser) for the acquisition of HSS HQ and Vacant Land 2 for a cash consideration of RM16.00 million, which was completed on 30 November 2023;

(b) Sale and purchase agreement dated 30 April 2024 entered into between HCF (as vendor) and Goh Chen Chang (as purchaser) for the disposal of Office and Warehouse 1 for a cash consideration of RM3.30 million, which was completed on 4 February 2025;

(c) Sale and purchase agreement dated 12 June 2025 entered into between HCF (as vendor) and C.S Foodstuff Enterprise Sdn Bhd (as purchaser) for the disposal of No. 22 Factory, for a cash consideration of RM3.50 million, which was determined based on the transacted prices of other similar properties in the vicinity. The disposal was completed on 27 November 2025;

(d) Share sale agreement dated 8 August 2025 entered into between our Company (as purchaser), Valura Group (as vendor), Essential Family Ventures and Goh Chen Chang (as nominees for part of the consideration shares) for the Acquisition of HCF, which was completed on 8 August 2025. Please refer to Section 6.2.1 for further details on the Acquisition of HCF;

(e) Share sale agreement dated 8 August 2025 entered into between our Company (as purchaser), Valura Group (as vendor), Essential Family Ventures and Goh Chen Chang (as nominees for part of the consideration shares) for the Acquisition of LHMC, which was completed on 8 August 2025. Please refer to Section 6.2.2 for further details on the Acquisition of LHMC;

(f) Share sale agreement dated 8 August 2025 entered into between our Company (as purchaser), Valura Group (as vendor), Joshua Lau Ern Tien, Essential Family Ventures and Goh Chen Chang (as nominees for part of the consideration shares) for the Acquisition of Kasaga, which was completed on 8 August 2025. Please refer to Section 6.2.3 for further details on the Acquisition of Kasaga; and

(g) Underwriting agreement dated 15 April 2026 between our Company and M&A Securities for the underwriting of 35,000,000 Issue Shares for an underwriting commission of 3.0% of the IPO Price multiplied by the number of Issue Shares underwritten.

6.6 PUBLIC TAKE-OVERS

During the last financial year and the current financial year up to LPD, there were:

(a) No public take-over offers by third parties in respect of our Shares; and

(b) No public take-over offers by our Company in respect of other companies' shares.

6.7 MAJOR APPROVALS AND LICENCES

As at LPD, there are no other major approvals, major licences and permits issued to our Group in order for us to carry out our operations other than the business premises and signage licences for our operating facilities and those disclosed below:

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(a)	HCF	MOH	23 July 2024/ 23 July 2027	Certificate of registration/ Registration of food premises at HSS HQ/ Certificate no. FSSM072402674-0	1. The certificate of registration for food premises is non-transferable.	Noted.
					2. The certificate must be displayed in the premises.	Complied.
(b)	HCF	MOH	29 August 2025/ 29 August 2028	Certificate of registration/ Registration of food premises at Office and Warehouse 2/ Certificate no. FSSM082505164-0	1. The certificate of registration for food premises is non-transferable.	Noted.
					2. The certificate must be displayed in the premises.	Complied.
(c)	HCF	JAKIM	16 April 2025/ 15 April 2027	2 Certificates of Authentication Halal/ Halal certification in respect of 7 products manufactured by C.S Foodstuff Enterprise Sdn Bhd/ Certificate serial no. E11431 and E11432	Nil	N/A

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(d)	HCF	JAKIM	1 August 2024/ 31 July 2026	3 Certificates of Authentication Halal/ Halal certification in respect of 20 products manufactured by Fai Fong Bakery Sdn Bhd/ Certificate serial no. E11336(1) to E11338(1)	Nil	N/A
(e)	HCF	JAKIM	1 April 2026/ 31 March 2028	3 Certificates of Authentication Halal/ Halal certification in respect of 21 products manufactured by Harum Kasturi Sdn Bhd/ Certificate serial no. E31871 to E31873	Nil	N/A
(f)	HCF	JAKIM	16 November 2024/ 15 November 2026	6 Certificates of Authentication Halal/ Halal certification in respect of 47 products manufactured by ITTAI Confectionery Sdn Bhd/ Certificate serial no. E11342 to E11347	Nil	N/A
(g)	HCF	JAKIM	16 October 2024/ 15 October 2026	14 Certificates of Authentication Halal/ Halal certification in respect of 100 products manufactured by LHMC/ Certificate serial no. E11391 to E11404	Nil	N/A

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(h)	HCF	JAKIM	1 February 2025/ 31 January 2027	14 Certificates of Authentication Halal/ Halal certification in respect of 95 products manufactured by LHMC/ Certificate serial no. E11407 to E11420	Nil	N/A
(i)	HCF	JAKIM	1 April 2025/ 31 March 2027	9 Certificates of Authentication Halal/ Halal certification in respect of 63 products manufactured by LHMC/ Certificate serial no. E11422 to E11430	Nil	N/A
(j)	HCF	JAKIM	1 November 2025/ 31 October 2027	17 Certificates of Authentication Halal/ Halal certification in respect of 121 products manufactured by Meng Choon Food Industries Sdn Bhd/ Certificate serial no. E16324 to E16340	Nil	N/A
(k)	HCF	JAKIM	16 February 2026/ 15 February 2028	5 Certificates of Authentication Halal/ Halal certification in respect of 41 products manufactured by Koka Food Sdn Bhd Certificate serial no. E27253 to E27258	Nil	N/A

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(l)	HCF	JAKIM	1 October 2024/ 30 September 2026	2 Certificates of Authentication Halal/ Halal certification in respect of 15 products manufactured by Special Bakery Sdn Bhd/ Certificate serial no. E11340 to E11341	Nil	N/A
(m)	HCF	JAKIM	1 February 2025/ 31 January 2027	6 Certificates of Authentication Halal/ Halal certification in respect of 42 products manufactured by W.C.S Food Industries (M) Sdn Bhd/ Certificate serial no. E11443(1) to E11448(1)	Nil	N/A
(n)	HCF	JAKIM	16 November 2024/ 15 November 2026	13 Certificates of Authentication Halal/ Halal certification in respect of 100 products manufactured by W.C.S Food Industries (M) Sdn Bhd/ Certificate serial no. E11450 to E11462	Nil	N/A
(o)	HCF	JAKIM	16 June 2025/ 15 June 2027	9 Certificates of Authentication Halal/ Halal certification in respect of 73 products manufactured by Yamazaki Seiga (M) Sdn Bhd/ Certificate serial no. E11463 to E11471	Nil	N/A

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(p)	HCF	JAKIM	16 June 2025/ 15 June 2027	3 Certificates of Authentication Halal/ Halal certification in respect of 19 products manufactured by Yamazaki Seiga (M) Sdn Bhd/ Certificate serial no. E11475 to E11477	Nil	N/A
(q)	HCF	JAKIM	1 April 2025/ 31 March 2027	9 Certificates of Authentication Halal/ Halal certification in respect of 67 products manufactured by Kasaga/ Certificate serial no. E11349 to E11357	Nil	N/A
(r)	HCF	JAKIM	1 July 2025/ 30 June 2027	13 Certificates of Authentication Halal/ Halal certification in respect of 84 products manufactured by Huat Huat Kouping (M) Sdn Bhd/ Certificate serial no. E11359 to E11371	Nil	N/A
(s)	HCF	JAKIM	16 January 2026/ 15 January 2028	6 Certificates of Authentication Halal/ Halal certification in respect of 40 products manufactured by Chiap Seng Food Products Sdn Bhd Certificate serial no. E24167 to E24172	Nil	N/A

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(t)	HCF	JAKIM	16 February 2026/ 15 February 2028	3 Certificates of Authentication Halal/ Halal certification in respect of 13 products manufactured by C.S Foodstuff Enterprise Sdn Bhd Certificate serial no. E28391 to E28393	Nil	N/A
(u)	HCF	JAKIM	16 December 2025/ 15 December 2027	17 Certificates of Authentication Halal/ Halal certification in respect of 100 products manufactured by LHMC Certificate serial no. E22614 to E22630	Nil	N/A
(v)	HCF	JAKIM	1 November 2025/ 31 October 2027	4 Certificates of Authentication Halal/ Halal certification in respect of 25 products manufactured by PSF Trading Sdn Bhd Certificate serial no. E16614 to E16617	Nil	N/A
(w)	HCF	Department of Labour, Peninsular Malaysia	5 June 2025/ 5 June 2028	Certificate for accommodation/ Certification in respect of the workers' hostel at Hostel No. 81 (as defined in Section 6.9.2(f))/ Certificate no. AC/11002/2025/1259	1. The premises can accommodate up to 4 employees only.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
					2. The regulations in the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020 must be complied with.	Complied.
					3. The accommodation is to be provided to the employees free of rent or charge.	Complied.
					4. The company is required to notify the occupancy within 30 days from the date of commencement of occupancy.	Complied.
					5. The company is required to notify the closure of the accommodation at least 30 days prior to the date of closure.	Noted.
					6. The company is required to display the Certificate for Accommodation at the outer wall of the accommodation.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(x)	HCF	Department of Labour, Peninsular Malaysia	25 June 2025/ 25 June 2028	Certificate for accommodation/ Certification of the workers' hostel at Hostel No. 18 (as defined in Section 6.9.2(e))/ Certificate no. AC/10100/2025/0624 & PAC/10104/2025/112194	1. The premises can accommodate up to 30 employees only.	Complied.
					2. The regulations in the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020 must be complied with.	Complied.
					3. The accommodation is to be provided to the employees free of rent or charge.	Complied.
					4. The company is required to notify the closure of the accommodation.	Noted.
					5. The company is required to display the Certificate for Accommodation at the outer wall of the accommodation.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(y)	HCF	Fire and Rescue Department	18 July 2025/ 17 July 2026	Fire certificate/ Certification that HSS HQ has complied with the requirements relating to fire fighting equipment or fire safety installation/ Certificate no. 349617	1. HCF is not permitted to make any changes to the premises which will affect the adequacy of the safety facility.	Complied.
					2. HCF must submit the application for renewal of the fire certificate within 30 days before its expiry.	Noted.
					3. If the fire certificate is lost or destroyed, HCF must within 14 days notify the director general in writing and apply for replacement certificate.	Noted.
					4. The fire certificate must be displayed at a prominent location within the premises and available for inspection any time.	Complied.
(z)	LHMC	Fire and Rescue Department	10 November 2025/ 9 November 2026	Fire certificate/ Certification that Manufacturing Facility 1 has complied with the requirements relating to fire fighting equipment or fire safety installation/ Certificate no. 349912	1. LHMC is not permitted to make any changes to the premises which will affect the adequacy of the safety facility.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
					2. LHMC must submit the application for renewal of the fire certificate within 30 days before its expiry.	Noted.
					3. If the fire certificate is lost or destroyed, LHMC must within 14 days notify the director general in writing and apply for replacement certificate.	Noted.
					4. The fire certificate must be displayed at a prominent location within the premises and available for inspection any time.	Complied.
(aa)	LHMC	MOH	24 November 2023/ 24 November 2026	Certificate of registration/ Certification for food premises at Manufacturing Facility 1/ Certificate no. FSSM112302336-0	1. The certificate of registration for food premises is non-transferable.	Noted.
					2. The certificate must be displayed in the premises.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(bb)	LHMC	MIDA	18 April 2024/ N/A	Letter of exemption for manufacturing licence/ Exemption for manufacturing licence in respect of Manufacturing Facility 1/ Reference no. ICA10/2024/00314	If LHMC exceeds the threshold for the exemption of manufacturing licence, i.e. having shareholders' fund of more than RM2.50 million or more than 75 full time employees, LHMC shall submit its application for manufacturing licence as prescribed in Section 4 of the Industrial Coordination Act 1975.	Complied.
(cc)	LHMC	JAKIM	16 May 2024/ 15 May 2027	Certificate of Authentication Halal/ Halal certification as contract manufacturer or original equipment manufacturer for food, beverage and supplements/ Certificate serial no. A224462	Nil	N/A
(dd)	LHMC	JAKIM	16 May 2024/ 15 May 2026(1)	13 Certificates of Authentication Halal/ Halal certification in respect of 97 products manufactured by LHMC/ Certificate serial no. A224449 to A224461	Nil	N/A

No.	**Licencee**	**Issuing authority**	**Date of issue or commencement/ Date of expiry**	**Licences/ Nature of approval/ Licence No.**	**Equity and/ or major conditions imposed**	**Status of compliance**
(ee)	LHMC	JAKIM	16 October 2024/ 15 October 2026	13 Certificates of Authentication Halal/ Halal certification in respect of 100 products manufactured by LHMC/ Certificate serial no. A236253 to A236265	Nil	N/A
(ff)	LHMC	JAKIM	16 November 2024/ 15 November 2026	14 Certificates of Authentication Halal/ Halal certification in respect of 95 products manufactured by LHMC/ Certificate serial no. A240643 to A240656	Nil	N/A
(gg)	LHMC	JAKIM	1 May 2025/ 30 April 2027	4 Certificates of Authentication Halal/ Halal certification in respect of 21 products manufactured by LHMC/ Certificate serial no. A252478 to A252481	Nil	N/A
(hh)	LHMC	MOH	23 May 2024/ 22 May 2027	MeSTI Certificate/ In respect of establishment of a Food Safety Assurance Programme at Manufacturing Facility 1/ Certificate no. ME1223091-0/1	The application for renewal must be submitted 6 months before the expiry of the certificate.	Noted.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(ii)	LHMC	MOH	7 February 2025/ 6 February 2028	GMP Certificate/ Certification that LHMC has fulfilled the terms and conditions for implementation of GMP system at Manufacturing Facility 1/ Certificate no. GM0225002-0/1	Nil	N/A
(jj)	LHMC	MOH	7 February 2025/ 6 February 2028	Hazard Analysis and Critical Control Point ("**HACCP**") Certificate/ Certification that LHMC has fulfilled the terms and conditions for implementation of HACCP system for bread and flour confection/ Certificate no. HA0724018-0/1	Nil	N/A
(kk)	LHMC	Ministry of Domestic Trade and Cost of Living	22 January 2024/ 21 January 2027	Permit to purchase and store scheduled goods/ Permit to purchase and store 30,000 kg sugar, 150,000 kg wheat flour and 27,000 kg cooking oil at Manufacturing Facility 1/ Permit no. PBKB/2024/B/J-000055	1. The licence holder is subject to the Control of Supplies Act 1961. 2. The licence holder is permitted to purchase and store the scheduled articles of the quantity allowed in the permit.	Noted. Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
					3. Application for renewal of the permit must be submitted 30 days before the expiry.	Noted.
(II)	LHMC	Ministry of Domestic Trade and Cost of Living	25 March 2024/ 24 March 2027	Permit to purchase and store scheduled goods/ Permit to purchase and store 30,000 kg liquified petroleum gas at Manufacturing Facility 1/ Permit no. PBKB/2024/B/J-000328	1. The licence holder is subject to the Control of Supplies Act 1961.	Noted.
					2. The licence holder is permitted to purchase and store the scheduled articles of the quantity allowed in the permit.	Complied.
					3. The licence holder must label the skid tank used to store the diesel or petrol with the particulars of name and address of the licence holder, contact number of the officer, permit reference no. and the type of scheduled good.	Complied.
					4. Application for renewal of the permit must be submitted 30 days before the expiry.	Noted.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(mm)	LHMC	Department of Labour, Peninsular Malaysia	9 October 2024/ 9 October 2027	Certificate for accommodation/ Certification of the workers' hostel at Manufacturing Facility 1/ Certificate no. AC/10100/2024/1266 & PAC/10104/2024/100682	1. The premises can accommodate up to 48 employees only.	Complied.
					2. The regulations in the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020 must be complied with.	Complied.
					3. The accommodation is to be provided to the employees free of rent or charge.	Complied.
					4. The company is required to notify the closure of the accommodation at least 30 days prior to the date of closure.	Noted.
					5. The company is required to display the Certificate for Accommodation at the outer wall of the accommodation.	Complied.

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

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
(nn)	Kasaga	MOH	23 July 2024/ 23 July 2027	Certificate of registration/ Certification for food premises at Office and Warehouse 1 and Manufacturing Facility 2/ Certificate no. FSSM072402741-0	1. The certificate of registration for food premises is non-transferable.	Noted.
					2. The certificate must be displayed in the premises.	Complied.
(oo)	Kasaga	MIDA	10 March 2025/ N/A	Letter of exemption for manufacturing licence/ Exemption for manufacturing licence in respect of Manufacturing Facility 2/ Reference no. ICA10/2025/00160	If Kasaga exceeds the threshold for the exemption of manufacturing licence, i.e. having shareholders' fund of more than RM2.50 million or more than 75 full time employees, Kasaga shall submit its application for manufacturing licence as prescribed in Section 4 of the Industrial Coordination Act 1975.	Complied.
(pp)	Kasaga	MOH	6 November 2024/ 5 November 2027	MeSTI Certificate/ In respect of establishment of a Food Safety Assurance Programme at Office and Warehouse 1 and Manufacturing Facility 2/ Certificate no. ME0824116-0/1	The application for renewal must be submitted 6 months before the expiry of the certificate.	Noted.
(qq)	Kasaga	Ministry of Domestic Trade and Cost of Living	22 January 2024/ 21 January 2027	Permit to purchase and store scheduled goods/	1. The licence holder is subject to the Control of Supplies Act 1961.	Noted.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
				Permit to purchase and store 15,100 kg wheat flour, 10,100 kg cooking oil and 35,100 kg sugar at Office and Warehouse 1/ Permit no. PBKB/2024/B/J-000060	2. The licence holder is permitted to purchase and store the scheduled articles of the quantity allowed in the permit.	Complied.
					3. Application for renewal of the permit must be submitted 30 days before the expiry.	Noted.
(rr)	Kasaga	Ministry of Domestic Trade and Cost of Living	14 February 2024/ 13 February 2027	Permit to purchase and store scheduled goods/ Permit to purchase and store 1,000 kg liquified petroleum gas at Office and Warehouse 1/ Permit no. PBKB/2024/B/J-000088	1. The licence holder is subject to the Control of Supplies Act 1961.	Noted.
					2. The licence holder is permitted to purchase and store the scheduled articles of the quantity allowed in the permit.	Complied.
					3. The licence holder must label the skid tank used to store the diesel or petrol with the particulars of name and address of the licence holder, contact number of the officer, permit reference no. and the type of scheduled good.	Complied.

No.	Licencee	Issuing authority	Date of issue or commencement/ Date of expiry	Licences/ Nature of approval/ Licence No.	Equity and/ or major conditions imposed	Status of compliance
					4. Application for renewal of the permit must be submitted 30 days before the expiry.	Noted.
(ss)	Kasaga	JAKIM	16 October 2024/ 15 October 2027	Certificate of Authentication Halal/ Halal certification as contract manufacturer or original equipment manufacturer for food, beverage and supplements/ Certificate serial no. A236123	Nil	N/A

Note:

(1) Subsequent to LPD, our Certificates of Authentication Halal have been renewed and are valid from 16 May 2026 to 15 May 2028.

Our Group's business and profitability is materially dependent on the approvals, licences and permits as disclosed above. We will renew all our approvals, licences and permits as disclosed above prior to their expiry in accordance with the conditions imposed. As at LPD, our Group has obtained all the requisite approvals, licences and permits for our business operations. Our Group has not faced any issues in the past in relation to the renewal of our approvals, licences and permits.

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6.8 INTELLECTUAL PROPERTIES

As at LPD, our Group does not own and has not applied for the registration of any other intellectual properties other than those disclosed below:

6.8.1 Trademark registration

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(a)		HCF	TM2017005381/ 30/ (1)	MyIPO/ Malaysia	Registered	22 May 2017 to 22 May 2027
(b)		HCF	TM2021018918/ 35/ (2)	MyIPO/ Malaysia	Registered	8 July 2021 to 8 July 2031
(c)		HCF	4202117426S/ 35/ (4)	Intellectual Property Office of Singapore/ Singapore	Registered	23 July 2021 to 23 July 2031
(d)		HCF	IDM000980634/ 30 and 35/ (5)(6)	Director General of Intellectual Property of Indonesia/ Indonesia	Registered	3 August 2021 to 3 August 2031
(e)		HCF	4/2021/00506575/ 30/ (7)	Intellectual Property Office of the Philippines/ Republic of Philippines	Registered	26 September 2021 to 26 September 2031

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

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(f)		HCF	4/2021/00520748/ 35/ (8)	Intellectual Property Office of the Philippines/ Republic of Philippines	Registered	25 April 2022 to 25 April 2032
(g)		HCF	2277501/ 30 and 35/ (9)(10)	Intellectual Property Australia/ Australia	Registered	16 June 2022 to 16 June 2032
(h)		HCF	4-0450517-000/ 30/ (11)	Intellectual Property Office of Vietnam/ Vietnam	Registered	18 March 2021 to 18 March 2031
(i)		HCF	4-0463993-000/ 35/ (12)	Intellectual Property Office of Vietnam/ Vietnam	Registered	10 August 2021 to 10 August 2031
(j)		HCF	TM2021018924/ 30/ (13)	MyIPO/ Malaysia	Registered	8 July 2021 to 8 July 2031

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(k)	合顺成饼家	HCF	TM2021018944/ 35/ (14)	MyIPO/ Malaysia	Registered	9 July 2021 to 9 July 2031
(l)	合顺成饼家	HCF	40202117428R/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	23 July 2021 to 23 July 2031
(m)	HSS	HCF	TM2024025391/ 30/ (16)	MyIPO/ Malaysia	Registered	21 August 2024 to 21 August 2034
(n)	HSS	HCF	TM2024025394/ 35/ (17)	MyIPO/ Malaysia	Registered	21 August 2024 to 21 August 2034
(o)	思娜	HCF	TM2021018945/ 30/ (13)	MyIPO/ Malaysia	Registered	9 July 2021 to 9 July 2031
(p)	思娜	HCF	TM2021019005/ 35/ (14)	MyIPO/ Malaysia	Registered	9 July 2021 to 9 July 2031

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(q)	思娜	HCF	40202117427T/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	23 July 2021 to 23 July 2031
(r)		HCF	TM2022019385/ 30/ (13)	MyIPO/ Malaysia	Registered	31 July 2022 to 31 July 2032
(s)		HCF	TM2022019386/ 35/ (14)	MyIPO/ Malaysia	Registered	31 July 2022 to 31 July 2032
(t)		HCF	40202254185N/ 35/ (4)	Intellectual Property Office of Singapore/ Singapore	Registered	30 August 2022 to 30 August 2032
(u)		HCF	4/2022/00519639/ 30 and 35/ (15)(8)	Intellectual Property Office of the Philippines/ Republic of Philippines	Registered	15 October 2022 to 15 October 2032
(v)		HCF	4-0507717-000/ 30 and 35/ (11)(12)	Intellectual Property Office of Vietnam/ Vietnam	Registered	2 August 2022 to 2 August 2032

No.	Trademark	Registered owner	Trademark no. / Class / Description	Approving authority / Place of registration	Status	Validity period
(w)	 (18)	HCF	TM2021018454/ 30/ (13)	MyIPO/ Malaysia	Registered	7 July 2021 to 7 July 2031
(x)	 (18)	HCF	TM2021002505/ 35/ (2)	MyIPO/ Malaysia	Registered	27 January 2021 to 27 January 2031
(y)	 (18)	HCF	40202117425X/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	23 July 2021 to 23 July 2031
(z)	 (18)	HCF	IDM000991050/ 30 and 35/ (5)(6)	Director General of Intellectual Property of Indonesia/ Indonesia	Registered	2 August 2021 to 2 August 2031
(aa)	 (18)	HCF	4/2021/00520747/ 30/ (15)	Intellectual Property Office of the Philippines/ Republic of Philippines	Registered	2 May 2022 to 2 May 2032

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(bb)	 (18)	HCF	4-2022-32103/ 30 and 35/ (11)(12)	Intellectual Property Office of Vietnam/ Vietnam	Registered	10 August 2021 to 10 August 2031
(cc)		HCF	TM2022026554/ 30/ (13)	MyIPO/ Malaysia	Registered	8 October 2022 to 8 October 2032
(dd)		HCF	TM2022026555/ 35/ (14)	MyIPO/ Malaysia	Registered	8 October 2022 to 8 October 2032
(ee)		HCF	40202255942N/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	5 October 2022 to 5 October 2032
(ff)		HCF	IDM001080044/ 30 and 35/ (5)(6)	Director General of Intellectual Property of Indonesia/ Indonesia	Registered	30 August 2022 to 30 August 2032

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(gg)	Sbb	HCF	4-0507220-000/ 30 and 35/ (11)(12)	Intellectual Property Office of Vietnam/ Vietnam	Registered	8 August 2022 to 8 August 2032
(hh)	UKUKi	HCF	TM2023009823/ 30/ (13)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033
(ii)	UKUKi	HCF	TM2023009823/ 35/ (14)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033
(jj)	UKUKi	HCF	40202308507W/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	18 April 2023 to 18 April 2033
(kk)	Rollado	HCF	TM2023009837/ 30/ (13)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(ll)		HCF	TM2023009840/ 35/ (14)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033
(mm)		HCF	40202308508Y/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	18 April 2023 to 18 April 2033
(nn)		HCF	TM2023009830/ 30/ (13)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033
(oo)		HCF	TM2023009835/ 35/ (14)	MyIPO/ Malaysia	Registered	11 April 2023 to 11 April 2033
(pp)		HCF	40202308509P/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	18 April 2023 to 18 April 2033
(qq)		HCF	TM2024016583/ 30/ (13)	MyIPO/ Malaysia	Registered	7 June 2024 to 7 June 2034

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(rr)	Yihaa Raya Ria	HCF	TM2024016587/ 35/ (14)	MyIPO/ Malaysia	Registered	7 June 2024 to 7 June 2034
(ss)		HCF	TM2024033299/ 30/ (16)	MyIPO/ Malaysia	Registered	24 October 2024 to 24 October 2034
(tt)		HCF	TM2024033303/ 35/ (17)	MyIPO/ Malaysia	Registered	24 October 2024 to 24 October 2034
(uu)	Delicioso	HCF	40202320210T/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	8 September 2023 to 8 September 2033
(vv)	Cheeria	HCF	40202320211R/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	8 September 2023 to 8 September 2033

No.	Trademark	Registered owner	Trademark no./ Class/ Description	Approving authority/ Place of registration	Status	Validity period
(ww)	KD DATOKITCHEN	HCF	40202402762U/ 30 and 35/ (3)(4)	Intellectual Property Office of Singapore/ Singapore	Registered	8 February 2024 to 8 February 2034

Notes:

(1) Cookies; cereals; biscuits; cakes; confectioneries; crackers; foodstuffs of plant origin prepared for consumption or conservation as well as auxiliaries for improvement of the flavour of food; all included in class 30.

(2) Online retail store services featuring confectionery, bakery desserts, bakery goods, bakery products, cupcakes, pies, cakes, cookies, muffins, bread, buns, candies, coffee, tea and beverages; retail bakery shops; retail store services featuring confectionery, bakery desserts, bakery goods, bakery products, cupcakes, pies, cakes, cookies, muffins, bread, buns, candies, coffee, tea and beverages; wholesale store services featuring confectionery, bakery desserts, bakery goods, bakery products, cupcakes, pies, cakes, cookies, muffins, bread, buns, candies, coffee, tea and beverages; advertisement of bakery products and confectionery products; business administration of bakeries and confectioneries; business management of bakeries and confectioneries; franchising services, namely, business management assistance in the establishment and operation of a retail business relating to bakery products and confectionery products.

(3) Almond confectionery; bakery products; bread rolls; bread; biscuits; bakery confectionery being chilled; bakery confectionery being frozen; confectionery; crackers; cookies; curry puffs; dessert mousses confectionery; donuts; egg rolls; fondants confectionery; fruit confectionery; fruit jellies confectionery; mint for confectionery; muffins; pastries; peanut confectionery; pies; pizzas.

(4) Administration relating to marketing; advertising; advisory services relating to business management; advisory services relating to customer service; business advertising services relating to franchising; business advisory services relating to the establishment of franchises; business consultancy services relating to franchising; business consultancy services relating to manufacturing; business management; import-export agency services; market research studies; online retail services; online wholesale services provision of business information; provision of business information relating to franchising; provision of business information relating to joint ventures; provision of business management assistance; retail services; retail services for baked goods; the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods; wholesale services.

(5) Muffins; pastry and confectionery products; cakes and tarts; candy (including frozen); fried kaya bread; toasted kaya bread; ring donuts; nut candies; caramel candies; cocktail bread; steamed bread; chocolate sweets; bakery products for food; biscuits; cereal-based desserts confectionery; butter cookies; rusks; savoury bread; oriental bread; coffee bread; confectionery; sugared nuts; puff pastry; breadsticks; spiced bread; bread crumbs; bread rolls; fried bread; gluten-free sweets; gingerbread; cookies; sweets; soda bread; fruit bread; icing sugar; fresh bread; chocolate; sweets and gift biscuits; layered bread; egg roll cake; vegetable bread (vegan); cold confectionery; raisin bread; toast; bread; jam-filled buns; pies; pastries.

(6) Consultancy services relating to business management and business operations; business assistance in relation to franchise establishment; business advertising services relating to franchises; online wholesale services; administration relating to marketing; online retail services; retail services; advertising services; business advice and consultancy relating to franchises; business consultancy services; retail services for baked goods; provision of business information; export-import agency services; procurement services for the benefit of others, of a variety of goods, excluding the transportation thereof, enabling customers to conveniently view and purchase those goods; customer service management; business management assistance; business management; market research studies.

(7) Bakery products namely, cookies, biscuits, cakes, crackers, confectioneries.

(8) Wholesale services in relation to confectionery, wholesale services in relation to foodstuff, wholesale services in relation to baked goods, import-export agency services, online advertising on a computer network, presentation of goods on communication media, for retail purposes, commercial administration of the licensing of the goods and services of others, marketing, providing business information via a website, retail services relating to bakery products.

(9) Biscuits, biscuit products, biscuit rusks, bacon buns, bakery products, bran preparations for culinary purposes, bread, bread biscuits, bread buns, bread casings filled with fruit, bread concentrates, bread improvers, bread mixes, bread rolls, breadcrumbs, breadsticks, breakfast cake, bakery confectionery being chilled, confectionery, cookies, crisp rolls, dairy confectionery, dairy ice cream, danish bread, danish bread rolls, danish butter cookies, bakery confectionery being frozen, frozen cakes, frozen confectionery, frozen confections, frozen dairy confections, frozen desserts, frozen dough, frozen fruit desserts, frozen meals consisting primarily of pasta, frozen meals consisting primarily of rice, pancakes, danish pastries, frozen pastries, frozen pastry, frozen pastry sheets, pastry, pastry cases, pastry confectionery, pastry dough, pastry for spring rolls, pastry mixes, pastry products, pastry shells, pies, frozen pizzas, pizza, pizza bases, pizza crusts, pizza dough, pizza flour, pizza mixes, pizza pies, pizza products, pitta bread, puddings.

(10) Administration relating to marketing, advertising, advertising services provided over the internet, advertising services to create brand identity for others, advisory services relating to business management, advisory services relating to business organisation, advisory services relating to business risk management, advisory services relating to corporate identity, arranging of trade shows, administration of the business affairs of franchises, administration relating to business appraisal, administration relating to business planning, business administration consultancy, business administration services, business advertising services relating to franchising, business advice relating to advertising, business advice relating to franchising, business advice relating to marketing, business assistance relating to franchising, business assistance relating to the

establishment of franchises, business statistical information services, business statistical studies, business strategic planning, business strategy services, advisory services relating to business planning, advisory services relating to commercial planning, planning services for advertising, planning services for marketing studies, provision of foreign trade information, provision of information in relation to business administration, provision of information in relation to business management, retail services, wholesale services.

(11) Bakery products such as cookies, butter cookies, cakes, crackers, bread and confectionery.

(12) Business management assistance; business management; import-export agency services; business consultancy services relating to franchising; online retail services; wholesale and retail services for bakery products, confectionery, sweeteners, flour and cereal preparations.

(13) Danish bread; Danish butter cookies; Danish pastries; Eccles cakes; English muffins; French bread; French pastries; French toast; Adlay flour; All-purpose flour; Banana pudding; Biscuit mixes; Biscuits; Bread batter; Bread buns; Bread crumb; Bread dough; Bread mixes; Bread rolls; Bread sticks; Bread, pastries and confectionery; Cooked whole grains; Cookies; Corn-based snack foods; Cornflakes; Crackers; Cream buns; Cream cakes; Currant bread; Curry pasta; Custard; Donuts; Edible waffle bowls; Edible waffle cups; Egg roll biscuits; Egg roll cookies; Egg rolls; Egg tarts; Fortune cookies; Fresh bread; Fresh pastries; Fresh pies; Fresh pizza; Garlic bread; Ginger biscuits; Ginger cookies; Ginger snaps; Gingerbread; Glazed popcorn; Gluten-free cookies; Naan bread; Oat biscuits; Oat cookies; Oatcakes; Oatmeal; Oatmeal biscuits; Oatmeal cookies; Pancakes; Papadums; Pasties; Pita; Pitta bread; Pizza crust; Pizza pies; Pizzas; Plum cakes; Popcorn; Puff pastry; Puff pastry dough; Puff pastry shells; Puffed cheese balls (corn snacks); Puffed cheese curls (corn snacks); Puffed corn snacks; Pulse flour; Pumpkin pies; Rice biscuits; Rice bread; Rice-based snacks; Rusks; Sausage rolls; Sausage wrapped in dough; Savory biscuits; Savory pancake mixes; Savory pancakes; Savory pies; Savory tarts; Savoury biscuits; Savoury pancake mixes; Savoury pancakes; Strawberry tarts; Sugar biscuits; Sugar coated beans confectionery; Sugar coated peanuts; Sugar confectionery; Sugar pastilles; Tapioca; Tart shells; Wheat flakes; Whole wheat bread; Wholemeal bread.

(14) Administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; Administration of business affairs; Administration of consumer loyalty programmes; Administration of frequent flyer programmes that allow members to redeem miles for points or awards offered by other loyalty programmes; Advertising; Advertising agency services; Advertising and business advice; Advertising and business management consultancy; Advertising and marketing services; Advertising and marketing services provided by means of social media; Advertising for others; Advertising services provided via the internet; Advertising services relating to the commercialization of new products; Advertising services relating to the sale of goods; Advertising services to create brand identity for others; Advertising via electronic media; Advertising via mobile phone networks; Brand consultancy services; Brand creation services; Brand evaluation services; Business administration and management services; Business advice relating to franchising; Business advice relating to marketing; Business and marketing research; Business data analysis services; Business information; Business management of wholesale and retail outlets; Business research and surveys; Commercial business management services; Conducting market surveys; Conducting trade fairs; Consultancy services relating to import-export agency services; Consumer research services; Customer relationship management; Distribution of samples; Electronic billboard advertising; Electronic processing of orders; Internet advertising services; Inventory management; Marketing; Mobile advertising services for others; On-line marketing; On-line retail store services featuring food preparation

implements; On-line retail store services featuring foodstuffs; Opinion polling; Organisation of loyalty and incentive schemes; Organisation of prize draws for advertising purposes; Organising exhibitions for commercial or advertising purposes; Organization of advertising events; Organizing and conducting volunteer programs for charitable organizations; Organizing exhibitions for commercial or advertising purposes; Outdoor advertising; Pay per click advertising services; Preparation of business surveys; Preparation of marketing reports; Presentation of products to the public; Promotional sponsorship of bicycle races; Promotional sponsorship of cultural events; Promotional sponsorship of sports athletes; Promotional sponsorship of sports events; Promotional sponsorship of sports teams; Providing and rental of advertising space on the internet; Providing customer loyalty discount cards for promotional purposes; Public relations; Publicity and promotional services; Radio advertising; Radio advertising agency services; Retail services for food and beverages; Wholesale services in relation to foodstuffs; Wholesale services in relation to desserts; Wholesale services in relation to baked goods; Retail services relating to foodstuffs; Retail services relating to desserts; Retail services relating to confectionery; Retail services relating to bakery products; Retail services provided by supermarkets.

(15) Baked goods, biscuits, cookies, waffles, cakes, pancakes, breads, pizzas, crackers, muffins.

(16) Biscuit mixes; Biscuits; Bread batter; Bread buns; Bread crumbs; Panko bread crumbs; Bread dough; Bread mixes; Bread rolls; Bread sticks; Bread, pastries and confectionery; Danish bread; Danish butter cookies; Danish pastries; Eccles cakes; English muffins; French bread; French pastries; French toast; Adlay flour; All-purpose flour; Banana pudding; Cooked whole grains; Cookies; Corn-based snack foods; Cornflakes; Crackers; Cream buns; Cream cakes; Currant bread; Curry pasta; Custard; Donuts; Edible waffle bowls; Edible waffle cups; Egg roll biscuits; Egg roll cookies; Egg rolls; Egg tarts; Fortune cookies; Fresh bread; Fresh pastries; Fresh pies; Fresh pizza; Garlic bread; Ginger biscuits; Ginger cookies; Ginger snaps; Gingerbread; Glazed popcorn; Gluten-free cookies; Naan bread; Oat biscuits; Oat cookies; Oatcakes; Oatmeal; Oatmeal biscuits; Oatmeal cookies; Pancakes; Papadums; Pasties; Pita; Pitta bread; Pizza crust; Pizza pies; Pizzas; Plum cakes; Popcorn; Puff pastry; Puff pastry dough; Puff pastry shells; Puffed cheese balls corn snacks; Puffed cheese curls [corn snacks]; Puffed corn snacks; Pulse flour; Pumpkin pies; Rice biscuits; Rice bread; Rice-based snacks; Rusks; Sausage rolls; Sausage wrapped in dough; Savory biscuits; Savory pancake mixes; Savory pancakes; Savory pies; Savory tarts; Savoury biscuits; Savoury pancake mixes; Savoury pancakes; Strawberry tarts; Sugar biscuits; Sugar coated beans confectionery; Sugar coated peanuts; Sugar confectionery; Sugar pastilles; Tapioca; Tart shells; Wheat flakes; Whole wheat bread; Wholemeal bread.

(17) Administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; Administration of business affairs; Administration of consumer loyalty programmes; Administration of frequent flyer programmes that allow members to redeem miles for points or awards offered by other loyalty programmes; Advertising; Advertising agency services; Advertising and business advice; Advertising and business management consultancy; Advertising and marketing services; Advertising and marketing services provided by means of social media; Advertising for others; Advertising services provided via the internet; Advertising services relating to the commercialization of new products; Advertising services relating to the sale of goods; Advertising services to create brand identity for others; Advertising via electronic media; Advertising via mobile phone networks; Brand consultancy services; Brand creation services; Brand evaluation services; Business administration and management services; Business advice relating to franchising; Business advice relating to marketing; Business and marketing research; Business data analysis services; Business information; Business management of wholesale and retail outlets; Business research and surveys; Commercial business management services; Conducting market surveys;

Conducting trade fairs; Consultancy services relating to import-export agency services; Consumer research services; Customer relationship management; Distribution of samples; Electronic billboard advertising; Electronic processing of orders; Internet advertising services; Inventory management; Marketing; Mobile advertising services for others; On-line marketing; On-line retail store services featuring food preparation implements; On-line retail store services featuring foodstuffs; Opinion polling; Organisation of loyalty and incentive schemes; Organisation of prize draws for advertising purposes; Organising exhibitions for commercial or advertising purposes; Organization of advertising events; Organizing and conducting volunteer programs for charitable organizations; Organizing exhibitions for commercial or advertising purposes; Outdoor advertising; Pay per click advertising services; Preparation of business surveys; Preparation of marketing reports; Presentation of products to the public; Promotional sponsorship of bicycle races; Promotional sponsorship of cultural events; Promotional sponsorship of sports athletes; Promotional sponsorship of sports events; Promotional sponsorship of sports teams; Providing and rental of advertising space on the internet; Public relations; Publicity and promotional services; Radio advertising; Radio advertising agency services; Retail services for food and beverages; Wholesale services in relation to foodstuffs; Wholesale services in relation to desserts; Wholesale services in relation to baked goods; Retail services relating to foodstuffs; Retail services relating to desserts; Retail services relating to confectionery; Retail services relating to bakery products; Retail services provided by supermarkets; Promoting the goods and services of others by means of a loyalty rewards card scheme; Sales promotion through the administration of customer loyalty coupons.

(18) These are the previous logos used by our Group and are currently no longer being used.

As at LPD, our Group's business or profitability is materially dependent on the registered trademarks disclosed in (a) to (d), (g), (j) to (l) above, which represent the key brands of our Group (i.e. "SINAR®" and "合顺成饼家®"). In the event that our Group is unable to renew the registration of any of these trademarks upon expiry, our Group's proprietary interest in such trademarks would nonetheless continue to be protected under the common law through the tort of passing off. As the proprietor of unregistered trademarks, our Group may institute a passing off action against any third party that misrepresents its goods or services as being associated with, or originating from, our Group, where such misrepresentation is likely to cause confusion among consumers and result in damage to our Group's goodwill and reputation.

The protection afforded under the tort of passing off is founded upon three key elements, namely goodwill, misrepresentation, and damage. Accordingly, even in the absence of trademark registration, our Group retains enforceable rights to safeguard its goodwill and prevent unauthorised or misleading use of its marks by others that may adversely affect our Group's business or reputation.

6.8.2 Trademark application

Save as disclosed below, our Group has not applied for the registration of any other intellectual properties, the registration of which is pending as at LPD:

No.	Trademark	Applicant	Application no./ Class/ Description	Approving authority/ Place of application	Date of application	Status
(a)	Cheeria HSS	HCF	TM2023026029/ 30/ (1)	MyIPO/ Malaysia	30 August 2023	MyIPO has issued a provisional refusal on 8 January 2024, as the applied mark is considered confusingly similar to a published mark in Class 30 and another registered mark in Class 43. An appeal has been filed to MyIPO on 2 March 2024. As at LPD, the appeal is still under review. The appeal process is expected to take approximately 36 months from the date of appeal filed due to the complexity of determining mark similarity.
(b)	Cheeria HSS	HCF	TM2023026100/ 35/ (2)	MyIPO/ Malaysia	30 August 2023	MyIPO has issued a provisional refusal on 8 January 2024, as the applied mark is considered confusingly similar to a published mark in Class 30 and another registered mark in Class 43. An appeal has been filed to MyIPO on 4 March 2024.

No.	Trademark	Applicant	Application no./ Class/ Description	Approving authority/ Place of application	Date of application	Status
						On 13 February 2026, MyIPO issued a requirement for evidence of use of the mark. In response thereto, we submitted the relevant evidence of use together with a statutory declaration to MyIPO on 17 April 2026. Subject to MyIPO being satisfied with the evidence and statutory declaration submitted, the trademark is expected to be registered within approximately 18 months from the date we submitted our reply.
(c)	DELICIOSO	HCF	TM2023026109/ 30/ (1)	MyIPO/ Malaysia	30 August 2023	MyIPO has issued a provisional refusal on 16 January 2024, as the applied mark is considered confusingly similar to a mark under provisional refusal in Class 29-30, a registered mark in Class 29 and another registered mark under substantive examination in Class 31. An appeal has been filed to MyIPO on 14 March 2024. As at LPD, the appeal is still under review. The appeal process is expected to take approximately 36 months from the date of appeal filed due to the complexity of determining mark similarity.

No.	Trademark	Applicant	Application no./ Class/ Description	Approving authority/ Place of application	Date of application	Status
(d)	DELICIOSO	HCF	TM2023026110/ 35/ (2)	MyIPO/ Malaysia	30 August 2023	MyIPO has issued a provisional refusal on 16 January 2024, as the applied mark is considered confusingly similar to a mark under provisional refusal in Class 29-30, a registered mark in Class 29 and another registered mark under substantive examination in Class 31. An appeal has been filed to MyIPO on 14 March 2024. As at LPD, the appeal is still under review. The appeal process is expected to take approximately 36 months from the date of appeal filed due to the complexity of determining mark similarity.
(e)	DK DATOKITCHEN	HCF	TM2024003490/ 30/ (1)	MyIPO/ Malaysia	4 February 2024	MyIPO has issued a provisional refusal on 4 July 2024, as the applied mark is considered confusingly similar to a registered mark and another mark under provisional refusal. An appeal has been filed to MyIPO on 3 September 2024. As at LPD, the appeal is still under review. The appeal process is expected to take approximately 36 months from the date of appeal filed due to the complexity of determining mark similarity.

No.	Trademark	Applicant	Application no./ Class/ Description	Approving authority/ Place of application	Date of application	Status
(f)		HCF	TM2024003491/ 35/ (2)	MyIPO/ Malaysia	4 February 2024	MyIPO has issued a provisional refusal on 4 July 2024, as the applied mark is considered confusingly similar to a registered mark and another mark under provisional refusal. An appeal has been filed to MyIPO on 3 September 2024. As at LPD, the appeal is still under review. The appeal process is expected to take approximately 36 months from the date of appeal filed due to the complexity of determining mark similarity.
(g)		HCF	TM2025022350/ 30/ (3)	MyIPO/ Malaysia	7 July 2025	MyIPO has issued a provisional refusal on 18 December 2025, as the applied mark is considered confusingly similar to a registered mark. An appeal has been filed to MyIPO on 24 February 2026. The appeal process will take approximately 24 months from the date of appeal filed.
(h)		HCF	TM2025022351/ 35/ (4)	MyIPO/ Malaysia	7 July 2025	MyIPO has issued a provisional refusal on 18 December 2025, as the applied mark is considered confusingly similar to a registered mark. An appeal has been filed to MyIPO on 24 February 2026. The appeal process will take approximately 24 months from the date of appeal filed.

No.	Trademark	Applicant	Application no./ Class/ Description	Approving authority/ Place of application	Date of application	Status
(i)	hōs bākery	HCF	TM2025039369/ 30/ (3)	MyIPO/ Malaysia	11 November 2025	The trademark application was published on 30 April 2026. The publication will remain open for opposition for 60 days from the publication date. If no opposition is filed by any third party, the trademark is expected to be registered by July 2026.
(j)	hōs bākery	HCF	TM2025039372/ 35/ (4)	MyIPO/ Malaysia	11 November 2025	MyIPO has issued a provisional refusal on 27 April 2026, as the applied mark is considered confusingly similar to a mark under provisional refusal. HCF is given 2 months to file its appeal. As at LPD, HCF is preparing the submission for its appeal. The appeal process will take approximately 24 months from the date of appeal filed.

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Notes:

(1) Danish bread; Danish butter cookies; Danish pastries; Eccles cakes; English muffins; French bread; French pastries; French toast; Adlay flour; All-purpose flour; Banana pudding; Biscuit mixes; Biscuits; Bread batter; Bread buns; Bread crumb; Bread dough; Bread mixes; Bread rolls; Bread sticks; Bread, pastries and confectionery; Cooked whole grains; Cookies; Corn-based snack foods; Cornflakes; Crackers; Cream buns; Cream cakes; Currant bread; Curry pasta; Custard; Donuts; Edible waffle bowls; Edible waffle cups; Egg roll biscuits; Egg roll cookies; Egg rolls; Egg tarts; Fortune cookies; Fresh bread; Fresh pastries; Fresh pies; Fresh pizza; Garlic bread; Ginger biscuits; Ginger cookies; Ginger snaps; Gingerbread; Glazed popcorn; Gluten-free cookies; Naan bread; Oat biscuits; Oat cookies; Oatcakes; Oatmeal; Oatmeal biscuits; Oatmeal cookies; Pancakes; Papadums; Pasties; Pita; Pitta bread; Pizza crust; Pizza pies; Pizzas; Plum cakes; Popcorn; Puff pastry; Puff pastry dough; Puff pastry shells; Puffed cheese balls [corn snacks]; Puffed cheese curls [corn snacks]; Puffed corn snacks; Pulse flour; Pumpkin pies; Rice biscuits; Rice bread; Rice-based snacks; Rusks; Sausage rolls; Sausage wrapped in dough; Savory biscuits; Savory pancake mixes; Savory pancakes; Savory pies; Savory tarts; Savoury biscuits; Savoury pancake mixes; Savoury pancakes; Strawberry tarts; Sugar biscuits; Sugar coated beans [confectionery]; Sugar coated peanuts; Sugar confectionery; Sugar pastilles; Tapioca; Tart shells; Wheat flakes; Whole wheat bread; Wholemeal bread.

(2) Administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; Administration of business affairs; Administration of consumer loyalty programmes; Administration of frequent flyer programmes that allow members to redeem miles for points or awards offered by other loyalty programmes; Advertising; Advertising agency services; Advertising and business advice; Advertising and business management consultancy; Advertising and marketing services; Advertising and marketing services provided by means of social media; Advertising for others; Advertising services provided via the internet; Advertising services relating to the commercialization of new products; Advertising services relating to the sale of goods; Advertising services to create brand identity for others; Advertising via electronic media; Advertising via mobile phone networks; Brand consultancy services; Brand creation services; Brand evaluation services; Business administration and management services; Business advice relating to franchising; Business advice relating to marketing; Business and marketing research; Business data analysis services; Business information; Business management of wholesale and retail outlets; Business research and surveys; Commercial business management services; Conducting market surveys; Conducting trade fairs; Consultancy services relating to import-export agency services; Consumer research services; Customer relationship management; Distribution of samples; Electronic billboard advertising; Electronic processing of orders; Internet advertising services; Inventory management; Marketing; Mobile advertising services for others; On-line marketing; On-line retail store services featuring food preparation implements; On-line retail store services featuring foodstuffs; Opinion polling; Organisation of loyalty and incentive schemes; Organisation of prize draws for advertising purposes; Organising exhibitions for commercial or advertising purposes; Organization of advertising events; Organizing and conducting volunteer programs for charitable organizations; Organizing exhibitions for commercial or advertising purposes; Outdoor advertising; Pay per click advertising services; Preparation of business surveys; Preparation of marketing reports; Presentation of products to the public; Promotional sponsorship of bicycle races; Promotional sponsorship of cultural events; Promotional sponsorship of sports athletes; Promotional sponsorship of sports events; Promotional sponsorship of sports teams; Providing and rental of advertising space on the internet; Providing customer loyalty discount cards for promotional purposes; Public relations; Publicity and promotional services; Radio

advertising; Radio advertising agency services; Retail services for food and beverages; Wholesale services in relation to foodstuffs; Wholesale services in relation to desserts; Wholesale services in relation to baked goods; Retail services relating to foodstuffs; Retail services relating to desserts; Retail services relating to confectionery; Retail services relating to bakery products; Retail services provided by supermarkets.

(3) Biscuit mixes; Biscuits; Bread batter; Bread buns; Bre4ad crumbs; Panko bread crumbs; Bread dough; Bread mixes; Bread rolls; Bread sticks; Bread, pastries and confectionery; Danish bread; Danish butter cookies; Danish pastries; Eccles cakes; English muffins; French bread; French pastries; French toast; Adlay flour; All-purpose flour; Banana pudding; Cooked whole grains; Cookies; Corn-based snack foods; Cornflakes; Crackers; Cream buns; Cream cakes; Currant bread; Curry pasta; Custard; Donuts; Edible waffle bowls; Edible waffle cups; Egg roll biscuits; Egg roll cookies; Egg rolls; Egg tarts; Fortune cookies; Fresh bread; Fresh pastries; Fresh pies; Fresh pizza; Garlic bread; Ginger biscuits; Ginger cookies; Ginger snaps; Gingerbread; Glazed popcorn; Gluten-free cookies; Naan bread; Oat biscuits; Oat cookies; Oatcakes; Oatmeal; Oatmeal biscuits; Oatmeal cookies; Pancakes; Papadums; Pasties; Pita; Pitta bread; Pizza crust; Pizza pies; Pizzas; Plum cakes; Popcorn; Puff pastry; Puff pastry dough; Puff pastry shells; Puffed cheese balls [corn snacks]; Puffed cheese curls [corn snacks]; Puffed corn snacks; Pulse flour; Pumpkin pies; Rice biscuits; Rice bread; Rice-based snacks; Rusks; Sausage rolls; Sausage wrapped in dough; Savory biscuits; Savory pancake mixes; Savory pancakes; Savory pies; Savory tarts; Savoury biscuits; Savoury pancake mixes; Savoury pancakes; Strawberry tarts; Sugar biscuits; Sugar coated beans [confectionery]; Sugar coated peanuts; Sugar confectionery; Sugar pastilles; Tapioca; Tart shells; Wheat flakes; Whole wheat bread; Wholemeal bread.

(4) Administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; Administration of business affairs; Administration of consumer loyalty programmes; Administration of frequent flyer programmes that allow members to redeem miles for points or awards offered by other loyalty programmes; Advertising; Advertising agency services; Advertising and business advice; Advertising and business management consultancy; Advertising and marketing services; Advertising and marketing services provided by means of social media; Advertising for others; Advertising services provided via the internet; Advertising services relating to the commercialization of new products; Advertising services relating to the sale of goods; Advertising services to create brand identity for others; Advertising via electronic media; Advertising via mobile phone networks; Brand consultancy services; Brand creation services; Brand evaluation services; Business administration and management services; Business advice relating to franchising; Business advice relating to marketing; Business and marketing research; Business data analysis services; Business information; Business management of wholesale and retail outlets; Business research and surveys; Commercial business management services; Conducting market surveys; Conducting trade fairs; Consultancy services relating to import-export agency services; Consumer research services; Customer relationship management; Distribution of samples; Electronic billboard advertising; Electronic processing of orders; Internet advertising services; Inventory management; Marketing; Mobile advertising services for others; On-line marketing; On-line retail store services featuring food preparation implements; On-line retail store services featuring foodstuffs; Opinion polling; Organisation of loyalty and incentive schemes; Organisation of prize draws for advertising purposes; Organising exhibitions for commercial or advertising purposes; Organization of advertising events; Organizing and conducting volunteer programs for charitable organizations; Organizing exhibitions for commercial or advertising purposes; Outdoor advertising; Pay per click advertising services; Preparation of business surveys; Preparation of marketing reports; Presentation of products to the public; Promotional sponsorship of bicycle races; Promotional sponsorship of cultural events; Promotional sponsorship of sports

athletes; Promotional sponsorship of sports events; Promotional sponsorship of sports teams; Providing and rental of advertising space on the internet; Public relations; Publicity and promotional services; Radio advertising; Radio advertising agency services; Retail services for food and beverages; Wholesale services in relation to foodstuffs; Wholesale services in relation to desserts; Wholesale services in relation to baked goods; Retail services relating to foodstuffs; Retail services relating to desserts; Retail services relating to confectionery; Retail services relating to bakery products; Retail services provided by supermarkets; Promoting the goods and services of others by means of a loyalty rewards card scheme; Sales promotion through the administration of customer loyalty coupons.

As at LPD, our Group is using trademarks (a) to (j). Trademarks (a) and (b) have been used since 2023 while trademarks (c), (d), (e) and (f) have been used since 2024 only. The revenue contribution for products under trademarks (a) to (f) amounts to RM3.00 million and RM4.62 million for FYE 2024 and FYE 2025, representing 1.9% and 3.2% of our Group's total revenue for FYE 2024 and FYE 2025 respectively. Our Group only commenced using trademarks (g) to (j) in 2025. While the products under trademarks (i) and (j) had contributed RM0.16 million, representing 0.1% of our total revenue for FYE 2025, products under trademarks (g) and (h) had not contributed to our Group's total revenue for FYE 2025. As such, these are not key trademarks of our Group and our Group is not dependent on them. In the event of non-registration of these trademarks, our Group's business and profitability will not be affected.

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6.9 PROPERTY, PLANT AND EQUIPMENT

6.9.1 Properties owned by our Group

The summary of the material properties owned by our Group as at LPD are set out below:

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Tenure/ Category of land use	Land area/ Built-up area	[1]Date of purchase/ Date of CCC	Express condition/ Restriction-in-interest/ Encumbrances	Audited NBV as at 31 December 2025
			sq ft			RM'000
(a)	HCF/ 17386, Parit Raja Sari Jalan Parit Hulu Bukit Bakri 84200 Muar Johor/ Geran Mukim 6400, Lot 17386, Mukim of Jalan Bakri, District of Muar, State of Johor	2-storey office building cum warehouse/ HSS HQ/ Freehold/ Building	87,596.7/ 59,610.5	1 June 2023/ 3 April 2012	Medium industry for furniture[2]/ Nil/ 1 legal charge in favour of Maybank Islamic Berhad	15,067
(b)	HCF/ PTD 11741, Parit Raja Sari Jalan Parit Hulu Bukit Bakri 84200 Muar Johor/ Geran Mukim 6399, Lot 17385, Mukim of Jalan Bakri, District of Muar, State of Johor	Vacant industrial land/ Vacant Land 1 (for investment purpose)/ Freehold/ Industrial	87,596.7/ N/A	5 December 2019/ N/A	Medium industry for food manufacturing/ Nil/ 1 legal charge in favour of AmBank Islamic Berhad	4,409

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Tenure/ Category of land use	Land area/ Built-up area	(1)Date of purchase/ Date of CCC	Express condition/ Restriction-in-interest/ Encumbrances	Audited NBV as at 31 December 2025
			sq ft			RM'000
(c)	HCF/ PTD 11743, Parit Raja Sari Jalan Parit Hulu Bukit Bakri 84200 Muar Johor/ Geran Mukim 6401, Lot 17387, Mukim of Jalan Bakri, District of Muar, State of Johor	Vacant industrial land/ Vacant Land 2 (for investment purpose)/ Freehold/ Industrial	87,596.7/ N/A	1 June 2023/ N/A	Medium industry for furniture/ Nil/ 1 legal charge in favour of Maybank Islamic Berhad	3,867
(d)	HCF/ B-29-02, Residensi Ryan & Miho 74, Jalan Universiti Seksyen 13 46200 Petaling Jaya Selangor/ PN 118240/M2/30/1050, Lot 10158, Seksyen 13 in Township of Petaling Jaya, District of Petaling, State of Selangor	A unit of serviced apartment within a high rise housing development known as Ryan & Miho Phase Two/ Tenanted by third party/ Leasehold of 99 years expiring on 4 November 2114 (approximately 88 years remaining as at LPD)/ Building	N/A/ 818.1	1 March 2021/ 2 November 2021	Commercial building/ This land cannot be transferred, leased or charged unless approval from the State Authority is obtained/ Nil	596

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Tenure/ Category of land use	Land area/ Built-up area	[1]Date of purchase/ Date of CCC	Express condition/ Restriction-in-interest/ Encumbrances	Audited NBV as at 31 December 2025
			sq ft			RM'000
(e)	HCF/ 6, Jalan Eco Ardence U12/40K Eco Ardence Seksyen U12 40170 Shah Alam Selangor Geran 342156/L149, Lot 101594, Mukim of Bukit Raja, District of Petaling, State of Selangor	2 storey terrace house/ Vacant (for investment purpose)/ Freehold/ Building	2,400.4/ 2,236.0	31 August 2021/ 14 February 2023	Residential building/ Nil/ Nil	1,614

Notes:

(1) Date of the sale and purchase agreement.

(2) The District Land Office of Muar had on 8 August 2025 notified our Group that the variation of express condition of HSS HQ to food-related purpose has been approved by the Majlis Mesyuarat Kerajaan Johor. The official approval and notice for premium payment (Form 7G) have been issued by the District Land Office of Muar on 9 September 2025 and our Group has made the payment of premium on 18 September 2025. The existing financier has granted conditional approval dated 10 March 2026 to release the original issue document of title to HSS HQ. We have subsequently complied with the conditions imposed, and the existing financier will submit the original issue document of title to the land office for endorsement of the amended express condition.

The properties owned by our Group are not in breach of any land use conditions, statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations.

6.9.2 Properties rented by our Group

The summary of the material properties rented by our Group as at LPD are set out below:

No.	Postal address	Landlord/ Tenant	Description/ Current use	Date of CCC/CF	Approximate tenanted built-up area	Period of tenancy/ Rental per annum
					sq ft	RM
(a)	Lot 11507, Jalan Perindustrian 1/1 Kawasan Perindustrian Parit Jamil Mukim Sri Menanti 84150 Muar Johor	Imei Furniture Industries Sdn Bhd/ LHMC	1 unit of factory together with 1 unit of hostel building/ Manufacturing Facility 1 and workers' accommodation(1)	12 April 2023	44,056.7	(2)1 August 2023 to 31 July 2026/ 431,709
(b)	18, Jalan Perusahaan 1 Kawasan Perindustrian Parit Hulu Mukim Jalan Bakri 84200 Muar Johor	Goh Chen Chang(3)/ Kasaga	1 unit of factory/ Office and Warehouse 1	20 August 2013	9,300.0	1 May 2026 to 30 April 2029/ 96,000
(c)	20, Jalan Perusahaan 1 Kawasan Perindustrian Parit Hulu Mukim Jalan Bakri 84200 Muar Johor	YS Tan Wealth Management Sdn Bhd/ Kasaga	1 unit of factory/ Manufacturing Facility 2	27 June 2014	9,600.0	1 December 2023 to 30 November 2026/ 70,200
(d)	37, Jalan Pendamar 27/90 Seksyen 27 40400 Shah Alam Selangor	Chan Wei Yen/ HCF	1 unit of factory/ Office and Warehouse 2	28 November 1997	3,700.0	1 September 2025 to 31 August 2027/ 66,000

No.	Postal address	Landlord/ Tenant	Description/ Current use	Date of CCC/CF	Approximate tenanted built-up area	Period of tenancy/ Rental per annum
					sq ft	**RM**
(e)	18, First Floor, Jalan Perwira 1 Taman Perwira Jalan Batu Nampak (Parit Ulu) Bakri 84000 Muar Johor ("**Hostel No. 18**")	Owee Geok Choon/ HCF	First floor of a double storey terrace shop office/ Workers' accommodation	14 August 2012	1,400.0	1 January 2024 to 31 December 2026/ 8,400
(f)	81, Jalan OBO 33/17 Taman Alam Indah Seksyen 33 40400 Shah Alam Selangor ("**Hostel No. 81**")	Ahmad Shahir Bin Ramli/ HCF	Double storey terrace house/ Workers' accommodation	8 February 2013	1,400.0	15 September 2024 to 14 September 2026/ 18,000
(g)	8, Ground Floor, Jalan Wahid 1 Taman Parit Wahid Jalan Parit Batu Nampak Bukit Bakri 84200 Muar Johor ("**Hostel No. 8**")	Yap Choon Wah/ HCF	Ground floor of a double storey shophouse/ Vacant and intended to be used as workers' accommodation(4)	29 January 2015	1,400.0	1 August 2025 to 31 July 2027/ 15,000

No.	Postal address	Landlord/ Tenant	Description/ Current use	Date of CCC/CF	Approximate tenanted built-up area	Period of tenancy/ Rental per annum
					sq ft	RM
(h)	8, First Floor, Jalan Wahid 1 Taman Parit Wahid Jalan Parit Batu Nampak Bukit Bakri 84200 Muar Johor ("**Hostel No. 8**")	Yap Choon Wah/ Kasaga	First floor of a double storey shophouse/ Vacant and intended to be used as workers' accommodation⁽⁴⁾	29 January 2015	1,400.0	1 August 2025 to 31 July 2027/ 7,800
(i)	10, First Floor, Jalan Wahid 1 Taman Parit Wahid Jalan Parit Batu Nampak Bakri 84000 Muar Johor ("**Hostel No. 10**")	Hau Lee Keng/ Kasaga	First floor of a double storey shophouse/ Vacant and intended to be used as workers' accommodation⁽⁴⁾	29 January 2015	1,400.0	20 February 2024 to 19 February 2027/ 7,200
(j)	Geran 406526 Lot 16678, Mukim of Jalan Bakri, District of Muar, State of Johor ("**CLQ Hostel**")	Maxwell Management Sdn Bhd/ Kasaga	2 units of workers' hostel within a 4-storey centralised labour quarter/ Workers' accommodation	5 November 2023	936.5	1 August 2025 to 31 July 2027/ 49,920

Notes:

(1) Manufacturing Facility 1 was subject to the express condition to be used for medium industry for furniture. The District Land Office of Muar had on 7 August 2025 notified our landlord that the variation of express condition of Manufacturing Facility 1 to the use for food processing activities has been approved by the Jawatankuasa Hasil Bumi, Pentadbiran, Kewangan, Perancangan, Pembangunan Ekonomi dan Pelancongan. The official approval and the notice for premium payment (Form 7G) were issued by the District Land Office of Muar on 25 September 2025 and our Group had made the premium payment on 26 September 2025. The express condition on the issue document of title to Manufacturing Facility 1 has been amended to permit the use of Manufacturing Facility 1 for medium industry for the purpose of food processing activities and other related uses thereto.

(2) As the tenancy of Manufacturing Facility 1 is nearing expiry, we have approached our landlord for renewal and are in the midst of renewing the tenancy.

(3) Goh Chen Chang is our Promoter, substantial shareholder and Managing Director. As such, the rental of this property is deemed a related party transaction. Our Audit and Risk Management Committee has reviewed the above related party transaction and is of the view that the transaction is fair, reasonable and on normal commercial terms and not detrimental to the interest of the non-interested shareholders of our Group and is in the best interest to our Group. Please refer to Section 10.1 for further details of such related party transaction.

(4) The premises are rented to meet the prerequisites related to the employment of foreign employees, as providing ready accommodation is a requirement when applying for a foreign worker quota. The manufacturing sector's quota, which had previously been suspended, has reopened for applications until 31 December 2025. The premises will remain unutilised until the Group's application for foreign employee approval is granted and the recruitment process is subsequently undertaken.

Our Group's decision to utilise rented properties as our operational facilities is primarily driven by considerations of time and financial resources. The rented premises are readily available and adequately equipped to support our Group's current operational requirements, allowing operations to commence or expand without the significant time and capital investment required to construct new facilities. In contrast, Vacant Land 1 and Vacant Land 2 remain undeveloped and would require substantial capital expenditure and time to obtain the necessary regulatory approvals. These lands are therefore reserved for our future expansion when our operational scale and capacity requirements increase.

Save as disclosed in Section 6.9.2(b), our properties are rented from non-related parties. The properties rented by our Group are not in breach of any land use conditions and/ or non-compliance with current statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations as at LPD.

6.9.3 Acquisition of properties

Save as disclosed below, our Group has not acquired nor entered into any agreements to acquire any properties during FYE 2022 to 2025 and up to LPD:

No.	Date of purchase	Vendor	Properties	Purchase value
				RM'000
(a)	1 June 2023	Trent Upholstery Industries Sdn Bhd	HSS HQ and Vacant Land 2	(1)16,000

Note:

(1) The breakdown of the purchase value of the properties is as follows:

Properties	**Purchase value**
	RM'000
HSS HQ	11,000
Vacant Land 2	5,000
	16,000

Please refer to Section 6.9.1(a) and (c) for details of these properties.

6.9.4 Material capital expenditures and divestitures

(a) Material capital expenditures

Save for the expenditures disclosed below, there were no other capital expenditures made by us for FYE 2022 to 2025 and up to LPD:

	At cost				
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**1 January 2026 up to LPD**
Capital expenditures	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Freehold land	(1)1,967	(4)7,762	-	-	-
Freehold buildings	(2)1,223	(5)8,925	(9)2,526	80	-
Machinery, tools and equipment	385	(6)2,303	973	499	31
Motor vehicles	(3)1,355	(7)3,677	(10)3,889	(11)1,611	138
Office equipment, furniture and fittings	95	282	367	129	23
Renovations, electrical installations and signboard	416	(8)1,704	936	94	4
Computer and security system	118	362	644	440	83
Capital work-in-progress	392	490	-	-	-
	5,951	**25,505**	**9,335**	**2,853**	**279**

Notes:

(1) Relates to purchase of land for Office and Warehouse 1 which was disposed on 4 February 2025, as well as professional fees and payment made to relevant authorities for the construction of a warehouse on Vacant Land 1, which did not materialise.

(2) Relates to purchase of Office and Warehouse 1 from Huat Huat Kouping (M) Sdn Bhd on 20 October 2021 for a purchase consideration of RM3.00 million, which was disposed on 4 February 2025.

(3) Relates to purchase of 9 units of lorries, 4 units of forklift and 1 unit of passenger car.

(4) Relates to purchase HSS HQ and Vacant Land 2.

(5) Relates to purchase of HSS HQ.

(6) Mainly relates to purchase of machinery, tools and equipment for Manufacturing Facility 1.

(7) Relates to purchase of 23 units of lorries, 2 units of forklift and 5 units of passenger car.

(8) Relates to renovation cost for Manufacturing Facility 1 and Office and Warehouse 2.

(9) Relates to construction costs incurred for HSS HQ such as additional piling, suspended floor, ceiling work and guardhouse.

(10) Relates to purchase of 23 units of lorries, 1 unit of forklift and 2 units of passenger car.

(11) Relates to purchase of 5 units of lorries, 4 units of passenger car, 2 units of motorcycles and 1 unit of forklift.

The above capital expenditures were financed by a combination of internally generated funds and bank borrowings. Our capital expenditures are mainly driven by our business growth as well as for replacement purposes. Both Vacant Land 1 and Vacant Land 2 are strategically located adjacent to our HSS HQ, and they were purchased for our future expansion.

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2022 to 2025 and up to LPD:

	At cost				
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**1 January 2026 up to LPD**
Capital divestitures	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Freehold land	-	-	-	(1)1,890	-
Freehold buildings	-	-	-	(1)1,223	-
Machinery, tools and equipment	42	96	34	15	-
Motor vehicles	16	216	277	(2)1,437	-
Office equipment, furniture and fittings	-	-	72	-	-
Renovations, electrical installations and signboard	-	-	-	12	-
Computer and security system	-	9	-	4	12
	58	**321**	**383**	**4,581**	**12**

Notes:

(1) Relates to disposal of Office and Warehouse 1.

(2) Relates to disposal of 6 units of passenger car, 1 unit of lorry, 1 unit of van and 1 unit of motorcycle.

All our capital divestitures were carried out in the ordinary course of business as part of the periodic review of our fixed asset register to identify and eliminate those assets which have been fully depreciated or no longer in use or obsolete or surpassed their useful lives.

Moving forward, other than the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.9.1 and the material capital commitment as set out in Section 12.6, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.9.5 Material plans to construct, expand or improve our facilities

Save for the proposed utilisation of proceeds from our Public Issue to finance the capital expenditure as set out in Section 4.9.1, our Group does not have any other immediate plan to construct, expand and improve our facilities as at LPD.

6.10 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

Save as disclosed below, there are no major laws, regulations, rules and requirements governing the conduct of our Group's business which may materially affect our business operations:

(a) Local Government Act 1976 ("LGA 1976")

Under Section 102 of LGA 1976, the relevant local authority may exercise and perform within such area all or any powers and duties conferred on them under LGA 1976 or by any by-laws, rules or regulations passed pursuant to LGA 1976. The powers include the issuance of licences and the imposition of any conditions and restrictions (if any) on the licences as they deem fit.

Our Group conducts its business at places which are within the local area of Muar Municipal Council ("**MPM**") and Shah Alam City Council ("**MBSA**").

Pursuant to the powers conferred by LGA 1976, MPM and MBSA passed the by-laws to regulate the trade and business licences, signage licences as well as the warehouse licence.

The Licensing of Trades, Business, Industries and Professions (MPM) By-Laws 1981 imposes any person who wishes to use any place or premise within the area of MPM for any trade, business or industry to first apply and obtain a licence. The validity of licence, unless sooner suspended or cancelled, shall remain in force until the end of each year. Failure to obtain and hold this licence constitutes an offence, which, on conviction, is punishable by a fine not exceeding RM2,000 or by imprisonment of a term not exceeding 1 year or both. If the non-compliance continues after conviction, it may also result in a further fine not exceeding RM200 for each day of non-compliance.

The Licensing of Trades, Business, Industries and Professions (MBSA) By-Laws 2007 imposes any person who wishes to use any place or premise within the area of MBSA for any trade, business or industry to first apply and obtain a licence. The validity of licence, unless sooner suspended or cancelled, shall remain in force until the end of each year. Failure to obtain and hold this licence constitutes an offence, which, on conviction, is punishable by a fine not exceeding RM2,000 or by imprisonment of a term not exceeding 1 year or both. If the non-compliance continues after conviction, it may also result in a further fine not exceeding RM200 for each day of non-compliance.

As at LPD, HCF, LHMC and Kasaga have obtained the business premises and signage licence for their business operations at the HSS HQ, Manufacturing Facility 1, Office and Warehouse 1, Manufacturing Facility 2 and Office and Warehouse 2.

(b) Industrial Co-ordination Act 1975 ("ICA 1975")

ICA 1975 requires manufacturing companies with shareholders' funds of RM2.50 million and above or engaging 75 or more full-time paid employees to apply for a manufacturing licence from MITI. Failure to observe and adhere to the licensing requirements under ICA 1975 will constitute an offence which is punishable on conviction by a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 per day during which the non-compliance continues.

"Manufacturing activity" with its grammatical variations and cognate expressions means the making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade.

The licensing officer may also in his discretion revoke a licence if the manufacturer to whom a licence is issued:

(i) has not complied with any condition imposed in the licence;

(ii) is no longer engaged in the manufacturing activity in respect of which the licence is issued; or

(iii) has made a false statement in his application for the licence.

The licensing officer may also withhold or suspend the revocation of the licence if he is satisfied that the act or omission on the part of the manufacturer under the above situations was due to some cause beyond his control and there is a reasonable prospect of such act or omission being remedied within such period as the licensing officer may direct.

As at LPD, LHMC and Kasaga are involved in manufacturing activities, but they each have shareholders' funds of less than RM2.50 million and have less than 75 full time employees, i.e. LHMC has shareholders' funds of RM1.57 million for FYE 2025 and has 74 full time employees whilst Kasaga has shareholders' funds of RM1.95 million for FYE 2025 and has 56 full time employees. Therefore, LHMC and Kasaga are exempted from obtaining the manufacturing licence. LHMC and Kasaga have been issued with the exemption letters for manufacturing licence for their manufacturing activities at Manufacturing Facility 1 and Manufacturing Facility 2. Further details of the exemption letters are set out in Section 6.7(bb) and (oo).

(c) Employment (Restriction) Act 1968 and Immigration Act 1959/63 ("Immigration Act")

Employment (Restriction) Act 1968 expressly prohibits a person from employing a non-citizen of Malaysia unless that person has a valid employment permit. Failure to obtain the valid employment permit shall be an offence which on conviction is punishable by a fine not exceeding RM5,000 or imprisonment for a term not exceeding 1 year or both.

In addition, the employment of foreign workers in Malaysia shall also be subject to the Immigration Act. The Immigration Act provides that no person other than a citizen shall enter Malaysia unless he is in possession of a valid entry permit, his name is endorsed upon the said valid entry permit and he is in the company of the holder of the said entry permit or he is in possession of a valid pass lawfully issued to him to enter Malaysia or exemption is granted to him pursuant to Immigration Act. Section 55B(1) of Immigration Act further provides that a person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence, and shall on conviction, be liable to a fine of not less than RM10,000 but not more than RM50,000 or to a term of imprisonment not exceeding 12 months or to both for each such non-resident employee. Where, in the case of an offence under Section 55B(1) of Immigration Act, it is proved to the satisfaction of the court that the person has at the same time employed more than 5 such employees, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes. The board of directors, manager, secretary or a person holding an office or a position similar to that of a manager or secretary of the body corporate shall be liable to the same punishment to which the corporate body is liable.

As at LPD, our Group has 85 foreign employees, all of whom have valid work permits.

(d) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHAAA 1990")

EMSHAAA 1990 prescribes the minimum standards of housing, nurseries and accommodation for employees (and their dependants, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

Effective from 1 June 2020, the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("**Amended Act**") amended the EMSHAAA 1990, where employers are required to comply with the Amended Act, which includes providing minimum space requirement for workers' accommodation, basic facilities as well as safety and hygiene standards.

EMSHAAA 1990 provides that no employer or centralised accommodation provider shall use any buildings as accommodation if the building is unfit for human habitation in accordance with the relevant written laws. The employer or centralised accommodation provider shall ensure that every accommodation provided for employees complies with the minimum standards required under the Amended Act or any regulations made thereunder.

Pursuant to Section 24D(1) of EMSHAAA 1990, no accommodation shall be provided to an employee unless certified with a Certificate for Accommodation. As such, employers or centralised accommodation providers are required to apply for a Certificate for Accommodation with the Department of Labour of Peninsular Malaysia. An employer who contravenes Section 24D(1) of EMSHAAA 1990 commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.

Previously, our Group provided the following accommodations to our employees pending issuance of Certificates for Accommodation:

(i) Hostel No. 8 since September 2021;

(ii) Hostel No. 18 since January 2021; and

(iii) Hostel No. 81 since September 2024.

In respect of Hostel No. 8 and Hostel No. 18, we relocated our foreign workers on 12 June 2022 to 2 premises which were issued with Certificates for Accommodation. Upon expiry of the tenancy at the 2 certified premises, we relocated our foreign employees back to Hostel No. 8 and Hostel No. 18, upon both the premises being issued with the Certificates for Accommodation in October 2022. Subsequently in October 2024, we relocated our foreign workers from Hostel No. 8 to Manufacturing Facility 1. Hostel No. 8 is currently vacant and is intended for our Group's intended future use.

In respect of Hostel No. 81, our Group had obtained the Certificates for Accommodation in June 2025.

There was no penalty imposed for the period of past non-compliance up to the date of the issuance of the Certificates for Accommodation.

Our Board is of the view that the risk of being charged, convicted, penalised and/or compounded retrospectively is low as all of the employees are currently placed within the hostels which have been issued with Certificates for Accommodation. Therefore, there is no impact to the business operations or financial condition of our Group.

As at LPD, HCF, LHMC and Kasaga provide accommodation to our employees at Manufacturing Facility 1, Hostel No. 18, Hostel No. 81 and CLQ Hostel. The accommodations at Manufacturing Facility 1, Hostel No. 18 and Hostel No. 81 have been issued with valid Certificate for Accommodation to our Group, further details of the Certificates for Accommodation are set out in Section 6.7(w), (x) and (mm). In respect of the CLQ Hostel, it is owned and managed by a centralised accommodation provider and the Certificate for Accommodation has been issued to the centralised accommodation provider.

(e) OSHA

OSHA provides the framework to secure the safety, health and welfare among workforce and to protect others against risks to safety or health in connection with the activities of persons at work. The Occupational Safety and Health (Amendment) Act 2022 came into force on 1 June 2024.

(i) Notification of place of work, installation of machinery and certificate of fitness

Section 27A(1) of OSHA stipulates that any person who occupies or uses any premises as a place of work or undertakes any activity in a place of work shall give notice to an officer containing such particulars, and in such manner and within such time, as the Director General may determine. Contravention of which shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

Section 27C(1) of OSHA states that no person shall install or cause to be installed any prescribed plant unless the person ensures that the plant has fulfilled all the requirements prescribed by the Minister and has obtained the written approval from the Director General. Any person who contravenes Section 27C(1) of OSHA shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

Section 27D(1) of OSHA further states that no person shall operate or cause or permit to be operated any plant that has been installed under Section 27C of OSHA unless the plant has a certificate of fitness issued by an officer or a licensed person. Machinery which requires certificate of fitness are stated in Regulation 3 of the Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024 to include steam boiler, pressure vessel and lifting machinery. A person who contravenes Section 27D(1) of OSHA shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both. Further, in case of contravention of Section 27D(1) of OSHA, an officer shall immediately serve to the person who operates or causes or permits to be operated the plant a written notice prohibiting the operation of the plant or may render the plant inoperative until a certificate of fitness is issued. A person who fails to comply with the prohibition notice shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both.

As at LPD:

(aa) HCF, LHMC and Kasaga have notified the commencement of workplace at HSS HQ, Manufacturing Facility 1, Office and Warehouse 1, Manufacturing Facility 2 and Office and Warehouse 2;

(bb) HCF uses an air compressor at HSS HQ, which has been issued with certificate of fitness;

(cc) Kasaga uses a vertical air receiver tank at Manufacturing Facility 2, which has been issued with certificate of fitness;

(dd) LHMC uses an air compressor at Manufacturing Facility 1, which has been issued with certificate of fitness; and

(ee) our Group does not use any air compressor, air receiver tank or other machinery which requires certificate of fitness at Office and Warehouse 1 and Office and Warehouse 2.

(ii) Safety and health policy and committee

Pursuant to Section 16 of OSHA, it shall be the duty of every employer to formulate a written safety and health policy with respect to the safety and health at work of his employees. Contravention of which shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both.

Under Section 29A(1) of OSHA, an employer whose place of work is not included in any class or description of place of work as published in the Gazette under Section 29(1) of OSHA shall appoint one of his employees to act as an occupational safety and health coordinator if he employs 5 or more employees at his place of work. The occupational safety and health coordinator shall be appointed for the purpose of coordinating occupational safety and health issues at the place of work. However, an employer who has appointed a safety and health officer at the place of work shall be deemed to have complied with Section 29A(1) of OSHA. An employer who contravenes Section 29A(1) of OSHA shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both.

It is further provided under Section 30 of OSHA that the employer shall also establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work. Any contravention of Section 30 of OSHA shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

As at LPD:

(aa) Our Group has formulated safety and health policy in January 2024 as required under Section 16 of OSHA; and

(bb) each of HCF, LHMC and Kasaga has established a safety and health committee and appointed a safety and health coordinator at each of their workplace at HSS HQ, Manufacturing Facility 1, Office and Warehouse 1 and Manufacturing Facility 2. Office and Warehouse 2 has only 3 employees, therefore HCF is not required to establish a safety and health committee and appoint a safety and health coordinator at Office and Warehouse 2.

(f) Food Act 1983 ("FA 1983"), Food Regulations 1985 ("FR 1985") and Food Hygiene Regulations 2009 ("FHR 2009")

FA 1983 and FR 1985 aim to protect the public against health hazards and fraud in the preparation, sale and use of food and for other related matters.

(i) FA 1983

In particular, FA 1983 provides for, among others, the following:

(aa) Sections 13, 13A and 13B of FA 1983 provide that any person who prepares and sells food containing substances injurious to health, unfit for human consumption, and adulterated food commits an offence under FA 1983 and shall be liable, on conviction, to a fine ranging from RM20,000 to RM100,000, or to an imprisonment for a term ranging from 5 to 10 years, or to both (depending on the exact offence involved). Pursuant to Section 13C of FA 1983, the Director General of Health may, by notice in writing, order that such food being found to have contravened or reasonably suspected to have contravened FA 1983 and/ or FR 1985 be recalled, removed or withdrawn from sale from any food premises.

(bb) Section 16 of FA 1983 provides that any person who prepares, packages, labels or sells any food in a manner that is false, misleading or deceptive as regards its character, nature, value, substance, quality, composition, merit or safety, strength, purity, weight, origin, age or proportion or in contravention of any regulation made under FA 1983 commits an offence and is liable, on conviction, to imprisonment for a term not exceeding 3 years, or to fine, or to both.

(cc) Section 24(2) of FA 1983 provides that in the case of any preparation, packaging, labelling, advertisement or sale by an agent or servant, his principal or employer shall be under the same liability as if he had effected the preparation, packaging, labelling, advertisement or sale personally. Section 24(3) of FA 1983 further sets out that in the case of a sale of any food in contravention of the FA 1983 or any regulations made thereunder by a retailer or seller, or his servant or agent, the retailer, seller, servant or agent effecting the sale shall, for the purpose of FA 1983, be deemed to be the agent of the importer, manufacturer, packer, farmer, person who prepares the food or owner of the rights of the manufacturer or packer, or the agent to the agent of any of them, and each of those persons shall be under the same liability as that of the retailer or seller or the servant or agent as if he had himself effected the sale unless such person proves that he could not have been responsible for such contravention.

(dd) Section 13C(2) of FA 1983 provides that it shall be the duty of any of the persons in Section 24 of FA 1983, if he knows or has reason to believe or it has come to his knowledge that any food imported, manufactured, packed, farmed, prepared or sold by him has contravened Sections 13, 13A or 13B of FA 1983, to recall, remove or withdraw from sale of such food from any food premises with immediate effect.

(ii) FR 1985

FR 1985 regulates various aspects of food safety and quality control, including food compositional standards, food additives, nutrient supplements, artificial sweetening substances, contaminants (including metal contaminants), food labelling, advertisement, procedure for taking samples.

<u>Non-declaration of milk allergen</u>

Regulation 11(1)(ea) of FR 1985 provides that where a food contains ingredients known to cause hypersensitivity, the ingredients shall be declared on the label. It is prescribed by Regulation 11(5) that the specific food or ingredients known to cause hypersensitivity includes milk and milk products (including lactose). Any person who contravenes or fails to comply with Regulation 11(1)(ea) of FR 1985 commits an offence and shall on conviction be liable to a fine not exceeding RM10,000 or imprisonment for a term not exceeding 2 years.

There were 2 occasions which our Group failed to declare milk ingredient on the food packaging label of our Group's products as follows:

(aa) On 18 February 2025, MOH issued a notification to HCF to seize and detain 166 cartons of peanut candy and 21 cartons of Nyonya pineapple roll (all sourced from LHMC for export to our Singapore Wholesaler) at the direction of Singapore Food Agency due to presence of milk allergen undeclared on food packaging label.

(bb) On 5 March 2025, HCF had received an email from MOH on notification of food product contravention pertaining to the detection of milk protein contained in the oatmeal cookies (all sourced from LHMC for export to our Singapore Wholesaler) which was undeclared on the food packaging label.

In respect of the Nyonya pineapple and peanut candy, HCF disposed of 21 cartons of the Nyonya pineapple roll worth RM3,470 and returned the 166 cartons of peanut candy to LHMC for re-labelling prior to resale.

In relation to the oatmeal cookies, the affected products had been fully sold to the end-consumers at the time of notification by MOH. The Singapore Food Agency had ordered a recall of the affected products by our Group's Singapore customer, but no return and claim for refund were made by the end-consumers. HCF was instructed by MOH to conduct an internal investigation and traceability process of the affected products. No further action was taken by MOH after HCF submitted the traceability documents in respect of the affected products to MOH on 8 March 2025.

For information, the legal obligation to ensure the food products being imported comply with the relevant laws and regulations in Singapore rest solely with our Singapore customers, being the importer. Therefore, the Singapore Food Agency will not take enforcement action against our Group as the exporter.

Our Group had issued an internal non-compliance report after conducting an internal investigation to ensure all products with allergen will be properly declared on the packaging label moving forward.

Excessive aflatoxin

Regulation 39(4) of FR 1985 stipulates that no person shall import, prepare or advertise for sale or sell any food which contains aflatoxins (being a mycological contaminant) exceeding the permitted proportion. Any person who contravenes or fails to comply with Regulation 39(4) of FR 1985 commits an offence and shall on conviction be liable to a fine not exceeding RM10,000 or imprisonment for a term not exceeding 2 years.

On 14 March 2025, LHMC had received an email from MOH on notification of food product contravention pertaining to the detection of excessive aflatoxin contained in the peanut candy (manufactured by LHMC) and exported by HCF to Australia following the failing food reports published by Department of Agriculture, Fisheries and Forestry of Australia.

Our Group's Australian Wholesaler had disposed of the affected products at its own cost. LHMC had been instructed to conduct an internal investigation, traceability process of the affected products, as well as lab test on the next batch of raw material of the products prior to manufacturing. Save for the inspection and audit of our Manufacturing Facility 1 and verbal warning by MOH, no further action was taken by MOH.

There was no penalty or compound imposed by the relevant authorities.

For information, the legal obligation to ensure the food products being imported comply with the relevant laws and regulations in Australia rest solely with our Australian Distributor being the importer, and our Group being the exporter is not bound by laws and regulations of Australia.

Save for the immaterial miscellaneous expenses incurred for the lab test on the raw materials, our Group did not incur any other costs for the non-compliance.

These incidents are not expected to have a material adverse impact to our Group's business operations and financial condition as:

(aa) the affected Singapore and Australian Wholesalers have continued to purchase products from our Group after the incidents;

(bb) the peanut candy were sold to our Group's Australian Wholesaler at its own risk who had accordingly disposed of the peanut candy at its own cost; and

(cc) our Group had not received any notices, penalties or compounds from MOH in respect of the non-declaration of milk allergen on the packaging label and excessive aflatoxins in the products.

(iii) FHR 2009

Pursuant to the power conferred by Section 34 of FA 1983, MOH issued FHR 2009 which also provides the following:

(aa) Regulation 3(1) of FHR 2009 provides that no person shall use any food premises specified in the First Schedule for the purposes of, or in connection with the preparation, preservation, packaging, storage, conveyance, distribution or sale of any food or the relabelling, reprocessing or reconditioning of any food except the premises is registered under these regulations. Any person who fails to comply with Regulation 3(1) of FHR 2009 commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.

"Food Premises" are defined and set out in the First Schedule of the FHR 2009 to include:

(i) all food premises involved in manufacturing of food;

(ii) all food premises involved in catering or mass catering of food;

(iii) all premises where food is prepared, processed, stored or served for sale; and

(iv) all vehicles from which ready-to-eat food is sold.

As at LPD, HCF, LHMC and Kasaga have registered with the Food Safety Information System of Malaysia (FoSIM) under MOH for the respective food premises at HSS HQ, Manufacturing Facility 1, Manufacturing Facility 2, Office and Warehouse 1 and Office and Warehouse 2. Further details of the certificates of registration are set out in Section 6.7(a), (b), (aa) and (nn).

(bb) Regulation 9(1) read together with the Third Schedule of FHR 2009 states that a proprietor, owner or occupier of all food premises involved in the manufacturing of food shall provide and make available a food safety assurance programme in the food premises. Any proprietor, owner or occupier who fails to comply with Regulation 9(1) of FHR 2009 commits an offence, and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.

As at LPD, LHMC and Kasaga being involved in manufacturing of food have established a food safety assurance programme and obtained the MeSTI (Skim Pensijilan Makanan Selamat Tanggungjawab Industri) certification. LHMC is also certified for implementation of the GMP system. Further details of the MeSTI and GMP certification are set out in Section 6.7(hh), (ii) and (pp).

(g) Trade Descriptions (Certification and Marking of Halal) Order 2011 ("Trade Description Order")

Order 4 of Trade Description Order provides that all food and goods shall not be described as halal or be described in other expression to indicate that the food or goods can be consumed or used by a Muslim unless it is:

(i) certified as halal by the competent authority; and

(ii) marked with the logo as specified in the First Schedule.

Order 3 of Trade Description Order states that JAKIM and State Islamic Religious Councils shall be the competent authorities to certify any food, goods or services in relation to food or goods is halal in accordance with Trade Descriptions (Definition of Halal) Order 2011.

It is prescribed by Order 8 of Trade Description Order that any person who-

(i) certifies that any food, goods or services in relation to the food or goods is halal; or

(ii) supplies or offers to supply any food, goods or services in relation to the food or goods,

in contravention of Trade Description Order, commits an offence and shall, on conviction, be liable:

(i) if such person is a body corporate, to a fine not exceeding RM200,000, and for a second or subsequent offence, to a fine not exceeding RM500,000; or

(ii) if such person is not a body corporate, to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 3 years or to both, and for a second or subsequent offence, to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 5 years or to both.

As at LPD, the Halal status of our Group's bakery products is as follows:

Category	Halal	Non-Halal
Brand	• "SINAR®" • Other own brands (i.e. Cheeria) • Customers' brands • Unbranded	• "合顺成饼家®" • Customers' brands • Unbranded
Segment⁽¹⁾	Manufacturing, Sourcing, Trading	Sourcing, Trading
Products	• All products under "SINAR®" and other own brands • Halal customer-branded and unbranded products • Halal bakery and other products under the trading segment	• Chinese New Year cookies, Mid-Autumn Festival mooncakes and other traditional Chinese bakery products under "合顺成饼家®" brand • Non-Halal customer-branded and unbranded products

Category	Halal	Non-Halal
		• Non-Halal bakery and other products under the trading segment

Note:

(1) Although all products produced at LHMC and Kasaga's manufacturing facilities are Halal-compliant, certain products sold under the "合顺成饼家®" brand and certain customers' brand products may not carry the Halal logo on its packaging.

Each product of our Group may correspond to more than one SKU, as the same product may be sold under different brands to different customers. Accordingly, the total number of Halal-certified products disclosed in Section 6.7 differs from the total number of SKUs under our Group's sourcing and manufacturing segments. Further details of the Halal certificates issued to our Group are set out in Section 6.7.

(h) Control of Supplies Act 1961 ("Control of Supplies Act") and Control of Supplies Regulations 1974 ("Control of Supplies Regulations")

Pursuant to the power conferred by Section 6 of Control of Supplies Act, the Ministry of Domestic Trade and Cost of Living issued the Control of Supplies Regulations. Regulation 3 of Control of Supplies Regulation provides that no person shall deal by wholesale or retail in any scheduled article or manufacture any scheduled article except under and in accordance with a licence issued under Regulation 4 of Control of Supplies Regulations.

Scheduled articles are listed in Part I, the Schedule of Control of Supplies Regulations and include wheat flour, sugar, cooking oil and liquefied petroleum gas.

Regulation 21 of the Control of Supplies Regulations provides that any person who contravenes or fails to comply with any provision of the Control of Supplies Regulations, or any direction given under the Control of Supplies Regulations, or the terms and conditions of any licence, written authority or permit granted, issued or renewed under the Control of Supplies Regulations, shall be guilty of an offence. The penalties for such offence upon conviction are prescribed by Section 22 of the Control of Supplies Act, which includes:

(i) if such person is not a body corporate (but including a director or officer of a body corporate), to a fine not exceeding RM1.00 million or to imprisonment for a term not exceeding 3 years or to both, and for a second or subsequent offence, to a fine not exceeding RM3.00 million or to imprisonment for a term not exceeding 5 years or to both; or

(ii) if such person is a body corporate, to a fine not exceeding RM2.00 million and, for a second or subsequent offence, to a fine not exceeding RM5.00 million.

As at LPD, LHMC and Kasaga purchase and store wheat flour, sugar, cooking oil and liquefied petroleum gas at Manufacturing Facility 1 and Office and Warehouse 1, both companies have obtained the permit from the Ministry of Domestic Trade and Cost of Living to purchase and store the scheduled articles. Further details of the permits are set out in Section 6.7(kk), (ll), (qq) and (rr).

(i) Fire Services Act ("FSA")

Pursuant to Section 28(1) of FSA, every designated premises must require a fire certificate. "Designated premises" are defined in the Fire Services (Designated Premises) Order 1998 which include the following:

(i) Single storey factory of 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed;

(ii) 2 storeys factory of 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed; and

(iii) Factory of special structures – hazardous processes.

It is prescribed in Section 33 of FSA that where there is no fire certificate in force in respect of any designated premises, the owner of the premises shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 5 years or to both.

Each of HSS HQ and Manufacturing Facility 1 has floor area of more than 2,000 square metres and is a designated premises within the definition in Fire Services (Designated Premises) Order 1998 which require a fire certificate pursuant to FSA.

HCF had commenced its operations at HSS HQ since August 2024 pending the issuance of fire certificate. The fire certificate for HSS HQ has since been obtained by HCF on 17 July 2025.

We are of the view that the above past non-compliance will not have a material adverse impact on our Group's business operations and/ or financial condition as:

(i) there was no penalty imposed or notice of closure issued by the Fire and Rescue Department for the period of past non-compliance up to the date of the issuance of the fire certificate; and

(ii) our Group has taken the necessary corrective actions to rectify the non-compliance and to ensure future compliance as stated below.

As at LPD, HSS HQ and Manufacturing Facility 1 which fall within the category of designated premises have been issued with valid fire certificate. Further details of the fire certificates are set out in Section 6.7(y) and (z).

(j) Weights and Measures Act 1972 and Weights and Measures Regulations 1981

Pursuant to Section 14 of Weights and Measures Act 1972, every weight and measure and instrument for weighing or measuring for use for trade shall be verified and stamped by an Inspector of Weights and Measures with a stamp of verification and a certificate of verification shall be issued by such Inspector at the time of stamping every weight or measure or instrument for weighing or measuring. Any person who uses or has in his possession for use for trade any weight, measure or instrument for weighing or measuring not verified, stamped, certified or authenticated as required by Section 14 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM40,000 or to imprisonment for a term not exceeding 3 years or both, and such weight, measure or instrument for weighing or measuring shall be liable to be forfeited.

Regulation 16 of Weights and Measures Regulations 1981 further prescribes that all weights, measures and instruments must be inspected and verified once in 12 months, failing which it is an offence and shall, on conviction, be liable to a fine no exceeding RM25,000 or imprisonment for a term not exceeding 6 months or both and the revocation of the licence.

As at LPD, HCF, LHMC and Kasaga have obtained certificates of verification for weights and measures in respect of all its 23 weighing and measuring instruments.

(k) National Land Code (Revised 2020) ("NLC")

NLC governs land matters within Peninsular Malaysia, where the lands of our Group are situated. Pursuant to NLC, the state authority may alienate land subject to such express conditions and restrictions in interest which shall be determined by the state authority at the time when the land is approved for alienation and every condition or restriction in interest imposed under this section shall be endorsed on or referred to in the document of title to the land. In the event of breach of conditions, the land administrator has the right to either:

(i) impose a fine under Section 127 of NLC after serving a notice on and requesting the proprietor to attend a hearing to show cause to the satisfaction of the land administrator, the reason that a fine should not be imposed in respect of such breach, failing which, the proprietor may be liable to pay a fine of not less than RM500 (and in the case of a continuing breach, a further fine of not less than RM100 for each day of the continuing breach);

(ii) request the proprietor to remedy the breach within the time stipulated in the notice served by the land administrator under Section 128 of NLC, failing which, the land administrator may take action to enforce forfeiture of the land under Section 129 of NLC; or

(iii) hold an enquiry to forfeit the land under Section 129 of NLC.

Previously, the following properties owned or rented by our subsidiaries, namely HCF and LHMC which are used as factory and/ or warehouse for food processing and/ or manufacturing were subject to the following express conditions:

No.	Property	Ownership	Express conditions	Current status of the property
1.	HSS HQ	Owned	Medium industry for furniture	The District Land Office of Muar had on 9 September 2025 approved the variation of express condition of HSS HQ to into medium industry for food related activities and our Group had made payment of the premium on 18 September 2025. The existing financier has granted conditional approval dated 10 March 2026 to release the original issue document of title to HSS HQ. We have subsequently complied with the conditions imposed and the existing financier will submit the original issue document of title to the land office for endorsement of the amended express condition.

No.	Property	Ownership	Express conditions	Current status of the property
2.	Manufacturing Facility 1	Rented	Medium industry for furniture	The District Land Office of Muar had on 25 September 2025 approved the variation of express condition of Manufacturing Facility 1 to the use of food processing activities and our Group had made payment of the premium on 26 September 2025. The express condition on the issue document of title to Manufacturing Facility 1 has been amended to permit the use of Manufacturing Facility 1 for medium industry for the purpose of food processing activities and other related uses thereto.

Our Group has resolved the above issue in relation to the non-compliance with the stipulated land use conditions and there was no penalty imposed by the state authorities for the period of past non-compliance up to LPD. Our Board is of the view that the risk of being charged, convicted, penalised and/ or compounded retrospectively is low given that the approval has been obtained for the variation of express conditions in line with the activities carried out at HSS HQ and Manufacturing Facility 1 respectively.

Therefore, there is no impact to the business operations or financial condition of our Group.

Save for the past non-compliance disclosed above, all of our owned and rented properties have complied with the express condition(s) endorsed on their respective land titles and we will continue to ensure compliance with the applicable NLC provisions.

(l) Street, Drainage and Building Act 1974 ("SDBA") and Uniform Building By-Laws 1984 ("UBBL")

SDBA is enforced by the local authorities of Peninsular Malaysia and it provides for the requirement of having a CF/ CCC for the occupation of any building or any part thereof.

Under UBBL which was issued pursuant to SDBA, a CF/ CCC will only be issued in relevant forms by a qualified person, namely, an architect, registered building draughtsman or engineer. A qualified person must be satisfied that, to their best knowledge:

(i) the relevant building has been constructed in accordance to UBBL;

(ii) any conditions imposed by the local authority have been satisfied;

(iii) all essential services have been provided; and

(iv) responsibilities have been accepted for the portions that are being concerned with.

Any person who occupies or permits to be occupied any building or any part thereof without a CF/ CCC shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

As at LPD, all properties owned and rented by our Group in Malaysia have valid CF/ CCC.

(m) Environmental Quality Act 1974

Environmental Quality Act 1974 governs the enforcement of waste disposal in Malaysia in order to control pollution.

As at LPD, our Group has not received any notices, penalties or reprimands from the Department of Environment for non-compliance of the environmental laws and regulations.

To prevent the occurrence of previous regulatory non-compliances as disclosed in Section 6.10(d), (f), (i) and (k) above in the future, our Group has put in place the following measures:

(a) Established a compliance management framework which outlines the processes and responsibilities necessary to monitor, evaluate and maintain compliance across our Group's operations;

(b) Assigned the Administration and Human Resources Manager to oversee the renewal and monitoring of licences, permits, certificates and approvals;

(c) Enhanced our internal control policies and procedures, including (i) giving training to our employees and to ensure all products with allergen are properly declared on the packaging label; and (ii) obtaining the relevant certificate of analysis from our raw materials' suppliers on a periodical basis to ensure that the test results for the raw materials are up-to-date and in compliance with the relevant laws and regulations in Malaysia as well as the importing countries; and

(d) Keep abreast with any latest development on the rules and regulations governing our Group's business operations to ensure continuous compliance, and seek professional advice and assistance whenever necessary.

6.11 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") PRACTICES

Our Group recognises the importance of ensuring environmentally responsible operations, providing a conducive workplace for our employees and adopting a high standard of corporate governance in shaping our Group's future growth and development as well as to maintain confidence of our stakeholders. Our Group's sustainability efforts are guided by our sustainability policy. Our Group has implemented, and is in the midst of implementing, the following practices:

(a) Environmental

Our Group is a proponent of adopting sustainable practices in response to environmental issues. We aspire to adhere to environmentally friendly practices in our management of resources and pollution generated from our business activities. In managing environmental sustainability matters, we will focus on, among others, the following:

(i) Implementing stringent production planning and inventory management processes to ensure optimal use of raw materials and to prevent over-production and wastage. Our production adopts a "first-in, first-out" system to maintain product freshness and reduce the risk of spoilage;

(ii) Adopting yield analysis as a key monitoring mechanism to track and evaluate the efficiency of raw material usage throughout our production cycle. Regular yield monitoring allows us to identify deviations, analyse root causes of material losses, and implement corrective measures promptly;

(iii) Installation of fibre-reinforced polymer roofing sheets and inverter model air conditioning systems at our premises to minimise energy consumption;

(iv) Implementing a paperless initiative. Our Group is transitioning to digitalise our marketing materials and administrative operations, fostering a culture of responsible paper use such as avoiding unnecessary printing and recycling used paper products;

(v) Reuse of pallets to optimise our warehouse space efficiently. This initiative serves to not only reduce waste but also achieve cost savings and minimise our environmental footprint; and

(vi) Donate bakery products with less than 45 days to expiry to a third-party company specialising in recycling and producing animal feed and fertilisers.

(b) Social

Our Group is committed to act responsibly to all our stakeholders in our business operations as well as to the community in which we operate in. The safety and health of our employees are our priorities, specifically on mitigating any safety and health risks at our workplace to create a safe and productive environment for our employees. As part of our social initiatives and within our workplace, we are committed to:

(i) Cultivating a secure, healthy and supportive workplace environment for our employees;

(ii) Ensuring equal access to opportunities regardless of one's age, gender, ethnicity, religion, national origin, sexual orientation, disability or any other pertinent characteristic;

(iii) Preventing any form of misconduct and improper behaviour, such as workplace bullying, discrimination based on individual differences, discriminatory and sexual harassment, intimidation and victimisation;

(iv) Empowering our workforce by supporting their personal and professional growth; and

(v) Contributing to the well-being and development of the surrounding community through corporate social responsibility programmes and sponsorship.

(c) Governance

Our Group is committed in promoting good corporate governance to ensure long term sustainability of our business. Accordingly, we are committed to uphold the required standards of corporate governance and ethical conduct in accordance with the principles and best practices of corporate governance as set out in the MCCG.

6.12 EMPLOYEES

Our Group's (excluding Kasaga) total workforce increased from 160 employees to 196 employees to 237 employees as at 31 December 2022, 31 December 2023 and 31 December 2024 respectively. Including Kasaga's employees, our Group's total workforce consists of 276 employees as at 31 December 2025.

As at LPD, we have a total workforce of 277 employees, which consists of permanent and contractual employees. Majority of our employees are local, save for 85 foreign employees, all of whom have valid working permits.

The breakdown of our employees as at 31 December 2025 and LPD are as follows:

	No. of employees				
	Permanent		**Contract**		
Category	**Local**	**Foreign**	**Local**	**[1]Foreign**	**Total**
As at 31 December 2025					
Executive Directors	2	-	-	-	2
Key senior management	5	-	-	-	5
Production	67	1	1	44	113
Logistics	40	-	1	9	50
Warehouse	11	-	2	16	29
Purchase and planning	16	-	1	-	17
Finance	9	-	-	-	9
Administration	6	-	-	2	8
Human resources	6	-	-	-	6
Marketing	22	-	-	-	22
Sales	15	-	-	-	15
	199	**1**	**5**	**71**	**276**
As at LPD					
Executive Directors	2	-	-	-	2
Key senior management	5	-	-	-	5
Production	65	1	-	57	123
Logistics	33	-	1	9	43
Warehouse	9	-	-	16	25
Purchase and planning	16	-	-	-	16
Finance	9	-	-	-	9
Administration	6	-	-	2	8
Human resources	6	-	-	-	6
Marketing	21	-	-	-	21
Sales	19	-	-	-	19
	191	**1**	**1**	**84**	**277**

Note:

(1) Our contractual foreign employees have a fixed employment term of 1 year, as set out in their respective letters of employment.

None of our employees belong to any labour union and over FYE 2022 to 2025 and up to LPD, there is no labour dispute between our management and our employees. Additionally, over FYE 2022 to 2025 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

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7. BUSINESS OVERVIEW

7.1 INCORPORATION AND HISTORY

7.1.1 Overview of our Group

Our Company was incorporated in Malaysia on 11 April 2025 under the Act as a private limited company under the name of HSS Holdings Sdn Bhd. On 10 September 2025, we were converted into a public limited company to facilitate our Listing and assumed our present name.

Our Group is principally involved in the sourcing of bakery products, trading of bakery and other products and manufacturing of bakery products.

7.1.2 Ownership and group structure

HCF

On 19 May 2006, Goh Chen Chang incorporated HCF with 3 non-related parties, namely Koo Joo Heng, Jati Binti Bujang and Peh Huey Juu, each holding equal equity interests, to take over the trading of bakery products business from HSS Confectionery Trading, a sole proprietorship which was set up by Goh Chen Chang in 2004.

On 6 August 2008, via a capital injection, Goh Chen Chang increased his equity interest in HCF to 99.9%.

On 17 April 2009, Jati Binti Bujang exited the company and on 10 August 2009, Peh Huey Juu exited as shareholder but continued working at HCF as administration officer until 2021. On 19 May 2020, Koo Joo Heng exited the business.

On 28 April 2022, Goh Chen Chang transferred a portion of shares to his brother, Goh Chen Ann, resulting in Goh Chen Chang and Goh Chen Ann holding 94.1% and 5.9% equity interest respectively in HCF.

On 29 December 2023, Goh Chen Chang and Goh Chen Ann sold their entire equity interests in HCF to Valura Group.

LHMC

On 9 October 2014, LHMC was incorporated by Goh Chen Ann and his spouse, Quek Sze Qi to manufacture biscuits and cookies.

On 28 June 2021, Goh Chen Ann transferred a portion of his shares to Goh Chen Chang, while Quek Sze Qi transferred her entire equity interest to Goh Chen Chang, resulting in Goh Chen Ann and Goh Chen Chang holding 80.0% and 20.0% equity interest respectively in LHMC.

On 28 November 2023, after 2 rounds of capital injections, Goh Chen Chang's equity interest in LHMC increased to 33.4% and Goh Chen Ann's equity interest reduced to 66.6%.

On 29 December 2023, Goh Chen Chang and Goh Chen Ann sold their entire equity interests in LHMC to Valura Group.

Kasaga

On 10 August 2023, Goh Chen Chang and Joshua Lau Ern Tien incorporated Kasaga, to manufacture cakes. On 1 April 2025, Goh Chen Chang sold his entire 75.0% equity interest in Kasaga to Valura Group, resulting in Valura Group and Joshua Lau Ern Tien holding 75.0% and 25.0% equity interest respectively in Kasaga.

On 8 August 2025, we undertook the Acquisitions as part of our Listing, hence formalising our Group's structure.

7.1.3 Our business growth

Our humble beginnings can be traced back to 2003 when our founder and Managing Director, Goh Chen Chang, joined Maharani Bakery Sdn Bhd as a logistics and warehousing executive, where he was also in charge of delivering bakery products to Singapore. During this time, he observed that wholesaler customers in Singapore frequently restocked bakery products and recognised there was a demand for bakery products in Singapore. He left Maharani Bakery Sdn Bhd in the same year. In 2004, he started a small-scale home-based trading business under the name HSS Confectionery Trading. He initially focused on trading a variety of cakes, biscuits, cookies and pastry products through wholesalers to coffee shops and grocery stores in Singapore.

While trading to wholesalers, Goh Chen Chang noticed that many of the product offerings sold in the market were standardised and undifferentiated. Recognising the opportunity to offer differentiated products through increasing the variety of product offerings and introducing unique packaging designs, sizes and specifications, he began to source and collaborate with third-party manufacturers to introduce variations of bakery products based on amongst others, varying tastes, new flavours and price points and develop differentiated packaging designs and sizes as a new service offering to our Wholesalers.

As the business grew, in 2006, Goh Chen Chang and 3 friends incorporated HCF to take over the business of HSS Confectionery Trading. In the same year, we relocated our sourcing and trading operations from a home-based setup to a rented shop lot in Bakri, Johor, with a built-up area of approximately 1,400 sq ft. In 2007, we relocated our sourcing and trading operations again to a rented warehouse located in Muar, Johor, which had a built-up area of approximately 3,300 sq ft to cater to our growing operations. In the same year, following our success in trading and sourcing bakery products in Singapore, we began to approach wholesalers in Johor to establish business relationships with them. We then gradually expanded into establishing business relationships with wholesalers in Klang Valley later that year.

In 2012, we commenced selling cookies to Retailers and introduced cookies under our Group's first brand, "Sbb®".

In 2014, we ventured upstream into the manufacturing of cookies through LHMC, with a focus on festive cookies as we frequently faced difficulties in securing reliable supplies of cookies from our third-party manufacturers especially leading up to the festive seasons and at the same time, we took the opportunity to establish our own manufacturing facility to reduce our reliance on third-party manufacturers. We commenced manufacturing cookies in a rented shop lot with a built-up area of approximately 1,400 sq ft located in Taman Sungai Abong, Johor. Subsequently, we relocated to the larger Manufacturing Facility 2 in 2016.

In 2016, our "SINAR®" brand was introduced, offering Halal cookies, which initially focused on Hari Raya cookies. With the introduction of the "SINAR®" brand, we expanded our market reach to Muslim consumers. We also expanded our customer base for our "SINAR®" brand of bakery products to Retailers directly. In the same year, we relocated our trading and sourcing operations from our 3,300 sq ft warehouse to a larger No. 22 Factory, which HCF acquired in 2014 upon completion of its construction.

In 2018, we expanded our "SINAR®" brand by providing other Halal seasonal cookies and cakes, such as cookies for the Chinese New Year and mooncakes for the Mid-Autumn Festival. In the same year, we commenced manufacturing of biscuits through LHMC.

In 2019, we expanded our "SINAR®" brand from solely offering Halal seasonal bakery products to include Halal cakes for daily consumption. This enhanced our brand's visibility, which strengthened our market presence and allowed us to expand our product portfolio with new product offerings. We subsequently rebranded our seasonal product offerings for Chinese New Year and Mid-Autumn Festival to our new brand, "合顺成饼家®".

To cater to our growing sourcing and trading businesses, in 2021, HCF increased its warehousing capacity by commencing operations at another rented warehouse, PTD 13425 Warehouse, with a built-up area of approximately 26,100 sq ft. In 2022, our warehousing capacity further expanded to Office and Warehouse 1, which has a built-up area of approximately 9,300 sq ft.

In November 2023, we relocated our biscuits and cookies manufacturing operations from Manufacturing Facility 2 to Manufacturing Facility 1, which has a larger built-up area and commenced operations in January 2024. We also commenced operations at Office and Warehouse 2, located in Shah Alam, to support our warehousing needs in Klang Valley. During 2023, we also acquired HSS HQ, and upon completion of its construction, we consolidated HCF's warehousing operations which were previously spread across our 3 warehouses located at No. 22 Factory, Office and Warehouse 1 and PTD 13425 Warehouse to our HSS HQ. We relocated to HSS HQ in August 2024 as a strategic move to consolidate 3 of our previous warehouses into a single location, thereby centralising our warehousing operations in Muar, Johor. This has enabled us to better track and manage our inventory levels as well as improve logistics efficiency by eliminating the need for coordination between multiple warehouse sites. Following the consolidation, Office and Warehouse 1 is currently utilised by Kasaga.

In April 2025, following Valura Group's acquisition of 75.0% equity interest in Kasaga, we ventured into the manufacturing of cakes. Kasaga began operations in February 2024 at Manufacturing Facility 2 and in May 2024, rented Office and Warehouse 1 for its warehousing and office operations.

To date, we have built a portfolio of 11 brands of bakery products: "SINAR®", "合顺成饼家®", "Cheeria®", "DATO KITCHEN®", "DELICIOSO®", "Rollado®", "Sa1ko®", "Sbb®", "Ukuki®", "Yihaa Raya Ria®", and "Larri's Joy™", of which "SINAR®" and "合顺成饼家®" are our Group's key brands.

As our business grew, our network of customers, comprising mainly Wholesalers and Distributors, has since expanded to Australia (2013), Indonesia (2015), Cambodia (2023) and Korea (2024). Wholesalers may purchase customers' brands, unbranded or our Group's own brand of bakery products for resale. Additionally, we appoint Distributors to actively promote and distribute our Group's own brand of bakery products to extend the market reach of our Group's own brand of bakery products through their established sales and distribution networks. We also serve Retailers, which consist of chain hypermarkets, supermarkets or retail stores such as sundry shops and petrol stations, allowing us to enhance the visibility of our own brands of bakery products through their chain stores and wide network, furthering our market reach to a broader consumer base.

As at LPD, we have 330 Wholesalers, 5 Distributors and 117 Retailers, of which 233 Wholesalers, 3 Distributors and all Retailers are in Malaysia, 92 Wholesalers are in Singapore, 4 Wholesalers are in Australia, and 1 Wholesaler and 2 Distributors are in Indonesia.

7.2 KEY ACHIEVEMENTS AND MILESTONES

Year	**Achievement or Milestones**
2004	• Established HSS Confectionary Trading, a small-scale home-based trading business to trade a variety of cakes, biscuits, cookies and pastry products to wholesaler customers in Singapore • Commenced sourcing and collaborating with third-party manufacturers to introduce variations of bakery products
2006	• Incorporated HCF to take over the entire business of HSS Confectionery Trading • Relocated our sourcing and trading operations to a shop lot measuring approximately 1,400 sq ft in Bakri, Johor
2007	• Relocated our sourcing and trading operations to a rented warehouse measuring approximately 3,300 sq ft in Muar, Johor
2012	• Commenced selling cookies to Retailers • Introduced our first own brand, "Sbb®"
2013	• First export of our products to Australia
2014	• Ventured upstream into the manufacturing of cookies
2015	• First export of our products to Indonesia
2016	• Introduced our own "SINAR®" brand, which initially was used for Hari Raya cookies • Expanded to offer our brand of "SINAR®" bakery products to our Retailers • Relocated our trading and sourcing operations from our 3,300 sq ft warehouse to a larger warehouse at No. 22 Factory • Relocated our cookies manufacturing operations to a larger facility at Manufacturing Facility 2
2018	• Expanded our range of "SINAR®" brand of seasonal cookies and cakes, to include cookies for Chinese New Year and mooncakes for the Mid-Autumn Festival • Commenced manufacturing of biscuits

Year	**Achievement or Milestones**
2019	• Expanded our "SINAR®" brand from solely offering Halal seasonal bakery products to include Halal cakes for daily consumption • Rebranded our seasonal product offerings for Chinese New Year and Mid-Autumn Festival to our new brand, "合顺成饼家®"
2021	• Increased warehouse capacity with the addition of PTD 13425 Warehouse
2022	• Further increased warehouse capacity with the addition of Office and Warehouse 1
2023	• Commenced operations at Manufacturing Facility 1 • Acquired HSS HQ • Commenced operations at Office and Warehouse 2 to support our warehousing needs in Klang Valley • First export of our products to Cambodia
2024	• Commenced operations at HSS HQ • First export of our products to Korea
2025	• Acquired 75.0% equity interest in Kasaga and commenced in-house manufacturing of cakes in Manufacturing Facility 2

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7.3 DESCRIPTION OF OUR BUSINESS

Our Group is involved in the:

- sourcing of bakery products;
- trading of bakery and other products; and
- manufacturing of bakery products.

Our principal proposition to our customers involves us collaborating with third-party manufacturers to produce bakery products, allowing our customers to focus their business on branding, marketing, sales and growth. The bakery products are produced according to our customers' specifications, with whom we actively liaise with to collaborate with third-party manufacturers to customise and refine the final product. We also trade bakery and other products such as instant noodles, soft drinks, instant drinks and fruit juices. We have also ventured upstream to manufacture bakery products since 2014.

We offer a wide variety of bakery products for daily consumption (available all year round) and seasonal products (available during festive occasions such as Chinese New Year, Hari Raya and Mid-Autumn Festival), where our portfolio of product offerings is generally categorised as follows (products shown in this table is not exhaustive as additional product offerings are shown in the accompanying images below):

Daily consumption offerings

• Biscuits and cookies	Butter cookies, *tau sar piah* (biscuits)*, roti kok (a twice-baked bread that resembles a crunchy biscuit),* cashew nut cookies, walnut cookies
• Cakes	Swiss rolls, soft cakes, *kuih bahulu,* pound cakes, marble cakes

Seasonal offerings

• Biscuits and cookies	Pineapple tarts (cookies), honeycomb biscuits, *kueh bangkit* (cookies), *makmur* cookies, suji ball cookies, *ketupat* cookies, peanut cookies, oatmeal cookies, yam cookies, coconut cookies
• Cakes	*Nian Gao*, baked mooncakes, snow skin mooncakes, *kueh lapis*
• Snacks	Arrowhead chips, crabstick chips, mini *popiah* rolls, *rempeyek*, *kerepek ubi*, *muruku*

The key differences in the manufacturing process between daily consumption products and seasonal products are as follows:

Criteria	**Daily consumption products**	**Seasonal products**
Production focus	Mass production	Produced in smaller batches
Machinery and equipment	Utilises dedicated and often fully automated production lines	While automated lines can be used, manual input is usually required for additional detailing such as individual toppings or decorations
Design	Plain	Intricate
Complexity	Simple for production efficiency	Requires manual detailing
Labor intensity	Lower	Higher

While certain cookies such as peanut, yam, coconut, and oatmeal cookies are typically sold during festive seasons, our Group also manufactures these products year-round based on customer demand.

The bakery products sold by our Group are either:

(a) sourced from third-party manufacturers;

(b) manufactured in-house; or

(c) supplied by brand owners.

The sourcing segment is our Group's main revenue driver, contributing 79.4%, 80.1%, 80.9% and 73.9% of our total revenue from FYE 2022 to 2025, respectively.

When sourcing bakery products from third-party manufacturers, we first select manufacturers that have the relevant certifications (e.g. Halal certifications, GMP, etc.). When the finished bakery products from our third-party manufacturers are delivered to our warehouses, the products are visually inspected and randomly sampled to ensure that the products meet our quality standards. We also request for the certificate of analysis from our third-party manufacturers to ensure that the raw materials and bakery products are safe for consumption. The certificate of analysis serves as evidence that the raw materials and finished bakery products we sourced have been tested in a laboratory for specific parameters such as nutritional value and heavy metal content.

Our sourcing segment is supported by our manufacturing segment, through which we produce selected biscuits, cookies, and cakes. The manufacturing segment contributed 5.8%, 5.3%, 7.1% and 16.6% to our total revenue from FYE 2022 to 2025, respectively. Whilst our Group can manufacture cookies, biscuits and cakes, the decision whether to manufacture the products in-house is dependent on various considerations such as market demand, volume, production capabilities, resources, distribution channel prospects and cost. We outsource the manufacturing bakery products when (i) we do not have the necessary machinery and equipment to produce the intended product; (ii) we do not have the skilled personnel to manufacture different bakery products which require specific production techniques; or (iii) it is more commercially viable.

Our Group's bakery products are generally sold under:

(a) our customers' brands or unbranded; and

(b) our own house brands.

We offer various support to our Distributors and Retailers for our own brand of bakery products by:

(a) providing advertising and promotional support such as organising discount campaigns and providing marketing materials such as buntings, pop-up booths and mascots. The cost of providing discounts is borne by our Group, Distributors and Retailers while the cost of providing marketing materials is solely borne by our Group;

(b) observing sales of the bakery products at retail stores and making any adjustments to the product offerings to better meet the preferences of consumers in specific locations;

(c) performing visual checks on the bakery products at the retail stores to identify potential issues early and to maintain consistent quality; and

(d) providing assistance to manage the end-of-life stage of our own brands of bakery products that have less than 45 days remaining until expiry, by collecting and ensuring they are disposed of responsibly. We will remove the packaging on bakery products with less than 45 days to expiry and subsequently donate to a third-party company that specialises in recycling and producing animal feed and fertilisers. The bakery products are repurposed at no cost to either party. Our Group does not pay for such disposal, and such third-party company is not charged for the bakery products.

To manage the risk of products spoiling before its expiry date, we ensure the use of appropriate packaging for each product, which serves as a protective barrier against excess moisture or oxidation that may accelerate mould growth or rancidity. Our Group is responsible for spoilage occurring before the expiry date if caused by manufacturing defects (i.e. sealing issues), while Distributors and Retailers are responsible for spoilage resulting from their improper handling or storage after the products have been delivered to them.

We do not bear any additional cost while observing sales of and performing visual checks on our own brands of bakery products as these are carried out by our employees as part of their responsibilities. Quality control measures on the products that we sell include incoming, in-process and outgoing quality control. Further information on our Group's quality control measures is set out in Section 7.16.

Generally, our Group's bakery products are sold outright and are non-returnable, regardless of whether it is sold under its own brands or to customers under their brands or unbranded. Nevertheless, when the bakery products are damaged during delivery, our customers can either return the damaged bakery products for a direct replacement or opt for a credit note with the value of the returned bakery products.

The business model of our Group is depicted as follows:

Business segment	Sourcing	Trading	Manufacturing
Brands	• Bakery products • Customers' brands • Unbranded • Own brands such as *SINAR®* and 合顺成饼家®	• Bakery products • Third-party brands • Other products • Third-party brands	• Bakery products • Own brands such as *SINAR® and* 合顺成饼家® • Customers' brands • Unbranded
Products	• Bakery products such as biscuits, cookies, cakes, and snacks • Other products such as instant noodles, soft drinks, instant drinks, and fruit juices		• Biscuits, cookies, and cakes
Geographical markets	Malaysia, Singapore, Indonesia, Australia, Cambodia and Korea		
Customers	Wholesalers, Distributors and Retailers		

7.3.1 Sourcing of bakery products

We source biscuits, cookies, cakes and snacks from third-party manufacturers where the bakery products sourced are produced according to specifications, recipes, and/ or brand standards, either under (i) our customers brands or unbranded; or (ii) our own brands. 73.9% of our total revenue is derived from this sourcing segment in FYE 2025.

7.3.1.1 Under customers' brands or unbranded

For bakery products sourced under our customers' brands or unbranded, our customers generally provide us with their product specifications such as product taste/ formulation, shape/ appearance, packaging design and packaging format (i.e. trays, tins, or plastic containers, etc.). Based on the information, we will source the required bakery products from third-party manufacturers.

When sourcing the bakery products, product customisation may be required to meet our customers' specifications. During which time, we collaborate with our third-party manufacturers, where we propose recipe adjustments to customise and refine the final product so as to ensure it meets our customers' specifications. Adjustments to the recipe (e.g. ensuring the amount of additives do not exceed the allowed amount or excluding prohibited ingredients) can also be made to meet the regulations of different countries so that the products are fit for export. Other product customisation include but not limited to (i) customising baking tray moulds to produce bakery products of different shapes and sizes; (ii) customising the recipe according to the desired taste; (iii) customising packaging in terms of the packaging format, shape and size of the packaging and the packaging material used; and (iv) customising the designs printed on the product packaging. The product may go through several revisions based on the customers' feedback, such as taste, texture, size and shape, before the product is finalised.

As we liaise with our customers to collaborate with third-party manufacturers to customise and refine the final product, our value proposition to our customers is such that we offer our customers added convenience and end-to-end support where they do not have to coordinate with multiple manufacturers for product development, packaging or delivery of products.

As at LPD, we have 3,557 SKUs of bakery products which are sourced from third-party manufacturers for our customers.

Examples of bakery products sourced for our customers are set out below:

(a) Cakes

Pandan custard cake

Kueh lapis (layer cake)

Pandan butter cake

Kueh bahulu

(b) Seasonal cakes

Prune *kueh lapis* (prune layer cake)

Mini red bean mooncakes

Lotus paste double yolk mooncake

(c) Biscuits and cookies

Durian puff pastry (biscuits)

Butter cookies

Heong peah (biscuits)

(d) Seasonal biscuits and cookies

Peanut puffs (biscuits)

Pandan egg roll (biscuits)

Cashew nut cookies

(e) Snacks

Prawn Crackers

Pumpkin Crackers

Wheel Crackers

7.3.1.2 Under our own brands

We also source bakery products which are sold under our own brands such as "SINAR®" and "合顺成饼家®". We collaborate with third-party manufacturers to specify our requirements, such as product taste, desired shape, appearance and packaging format (i.e. trays, tins, or plastic containers etc.). We generally do not provide a recipe to the third-party manufacturers but collaborate with them to revise and produce the product sample and finished product.

As at LPD, we have 538 SKUs of bakery products sourced from third-party manufacturers which are sold under our own brands.

Below are examples of bakery products sourced from third-party manufacturers which are sold under our own brands:

(a) Cakes

Custard muffin
(Original, Chocolate, Pandan and Banana)

Kuih bahulu
(Original and Honey)

(b) Seasonal cakes

Cartoon mooncakes
(Plain and lotus paste)

Mooncake
(Lotus paste, pandan paste
and red bean paste)

Mini mooncakes
(Lotus paste, pandan paste
and red bean paste)

(c) Biscuits and cookies

Cashew nut cookies

Almond cookies

Oatmeal cookies

Walnut cookies

Green peas cookies

Peanut cookies

Peanut wafer biscuits

Peanut crunch biscuits

Prawn biscuits

Coconut pineapple biscuits

(d) Seasonal cookies

Makmur cookies

Nyonya pineapple rolls

Chocolate Swiss cookies

(e) Snacks

Pumpkin crackers

Mini *popiah*

Spicy tapioca chips

As at LPD, our Group does not maintain formal supply agreements with our third-party manufacturers. Notwithstanding the absence of such agreements, pursuant to the Sale of Goods Act 1957 ("**SOGA**"), there are implied conditions and warranties attaching to contracts for the sale of goods. These include, among others, that goods sold by description must correspond with the description, be of merchantable quality (i.e. reasonably fit for the purpose of which such goods are commonly supplied and saleable under that description), and where the sale is by sample, correspond with the sample in quality.

In reliance on such statutory protections, where products sourced from our third-party manufacturers are found to be defective, mislabelled, not in conformity with the agreed description or sample, or otherwise not of merchantable quality, we are entitled under law to reject such goods and to seek replacement, repair or other remedies, including credit or compensation.

In the ordinary course of business, should our customers discover that the products supplied by us are defective or non-conforming and seek replacement or compensation, our experience indicates that we are generally able to obtain corresponding replacement products, credit notes or other compensation of equivalent value or volume from our third-party manufacturers in accordance with the remedies available under SOGA.

For FYE 2022 to 2025 and up to LPD, there have been no instances where our third-party manufacturers have refused or failed to replace any defective or non-conforming goods supplied to our Group.

7.3.2 Trading of bakery and other products

We trade bakery and other products such as instant noodles, soft drinks, instant drinks and fruit juices under third-party brands. 9.5% of our total revenue is derived from this trading segment in FYE 2025.

Additionally, we have been appointed as exclusive distributor of the 'Yami' brand of bakery products in Singapore and Australia and the 'Huat Huat' brand of bakery products in Singapore. Both the 'Yami' and 'Huat Huat' brands are from Malaysia, which are owned by Yamazaki Seiga (M) Sdn Bhd and Huat Huat Kouping (M) Sdn Bhd, respectively. We have been the exclusive distributor for 'Yami' and 'Huat Huat' brands since 2022, and both brands have collectively contributed 2.0%, 2.4%, 2.2% and 2.9% of our total revenue in FYE 2022 to 2025 respectively. We are required to achieve a monthly sales target of RM60,000 stipulated for 'Huat Huat' brand in order to maintain the exclusive distributorship, while there is no sales target or minimum sales volume or value requirement under the exclusive distributorship for 'Yami' brand.

As at LPD, our Group has 1,835 SKUs of bakery and other products under the trading segment.

Examples of the 'Yami' and 'Huat Huat' brand of bakery products are as follows:

'Yami'

Yami stew cheese cake

Yami tiger skin sponge cake (Banana)

Yami molten chocolate cream cake

'Huat Huat'

Huat Huat salted green bean pastry

Huat Huat wife pastry

Huat Huat sun pastry

7.3.3 Manufacturing of bakery products

Our Group manufactures biscuits, cookies and cakes, either under (i) customers' brands or unbranded; or (ii) our own brands. However, the bakery products we manufacture are dependent on various considerations such as market demand, volume, production capabilities, resources, distribution channel prospects and costs. 16.6% of our total revenue is derived from this manufacturing segment in FYE 2025.

We do not manufacture all our own brands of biscuits and cookies as our existing cookies production line is primarily focused on manufacturing seasonal cookies and is not able to cater to daily consumption cookies. As we produce seasonal cookies for various festive occasions throughout the year, our remaining production capacity is not sufficient to support the production of daily consumption cookies, taking into consideration factors such as product changeovers (i.e. process of switching a production line or equipment from manufacturing one product to another) and equipment reconfiguration.

In addition, our existing biscuit and cookies production lines are not equipped with the necessary machinery and equipment to handle varying dough consistencies required to make certain types of biscuits and cookies, or skilled personnel to manufacture different biscuits and cookies which require specific production techniques.

We have also chosen to outsource certain existing cakes under our own brands, as it allows us to optimise the use of our limited production capacity and concentrate on manufacturing new cake products to capture greater market share. This allows us to allocate our resources to develop and manufacture new cake products with higher market potential and better profit margins, which are more cost effective to manufacture in-house. The outsourced cakes mainly comprise our established and consistently sold cake products, which can be manufactured by third-party manufacturers at comparable costs without compromising quality. In addition, we also do not manufacture all of our own brands of cakes as certain types of cakes (i.e. *kuih lapis*) require specialised machines, which we do not currently have.

7.3.3.1 Under customers' brands or unbranded

For bakery products manufactured under our customers' brands or unbranded, our customers generally provide their product specifications, which include taste, texture, shape and packaging requirements. While we generally collaborate with customers to revise our existing recipes based on their specifications, we do manufacture bakery products using our customers' recipes upon request.

As at LPD, we have 446 SKUs of bakery products that we manufacture for our customers.

Examples of bakery products manufactured for our customers are as follows:

Cashew nut cookies

Chocolate snow cookies

Oatmeal cookies

7.3.3.2 Under our own brands

We manufacture biscuits, cakes and cookies under our own brands. These products are formulated in-house and include bakery products for daily consumption (i.e. cakes and biscuits) and for festive seasons.

As at LPD, we have 211 active SKUs of biscuits, cakes and cookies that we manufacture for our own brands.

Examples of the products that we manufacture for our own brands are as follows:

Peanut cookies

Roti kok (Biscuits)

Corn flake cookies

Pound cake

Swiss roll

Marble cake

7.3.4 Breakdown of product SKUs by Halal status

As at LPD, the breakdown of our Group's product SKUs by Halal status for our sourcing and manufacturing segments is as follows:

Business Segment	Total SKUs	[1]Halal SKUs	Non-Halal SKUs	Percentage of Halal (%)
Sourcing				
• Customers' brands or unbranded	3,557	3,369	188	94.7
• Own brands	538	532	6	98.9
Manufacturing				
• Customers' brands or unbranded	446	446	-	100.0
• Own brands	211	211	-	100.0
	4,752	**4,558**	**194**	**95.9**

Note:

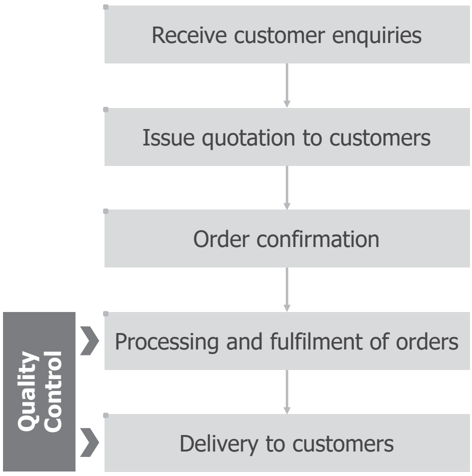
[1] A product SKU is classified as Halal only where the finished product packaging features a Halal label. As disclosed in Section 7.15, all Halal-labelled products are manufactured at facilities holding valid Halal certification issued by JAKIM or other recognised Halal certification bodies. All SKUs under our Group's manufacturing segment are classified as Halal.

With respect to our trading segment, our Group primarily trades finished products under established third-party brands (e.g. *Milo, Maggi, Dutch Lady, Julie's*). As these products are sourced and sold in their final retail packaging as produced by the respective third-party brand owners, our Group does not specifically track the Halal labelling status of these SKUs. Our Group's role in this segment is limited to the distribution of finished goods, and we do not participate in the manufacturing, recipe formulation, or packaging design of these third-party branded products. Consequently, the Halal status of these items is determined entirely by the brand owners and their respective target markets. Notwithstanding the above, all products traded under our exclusive distributorship brands, namely 'Yami' and 'Huat Huat', are Halal-certified.

7.4 BUSINESS PROCESSES

Our business process involves receiving sales enquiries, issuing quotation, receiving order confirmation, processing and fulfilment of orders through sourcing from third-party manufacturers and/ or suppliers or through in-house manufacturing, followed by delivery to customers.

The general process flow chart and elaboration on the processes involved are as follows:



(a) Receive customer enquiries

Sourcing and manufacturing of bakery products

When we receive enquiries for existing bakery products, our customers will provide us with product details such as product type and quantity. For enquiries in relation to new bakery products, our customers will provide us with their product specifications such as product taste/ formulation, shape/ appearance, packaging design and packaging format (i.e. trays, tins or plastic containers, etc.).

Based on the enquiry for new bakery products, we will prioritise the order fulfilment of biscuits, cookies and cakes to our own in-house manufacturing by taking into account various considerations such as market demand, volume, production capabilities, resources, distribution channel prospects and cost, before outsourcing to third-party manufacturers.

For bakery products that we manufacture under our customers' brands or unbranded, we generally collaborate with our customers to revise our existing recipes based on their specifications, but we do manufacture bakery products based on our customers' recipes upon request.

Meanwhile, bakery products which are sourced under our customers' brands or unbranded, we collaborate with our third-party manufacturers to customise the recipe and refine the final product. The product may go through several revisions based on our customers' feedback, such as taste, texture, size and shape, before the product is finalised.

Trading of bakery and other products

When we receive enquiries for bakery and other products, our customers will provide us with product details such as product type and quantity.

(b) Issuing quotation to customers

We will then issue a quotation to our customers based on the requested products, quantity and delivery timeline.

(c) Order confirmation

After accepting our quotation, the customer will place a purchase order with us. The customer's purchase order will set out the price, quantity and type of products as well as the delivery timeline. The purchase order is then converted into a sales order for our processing and fulfilment.

(d) Processing and fulfilment of orders

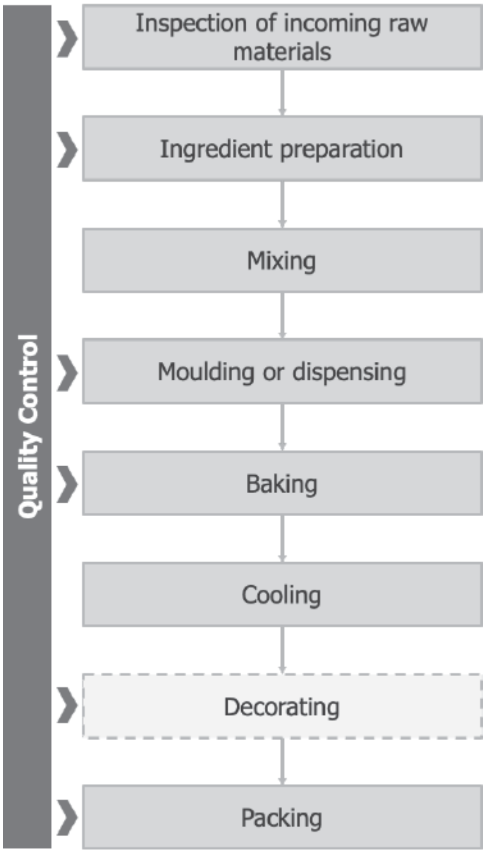
Based on our sales order, we will then determine the availability of bakery and other products in our warehouse.

- **Sourcing of bakery products and trading of bakery and other products**

  We generally maintain a minimum inventory level of the more popular bakery products and other products in our warehouse, which we track based on the historical average sales data. The inventory levels are monitored by our purchase and planning department, which will plan and place the order with our third-party manufacturers and/ or suppliers when our inventory falls below the minimum inventory level. Subsequently, our warehouse department will arrange for the delivery of the products to our warehouse with the third-party manufacturer and/ or supplier.

  Upon delivery of the bakery products and other products at our facility, we will inspect the bakery products and other products. We will check the receipt of the product type and quantity against the purchase order. In respect of bakery products sourced from third-party manufacturers, we will also conduct random sample testing. When required, we do repack bulk purchases into smaller packs and label the packages accordingly.

- **Manufacturing of bakery products**



Our in-house manufacturing process is as follows:

- **Inspection of incoming raw materials**

  The first step in the manufacturing process is to ensure that our raw materials procured from various suppliers are certified Halal by checking their Halal certificates upon registration as our suppliers.

  The incoming raw materials, such as flour, edible oil, margarine, eggs, sugar and nuts, are also inspected and checked to ensure the quantities received match the quantities ordered.

  Further, our suppliers will also provide a certificate of analysis for the raw materials to ensure their compliance with food safety standards. These raw materials are subsequently stored in optimal conditions to maintain their freshness, ensuring their safe consumption.

- **Ingredient preparation**

  Based on the product specifications, our ingredient weighing personnel will allocate and weigh the ingredients according to the recipe. As this is a crucial step in the production of our bakery products, our quality control personnel will also conduct random inspections on the weight of the ingredients, to ensure it adheres to the recipe.

- **Mixing**

  Mixing begins with combining the ingredients weighed, i.e. flour, edible oil, margarine, eggs, sugar, nuts and other ingredients in industrial-sized mixers. Depending on the type of biscuits, cookies and cakes, the sequence and list of ingredients added and mixing time may differ. Once the mixing is completed according to the steps in the recipe, the dough/ batter is ready to be apportioned.

- **Moulding or dispensing**

  Biscuits and cookies

  Biscuit and cookie dough are dispensed in equal weights into moulds to form the intended shapes and sizes. Following that, a visual quality check is performed to ensure that the unbaked biscuits and cookies conform to our standards in terms of appearance.

  Depending on the type of biscuits and cookies, we will manually top the product with glaze, egg wash or other ingredients such as nuts and desiccated coconut, before the product is then transferred to the oven for baking.

  Cakes

  Cake batter is transferred into batter deposit machines to be dispensed in equal weight into the moulds of intended shapes, before being transferred to the oven for baking.

- **Baking**

  We pre-set the ovens' temperature based on the type of products to be baked. The quality personnel will ensure that the oven has reached the correct temperature before the bakery products are placed into the oven. The baking duration varies depending on the type of bakery product, and throughout the process, our quality personnel will visually monitor the products in the oven to ensure continuous baking consistency.

- **Cooling**

  Once the bakery products are removed from the oven, they are cooled to prevent the condensation of moisture when packed. Biscuits and cookies are left to cool for 30 minutes, whilst cakes are cooled for 60 minutes.

- **Decorating**

  When required, the cooled bakery products are decorated with toppings such as melted chocolate.

- **Packing**

  Once the products are cooled, and where applicable, decorated and allowed to set, they are then transferred for packing. The necessary packaging materials, such as trays, tins, plastic containers, packaging film rolls, carton boxes and labels, are prepared whilst bakery products are being baked and cooled. During this stage, we will also check that our bakery products have the correct structure, colour, weight, even browning and absence of defects such as cracks or uneven surfaces.

  After the products are packed into the desired packaging format, they are transferred to our warehouse for storage.

(e) Delivery to customers

Based on the sales order, which lists information such as type and quantity of bakery products, we will select the required bakery products from our warehouse. A quality control check is conducted on the packaging, labelling, appearance and expiry dates of the bakery products which range between 4 months for cakes and 8 months for biscuits and cookies, in addition to the quantity, ensuring that the selected bakery product matches the sales order slip. Once the bakery products have been checked, the bakery products will be transferred to the delivery zone to be transported out.

A final visual inspection and quantity check is performed by our logistics department before the products are loaded into our delivery vehicles. The delivery of products to our customers in Malaysia and Singapore is transported by our own fleet of vehicles, which are dispatched from our warehouse daily. However, during peak seasons, we may engage third-party logistics providers to deliver our bakery products.

For export, our bakery products are transported through third-party logistics providers, with the cost borne by our overseas customers.

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7.5 PRINCIPAL BUSINESS SEGMENTS AND MARKETS

7.5.1 Revenue by business segments

Our revenue breakdown segments for FYE 2022 to 2025 are as follows:

Revenue by business segment	**Audited**							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Sourcing	**100,848**	**79.4**	**105,912**	**80.1**	**129,670**	**80.9**	**106,788**	**73.9**
• Customers' brands or unbranded	61,330	48.3	65,707	49.7	76,969	48.0	57,326	39.7
• Own brands	39,518	31.1	40,205	30.4	52,701	32.9	49,462	34.2
Trading	**18,719**	**14.8**	**19,325**	**14.6**	**19,172**	**12.0**	**13,746**	**9.5**
Manufacturing	**7,381**	**5.8**	**6,989**	**5.3**	**11,379**	**7.1**	**23,908**	**16.6**
• Customers' brands or unbranded	3,926	3.1	3,995	3.0	4,512	2.8	7,805	5.4
• Own brands	3,455	2.7	2,994	2.3	6,867	4.3	16,103	11.2
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

For FYE 2022 to 2025, the sourcing segment was the largest revenue contributor, contributing 79.4%, 80.1%, 80.9% and 73.9% of our total revenue respectively.

7.5.2 Geographical markets

Our principal markets are Malaysia and Singapore, which collectively contributed between 88.8% and 91.7% of our Group's revenue for FYE 2022 to 2025. The breakdown by geographical markets for FYE 2022 to 2025 are as follows:

Revenue by geographical markets	**Audited**							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	74,846	58.9	77,721	58.8	100,278	62.6	97,272	67.3
Foreign sales:	**52,102**	**41.1**	**54,505**	**41.2**	**59,943**	**37.4**	**47,170**	**32.7**
Singapore	39,717	31.3	39,683	30.0	42,949	26.8	35,165	24.4
Australia	11,140	8.8	12,618	9.5	13,513	8.4	8,692	6.0
Indonesia	1,245	1.0	2,041	1.6	2,847	1.8	3,313	2.3
Others⁽¹⁾	-	-	163	0.1	634	0.4	-	-
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Note:

(1) Comprises sales to Cambodia and South Korea during FYE 2023 and FYE 2024 as well as one-off sales to China during FYE 2023.

7.6 KEY MACHINERY AND EQUIPMENT

The following table sets out the material machinery and equipment that is utilised by our Group.

Type of machinery and equipment	**Description**	**Unit(s)**	**Average age of machinery and equipment**	**Audited NBV as at 31 December 2025**
			Year(s)	**RM'000**
Aeration cake mixer	Used for mixing cake batter	1	3	264
Automatic carton sealing machine	Used to seal carton boxes	4	2	7
Automatic panning machine	Used to arrange baking pans, mould and dough	9	6	196
Bakery conveyor system	Used to move baked or unbaked bakery products through each work process area	1	3	175
Biscuit arranging machine	Used to divide and stack biscuits for packing	1	6	3
Cake rolling machine	Used to roll cakes such as Swiss roll	2	2	50
Coating machine	Used to coat bakery products with toppings such as butter, sugar and chocolate	11	5	150
Conveyor tunnel oven	Used to continuously bake bakery products on a conveyor belt system	1	3	175
Cutting machine	Used to cut baked cake to various sizes and thicknesses	2	2	112
Ultrasonic cutting machine	Used to cut baked cake to various sizes and thicknesses	1	3	93
Depositor machine	Used to fill batter into baking pans or cake moulds	4	2	133
Forklift	Used to lift and move materials	20	5	518
Inkjet spray machine	Used to print information on packaging such as best before dates and batch numbers	4	6	26
Labelling machine	Used to paste label stickers on jars and bottles	2	7	24

Type of machinery and equipment	Description	Unit(s)	Average age of machinery and equipment	Audited NBV as at 31 December 2025
			Year(s)	RM'000
Main forming machine	Used to form biscuits and cookies	31	5	718
Metal detector machine	Used to detect metal foreign objects in bakery products	3	3	101
Mixer	Used for mixing dough or batter	23	5	142
Oven	Used to bake bakery products placed on a stationary shelf or rack	17	5	289
Automatic packaging machine	Used to package finished bakery products	14	4	622
Pallet jack	Used to lift and move pallets manually	14	4	9
Pressurised oil sprayer machine	Used to grease baking trays and moulds	1	3	20
Sealing machine	Used to tape seal jars and tin cans	19	5	105
		185		**3,932**

The average economic useful life for our machinery and equipment is 10 years. We conduct periodic inspections and scheduled maintenance of our machinery and equipment, as well as repair works when necessary. The machinery and equipment that we currently utilise are commonly used in food manufacturing and are generally obtained locally.

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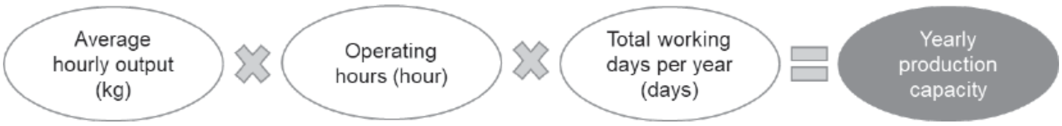
7.7 PRODUCTION CAPACITY AND OUTPUT

We operate 1 production line each for biscuits, cookies and cakes. Our production capacity is calculated as follows:



Biscuits and cookies

Parameters	Details
Average hourly output (kg)	The average hourly output is approximately 125kg of biscuits and 310kg of cookies
Total operating hours per day	We operate an average of 9.5 hours per shift
Total working days	The number of working days per year is 302 days for FYE 2025
Annual production capacity	Our annual production capacity for FYE 2025 is approximately 358,625kg of biscuits and 889,390kg of cookies, calculated based on the average hourly output (kg) x 9.5 hours x 302 working days

Cakes

Parameters	Details
Average hourly output (kg)	The average hourly output is approximately 480kg of cakes
Total operating hours per day	For FYE 2025, Kasaga operated an average of 9.5 hours per shift
Total working days	The number of working days per year is 302 days for FYE 2025
Annual production capacity	Our annual production capacity for FYE 2025 is approximately 1,377,120kg of cakes, calculated based on the average hourly output (kg) x 9.5 hours x 302 working days

The estimated production capacity, actual production output and utilisation rate for the manufacturing of cookies, biscuits and cakes for FYE 2025 are as follows:

	FYE 2025		
Bakery products produced	**Estimated production capacity (kg)**	**Actual production output (kg)**	**[1]Utilisation Rate (%)**
Biscuits	358,625	241,315	67.3
Cookies	889,390	612,224	68.8
Cakes	1,377,120	1,077,867	78.3

Note:

[1] The utilisation rate is calculated by the actual production output of biscuits, cookies or cakes divided by the estimated production capacity as calculated above, multiplied by 100.

The utilisation rate for our biscuits, cookies and cake production lines during FYE 2025 were 67.3%, 68.8% and 78.3%, respectively. For biscuit and cookies production lines, utilisation levels reflect the need to commence production for festive seasons several months in advance due to our Group's capacity constraints, as well as our continued production of certain seasonal products throughout the year to fulfil customer orders.

7.8 SALES AND MARKETING

Our sales and marketing activities are spearheaded by our Executive Director, Goh Chen Ann. He is supported by our Senior Sales Manager, Pang Teck Heng, and our Marketing Manager, Koon Kok Feng. As at LPD, they are supported by 40 sales and marketing personnel.

Our sales and marketing team is responsible for maintaining relationships with existing customers, addressing sales enquiries from potential customers and complaints from customers and end consumers, designing the packaging of our bakery products, designing promotional materials for our social media accounts and organising product sampling events.

(a) Dedicated marketing team

As at LPD, we have a dedicated marketing team of 21 employees, led by our Marketing Manager, Koon Kok Feng. Our Group's marketing team undertakes marketing activities, details of which are as follows:

Designation	Key roles and responsibilities
Marketing Manager	• Planning of our Group's marketing schemes • Overseeing the packaging and visual design of bakery products
Product team	• Collaborate with the design and art team on new projects to create artwork that matches the product type while meeting the brands standards • Managing printing service providers to ensure that the packaging and promotional materials are based on our Group's specifications • Maintaining and organising product sample displays

Designation	**Key roles and responsibilities**
	• Managing end consumer complaints and enquires received via our corporate websites, social media platforms, telephone number and email address, which are made available on our corporate websites, social media platforms and the packaging of our bakery products
Promotional team	• Producing and editing digital video content such as advertisements and short-form videos • Managing our social media content across various platforms • Planning and implementing marketing campaigns such as offline events, online campaigns, exhibition participation, product sampling events, festive initiatives and sponsorship programs
Design and art team	• Developing a range of key visual assets such as product labels, packaging boxes/ cartons, branded social media assets • Developing key visuals for promotional campaigns, including key visuals for festive seasons, product launches and brand activations • Ensuring consistent brand representation across various platforms by managing and updating brand templates, packaging specifications and visual styles • Design customer-specific artwork in line with their brand guidelines and the marketing campaign briefs

For clarification, our product team and design and art team provide design services for our customers as and when required.

(b) Network of Wholesalers, Distributors and Retailers

As at LPD, we have 330 Wholesalers, 5 Distributors and 117 Retailers, of which 233 Wholesalers, 3 Distributors and all Retailers are in Malaysia, 92 Wholesalers are in Singapore, 4 Wholesalers are in Australia, and 1 Wholesaler and 2 Distributors are in Indonesia.

In addition, we actively negotiate for strategic shelf or retail space with our Retailers to display our own brands of bakery products. Further, based on our sales and marketing teams' experience and understanding of the bakery products market, they work closely with our Retailers to identify suitable sellable products.

(c) Lorry advertising and van sales

As at LPD, we own a fleet of 67 delivery vehicles which are used to deliver our products to customers in Malaysia and Singapore. Out of 67 delivery vehicles, 53 of the delivery vehicles are customised with our "SINAR®" brand logos printed on its sides which act as moving billboards, allowing us to reach a wider audience in various locations.

The remaining 14 delivery vehicles are branded with the "HSS®" logo on its cabin.

In FYE 2023, we engaged one of our major customers, Perniagaan Makanan Sri Suria Sdn Bhd ("**Sri Suria**") (which is our Distributor) to undertake a van sales programme, whereby Sri Suria will be provided with the abovementioned delivery vehicles to sell and deliver our brands of products to general trade shops such as community sundry shops, mini markets and petrol stations. Through the van sales programme, our Group's bakery products can reach a wider range of customers. As at LPD, 40 out of the 53 delivery vehicles which carry the "SINAR®" brand logos are solely mobilised by Sri Suria for this programme. The delivery vehicles provided by our Group to Sri Suria are for the sole use of carrying our Group's bakery products. For avoidance of doubt, Sri Suria is not restricted to distribute bakery products from third parties using their own vehicles.

Sri Suria has been a customer of our Group since 2021, although our business relationship began in 2016 with its predecessor, Perniagaan Makanan Sri Suria (a sole proprietorship). We have derived other income of RM0.21 million, RM0.92 million and RM1.12 million for FYE 2023, FYE 2024 and FYE 2025 respectively from Sri Suria, being van sales programme fee paid by Sri Suria pursuant to van sales programme. HCF is responsible for regular maintenance of the delivery vehicles whilst all fuel usage is borne by Sri Suria. Further details are set out in Section 7.12.

In the event that Sri Suria intends to terminate the Distributorship Agreement (as defined in Section 7.12), they are contractually required to provide our Group with no less than 3 months' prior written notice, which such notice period is sufficient for our Group to prepare and make the necessary adjustments such as appointing another Distributor to be part of our van sales programme. In addition, we are not dependent on Sri Suria as we have established direct relationship and market coverage via other Distributors and Retailers.

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(d) Digital marketing

We have dedicated corporate websites, *www.hssfood.my* and *www.sinarbakery.my*, which showcase our range of product offerings.

In addition, we actively use social media platforms such as Facebook, Instagram, TikTok and *Xiao Hong Shu* to promote our own brands of bakery products. Examples of our social media posts include:

Promotional images of our "合顺成饼家®" brand during Chinese New Year

Xiao Hong Shu page for our "合顺成饼家®" brand

合順成餅家

已关注

小红书号：26089236373

合順成饼家 —— 以传统为根，创新为翼，品质为上，价格为优，滋润每份特别时光。

1 关注 24 粉丝 158 获赞与收藏

笔记 收藏

合順成饼家恭祝大家新春初始，顺风顺水，财运亨通，合...

除夕夜，团圆夜，最让人牵挂的就是家的味道。

一年辛劳，成就满满，聚宝满堂，丰收喜悦！

新年冲刺大促销！

咸蛋鱼皮，一口酥脆无比，一口咸香回味！

"合顺成饼家®" Mid-Autumn Promotion Campaign on *Xiao Hong Shu*

合顺成饼家

全部 用户 商品 筛选

中秋节月饼来啦 4粒月饼只需RM44起！

今年传统月饼选了这一家

Shopping找到的平价月饼‼你们吃了吗 家人们，...

22 Apr 08-23 72

今年传统月饼就选这一家 合顺成饼家！ 月饼开箱！...

梦见你偷吃 08-16 109

有双黄单黄可选

合顺成饼家 Following

【中秋节礼盒】

月饼[illegible]，总有人喜欢。月亮无论圆缺，总有人欣赏。

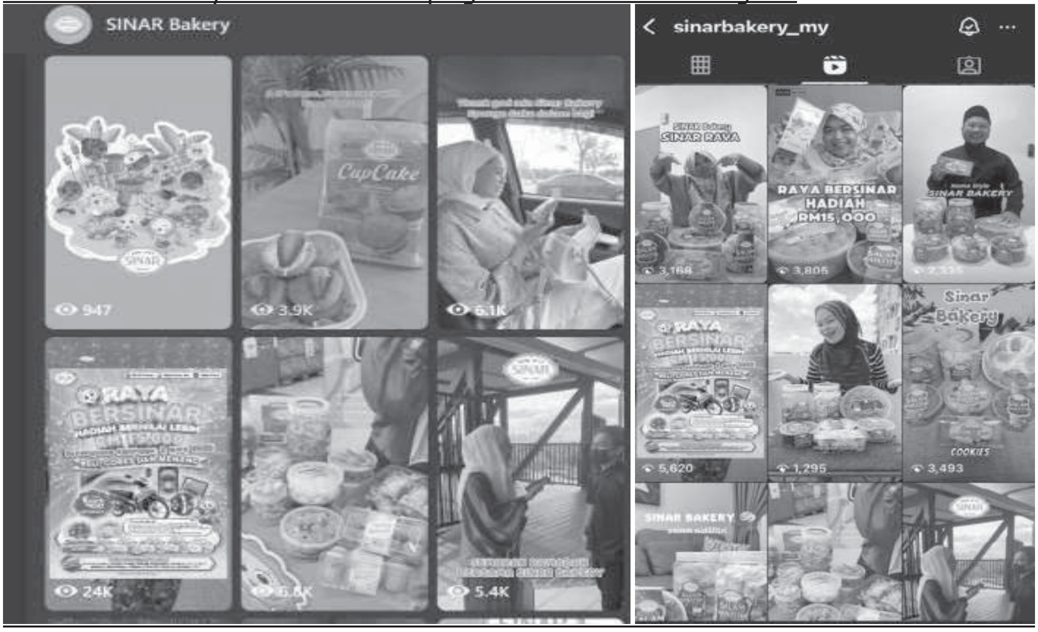
就让合顺成饼家为您增添一些温暖，与家人一同庆祝这份特别的时光 ... See more

合顺成饼家 · Original audio 合顺成饼家

Promotional images of "SINAR®" brand of bakery products

"SINAR®" event booth during the Olympic Day Malaysia 2024 celebration held at Raintree Plaza Tun Razak Exchange (TRX)

"SINAR®" Hari Raya Promotion Campaign on TikTok and Instagram



7.9 TECHNOLOGY USED OR TO BE USED

We utilise the following technology/ software for our business operations:

Technology/ Software	Description
AutoCount accounting system	AutoCount accounting system links all our sales order and inventory in one system for optimal accuracy stock level to shorten delivery lead time
Boostorder mobile sales app	Boostorder mobile sales app provides our sales personnel with detailed customer information and quick access to up-to-date inventory, transactions, payment records and allows for immediate placement of a customer's orders. All customer orders are uploaded directly to the AutoCount accounting system and can be directly processed by our sales department. This will enable the whole sales process to be more effective and efficient
Automatic packing line	Our current automatic packing line consists of high-speed capping machine, labelling machine, printing machine and electromagnetic induction top sealing machine. These machines are set on an integrated conveyor system with automatic cap feeder
Graphic design software	Graphic design software such as Adobe Illustrator, Adobe Photoshop and Canva are graphic design tools used to create marketing assets, logos, packaging design, amongst others. This enables us to create attractive packaging for our products and advertising and promotional materials for our marketing activities

In addition, to achieve greater efficiency and streamline our operations, we plan to implement an ERP system. The ERP system will integrate various functions of our operations including administration, accounting, purchasing, sales and warehousing into a single system. The ERP system will also feature specific manufacturing solutions such as demand planning, material requisition and production scheduling to optimise our manufacturing activities. Further information on the ERP system is set out in Section 7.19.4.

7.10 INTERRUPTIONS TO BUSINESS AND OPERATIONS

Our Group has not experienced any interruption that had a significant effect on our operations during the past 12 months preceding LPD.

7.11 SEASONALITY

Generally, we record higher sales volume during festive seasons such as Chinese New Year, Hari Raya and Mid-Autumn Festival driven by strong demand for seasonal bakery products.

7.12 MAJOR CUSTOMERS

Our top 5 major customers and their respective revenue contributions for FYE 2022 to 2025 are as follows:

FYE 2022

					Revenue contribution in FYE 2022		Length of relationship as at FYE 2022
No.	**Customers(1)**	**Country**	**Principal activities**	**Main products sold**	**RM'000**	**%**	**Years**
1.	Zing Heing Trading Sdn Bhd (W)	Malaysia	General trading of food stuff, cakes and confectionery	Cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	10,896	8.6	7
2.	Yin Kwee Trading Pty Ltd (W)	Australia	Importer and distributor of F&B products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	10,012	7.9	9
3.	Sim Choon Seng Sdn Bhd (D)	Malaysia	Importer and exporter of confectionery and sundry goods	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,709	5.3	7
4.	Sri Suria (D)	Malaysia	Export and import of breads, cakes and other bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,471	5.1	1
5.	CMM Marketing Management Pte Ltd (W)	Singapore	Retail sale of a range of canned foods and dry goods	Cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	5,527	4.3	7
				Subtotal	**39,615**	**31.2**	
				Total revenue	**126,948**	**100.0**	

FYE 2023

					Revenue contribution in FYE 2023		Length of relationship as at FYE 2023
No.	**Customers**	**Country**	**Principal activities**	**Main products sold**	**RM'000**	**%**	**Years**
1.	Yin Kwee Trading Pty Ltd (W)	Australia	Importer and distributor of F&B products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	11,418	8.6	10
2.	Zing Heing Trading Sdn Bhd (W)	Malaysia	General trading of foodstuff, cakes and confectionery	Cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	10,392	7.9	8
3.	Sri Suria (D)	Malaysia	Export and import of breads, cakes and other bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	8,247	6.2	2
4.	Goods Huat Hee Marketing (W)	Singapore	Retail of Chinese traditional pastries	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	5,819	4.4	14
5.	Sim Choon Seng Sdn Bhd (D)	Malaysia	Importer and exporter of confectionery and sundry goods	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	5,761	4.4	8
				Subtotal	**41,637**	**31.5**	
				Total revenue	**132,226**	**100.0**	

FYE 2024

No.	Customers	Country	Principal activities	Main products sold	Revenue contribution in FYE 2024 RM'000	Revenue contribution in FYE 2024 %	Length of relationship as at FYE 2024 Years
1.	Sri Suria (D)	Malaysia	Export and import of breads, cakes and other bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	13,949	8.7	3
2.	Zing Heing Trading Sdn Bhd (W)	Malaysia	General trading of foodstuff, cakes and confectionery	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	13,283	8.3	9
3.	Yin Kwee Trading Pty Ltd (W)	Australia	Importer and distributor of F&B products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	12,209	7.6	11
4.	Goods Huat Hee Marketing (W)	Singapore	Retail of Chinese traditional pastries	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,430	4.0	15
5.	Fragrance Foodstuff Pte Ltd (W)	Singapore	Manufacturer and retailer of bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,184	3.9	18
				Subtotal	**52,055**	**32.5**	
				Total revenue	**160,221**	**100.0**	

FYE 2025

					Revenue contribution in FYE 2025		Length of relationship as at FYE 2025
No.	**Customers**	**Country**	**Principal activities**	**Main products sold**	**RM'000**	**%**	**Years**
1.	Zing Heing Trading Sdn Bhd (W)	Malaysia	General trading of food stuff, cakes and confectionery	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	15,809	10.9	10
2.	Sri Suria (D)	Malaysia	Export and import of breads, cakes and other bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	15,316	10.6	4
3.	Yin Kwee Trading Pty Ltd (W)	Australia	Importer and distributor of F&B products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	7,216	5.0	12
4.	Fragrance Foodstuff Pte Ltd (W)	Singapore	Manufacturer and retailer of bakery products	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,466	4.5	19
5.	Goods Huat Hee Marketing (W)	Singapore	Retailer of Chinese traditional pastries	Cakes, seasonal cakes, biscuits and cookies, seasonal biscuits and cookies and snacks	6,006	4.2	16
				Subtotal	**50,813**	**35.2**	
				Total revenue	**144,442**	**100.0**	

Note:

(1) W – Wholesaler
D – Distributor

As at LPD, our Group has 5 Distributors. The appointment of our Group's Distributors, save for Sri Suria, were formalised via letters of appointment, which sets out, among others, the tenure of appointment, territorial limit, terms governing supply and order, etc. The letters of appointment contained identical terms as follows:

Terms	**Details**
Subject matter	HCF engages the distributors to market and distribute all "SINAR®" bakery products manufactured and/ or supplied by HCF in particular territories.
Exclusivity	Non-exclusive.
Minimum sales target	No minimum sales target.
Product	"SINAR®" bakery products.
Supply and ordering	All orders shall be placed directly with HCF and are subject to stock availability and prevailing payment terms.
Validity	The appointments are valid for 2 years from 1 January 2025. Any extensions or renewals will require discussions and mutual consent between the parties.
Termination	The appointment may be terminated by either party by providing 60 days prior written notice.

In respect of Sri Suria, commencing from 1 May 2023, our Group has entered into a distributorship agreement with Sri Suria whereby we engage Sri Suria to market and distribute our products in West Malaysia via a van sales programme ("**Distributorship Agreement**"). Pursuant to this Distributorship Agreement, our Group will provide delivery vehicles displaying its logo, advertisement and products to Sri Suria for their onward sale of the products. The salient terms of the Distributorship Agreement are as follows:

Terms		**Details**
Subject matter	:	HCF engages Sri Suria for marketing and distributing HCF's products in the territory set out below.
Territory	:	West Malaysia.
Products	:	Products listed in the Distributorship Agreement which includes 213 SKUs of bakery products ("**Products**").
Exclusivity	:	Non-exclusive.

Terms		**Details**
Duration	:	3 years from 1 May 2023, subject to renewal or extension to be mutually discussed and agreed by the parties. Pursuant to the letter of extension dated 10 April 2026, the parties have mutually agreed to renew and extend the duration for a further period of 2 years commencing from 1 May 2026 and expiring on 30 April 2028, on the same terms and conditions as contained in the original agreement.
Van Sales Programme	:	The Distributorship Agreement is part of HCF's van sales programme ("**Van Sales Programme**"), as well as brand promotion and advertisement publicity strategy of HCF. Under the Van Sales Programme, HCF will provide delivery vehicle(s) displaying the logo and advertisement of HCF and/ or the Products to Sri Suria as its distributor (the "**Delivery Vehicles**") for its sole use to deliver the Products to Sri Suria's customers' sites i.e. general trade shops such as community sundry shops, mini markets and petrol stations subject to the following terms and conditions: (a) Sri Suria must achieve a predetermined monthly sales target per Delivery Vehicle ("**Monthly Sales Target**"); (b) the quantity, model, age and specifications of the Delivery Vehicles are to be determined by HCF at its sole and absolute discretion; and (c) Sri Suria will pay a monthly van sales programme fee per Delivery Vehicle to HCF. If Sri Suria fails to achieve the Monthly Sales Target for a consecutive 3 months, HCF may withdraw the Delivery Vehicles from Sri Suria or impose a penalty equivalent to the shortfall of the Monthly Sales Target on Sri Suria, which must be paid by Sri Suria within 30 days from the written demand of HCF.
Delivery Vehicles	:	(a) HCF retains the ownership and control of the Delivery Vehicles. The Delivery Vehicles are to be returned and parked within HCF's premises when they are not in use or upon termination of the Distributorship Agreement. (b) The Delivery Vehicles are to be used to carry the Products only and the Distributor is not permitted to carry any other goods or products. (c) The Delivery Vehicles must display the logo, pictures and advertisement of HCF or its own brands products only, in accordance with HCF's approved specifications and design. (d) Sri Suria shall permit the Delivery Vehicles to be used only by suitably skilled, trained and qualified drivers.

Terms		**Details**
		(e) Sri Suria and/ or the drivers of the Delivery Vehicles will adhere and comply with the terms of the Distributorship Agreement as well as all applicable laws and regulations for using the Delivery Vehicles (including but not limited to the Road Transport Act 1987 and other traffic rules and regulations).
Order and sale price	:	Sri Suria will submit the purchase orders for the Products specifying the items, quantities and date of delivery. Sri Suria may determine the prices, terms and conditions of its contract with its customers in the Territory at its own discretion, subject to any local selling price suggestion by HCF in order to realise the Monthly Sales Target.
Payment term	:	The van sales programme fee and the billings for the Products are to be paid by Sri Suria within 30 days from the date of invoice or such other payment term as may be mutually agreed by our Group and Sri Suria. Any late payment will be subject to late payment interest of 8% per annum calculated on a daily basis.
Obligations of Sri Suria	:	Sri Suria undertakes to: (a) establish relevant service set up, define relevant work responsibilities, equip necessary human resources, material resources, and allocate financial resources for distributing and marketing of the Products based on the terms as set out by HCF; (b) develop the market for and to sell the Products within the Territory and provide satisfactory aftersales service support to the customers; (c) periodically provide reports to HCF relating to the distribution of the Products, distribution channels, sales, competitor, services, prices and inventory and customer feedback and/ or complaints; and (d) obtain at its own expense all necessary permissions, consents and licences to enable the Distributor to market, distribute and sell the Products in the Territory and to ensure the full and legal operation of the Distributorship Agreement.
HCF's obligations	:	HCF undertakes to: (a) license and monitor the distribution of the Products to Sri Suria; and

Terms		Details
		(b) supply the necessary certificates required by Sri Suria for presentation to the public regulatory authorities in the Territory or to the customers as the case may require.
Intellectual property rights	:	Sri Suria may utilise the relevant trademarks of HCF to inform the public that it is an authorised distributor of the Products in the Territory, in accordance with the policies established by HCF from time to time. Save for the above, Sri Suria will not without the prior written consent of HCF use any trademarks, tradenames, words, phrases, copyrights, patents and other intellectual property rights of HCF or its affiliate or subsidiary or likely to be confused with the business of HCF or its affiliate or subsidiary.
Termination due to default	:	HCF may terminate the Distributorship Agreement if: (a) Sri Suria is unable to fulfil any of its obligations under the Distributorship Agreement to HCF's satisfaction, including but not limited to meeting the Monthly Sales Target; (b) Sri Suria becomes insolvent or any winding up proceedings instituted against Sri Suria or if the financial condition of Sri Suria becomes impaired and affecting its ability to perform its obligations in accordance with the Distributorship Agreement; (c) Sri Suria ceases to conduct its operations or defaults in any payment due to HCF; or (d) Sri Suria changes its shareholding, ownership, control and management without the prior written consent of HCF.
Termination by notice	:	Either party may terminate the Distributorship Agreement for any reason by providing the other party with no less than 3 months' prior written notice.

Our Group's top 5 customers contributed 31.2%, 31.5%, 32.5% and 35.2% of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively. None of our Group's top 5 customers contributed more than 10.0% to our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, save for Zing Heing Trading Sdn Bhd and Sri Suria which had contributed 10.9% and 10.6% to our total revenue in FYE 2025, respectively. Nonetheless, the total number of customers served by our Group for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 amounted to 335, 383, 415 and 437, respectively. As such, we are not dependent on any of our customers.

7.13 TYPES, SOURCES AND AVAILABILITY OF INPUT

The main components of our costs of sales are finished goods, packaging materials and raw materials.

The table below sets out our purchases for FYE 2022 to 2025:

	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
Components	**RM'000**	**%(1)**	**RM'000**	**%(1)**	**RM'000**	**%(1)**	**RM'000**	**%(1)**
Finished goods	89,853	88.6	96,267	89.9	109,770	88.3	91,047	83.5
Packaging materials	8,595	8.5	7,852	7.3	10,483	8.4	9,664	8.9
Raw materials	2,937	2.9	3,019	2.8	4,115	3.3	8,319	7.6
	101,385	**100.0**	**107,138**	**100.0**	**124,368**	**100.0**	**109,030**	**100.0**

Note:

(1) Calculated as a percentage of the component over total purchases.

Finished goods represent the bulk of our Group's purchases, which mainly comprise cakes, biscuits, cookies and snacks sourced from third-party manufacturers and/ or suppliers. Raw materials that we procure include, but are not limited to, flour, edible oil, margarine, eggs, sugar and nuts, while packaging materials consist of, amongst others, trays, tins, plastic containers, carton boxes and labels. For clarity, our Group does not purchase and store bread as our raw material. Our finished goods (e.g*. mini popiah* from Indonesia) and packaging materials (e.g. plastic film and cardboard boxes mainly from China) are procured from our pool of local and overseas suppliers, and our raw materials are procured from our local suppliers.

The raw materials used by our Group, including but not limited to wheat, cocoa powder, palm oil, sugar and groundnuts, are commodities and may experience fluctuations in price due to global economic factors, geopolitical tensions, environmental crises, diseases in crops, as well as changes in demand and supply. In addition, we may be affected by changes in food subsidy initiatives by the Government. The Government had announced the restructuring of egg subsidies, leading to the removal of blanket egg subsidies with effect from 1 August 2025. This may lead to an increase in the price of eggs moving forward. Notwithstanding, there have not been an adverse impact on our operations, nor do we anticipate any material financial and/ or operational impacts arising from the removal of the blanket egg subsidies at this juncture.

The ongoing conflict in the Middle East may adversely affect our supply chain, production costs and overall profitability through the role of energy as a fundamental cost driver that permeates every stage of our supply chain. Our business relies substantially on stable supply and pricing of raw materials, as well as affordable energy for our industrial ovens and logistics network. The conflict has disrupted energy and maritime trade, causing global oil and gas prices to surge, inflating direct manufacturing and distribution costs. The conflict has also led to significant volatility in global commodity markets due to shortage of fertiliser, leading to higher prices and as a result, may trigger a cascading inflationary effect among our suppliers. These developments may have a significantly adverse effect on the costs of our finished goods, raw materials and packaging materials. To date, our Group has experienced an increase in the cost of plastic packaging materials due to the ongoing conflict. However, the increase is marginal and has not resulted in a significant impact to our Group's operations or financial performance. Nevertheless, there can be no assurance that any escalation or prolonged continuation of the conflicts in the Middle East will not materially and adversely affect our business, operations and financial performance.

While there have been fluctuations in the prices of our raw materials, we have not faced significant shortages or price differentials for any of our finished goods for FYE 2022 to 2025, which had a material adverse effect on our financial performance, as we were able to either absorb the cost or pass it on to our customers. If we are adversely impacted by prolonged increases in raw material prices, we may reevaluate our product pricing accordingly.

7.14 MAJOR SUPPLIERS

The components of our Group's purchases are finished goods, packaging materials and raw materials. Finished goods represents the bulk of our Group's purchases, which mainly comprises cakes, biscuits, cookies and snacks sourced from third-party manufacturers and/ or suppliers. Our top 5 major suppliers and the value of purchases for FYE 2022 to 2025 are as follows:

FYE 2022

			Value of purchases in FYE 2022		**Length of relationship as at FYE 2022**
No.	**Suppliers**	**Main products sourced**	**RM'000**	**%**	**Years**
1.	C.S Foodstuff Enterprise Sdn Bhd	Cakes	23,973	23.6	15
2.	Yamazaki Seiga (M) Sdn Bhd	Cakes	9,906	9.8	6
3.	Chiap Seng Food Products Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	4,691	4.6	15
4.	W.C.S Food Industries (M) Sdn Bhd	Snacks, seasonal biscuits and cookies as well as biscuits and cookies	4,240	4.2	3
5.	Huat Huat Kouping (M) Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	3,906	3.9	15
		Subtotal	**46,716**	**46.1**	
		Total value of purchases	**101,385**	**100.0**	

FYE 2023

			Value of purchases in FYE 2023		Length of relationship as at FYE 2023
No.	**Suppliers**	**Main products sourced**	**RM'000**	**%**	**Years**
1.	C.S Foodstuff Enterprise Sdn Bhd	Cakes	23,146	21.6	16
2.	Yamazaki Seiga (M) Sdn Bhd	Cakes	12,685	11.8	7
3.	Chiap Seng Food Products Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	4,391	4.1	16
4.	Huat Huat Kouping (M) Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	4,322	4.1	16
5.	W.C.S Food Industries (M) Sdn Bhd	Snacks, seasonal biscuits and cookies as well as biscuits and cookies	3,987	3.7	4
		Subtotal	**48,531**	**45.3**	
		Total value of purchases	**107,138**	**100.0**	

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FYE 2024

			Value of purchases in FYE 2024		Length of relationship as at FYE 2024
No.	**Suppliers**	**Main products sourced**	**RM'000**	**%**	**Years**
1.	C.S Foodstuff Enterprise Sdn Bhd	Cakes	26,937	21.6	17
2.	Yamazaki Seiga (M) Sdn Bhd	Cakes	12,178	9.8	8
3.	Kasaga[(1)]	Cakes	7,740	6.2	<1
4.	Huat Huat Kouping (M) Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	5,321	4.3	17
5.	Chiap Seng Food Products Sdn Bhd	Seasonal cakes, seasonal biscuits and cookies as well as biscuits and cookies	5,309	4.3	17
		Subtotal	**57,485**	**46.2**	
		Total value of purchases	**124,368**	**100.0**	

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FYE 2025

			Value of purchases in FYE 2025		Length of relationship as at FYE 2025
No.	**Suppliers**	**Main products sourced**	**RM'000**	**%**	**Years**
1.	C.S Foodstuff Enterprise Sdn Bhd	Cakes	27,160	24.9	18
2.	Yamazaki Seiga (M) Sdn Bhd	Cakes	10,048	9.2	9
3.	Huat Huat Kouping (M) Sdn Bhd	Seasonal cakes, seasonal biscuit and cookies as well as biscuit and cookies	5,543	5.1	18
4.	Chiap Seng Food Products Sdn. Bhd.	Seasonal cakes, seasonal biscuit and cookies as well as biscuit and cookies	5,202	4.8	18
5.	W.C.S Food Industries (M) Sdn Bhd	Snacks, seasonal biscuits and cookies as well as biscuits and cookies	4,107	3.8	6
		Subtotal	**52,060**	**47.8**	
		Total value of purchases	**109,030**	**100.0**	

Note:

(1) Kasaga was our major supplier in FYE 2024 as the acquisition of 75.0% equity interest in Kasaga by Valura Group (our holding company) was only completed on 1 April 2025. As such, Kasaga was consolidated as part of our Group commencing 1 April 2025.

Our Group's top 5 suppliers contributed 46.1%, 45.3%, 46.2% and 47.8% of our total purchases for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively. As at LPD, our Group does not have any supply agreements with our major suppliers. Notwithstanding that several of our Group's major suppliers contributed more than 10.0% of our total purchases for FYE 2022 to 2025, we are not dependent on any single supplier as we are able to source similar products from alternative suppliers. Generally, we collaborate with our third-party manufacturers to customise the recipe and refine the final product. Notwithstanding, we are able to reproduce recipes for similar products and for production by other third-party manufacturers if we are required to source from other third-party manufacturers.

We had worked with 348, 342, 386 and 344 third-party manufacturers and/ or suppliers in FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively.

7.15 HALAL CERTIFICATION FRAMEWORK

Our Group's products are governed by 2 Halal certification schemes, namely:

(a) OEM/ Contract Manufacturer Halal Certification

Covers the manufacturing operations of a facility and enables the manufacturer to produce various Halal products for multiple customers. This certification alone does not allow Halal labelling on finished products unless the relevant products are also covered by a product-based Halal certification.

(b) Product-based Halal Certification

Covers specific types of finished products (e.g. butter cake or chocolate chip cookies). Product owners or brand owners must ensure that the appointed manufacturer holds a valid OEM/ Contract manufacturer Halal certification before applying for the product-based Halal certification. Only the holder of the product-based certification may display Halal labelling on the finished product, which reflects either the manufacturer or product/ brand owner who holds the certification.

Within our Group, HCF holds product-based Halal certification as a brand owner. LHMC holds both product-based and OEM/ Contract manufacturer Halal certifications as a manufacturer. Kasaga holds OEM/ Contract manufacturer Halal certification.

Halal certification ownership for individual products is determined by the holder of the relevant product-based certification and is not dependent on brand ownership. Customers may hold certification for their own products or register products under an existing product-based Halal certification, such as that held by our Group. Halal compliance is assessed by JAKIM based on, among others, ingredients and their composition, manufacturing and packaging processes, certified production facilities and the final product.

Halal integrity is maintained throughout our supply chain through reliance on certified manufacturers and by ensuring that there are no split or shared manufacturing and packaging processes for any product, ensuring continuity and traceability across the supply chain.

Information on the holder of the product-based certification is stated on the packaging of finished products. For customer-branded products, labelling reflects the certification holder, while unbranded products carry the Group's certification.

7.16 QUALITY CONTROL MANAGEMENT

The quality of the services that we provide to our clients is important to us, and we maintain stringent QC measures across our business operations:

The following procedures are our main internal quality control measures that we implement across our business operations:

(a) Inspection of incoming raw materials/ finished bakery products

Our QC personnel will inspect all incoming raw materials and finished bakery products.

For our manufacturing activities, each delivery of incoming raw materials is matched against the purchase order. We will conduct visual inspection for parameters such as packaging integrity, label accuracy, freshness and cleanliness, presence of contaminants, and to confirm the correct delivered quantity and product type of the raw materials. We also ensure the raw materials are procured from Halal certified suppliers and are accompanied by a certificate of analysis for the raw materials to ensure its compliance with food safety standards. For temperature-sensitive products such as eggs, we will also perform a temperature test to determine that they are within the acceptable temperature range upon delivery.

For finished bakery products sourced from third-party manufacturers and/ or suppliers, we select local manufacturers and/ or suppliers based on product quality, competitive pricing, prompt delivery service and market reputation. When we receive a shipment of finished bakery products, we will obtain the certificate of analysis for the said products to ensure their compliance with food and safety standards. Thereafter, we will conduct visual inspection of the finished bakery products to confirm the correct delivered quantity and product type and undertake a random sample testing of the finished products to ensure the packaging of the finished products are in good condition.

If the quality or quantity of the incoming raw materials and finished products do not meet our requirements, we will reject the incoming batch and request to exchange the delivered raw materials and finished products for a new batch.

(b) In-process quality control

Throughout our manufacturing process, our QC personnel will monitor critical points such as ingredient preparation, mixing, moulding or dispensing, oven temperature, baking and packing, to ensure the quality and consistency of the bakery product and the compliance with food safety standards. We will also check our bakery products to ensure they have the correct structure, colour, weight and even browning. By monitoring these critical points, we can establish if the recipe was strictly adhered to.

We will inspect the packaging materials before use, checking their seal strength, print and label accuracy, material thickness and tensile strength, to ensure that the final product meets our standards and customer requirements.

(c) Outgoing quality control

We will inspect the finished products before they leave our manufacturing facilities. We will check that each package matches the customer's order in terms of product type, quantity, labelling and appearance. Additionally, we will check the product expiry to ensure sufficient shelf life for outgoing products, as well as a final visual inspection and seal check before the finished products are sent out.

As at LPD, we have 8 QC personnel undertaking the in-process QC activities for our manufacturing activities and 6 warehousing personnel who undertake the QC activities for our warehousing and distribution.

7.17 RESEARCH AND DEVELOPMENT

Although we do not maintain a formal R&D department, our in-house team comprising our Production Director and 2 production employees constantly develops and refines recipes for bakery products sold under our own brands and under our customers' brands or unbranded. We also conduct recipe development and collaborate with our third-party manufacturers to explore new ingredients, flavours, fillings and product formats. To ensure supply continuity, we also develop alternative formulations for our key SKUs in the event of ingredient shortages or logistics disruptions. Examples of common substitute ingredients include butter or shortening for edible oils and margarine, honey or corn syrup for sugar and soy or oat-based products for dairy.

Our product development process adopts the following approaches:

- Market-driven approach where we identify market trends and popular tastes, then bake test batches, adjust the recipe and share samples with customers for their feedback.

- Request-driven approach where we respond to sales feedback for new bakery products, gathering input on taste and presentation, producing trial batches and refining the recipe until it's ready for mass production.

Our marketing team is responsible for the packaging design of bakery products, whether for our own brands, customers' brands or unbranded for our customers. Our marketing team develops the artwork (i.e. colours and illustrations) and collaborates with our Production Director on the packaging material specifications (i.e. plastic films and paperboard) and structural layouts (i.e. pillow pouch and resealable bag) to ensure alignment with the product's market positioning and target segment.

Historically, all product development costs were expensed in the cost of sales. Following the Acquisition of Kasaga, we have established a dedicated product-development account. From 1 January 2026 up to LPD, we have incurred approximately RM30,431 worth of product development expenses.

7.18 COMPETITIVE STRENGTHS

7.18.1 Network of Wholesalers, Distributors and Retailers

Over the past 20 years, we have built a network of Wholesalers, Distributors and Retailers. Our sales and marketing team has established long-standing business relationships with Wholesalers, Distributors and Retailers, which allows us to leverage on their distribution strengths to penetrate the market faster and to establish a wider reach for our bakery products. As at LPD, we have 330 Wholesalers, 5 Distributors and 117 Retailers, of which 233 Wholesalers, 3 Distributors and all Retailers are in Malaysia, 92 Wholesalers are in Singapore, 4 Wholesalers are in Australia, and 1 Wholesaler and 2 Distributors are in Indonesia.

We actively negotiate for strategic shelf or retail space with Retailers to display our own brands of bakery products. Further, based on our sales and marketing teams' experience and understanding of the bakery products market, they work closely with Retailers to identify suitable sellable products.

7.18.2 Extensive portfolio of products with continued innovation

Our Group's range of bakery and other products is sold either under our customers' brands or unbranded, our own brands and third-party brands. As at LPD, we have a portfolio of approximately 6,500 SKUs of bakery and other products of which approximately 5,900 SKUs are sourced from our third-party manufacturers and/ or suppliers. During FYE 2022 to 2025, we sourced bakery and other products from 348, 342, 386 and 344 third-party manufacturers/ or suppliers respectively.

Our extensive product portfolio is supported by our strong sourcing capabilities. By leveraging on our relationships with numerous third-party manufacturers and/ or suppliers, we are able to source a diverse range of products offered under our customers' brands, unbranded, own brands, as well as third-party brands. We believe that sourcing bakery products from third-party manufacturers and/or suppliers enables us to respond swiftly to evolving consumer trends, introduce new flavours and product types and maintain flexibility in meeting customer preferences.

Recognising the importance of continuous development, we continue to adapt to changing consumer trends, while maintaining the traditional offerings that our loyal customer base enjoys. As such, our Group focuses on expanding our product offering by introducing new flavours and product type. In line with this, we have introduced 251, 236, 160 and 204 new SKUs in FYE 2022 to 2025 respectively. At the same time, we continuously evaluate our current range of products to enhance them, such as redesigning product packaging to be more attractive or adjusting the taste to better meet customer preferences.

7.18.3 Experienced key senior management team

Our Group is spearheaded by our Managing Director and Executive Director, namely Goh Chen Chang and Goh Chen Ann respectively. Our Managing Director and Executive Director have 22 years and 18 years of experience in the bakery products market, respectively. Through their experience and know-how in manufacturing and marketing bakery products, they have developed an understanding and knowledge of the market dynamics as well as consumer preferences.

Our Group is supported by our key senior management team, which includes the following members:

Name	Designation	Years of relevant experience
Joshua Lau Ern Tien	Production Director	18
Wee See Yee	Chief Financial Officer	23
Pang Teck Heng	Senior Sales Manager	41
Tho Che Ping	Administration and Human Resources Manager	13
Koon Kok Feng	Marketing Manager	5

Our Group believes that the combined experiences of our Managing Director, Executive Director and key senior management team enable us to chart our growth path and expand our market presence.

7.19 BUSINESS STRATEGIES AND FUTURE PLANS

7.19.1 Purchase of new machinery and equipment

As part of our Group's business strategies, we intend to allocate RM2.57 million from the proceeds to be raised from our Public Issue to purchase new machinery and equipment for our manufacturing needs at Manufacturing Facility 1 and Manufacturing Facility 2.

Our sourcing segment and manufacturing segment contributed 73.9% and 16.6% of our total revenue for FYE 2025, respectively. While our sourcing segment will continue to be a core business of our Group, we intend to purchase new machinery and equipment to replace our existing biscuit production line, upgrade our existing cookies production line and establish a new production line for cakes. The new machinery and equipment are expected to increase our overall production capacity and diversify our product offerings to include products we are unable to produce at this juncture, due to the lack of suitable equipment. This aligns with our strategy to further develop our manufacturing segment as a complementary growth area to our core sourcing business.

Manufacturing Facility 1

Our manufacturing of biscuits and cookies is located at Manufacturing Facility 1. As at LPD, we have 1 production line each for biscuits and cookies. We intend to allocate RM1.11 million, representing 8.2% of the gross proceeds from our Public Issue to purchase the following:

(a) Installation of a new biscuit production line to replace our existing biscuit production line

As at LPD, we operate 1 biscuit production line, which is currently used solely for *roti kok* production. However, our existing biscuit production line, which has been in-use for more than 8 years, is semi-automated and requires higher degree of manual labour to operate compared to the new biscuit production line that we intend to purchase.

Due to increasing demand for *roti kok*, we intend to replace our existing biscuit production line with a new, further automated line to improve efficiency and increase our manufacturing capacity. The new biscuit production line will feature a higher degree of automation and improved operational efficiency, which will allow us to manufacture biscuits more consistently and reduce waste resulting from manual production errors. As a result, we are able to scale up our manufacturing capacity for *roti kok* through a faster production cycle. The new machinery and equipment will also enable us to manufacture other bread-based products. Further details on the machinery and equipment that we intend to purchase are set out in Note (i) of Section 4.9.1(a). The increased automation is not expected to reduce our Group's workforce, as we will reassign any surplus production staff to other tasks, such as warehousing, to handle the anticipated rise in products resulting from our expanded manufacturing capacity.

The new biscuit production line is equipped with essential machinery such as dough mixer, bread encrusting unit, automatic dough pressing and panning machines, and rack rotary ovens and specialised equipment like filling injecting machine, ultrasonic cutting machine and spreader machine. This will enable us to produce the bread base for *roti kok* more efficiently and at a larger volume. In addition to support the *roti kok* production, the new biscuit production line will also open up opportunities for our Group to expand into other bread-based products such as cream-filled buns, custard breads, and jam-filled loaves, thus further diversifying our product offerings.

(b) Purchase of machinery and equipment for our existing cookies production line

As at LPD, our cookies production line is primarily focused on seasonal cookies. For clarity, while certain cookies such as peanut, yam, coconut and oatmeal cookies are typically sold during festive seasons, our Group also manufactures these products year-round based on market demand.

To maximise our production output and improve year-round utilisation of our facilities, we intend a purchase a cookies forming and loading system which comprises pan placing machine as well as dough shaping and moulding machine, which will be integrated into our existing cookies production line without the need to install a completely new line. This allows us to produce seasonal and daily consumption cookies simultaneously using the same production line. Upon installation of the cookies forming and loading system, we will be able to manufacture daily consumption cookies as our existing cookies production line is not equipped with necessary machinery and equipment to handle varying dough consistencies required to make certain types of cookies. As we are unable to manufacture cookies for daily consumption in-house to meet customer demand, our Group has had to rely on third-party manufacturers to fulfil our orders of daily consumption cookies. With the upgrade of our cookies production line, we will be able to manufacture daily consumption offerings such as chocolate chip cookies, digestive cookies, fruit and nut-based cookies and cream filled cookies. Further details on the machinery and equipment that we intend to purchase are set out in Note (ii) of Section 4.9.1(a).

This will enhance manufacturing flexibility, reduce dependency on third-party manufacturers and give us greater control over product quality and output.

(c) To automate the back-end stages of both our biscuit and cookies production

As at LPD, the back-end stages of our manufacturing process at Manufacturing Facility 1, such as coating and packaging are carried out manually. As such, we intend to purchase additional machinery and equipment to automate our coating and packaging process which will improve speed and increase production efficiency.

We intend to purchase a (i) chocolate coating system; and (ii) packaging conveyor belt system. Further details are set out in Note (iii) of Section 4.9.1(a).

Our existing chocolate coating system is manually operated and hence limited in capacity, as it can only handle a small volume of products at a time. This slows down production, as it requires more labour and handling and increases the risk of inconsistency in coating quality. We intend to purchase a new chocolate coating system, comprising a coating machine and chocolate cooling tunnel, as well as a chocolate heat circulation cylinder, to replace our existing chocolate coating system. The new chocolate coating system will be used for both biscuit and cookies production and eliminate the need for manual labour. This will significantly reduce processing time and improve overall efficiency and product consistency.

Our existing packaging process is labour-intensive as the finished products are manually transferred using trolleys across our manufacturing facility. This manual handling process is time-consuming and increases the risk of contamination, as the finished products are exposed to air for a longer duration. To improve efficiency and hygiene in our packaging process, we plan to install a new conveyor belt system, which will be used for both of our biscuit and cookies production. This system, featuring stainless steel conveyor belts and a 90-degree rotation conveyor belt, will enable smoother, faster and more hygienic transfer of products between stations, which will help us maintain product quality, improve food safety and reduce downtime in the packaging process.

For further details on the machinery and equipment we intend to purchase for Manufacturing Facility 1, please refer to Section 4.9.1(a). The commissioning of the new machinery and equipment for our Manufacturing Facility 1 is expected to be completed within 12 months from the date of Listing.

Manufacturing Facility 2

As at LPD, we have 1 automated cake production line located at Manufacturing Facility 2. We intend to allocate RM1.46 million, representing 10.8% of the gross proceeds from our Public Issue to purchase an additional automated cake production line to increase our production capacity for cakes.

The new cake production line will have the same specifications as our existing cake production line, with a key addition of a fully automatic suction demoulding machine that can also be used for our existing cake production line. This machine automates the demoulding process (where cakes are removed from their moulds after baking), thereby reducing manual handling, improving operational efficiency and minimising product damage.

Both the existing and new production lines will feature depositor machine (which is used to fill batter into baking pans or cake moulds) and moulds, which allows for the flexible production of various cakes, including butter cakes, sponge cakes and muffins. Currently, we are not producing muffins due to capacity constraints. However, with the installation of the new production line, this will expand our manufacturing capacity and enable us to enter the muffin market and expand our product range.

For further details on the machinery and equipment we intend to purchase for Manufacturing Facility 2, please refer to Section 4.9.1(b). The commissioning of the new machinery and equipment for our Manufacturing Facility 2 is expected to be completed within 12 months from the date of Listing.

7.19.2 Advertising and promotion activities

We intend to enhance the brand awareness of our "SINAR®", "合顺成饼家®" and "Sa1ko®" brands by investing in advertising and promotional activities.

Digital marketing and e-commerce

We have established profiles on various social media platforms such as Facebook, Instagram, TikTok for "SINAR®", while our "合顺成饼家®" brand is active on *Xiao Hong Shu* and Instagram. We have collaborated with key opinion leaders to promote our bakery products through sponsored posts on their social media accounts and will continue to do so in future. In addition, we intend to collaborate with live stream sellers through affiliate programmes to drive customer conversion via live selling.

We also intend to drive sales of "SINAR®" and "Sa1ko®" brands of bakery products through e-commerce sites such as Shopee and TikTok Shop. These brands will allow us to build operational capability and marketing experience in e-commerce before expanding our online store presence to other brands in our portfolio. In April 2025, we established online stores for "SINAR®" on Shopee and TikTok Shop, and for "Sa1ko®" on Shopee. To date, our online stores on the various e-commerce platforms are in an early growth stage, and we plan to drive sales of our products by gradually increasing our product offerings on these platforms by 4th quarter of 2026.

In addition to strengthening our core brand, namely "SINAR®", we also aim to boost the visibility of our "Sa1ko®" brand. This brand serves as our platform to broaden our presence in the snack category and connect with younger consumers. To appeal to this demographic, we have introduced vibrant, colourful packaging designs featuring a cartoon mascot. Products under the "Sa1ko®" brand includes butter toasted bread and garlic-flavoured toasted bread.

In-person promotional events

We currently participate in in-person promotional events including in-store promotions at our Retailers' outlets, setting up promotional booths at shopping malls, product sampling events, sporting events, and community events. We will continue to participate in these events as they offer potential customers personalised experiences. This allows us to inform customers about our products, answer questions they may have, and ultimately drive customer conversion.

7.19.3 Introduction of premium bakery product range for tourists

To capitalise on Malaysia's growing inbound tourism, we intend to introduce a dedicated premium product range under a new brand, which will be sold in souvenir shops at airports, heritage sites and attraction spots. Our bakery products under the new premium brand will include butter cakes, sponge cakes and layer cakes. While the butter cakes and sponge cakes will be manufactured in-house, the layer cakes will be sourced from third-party manufacturers. Each bakery product will be packaged in gift boxes or tins featuring local motifs such as batik, iconic landmarks and cultural artworks, where the bespoke gift boxes or tins will serve as a memorable Malaysian keepsake and appeal to tourists.

We envisage the premium bakery products to target end consumer segments through immediate customers such as souvenir and tourist shops, rather than supermarkets and general trade outlets, as these channels differ from those of our existing product portfolio. As such, we are being prudent in identifying a suitable collaborator to distribute these products. To that effect, the introduction of our premium bakery product range is expected to commence in the 2nd half of 2026.

7.19.4 Implementation of an enterprise resource planning system

We intend to implement an ERP system to streamline and make our operations more efficient. The ERP system is expected to integrate various functions of our operations, including administrative, accounting, purchasing, sales, and warehousing. It is also expected to have specific solutions for our manufacturing activities, such as demand planning, material requisition, and production scheduling.

The ERP system is expected to cost RM1.81 million and is expected to be operational by the 4th quarter of 2026. As at LPD, we have paid a deposit of RM1.22 million for the ERP system. The remainder of the cost of the ERP system will be financed through internally generated funds.

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HSS Holdings Berhad,
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Taman Tun Dr. Ismail 1,
Jalan Bakri,
84200 Muar, Johor

Date: 07 MAY 2026

Dear Sirs,

Independent Market Research Report on the Bakery Products Market in Malaysia

Protégé Associates Sdn Bhd ("**Protégé Associates**") has prepared this IMR Report for inclusion in the prospectus of HSS Holdings Berhad ("**HSS Holdings**" or the "**Company**") in relation to its listing on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

We have been engaged by the Company to provide independent market research of the abovementioned industry in which HSS Holdings operates. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews, and therefore, the information is subject to fluctuations due to changes in business, industry and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of this IMR Report. We believe that this IMR Report presents a fair and balanced view of the industry within the boundaries and limitations of secondary statistics, primary research, and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions and/or actions of the readers of this IMR Report. This IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this IMR Report.

Thank you.
Yours sincerely,

Seow Cheow Seng
Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 26 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

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Any part of this IMR Report used in third-party publications, where the publication is based on the content, in whole or in part, of this IMR Report, or where the content of this IMR Report is combined with any other material, must be cited and sourced to Protégé Associates.

The research for this IMR Report was completed in April 2026.

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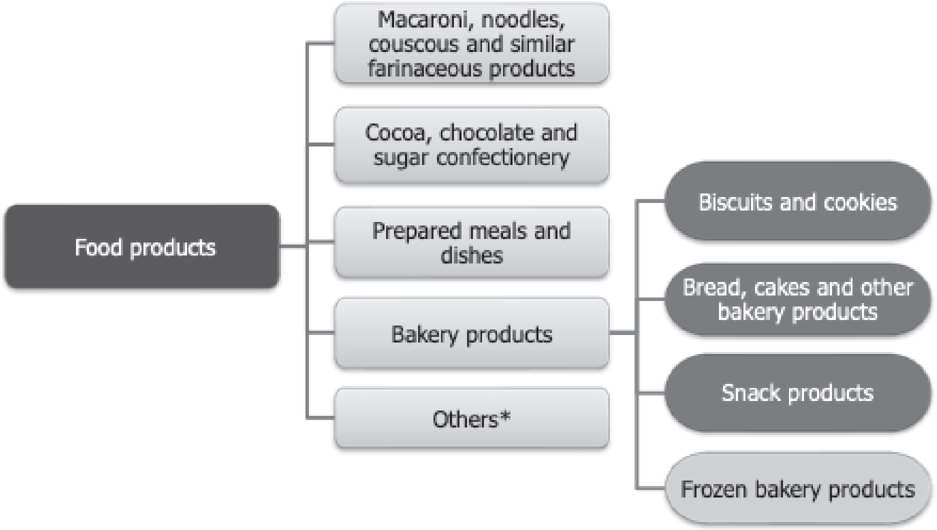
50480 Kuala Lumpur, Malaysia.
Tel: 603 6201 9201

1.0 Overview of the Bakery Products Market in Malaysia

The bakery products market in Malaysia is part of the broader food products industry and encompasses both fresh and packaged baked goods sold to end consumers. Fresh, handmade loaves, rolls, cakes, pastries and biscuits, often unpackaged, which are produced by independent bakeries and appeal to busy urban professionals as quick, on-the-go meals. Packaged bread and rolls (i.e. white, wholemeal and fortified varieties) dominate modern retail channels, such as hypermarkets, supermarkets, and convenience-store chains, due to their convenience, longer shelf life, and added nutritional claims, including vitamins, minerals, and high-fibre formulations.

Figure 1: Segmentation of the Bakery Products Market



● *HSS Holdings and its subsidiaries ("**HSS Holdings Group**") are involved in these segments of the bakery products market in Malaysia.*

** Others are processing and preserving of meat, fish, crustacean, fruits and vegetables, manufacture of vegetable and animal oils and fats, grain mill products, starch products and dairy products.*

Note: Bakery product segmentation is adapted from MSIC Code 1072 for the purpose of product category classification.

Source: Protégé Associates

The Malaysian bakery products market is divided into 4 core categories:

Biscuits and cookies

This category encompasses shelf-stable baked snacks including sweet and savoury biscuits, wafers and cookies, which are sold in single-serve sachets or multipack. These products are for on-the-go consumption or teatime breaks, benefiting from extended shelf life that are suitable for both convenience stores and traditional kopitiams. In Malaysia, seasonal and festival editions (e.g. Raya kuih-inspired flavours) drive significant spikes in biscuits and cookies sales. Manufacturers are also introducing local flavours such as durian-cream wafers or pandan-coconut cookies and health-oriented variants like gluten-free and high-fibre options.

Bread, cakes and other bakery products

This category covers everyday sandwich loaves, rolls and burger buns as well as celebration cakes, tarts, doughnuts and filled pastries. Staple breads and buns serve as breakfast items or meal accompaniments, with demand underpinned by Malaysia's urban population and rice-alternative eating behaviours. Cakes and pastries cater to birthdays, weddings and festive gatherings and are sold fresh in neighbourhood bakeries or in premium packaged formats at supermarkets. There are local preferences for kaya-filled buns and pandan chiffon cakes as Malaysian twists on classics. Within this category, whole-grain, reduced-sugar and protein-fortified variants appeal to health-conscious consumers, while artisanal premium lines command higher margins.

Snack Products

This category includes crackers, crispbreads and mini pretzels designed for quick snacking at work, school or during travel. These bite-sized items often feature local seasoning blends such as spicy sambal or curry leaf and functional ingredients, which provide additional nutritional benefits (e.g. higher fibre or protein content), such as seeds and wholegrains. Retailers frequently bundle snack packs as lunchbox add-ons or Ramadan snack hampers, driving strong multipack sales during peak seasons.

Frozen Bakery Products

Frozen bases and par-baked items including partially baked loaves, croissant and bun dough sheets, pizza bases and tart shells serve both foodservice operators and home bakers. These reduce on-site labour and ensure consistent quality for café chains, hotel banquets and event caterers. The rise of home-bakery microbusinesses on platforms such as Shopee and GrabFood has further boosted demand for frozen par-bake kits. Continued growth in Malaysia's café culture and the popularity of DIY baking kits underpin the strong prospects for this segment.

The growing health consciousness of Malaysian consumers and evolving dietary preferences have driven bakeries to innovate with low-fat, low-calorie product lines alongside multigrain and whole-grain breads, trans-fat-free pastries and fruit-enriched cakes. Manufacturers now increasingly promoting claims such as "no preservatives," "reduced sugar" and "functional ingredients" to appeal to both health-focused and indulgence-seeking customers. These product trends, together with capacity expansions and the growth of modern retail and e-commerce channels, are fuelling the bakery products market's growth trajectory.

2.0 Historical Market Performance and Growth Forecast

Protégé Associates has provided the historical performance and growth forecast of the bakery products market in Malaysia based on a combination of primary and secondary research, as well as analytical works conducted, including information from the Department of Statistics Malaysia and the Ministry of Investment, Trade and Industry. The Malaysian bakery products market size is calculated as the total sales value of locally manufactured goods plus imports, less exports.

Figure 2: Historical Market Size (Revenue) and Growth Forecast for the Bakery Products Market in Malaysia, 2022-2030

Year	Market Size (Sales Value) (RM billion)	Growth Rate (%)
2022	15.92	-
2023	18.08	13.6
2024	20.64	14.2
2025	23.86	15.6
2026f	25.96	8.8
2027f	28.11	8.3
2028f	30.31	7.8
2029f	32.52	7.3
2030f	34.80	7.0

CAGR (2026-2030) (base year of 2025): 7.8%

Note: f denotes forecast

Sources: DOSM and Protégé Associates

During the pandemic years, household demand for bakery products was affected by the various phases of movement control orders, which reduced footfall to cafés and bakeries and also limited the frequency of household grocery shopping trips. While the packaged bakery products such as white bread and biscuits remained resilient as essential goods, however, overall buying patterns were disrupted, resulting in a softer demand base, as the bakery products market entered into 2022.

In 2022, the Malaysian bakery products market was valued at RM15.92 billion, up 8.1% from the previous year. Although movement restrictions were fully lifted and Malaysia's international borders reopened in April 2022, the market recovery was gradual with a more visible pickup in the second half of 2022 as consumers returned to their normal shopping patterns and increasingly bought fresh bread and pastries for both home and on-the-go consumption. Manufacturers also began passing through higher flour and palm oil costs through methods such as incremental price increases, slightly smaller pack sizes and limited-time value promotions, without denting sales volume.

The bakery products market recovery accelerated in 2023, with the sales value increasing by 13.6% to RM18.08 billion, driven by strong on-premises demand as cafés and bakeries extended their hours and diversified their bakery offerings. Secondly, bakeries and manufacturers implemented price increases of up to approximately 10% on flour-based breads and buns, and up to approximately 15% on oil-rich bakery products such as doughnuts and croissants, to cope with raw material inflation. Despite higher prices, everyday essentials such as bread and buns remained price-inelastic, supporting both the volume and revenue growth.

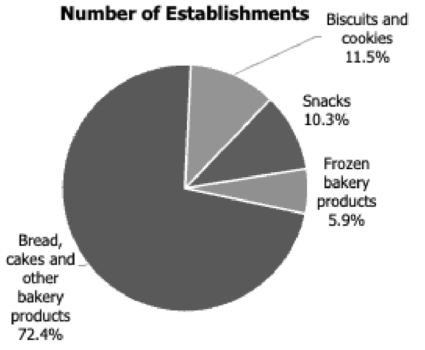
In 2024, the bakery products market continued its momentum, expanding by 14.2% to RM 20.64 billion. After absorbing the increases in flour and oil costs the previous year, most bakeries held prices steady in 2024. Meanwhile, manufacturers tapped into the growing health-and-wellness trends, launching whole-grain, low-sugar, and functional-ingredient bakery products, which typically sell for 10% to 20% more than standard white bread. At the same time, the exports of frozen dough and small-batch artisanal buns saw renewed orders from neighbouring ASEAN and Middle East markets, further boosting net industry supply and reinforcing Malaysia's role as a regional bakery hub.

For 2025, the bakery products market in Malaysia expanded by 15.6% to RM23.86 billion. The removal of the RM0.10 per egg subsidy in August 2025 resulted in cost pass-through and price adjustments across bakery products. In addition, the commissioning of new production lines by Gardenia Bakeries (KL) Sdn Bhd, the major bakery product manufacturer in late 2024 increased capacity by around 8% to 10% contributing to higher output in 2025 and reflecting market confidence in sustained demand. At the same time, consumer demand for bread and buns remains resilient, as bread and buns continue to be staple and pantry essentials even at higher price points.

Going forward, the bakery products market in Malaysia is projected to grow at a CAGR of 7.8% during the forecast period from 2026 to 2030, to reach RM34.80 billion by 2030. Growth moderates from 15.6% in 2025 to 7.0% in 2030 as the market transitions from a post-pandemic rebound spanning 2022 to 2023 into a steady-state expansion phase from 2024 onwards. The higher growth rates in 2024 and 2025 have been taken into account for the normalisation of input costs, domestic demand recovery post-pandemic, the removal of egg price subsidies, and capacity expansions by key players.

After 2025, as these temporary catalysts subside, the bakery product market is expected to stabilise at a single-digit growth rate of 7.0% to 9.0% annually. While demand for bakery products is expected to remain resilient given their role as staple and affordable food items, growth may moderate amid ongoing cost pressures, global supply chain uncertainties and cautious consumer sentiment, which may be further influenced by escalation of geopolitical tensions in the Middle East and the prolonged Russia-Ukraine conflict, both affecting commodity prices and logistics costs. In the longer term, growth will continue to be supported by factors including rising incomes and population growth, continued innovation in premium and health-focused bakery product lines, expansion into export and digital commerce channels, and productivity gains from automation and process efficiencies. Nevertheless, the bakery products market in Malaysia is exposed to headwinds, including raw material price volatility (i.e. flour, eggs, and edible oils), fluctuations in the ringgit, subsidy phase-outs, and rising competition from imported brands and alternative snack products.

2.1 Competitive Landscape



Source: DOSM, Economic Census 2023 – Establishment Statistics

The Malaysian bakery products market is fragmented, with 3,255 establishments involved in manufacturing of bakery products in 2022. These range from multinational and large domestic companies to small family-owned SMEs. About 72.4% or 2,357 of these establishments focus on bread, cakes and other bakery products, while the remainder specialise in biscuits and cookies (373), snacks (334) and frozen bakery products (191). The majority of these players are located in the Klang Valley region, Melaka and Johor.

The Malaysian bakery product market is dominated by a few large integrated players such as Gardenia Bakeries (KL) Sdn Bhd, The Italian Baker Sdn Bhd (producer of Massimo branded breads and cakes), and Daily Fresh Bakes Sdn Bhd, whose brands are household names nationwide. These companies operate large-capacity bakeries, maintain dedicated delivery fleets, and supply to hypermarkets, supermarkets, and convenience store chains.

The mid-market segment comprises regional operators, artisanal producers, and contract manufacturers supplying private-label bakery products to supermarket chains and foodservice outlets. These mid-tier companies differentiate themselves with specialised sourdoughs, whole-grain and functional-ingredient loaves, small-batch buns, and distinctive local flavours such as pandan and gula Melaka. Although they lack the scale of the large players, they possess operational agility that enables them to accelerate new product development, build close partnerships with independent cafés and neighbourhood grocers, and leverage direct-to-consumer channels such as in-store outlets and e-commerce pre-orders.

In Malaysia, bakery product market players can sell their products via wholesale and retail channels. Wholesale trade in bakery products in Malaysia involves the distribution and sale of bakery products in large quantities to key distribution channels, including hypermarkets, supermarkets, and convenience stores. Medium- to large-scale market players typically maintain a fleet of trucks to deliver products to depots or directly to these distribution channels, often daily, ensuring that the products sold are fresh and in optimal condition. Bakery product market players that pursue retail trade of their products in Malaysia generally consist of small-scale manufacturers of bakery products or home bakers who sell their products in relatively smaller quantities via in-house premises (bakeries, café outlets, or restaurants), stalls at markets, mobile vehicles, online, or even through direct engagements with friends and family.

2.1.1 Barriers to Entry

The Malaysian bakery product market has moderate-to-high barriers to entry due to factors such as the capital-intensive nature of large-scale automated bakeries, the need to comply with stringent food safety and HALAL certification standards, and the need to compete with existing market players with established distribution and retail networks. Large manufacturers benefit from economies of scale, established network of suppliers for key raw materials such as wheat flour and sugar, and brand loyalty among consumers. It is highly competitive at the mass-market level which are dominated by large integrated players, but more differentiated in the mid-market segment where players compete through product innovation, localised flavours and health-oriented product offerings.

2.2 Competitor Analysis

HSS Holdings Group is principally involved in the distribution and manufacturing of bakery products. Protégé Associate has selected the following industry players to provide a comparison with HSS Holdings Group based on the following criteria:

- Involved in the manufacturing and/ or wholesale trade of bakery products in Malaysia; and
- Registered an annual revenue ranging from RM80.0 million to RM350.0 million.

It needs to be highlighted that the list of companies used for comparison purposes is not exhaustive and only serves as a reference for readers.

Figure 3: Comparison between HSS Holdings Group and Selected Market Players in the Bakery Products Market in Malaysia

Company Name	Principal Activities	Key House Brands	Latest Available Financial Year	Revenue (RM'000)	Gross Profit ("GP") (RM'000)	Profit before Tax ("PBT") (RM'000)	Profit after Tax ("PAT") (RM'000)	GP Margin (%)	PBT Margin (%)	PAT Margin (%)
HSS Holdings Group	**Sourcing and trading of bakery and other products, as well as manufacturing of biscuit, cookies and cakes**	**SINAR® and 合顺成饼家®**	**31/12/2025**	**144,442**	**27,177**	**11,868**	**8,588**	**18.8**	**8.2**	**5.9**
Apollo Food Holdings Berhad*	Investment holding with its subsidiaries principally engaged in manufacturing, distributing, trading and marketing in compound chocolates, chocolate confectionery products and layer cakes	Apollo	30/04/2025	298,415	82,066	54,370	40,175	27.5	18.2	13.5
CSH Bakery & Confectionery Sdn Bhd	Manufacturing and distribution of bakery and confectionary products	CSH	31/12/2024	88,352	34,666	11,082	8,256	39.2	12.5	9.3
Fuji Bakery Supplies (M) Sdn Bhd	Manufacturing and wholesaling of all kinds of bakery products	Fuji Bakery	31/12/2024	157,796	47,282	7,186	6,906	29.9	4.5	4.4

Company Name	Principal Activities	Key House Brands	Latest Available Financial Year	Revenue (RM'000)	Gross Profit ("GP") (RM'000)	Profit before Tax ("PBT") (RM'000)	Profit after Tax ("PAT") (RM'000)	GP Margin (%)	PBT Margin (%)	PAT Margin (%)
SDS Group Berhad*	Manufacturing and retailing of bakery products with its three brands, namely the retail brand 'SDS' and two wholesale brands, 'Top Baker' and 'Daily's'	SDS, Daily's and Top Baker	31/03/2025	345,668	118,332	44,301	33,655	34.2	12.8	9.7
The Italian Baker Sdn Bhd**	Manufacturing and distribution of bakery products	Massimo	31/12/2024	206,220	76,593	10,602	8,129	37.1	5.1	3.9
Yong Sheng Holdings Sdn Bhd	Manufacturing, wholesaling and retailing of biscuits and confectionary products	Yong Sheng	31/07/2025	116,703	31,373	9,117	6,429	26.9	7.8	5.5

** Listed on the Main Market of Bursa Securities*
***Subsidiary of FFM Berhad, which is an 80.0%-owned subsidiary of PPB Group Berhad listed on the Main Market of Bursa Securities*

Notes:
1) *The information above is updated as of 30 April 2026.*
2) *The list of selected market players above is not exhaustive.*
3) *The above figures only provide an indication and are not considered directly comparable due to the following reasons:*
   (a) *Not all market players have the same financial year-end; and*
   (b) *Not all companies carry out activities which are entirely similar to each other or in the same geographical area.*
4) *The basis for calculating the figures and ratios in the table is as follows:*
   (a) *GP Margin = GP / Revenue*
   (b) *PBT Margin = PBT / Revenue*
   (c) *PAT Margin = PAT / Revenue*

Sources: HSS Holdings Group, Companies Commission of Malaysia and Protégé Associates

2.3 HSS Holdings Group's Estimated Market Share

The revenue generated by HSS Holdings Group in its financial year ended 31 December 2025 was RM144.44 million, which is equivalent to 0.6% of the estimated market size (revenue) of the bakery products market in Malaysia in 2025. The market share is derived from dividing HSS Holdings Group's revenue of RM144.44 million for the financial year ended 31 December 2025 by the market size (sales value) of the bakery products market in Malaysia in 2025, which stood at RM23.86 billion.

2.4 Demand and Supply Conditions

Demand and supply conditions are key factors that can positively or negatively affect future market size and growth by specifically altering demand or supply dynamics. The following are the demand and supply conditions that affect the value and development of the bakery products market in Malaysia over the forecast period from 2026 to 2030.

2.4.1 Demand Conditions

Figure 4: Demand Conditions Affecting the Bakery Products Market in Malaysia, 2026-2030

Impact	Demand Conditions	Short-Term	Medium-Term	Long-Term
		2026-2027	2028-2029	2030
+	Dietary shifts towards bakery staples	High	High	High
+	Preference for convenience and longer shelf life	High	High	High
+	E-commerce growth spurring bulk purchase of Bakery Products	Medium	Low	Low
+	Rising income and population growth	Low	Low	Low

Source: Protégé Associates

Dietary shifts towards bakery staples

Dietary shifts towards bakery staples in Malaysia have been driven by rapid urbanisation and changing lifestyles. As more Malaysians live in cities and work longer hours, the convenience of bread, buns and pastries has made them a popular alternative to rice-based meals, which often require side dishes and longer cooking times that are no longer suitable for busy families. Bakery products share similar carbohydrate and protein profile as rice, making them a natural fit in hot, humid climates, and they can be prepared in a fraction of the time for breakfast or on-the-go lunches. The rise of café culture, with its Western-style breakfast items such as sandwiches and croissants, has further familiarised consumers with bakery products, driving similar at-home consumption. Smaller household sizes and single-person dwellings also favour portion-controlled bakery products over bulk rice purchases, reinforcing the move away from traditional rice staples.

At the same time, evolving health perceptions and product innovation have strengthened this trend. A growing share of packaged bakery products are now low in fat and calories and also fortified with vitamins, minerals and fibre. These bakery products come with full nutrition labels and carry claims such as "no artificial additives," "no preservatives" and "reduced sugar," making it easier for consumers to identify and choose healthier options. Many consumers now view whole-grain, multigrain, and seeded breads as more nutritious than refined rice. Supermarkets and local bakeries have expanded their offerings by launching protein-fortified loaves, functional-ingredient buns, and individual-serve packs, making it easier for consumers to choose bakery product options that fit their dietary preferences and busy schedules. Together, these factors have driven a sustained shift in consumption patterns, underpinning strong demand for bakery products throughout the forecast period.

Preference for Convenience and Longer Shelf Life

Malaysia has undergone rapid urbanisation over the last few decades, which has significantly reshaped the population's lifestyle, with a notable increase in women joining the workforce and people working longer hours. Consequently, the time available for meal preparation has diminished, making ease of convenience a paramount consideration when choosing food products. This shift has directly fuelled an increase in the consumption of conveniently packed food items, such as ready-to-eat meals and, notably, packaged bakery products.

Wholesale bakery products, in particular, are increasingly designed with consumer convenience at their core. This includes innovative packaging solutions such as re-sealable pouches, individually portioned single-serve packs, and lightweight designs that align with the 'grab-and-go' lifestyle. Beyond immediate consumption, these packaging solutions also play a crucial role in extending the shelf life of bakery products. This extended freshness offers significant value to consumers by reducing the frequency of grocery runs and minimising food waste at home.

E-commerce Growth Spurring Bulk Purchase of Bakery Products

The burgeoning e-commerce market in Malaysia is influencing the consumption patterns of bakery products, particularly driving an increase in bulk purchases of packaged bakery products. In 2024, the gross value added of e-commerce contributed RM258.20 billion to Malaysia's gross domestic product ("**GDP**"), representing a 4.7% increase from RM246.6 billion in 2023. The growth is linked to the rapid development of e-commerce marketplaces such as Lazada and Shopee as well as bolstered by continuous governmental support for digital economic activities.

These marketplaces have provided consumers with access to bakery products, specifically enabling the purchase of shelf-stable products such as biscuits and cookies in economical and larger quantities. The phenomenon of online bulk purchasing is further incentivised by frequent promotional campaigns, including monthly PayDay Sales, Singles Day (11.11), 12.12 Day sales, and Black Friday Deals. These events offer compelling discounts on multi-packs and bulk orders, encouraging consumers to stock their pantries efficiently and benefit from cost savings.

In response to this evolving digital consumer behaviour, market players are also adapting to this by establishing pre-ordering systems, offering convenient in-store collection options for online purchases and expanding direct delivery services. Further, businesses are leveraging on these e-commerce marketplaces to distribute wider array of products including festive and specialty bakery items, extending their market reach and capitalising on seasonal demand.

Rising Income and Population Growth

The Malaysian bakery products are poised for continued growth, fuelled by a dual uplift in the country's consumer base and purchasing power. Over the past 5 years, Malaysia has experienced robust economic expansion, leading to greater affluence among its population. The gross national disposable income grew from RM1,473.2 billion in 2019 to RM1,866.2 billion in 2024. Concurrently, the per capita income of Malaysians also increased, from RM45,298 in 2019 to RM54,793 in 2024. The Malaysian Government's ongoing commitment to economic expansion programmes is set to further boost these disposable incomes, creating an environment where consumers have more money to spend on food products, including bakery products.

A steady and sustained population growth complements this economic uplift. The Malaysian population is projected to reach 42.37 million by 2060, from 32.45 million in 2020. This expanding population translates to a larger pool of potential consumers for bakery products. There's a direct and positive correlation between population growth and the uptake of bakery products. Therefore, the combined effect of a growing number of people with greater spending ability is expected to spur a consistent and increasing demand for bakery products throughout the forecast period.

2.4.2 Supply Conditions

Figure 5: Supply Conditions Affecting the Bakery Products Market in Malaysia, 2026-2030

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2026-2027	2028-2029	2030
+	Broad bakery product variety catering to diverse age and income segments	High	High	High
+	Advancement of production and packaging technology	Medium	Medium	Low
-	Rising raw material costs	High	High	Medium

Source: Protégé Associates

Broad bakery product variety catering to diverse age and income segments

Malaysia's bakery products market has evolved beyond staple breads and buns into a highly diversified product portfolio. In addition to classic white and wholemeal breads, manufacturers now routinely develop multigrain, high-protein, low-glycemic index (low-GI), and plant-based products to capture health-conscious consumer segments. Major players such as Gardenia and Massimo leverage pan-Malaysia distribution to introduce fortified breads (containing added fibre, vitamins, or omega-3), while local SMEs in Penang and Johor innovate with pandan and gula Melaka-infused recipes. Front-of-pack labels, regulated under the Food (Amendment) Regulations 2018, ensure that health and nutrition claims remain credible, thereby fostering consumer trust in "low-GI" and "no-trans-fat" variants.

Premium bakeries introduce "functional" loaves fortified with prebiotics, omega-3 fatty acids, or collagen, whilst artisan bakeries experiment with sourdough, rye, and heritage grain offerings. In terms of pastries, there is a proliferation of gluten-free, keto-friendly, and vegan croissants, muffins, and buns. This extensive range enables companies to segment their marketing effectively where value focused product lines target price-sensitive, mass-market consumers, whereas premium focused product lines cater to niche, higher-margin consumers. By offering a wider range of specialty and premium bakery products, this not only broadens consumer appeal but also make sales less sensitive to price hikes. When raw material costs rise, manufacturers are able to shift their focus to higher margin bakery products instead of cutting into their profits on basic loaves.

Advancement of Production and Packaging Technology

To increase production capacity to cope with growing demand for bakery products, bakery-product manufacturers are adopting integrated systems, whereby the production process is fully or partly automated with minimal requirements for manual labour. Larger bakery product manufacturers have leveraged on the Ministry of International Trade and Industry's Automation Grant to install fully programmable controlled proofing chambers, which regulate temperature and humidity to accelerate the fermentation and improve product uniformity. Robotic dough dividers and depositors now portion hundreds of identical buns or loaf slices per minute, which are tasks that previously required dozens of operators, while automated ovens with linked conveyor systems ensure bake profiles and reduce energy waste.

Meanwhile, smaller bakery manufacturers are leveraging on SME Bank loans to deploy semi-automated mixers that handle large dough batches with minimal manual intervention and integrate point-of-sale systems with last-mile delivery platforms for seamless order management. Although automation costs and technical expertise requirements may not lead to immediate universal adoption, these investments are gradually improving throughput, yield and overall hygiene.

To further encourage automation adoption and production efficiency, Budget 2026 introduced several measures relevant to the manufacturing of bakery products. New food-production projects are eligible for 100% income-tax exemption on statutory income for 10 years of assessment, while existing companies undertaking expansion projects qualify for the same exemption for five years of assessment (applications from 1 January 2026 to 31 December 2030). As manufacturers continue to modernise its bakery production lines, this measure is expected to support further investment in automation and energy-efficient equipment across the bakery products market, while helping manufacturers offset rising operating costs and enhance competitiveness.

Rising Raw Materials Costs

The Malaysian bakery products market is heavily dependent on 3 main raw materials, namely, flour, eggs and edible oils. These ingredients form the backbone of all bakery products, from bread and pastries to cakes and cookies. As such, when the cost of these key ingredients rises, it puts pressure on production costs, particularly small and mid-sized players that have less ability to raise their selling prices or buy ingredients at lower bulk rates. Over the past year, the prices of these ingredients have risen sharply due to global market volatility, foreign currency exchange rates, and changes in local government policies, which have created supply-side headwinds for the market.

Flour, derived from imported wheat, in which Malaysia imports nearly all its wheat from Australia, Canada, and the United States, making local flour prices susceptible to global wheat prices and fluctuations in the ringgit's exchange rate. For example, when global wheat prices rise due to supply issues such as poor harvests, droughts, or export restrictions, Malaysian millers must pay more to secure the supply.

In 2025, the average import price of wheat decreased to approximately RM1,357 per tonne, compared to RM1,440 per tonne in 2024, indicating a moderation in global wheat prices over the period. This downward trend continued into early 2026, with the average import price declining further to approximately RM1,208 per tonne in February 2026. Despite this moderation, wheat prices continue to be affected by volatility caused by global supply conditions, weather-related disruptions, currency movements, and energy price fluctuations. The escalation of geopolitical tensions in the Middle East, together with the prolonged Russia-Ukraine conflict have also driven up input and transportation costs, contributing to price uncertainty. Since Malaysia depends on imported wheat, flour prices remain vulnerable to external factors, including global wheat price changes, exchange rate fluctuations, and logistics costs, which could lead to volatility in input costs for bakery manufacturers. In Malaysia, the price of general-purpose wheat flour is controlled and subsidised by the Government under the Price Control and Anti-Profiteering Act. However, this price control applies mainly to standard flour used for household consumption. Most commercial bakeries use non-subsidised flour types such as bread flour or high-protein variants, which are not subject to price control and are exposed to global market and currency fluctuations.

Eggs, which are used in cakes, dough enrichment, and pastries, have also experienced cost increases following the Government's full removal of the RM0.10 per egg subsidy in August 2025. The removal of the subsidy has led to upward adjustments in egg prices, with retail prices for Grade C eggs (the type commonly used in baking) observed at approximately RM10.40 to RM12.60 per tray (equivalent to about RM0.35 to RM0.42 per egg). In addition, poultry farmers are facing higher chicken feed, which are made from imported corn and soybean meal and is subject to fluctuations in global commodity prices. The escalation of geopolitical tensions in the Middle East and volatility in energy prices have further driven up input costs. Since chicken feed makes up the largest part of their production costs, these prices increase are putting cost pressure on farmers. As a result, some farmers are reducing the number of hens they raise or slowing down egg production, which lowers the overall supply of eggs in the market. With fewer eggs available, the prices that buyers pay directly to farmers (known as farm-gate prices) have gone up.

Edible oils, particularly palm-based oils, are widely used in margarine, shortening, dough conditioners, and as frying media for products like doughnuts and pastries. Although Malaysia is one of the world's top producers of crude palm oil ("**CPO**"), bakery manufacturers do not benefit from any price protection. Instead, they must purchase edible oils at market prices, which are driven by both global demand trends and local policy decisions. In 2025, CPO prices generally ranged between RM3,800 to RM4,300 per metric tonne, supported by tight global vegetable oil supply, steady import demand from India and China, and sustained biodiesel consumption. Going into early 2026, CPO prices showed increased volatility, rising to approximately RM4,500 per metric tonne in the first quarter of 2026. The recent escalation of geopolitical tensions in the Middle East has added to this upward pressure. Higher crude oil prices have boosted the use of palm oil for biodiesel, while supply chain issues and rising fertiliser costs have further pushed CPO prices upwards. Consequently, CPO prices are expected to remain elevated in the short term, leading to increased cost pressures for downstream users such as bakery manufacturers.

At the same time, the Government has removed cooking oil subsidies for larger pack sizes (2kg and above), which are typically used in industrial food processing. This means bakery product manufacturers no longer enjoy any form of cost relief and are exposed to price increases. As a result, the cost of baking fats and oils has increased accordingly, and these oils are foundational to the texture, shelf life, and taste of baked goods, so replacing or reducing them is not straightforward.

Overall, the rising costs of flour, eggs, and edible oils are putting sustained inflationary pressure on the supply side of the Malaysian bakery products market. This is leading to higher production costs, margin compression and operational shifts such as recipe reformulation, product streamlining and capacity consolidation.

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS

9.1.1 Our business operation depends on a stable supply of products and our business relationship with our third-party manufacturers

Our Group's bakery products are either manufactured in-house or sourced from third-party manufacturers. Our in-house manufacturing operations accounted for 5.8%, 5.3%, 7.1% and 16.6% of our Group's revenue for FYE 2022 to 2025 respectively. As such, although our Group is involved in the manufacturing of selected bakery products, we are still dependent on third-party manufacturers for bakery and other products. As at LPD, we have approximately 4,000 SKUs of bakery products and other products that we source from third-party manufacturers. Our purchases of finished goods accounted for 88.6%, 89.9%, 88.3% and 83.5% of our total purchases for FYE 2022 to 2025 respectively.

Our reliance on third-party manufacturers, may expose us to supply chain disruptions. If our third-party manufacturers experience factors such as prolonged shortages of products, operational issues, or financial difficulties, their ability to fulfil their obligations towards us may be adversely impacted. This may impact our ability to meet our customers' needs and subsequently lead to lost sales, which may negatively affect our financial performance.

Further, we have carefully selected our third-party manufacturers based on factors such as product quality, competitive pricing, prompt delivery and trustworthiness. Our Group has strived to establish and maintain long-lasting business relationships with our third-party manufacturers for a constant and sufficient supply of products. As such, any adverse changes to the business relationship between our Group and our major third-party manufacturers may result in disruptions to our business operations, arising from an unstable supply of products, which could adversely affect our financial performance.

9.1.2 We may be exposed to disruptions in our operations

Our Group's operations are reliant on the continued operations of our warehouses and manufacturing facilities. Our Group's daily operations are supported by our workforce and a range of machinery and equipment such as but not limited to, ovens, mixers, forklifts and pallet jacks. We schedule and conduct regular maintenance on the machinery to ensure optimal performance efficiency and utilisation.

However, unanticipated disruptions such as power shortages or damage to our machinery or equipment could interrupt or suspend our operations, either partially or completely. Failure to meet delivery deadlines due to disruptions may in turn result in the loss of business and claims against us. Such incidents may damage our Group's reputation and affect our business relationships with our customers, thereby having an adverse effect on our financial performance and profitability.

Our warehouses and manufacturing facilities may face disruptions or unplanned shutdowns due to events beyond our control, such as fire, power failure, floods or interruptions in the water supply. If any of these events occur, we may experience prolonged disruptions, unplanned shutdowns, contamination of our bakery products and damage to our warehouses or manufacturing facilities, which would have a material and adverse impact on our business and financial performance. For FYE 2022 to 2025 and up to LPD, we have not experienced any material disruptions in our operations.

9.1.3 We face the risk of food contamination

As we are involved in the manufacturing of bakery products, we are exposed to food contamination throughout the production process. We use various raw materials including flour, edible oils, margarine, eggs, sugar and nuts. Some of the raw materials are perishable and can be contaminated when not handled, packed or stored properly. In addition, the manufacturing process involves human interaction and therefore is subject to our employees' awareness of good hygiene and their consistent adherence to our food safety standards. While we emphasise and educate our employees on our food safety standards, there can be no assurance that we will be able to continuously maintain the highest food safety standards and avoid the risks of food contamination in the future.

Additionally, we source finished goods from third-party manufacturers. Our third-party manufacturers may also be exposed to food contamination during the production process of the various finished goods that we source from them. Although we have not experienced any occurrence of food contamination for the products sourced from our third-party manufacturers during FYE 2022 to 2025 and up to LPD, there can be no assurance that they will not be subject to the risk of food contamination in the future.

If any of our manufactured products or products sourced from third-party manufacturers are found to be contaminated, they will be deemed unsafe for consumption. As a result, our brand name and reputation may be negatively affected. Furthermore, we may be subject to an inspection by the relevant authorities which may lead to the temporary closure of our production facilities or the imposition of a monetary fine. This may lead to a material adverse effect on our business operations and financial performance.

For FYE 2022 to 2025 and up to LPD, we have not experienced any incidents of food contamination.

9.1.4 We are subject to availability of financing and debt servicing obligations

We finance our operations through a combination of cash and bank balances, cash generated from our operations, credit extended by our suppliers and external sources of funds. Our external sources of funds comprise term loans and trade facilities from financial institutions such as term loan, bank overdraft, bankers' acceptances, and hire purchase. As a distributor and manufacturer of bakery products and other products, we keep a minimum level of inventory to ensure timely delivery of products to our customers. The principal use of our borrowings is for our acquisition of property, plant and equipment and working capital purposes. We also provide a credit period of up to 120 days to our customers and as such may require financing to bridge the gap from our purchase of products and materials until we collect the sales proceeds from our customers.

Our ability to obtain financing is subject to various factors including but not limited to our financial condition, cash flow, level of gearing, the cost of financing, and the willingness of financial institutions to provide new loans. Our total borrowings as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 was RM21.70 million, RM46.40 million, RM44.64 million and RM40.49 million respectively, while our gearing ratio stood at 1.5, 3.2, 1.7 and 1.1 respectively. If we are unable to secure the financing required for our operations at competitive rates, the interest cost will likely be higher, making borrowings less feasible for us to undertake. This may subsequently affect our cash flow and future growth plans.

We are also subject to debt serving obligations. Given our level of financing, any increase in interest rate may impact our financial performance and future prospects. Should we fall short or encounter difficulties in meeting our financial obligations when they are due, we may be placed in a financially distressed situation, which will affect our business operations and financial performance.

While we have not defaulted on payments of principal sums and/ or interests in respect of any of our borrowings during FYE 2022 to 2025 and up to LPD, there can be no assurance that we will not default on payment of principal sums and/ or interest in respect of any of our borrowing which could have a material adverse impact on our business and financial performance.

9.1.5 We are exposed to the risk of disruptions in the delivery of our products

Our products are delivered to customers through either our in-house fleet of vehicles or third-party logistics providers. For customers in Malaysia and Singapore, we deliver our products directly to them based on the scheduled delivery date specified in their purchase orders through our fleet of delivery vehicles, as well as through third-party logistics providers during peak sales seasons (i.e. festive seasons). For export deliveries to Australia, Indonesia, Cambodia and Korea, our bakery products are delivered through third-party logistics providers. As such, we are exposed to delivery disruptions such as delivery delays or failure to deliver due to factors such as natural disasters and adverse weather conditions.

Delivery delays or lost deliveries will likely affect our customers' product availability, which may lead to stock shortages at their outlets and impacting their sales performance. This may lead to a negative impact on our brand name and reputation, which could subsequently lead customers to reduce or cease future purchases of our products, resulting in a loss of revenue for our Group. Such instances may adversely affect our future financial performance.

While we have not experienced any delivery disruptions during FYE 2022 to 2025 and up to LPD that have had a material adverse impact on our business and financial performance, there can be no assurance that we will not experience any delivery disruptions in the future that could have a material adverse impact on our business and financial performance.

9.1.6 Our success depends upon our Executive Directors and key senior management team, the loss of any of whom could disrupt our business operations

The success and achievements of our Group can be attributed to the efforts of our Executive Directors and key senior management team, who possess valuable experience and an understanding of the demands in the business in which we operate. As such, we believe that our continued success is reliant on their performance and our ability to retain them. Our Managing Director, Goh Chen Chang, and our Executive Director, Goh Chen Ann, have 22 years and 18 years of experience in the bakery products market, respectively. Our Executive Directors are supported by our key senior management team, namely, our Production Director, Chief Financial Officer, Senior Sales Manager, Administration and Human Resources Manager as well as Marketing Manager. Save for the Marketing Manager who has 5 years of relevant experience, the other members of our key senior management team have at least 10 years of experience in their respective fields.

We have taken necessary measures such as providing attractive remuneration and opportunities for career development to attract and retain our directors and key senior management team. However, there can be no assurance that we will be able to retain our directors and key senior management team or that we will be able to attract, train, or retain qualified personnel in the future. As such, the loss of our experienced directors and key senior management team without timely replacements may affect the execution and implementation of our business strategies, which could have a material adverse effect on our business, results of operations, financial condition, and prospects.

9.1.7 We are exposed to the price fluctuation of our finished goods, raw materials and packaging materials

Our business activities require us to obtain adequate quantities of inputs such as finished goods, raw materials and packaging materials at competitive prices to sustain our margins. The finished goods that we procure include raw materials used in the manufacturing of our bakery products are flour, edible oils, eggs, sugar, margarine and nuts. The packaging materials consist of, amongst others, tinplate boxes, plastic bags or containers, as well as labels. We source our raw materials solely from local suppliers while our finished goods are sourced from both local and overseas suppliers, including *mini popiah* from Indonesia. Our packaging materials are also sourced from both local and overseas suppliers, with plastic film and cardboard boxes supplied mainly from China.

The price of our inputs may fluctuate due to circumstances that are beyond our control such as but not limited to the changes in consumer and industrial demand, currency fluctuations as well as global and local competition for resources. Our finished goods accounted for 88.6%, 89.9%, 88.3% and 83.5% of our total purchases for FYE 2022 to 2025 respectively, while our raw materials accounted for 2.9%, 2.8%, 3.3% and 7.6% of our total purchases for FYE 2022 to 2025 respectively. Our packaging materials accounted for 8.5%, 7.3%, 8.4% and 8.9% of our total purchases for FYE 2022 to 2025 respectively. The price of raw materials may fluctuate due to global economic factors, geopolitical tensions, environmental crises, diseases in crops, as well as changes in demand and supply, which in turn may impact the price of finished goods we purchase, thereby also impacting our business and operations.

The ongoing conflicts in the Middle East may adversely affect the global supply chain. Disruptions to energy markets may reduce oil and gas supply, resulting in higher and more volatile global prices for oil, gas and energy, which are key cost drivers across our supply chain. This may directly affect industries such as manufacturing, logistics and shipping, as well as industries dependent on petroleum products, including plastics, fertilisers and food production. Consequently, the costs of our finished goods, raw materials and packaging materials may increase, which may adversely affect our business operations and financial performance. As such, any unforeseen price fluctuation in our inputs may have an adverse impact on our profit margins if we are unable to pass on such increase in costs to our customers by raising our products' selling prices.

To date, our Group has experienced an increase in the cost of plastic packaging materials due to the ongoing conflicts in the Middle East. However, the increase is marginal and has not resulted in a significant impact to our Group's operations or financial performance. Nevertheless, there can be no assurance that any escalation or prolonged continuation of the conflicts will not materially and adversely affect our business, operations and financial performance.

9.1.8 We may be affected by changes in consumer preference, consumer spending habits and market perception

The demand for our products is subject to changes in consumer tastes, preferences and perceptions. Any change in consumer tastes and preferences or a decline in consumer perception and confidence in our products could result in lower sale of products, put pressure on pricing or lead to increased selling and promotional expenses which could have an adverse effect on our financial performance.

As such, our Group's continued success is dependent in part on our ability to anticipate or adapt to changes in consumer tastes, preferences perceptions and spending habits at any time and to offer on a timely basis, new products that will appeal to consumers and their changing preferences. If we are unable to anticipate and respond in a timely manner or we are unable to successfully develop or source new products according to changes in consumer trends, the demand for our products may decrease and our business, results of operations and financial condition may be adversely affected.

9.1.9 We may be exposed to the risk of competitors imitating our bakery products

Our Group competes with our competitors on several key factors, including product pricing and quality, delivery times, reputation and customer service. We also compete in terms of product formulation, which affects the overall taste of the products that we manufacture. Although we endeavour to safeguard our product formulations, there can be no assurance that third parties will not be able to obtain our product formulation. If our competitors can procure our product formulation, they may be able to distribute products that are identical to ours. This may then affect the demand for our products, which may lead to an adverse effect on our financial performance.

9.1.10 Certain aspects of our operations are dependent on manual labour and foreign employees

Our manufacturing activities are supported by the use of machinery and equipment which requires manual inputs. As such, our manufacturing activities are reliant on having sufficient manual labour. As at 31 December 2025, our manufacturing activities were supported by 113 production workers, which made up 40.9% of our Group's employees. As at LPD, our manufacturing activities were supported by 123 production workers, which made up 44.4% of our Group's employees.

If we lose a significant number of production workers in a short period of time or are unable to replace them in a timely manner, our manufacturing activities may be disrupted which may subsequently cause delays in production and delivery of orders to our customers. This may then adversely affect our business operations and financial performance.

We also rely on foreign workers for our manufacturing, warehousing and logistics operations. As at LPD, we have 58, 16 and 9 foreign workers in our production, warehouse and logistics departments, respectively, representing 30.0% of our total workforce. As such, we are also subject to various labour and immigration laws that govern the employment of foreign workers in Malaysia. Please refer to Section 6.12 for further details of our employees.

There can be no assurance that we will be able to source sufficient foreign workers to support our future manufacturing, warehousing and logistics operations. In addition, there can be no assurance that we will be able to renew the work permits of our current foreign workers upon expiry, nor can we guarantee that we can retain our foreign workers upon expiry of their work permits.

If we lose a significant number of workers, including foreign workers, from the abovementioned departments in a short period of time or are unable to replace them in a timely manner, our manufacturing, warehousing and logistics operations may be disrupted. This may subsequently affect our ability to fulfil our customers' orders and impact our business operations and financial performance.

9.1.11 We may be affected by intellectual property infringements

Our Group has registered various trademarks in Malaysia, Singapore, Indonesia, the Philippines, Australia and Vietnam and we have submitted additional trademarks for registration in Malaysia. Our trademarks include our brand names as well as logos used on our products. If we are unable to protect our intellectual property rights or if a third party infringes on or misuses our intellectual property, our brand and reputation may be adversely affected. This could affect consumer confidence in our brand and lead to a decline in our financial performance.

9.1.12 We may be affected by negative publicity

Our Group's own brands have been important in building our Group's recognition in the market and they will continue to be a key part of our business growth moving forward. Our ability to maintain, promote and grow our own brands is dependent on our ability to continuously deliver quality bakery and other products, while effectively marketing them.

The products that we sell under our own brands may be subject to complaints or negative feedback on our product quality. If we fail to address such complaints or negative feedback, it will likely lead to negative publicity for our brands and our Group. Any negative publicity on the quality of our products, regardless of its validity, may lead to a decrease in consumer confidence in our products, ultimately negatively impacting our financial performance.

While we have not experienced any negative publicity towards our own brands of bakery and other products during FYE 2022 to 2025 and up to LPD that have had a material adverse impact on our business and financial performance, there can be no assurance that we will not experience any negative publicity towards our own brands in the future that could have a material adverse impact on our business and financial performance.

9.1.13 We are exposed to foreign currency exchange risks which may impact the profitability of our Group

Our products are sold domestically and overseas, with 41.1%, 41.2%, 37.4% and 32.7% of our revenue in FYE 2022 to 2025 respectively, being derived from export sales. Our primary export markets are Singapore and Australia.

Revenue by geographical markets	**Audited**							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	74,846	58.9	77,721	58.8	100,278	62.6	97,272	67.3
Foreign sales:	**52,102**	**41.1**	**54,505**	**41.2**	**59,943**	**37.4**	**47,170**	**32.7**
Singapore	39,717	31.3	39,683	30.0	42,949	26.8	35,165	24.4
Australia	11,140	8.8	12,618	9.5	13,513	8.4	8,692	6.0
Indonesia	1,245	1.0	2,041	1.6	2,847	1.8	3,313	2.3
Others[1]	-	-	163	0.1	634	0.4	-	-
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Our export sales are mainly denominated in RM, with some sales denominated in SGD and USD. Our purchase of inputs is denominated primarily in RM, with some purchases denominated in SGD, IDR and CNY.

For FYE 2022 to 2025, the breakdown of our revenue and purchases by currency are as follows:

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Revenue denominated in:								
RM	104,585	82.4	109,750	83.0	131,731	82.2	121,231	83.9
SGD	22,363	17.6	22,476	17.0	28,074	17.5	23,211	16.1
USD	-	-	-	-	416	0.3	-	-
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**
Purchases denominated in:								
RM	99,323	98.0	104,037	97.1	120,091	96.6	106,782	97.9
IDR	1,664	1.6	2,689	2.5	3,602	2.9	2,067	1.9
CNY	391	0.4	412	0.4	675	0.5	160	0.2
SGD	7	<0.1	-	-	-	-	21	<0.1
	101,385	**100.0**	**107,138**	**100.0**	**124,368**	**100.0**	**109,030**	**100.0**

As such, we are subject to foreign exchange rate risks, which are affected by factors beyond our control, such as the political stability and economic performance of Malaysia and the world. Should there be an adverse fluctuation in the foreign exchange rate, there is a possibility that we could incur foreign exchange losses.

Our Group does not have a formal policy or threshold which triggers a hedging decision for foreign exchange transactions. We currently practice natural hedging by maintaining a foreign currency account to receive the revenue denominated in SGD. For FYE 2022 to 2025, our Group has not experienced any material impact on our financial performance arising from adverse foreign exchange fluctuations. Should our Group experience a greater percentage of sales denominated in foreign currencies, we may be exposed to a higher risk of foreign exchange fluctuations. We will continually monitor and review fluctuations in foreign currencies and may hedge against them if our exposure to foreign currency increases. However, there can be no assurances that the use of such financial instruments will eliminate our Group's exposure to adverse foreign currency fluctuations.

9.1.14 Our insurance coverage may be inadequate

Our business operations are subject to risks such as fire and flood, which may cause operational disruptions and affect the results of our operations and the financial performance of our Group. Our Group is aware of the adverse consequences arising from inadequate insurance coverage for the risks mentioned above that can disrupt our operations. Therefore, we maintain various types of insurance coverage to protect our assets against various losses and liability, including but not limited to fire, public liability, product liability, burglary, consequential loss, machinery, and motor vehicles, with a sum assured of approximately RM68.80 million to provide coverage against any unforeseen event. Our insurance coverage is typically reviewed annually, taking into consideration the inventory levels in our warehouses as well as the acquisition of motor vehicles, machinery and equipment. In addition to the annual review, additional reviews may be conducted if there are significant changes, such as the purchase of new major assets or a significant increase in finished goods in preparing for festive seasons, ensuring that our insurance policies continue to provide adequate coverage in line with our operational requirements. All these insurance coverages are subject to exclusions and limitations of liability in both amount and with respect to the insured events.

Although we have taken out insurance policies to provide coverage against the risk of damaged motor vehicles, personal accidents for our workers, fire and theft, there is no assurance that our coverage is adequate to compensate for any financial losses arising from fire, theft and accidents. There are also other risks, such as natural disasters, riots and general strikes, that cannot be reasonably insured against, which may materially and adversely affect our operations.

Although we have taken the necessary steps to ensure that our insurance coverage is adequate for our operations and assets, it may not be sufficient to fully compensate for any future losses. Our business and financial performance may be adversely affected if such claims exceed the coverage of our insurance policies.

During FYE 2022 to 2025 and up to LPD, our Group had submitted several insurance claims in relation to the incidents below:

Period	**Incident**	**Claim sum received (RM)**
June 2023	One of our Group's delivery vehicles sustained extensive damages due to a road accident and was deemed a total loss	24,500
August 2023	A fire incident occurred in PTD 13425 Warehouse due to an electrical overload, which affected some of our finished goods stock	17,950

Period	Incident	Claim sum received (RM)
January 2025	One of our Group's vehicles sustained extensive damages due to a road accident and was deemed a total loss	116,600
October 2025	One of our Group's foreign workers was hospitalised due to a workplace accident⁽¹⁾	20,000
October 2025	One of our Group's delivery vehicles sustained extensive damages due to a road accident	82,600
October 2025	Goods carried by our Group's delivery vehicles were damaged due to a road accident	4,219

Note:

(1) Involved collision between 2 forklifts. For avoidance of doubt, the incident was an unforeseen, isolated occurrence and was purely accidental in nature, whereby 1 forklift inadvertently struck the other. Pursuant to the internal investigation conducted by our Group, the accident was not caused by, or connected to, any non-compliance with occupational health and safety regulations or internal safety protocols. The forklifts were subject to periodic maintenance, and both employees operating them were trained and certified forklift operators. We have also notified the accident to the Department of Occupational Safety and Health in compliance with the provisions set out in OSHA.

While we have not experienced any instances whereby our insurance claims exceeded the coverage of our insurance policies during FYE 2022 to 2025 and up to LPD, there can be no assurance that we will not experience such instances in the future.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to stringent food regulations, hygiene standards and licensing requirements

We are subject to various laws and regulations related to food safety, handling and storage, hygiene standards, and Certificate of Halal Authentication for our products. As such, we are required to obtain the necessary licences and permits from the relevant authorities to operate our business. If we are unable to comply with the pertinent laws and regulations as well as the conditions of our licences and permits, our licences and permits may be suspended or revoked. Additionally, if the laws and regulations relevant to our business are changed or new laws and regulations are introduced in the future, there can be no assurance that our Group will be able to comply accordingly. This may also lead to a suspension or revocation of our licences and permits. Failure to obtain and/ or renew the relevant licences and permits, including the Certificate of Halal Authentication, will likely have a material adverse effect on our product supply chain, business operations and financial performance.

In addition to our Group's own licences and permits, we rely on our third-party manufacturers to supply products that comply with laws and regulations relating to food safety, handling and storage, hygiene standards, and the Certificate of Halal Authentication. While we have taken steps to source products from third-party manufacturers that hold the necessary licences and permits, there can be no assurance that they will continue to comply with all regulatory requirements. Any non-compliance by these manufacturers could lead to the suspension or revocation of their licences and permits. If our third-party manufacturers fail to obtain or renew these licences and permits, including the Certificate of Halal Authentication, the supply of products may be disrupted, and our financial performance may be adversely affected.

9.2.2 We operate in a competitive industry

We operate in a highly competitive bakery products market. According to the IMR Report, in 2022 there were 3,255 establishments in Malaysia that were involved in the manufacturing of bakery products. The establishments manufacture a variety of products, including bread, cakes, and other bakery items, biscuits and cookies, snacks and frozen bakery products. We face competition from existing competitors as well as potential new market entrants for distributing similar products in the industry. Generally, we compete with our competitors on factors such as product pricing and quality, delivery times, reputation, and customer service. Our competitors may have more resources in terms of experience, operating histories, network of suppliers and customers, and financial capability, which would enable them to seize a larger market share. Such intense competition may lead to price erosion, which in turn may affect our Group's financial performance. We strive to increase our competitiveness to stay ahead of the competition. Our Group constantly seeks to strengthen our branding and provide high-quality products with excellent service to our customers. However, there can be no assurance that our Group will be able to compete effectively with existing and new competitors in the future, given the competitive market environment.

9.2.3 We are exposed to political, economic and regulatory conditions in Malaysia and other countries in which we currently or may in the future operate in

Our Group is subject to prevailing political, economic, and regulatory conditions in Malaysia and other countries where our products are supplied. As such, we are subject to shifts in the aforementioned conditions which include but are not limited to changes in political leadership, internal conflict, import controls, imposition of new taxes on goods and services, introduction of new laws as well as demonstrations and other matters that may influence stable business operations and consumer confidence.

Notwithstanding that we have not experienced any adverse political, economic and regulatory conditions which have materially affected our operations and financial performance during FYE 2022 to 2025, there can be no assurance that any political, economic and regulatory conditions which are beyond our control, will not unfavourably affect our future financial performance.

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

There was no public trading market for our Shares prior to our IPO. Hence, there is no assurance that upon our Listing, an active market for our Shares will develop, or, if developed, that such a market can be sustained. Our IPO Price was determined after taking into consideration various factors including but not limited to our business strategies and our financial and operating history.

There can be no assurance that our IPO price will correspond to the price at which our Shares will be traded on the ACE Market, upon or subsequent to our Listing, and the market price of our Shares will not decline below the IPO Price.

9.3.2 There may be a potential delay to or cancellation of our Listing

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include, among others, the following:

(a) the selected investors fail to subscribe for the portions of our IPO Shares;

(b) our Underwriter exercises its rights under the Underwriting Agreement to discharge itself from its obligations therein;

(c) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements, whereby at least 25.0% of our total number of Shares for which our Listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares at the point of our Listing; and/ or

(d) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA shall apply. Our Company shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC upon expiration of that period until the full refund is made.

If our Listing is aborted and/ or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules.

Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution, and us meeting the solvency requirements under Section 117(3) of the Act.

There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

Nonetheless, our Board will endeavour to comply with the various regulatory requirements, including, inter alia, public shareholding spread requirements for our Listing. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or non-implementation of our Listing.

9.3.3 The trading and performance of our Shares following our Listing is subject to fluctuations

Upon completion of our Listing, the trading price of our Shares could be subject to significant fluctuation due to factors specific to our Group or industry in which our Group is operating. Some factors may not be within our control and are unrelated or disproportionate to our financial results. These factors may include, among others, variations in the results of our operations, changes in analyst's recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of the stock market is also affected by the external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on the stock market, thus adding risks to the market price of our Shares.

9.4 OTHER RISKS

9.4.1 Our Promoters will be able to exert significant influence over our Company

Our Promoters will collectively hold approximately 58.0% of our enlarged share capital upon Listing. As a result, they will be able to effectively control the business direction and management of our Group and as such there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders. The interests of our Promoters may differ from the interests of our other shareholders and they may be able to exercise significant influence over the vote of our Shares. Our Promoters could also have significant influence in determining the outcome of any corporate transactions or other matters submitted to our shareholders for approval. This includes the election of Directors, approval of business ventures and having substantial voting control over our Group. As such, our Promoters will have a deciding vote on the outcome of any ordinary resolution (which requires a simple majority of 50% plus 1 voting share) to be tabled at general meeting, unless they are required to abstain from voting by law, relevant guidelines or regulations.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Save for the Acquisitions and as disclosed below, there were no transactions, existing and/ or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/ or persons connected with them which are material to our Group during FYE 2022 to 2025 and up to LPD.

No.	Related party/ Transacting company in our Group	Interested person(s)	Nature of relationship	Nature of transactions	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(11)%
(a)	Kasaga(1)/ HCF	Goh Chen Chang	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director Goh Chen Chang is a director and substantial shareholder of Kasaga	(i) Purchase of bakery products by HCF	-	-	-	-	(7,743)	(7)5.8	(2,462)	(7)2.1	-	-
				(ii) Sales of bakery products to Kasaga	-	-	-	-	20	(8)<0.1	-	-	-	-
				(iii) Purchase of packaging materials by HCF	-	-	-	-	(<1)	(7)<0.1	-	-	-	-
				(iv) Sales of packaging materials to Kasaga	-	-	-	-	215	(8)0.1	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Related party/ Transacting company in our Group	Interested person(s)	Nature of relationship	Nature of transactions	Transaction value FYE 2022 RM'000	FYE 2022 %	FYE 2023 RM'000	FYE 2023 %	FYE 2024 RM'000	FYE 2024 %	FYE 2025 RM'000	FYE 2025 %	1 January 2026 up to LPD RM'000	1 January 2026 up to LPD (11)%
				(v) Transport charges for delivery of packaging material as mentioned in item (a)(iv), charged by HCF	-	-	-	-	5	(10)0.3	<1	(10)<0.1	-	-
				(vi) Sales of property, plant and equipment to Kasaga(2)	-	-	-	-	45	(9)0.2	2	(9)<0.1	-	-
(b)	Kasaga(1)/ LHMC	Goh Chen Chang	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director	Rental deposit for Manufacturing Facility 2(3)	-	-	18	(9)<0.1	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Related party/ Transacting company in our Group	Interested person(s)	Nature of relationship	Nature of transactions	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(11)%
			Goh Chen Chang is a director and substantial shareholder of Kasaga											
(c)	Goh Chen Chang/ HCF	Goh Chen Chang	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director	Disposal of Office and Warehouse 1 to Goh Chen Chang(4)	-	-	-	-	-	-	3,300	(9)9.3	-	-
(d)	Goh Chen Chang/ Kasaga	Goh Chen Chang	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director	Rental of Office and Warehouse 1 to Kasaga(5)	-	-	-	-	-	-	72	(7)<0.1	32	N/A
(e)	Quek Sze Qi/ HCF	Goh Chen Chang Goh Chen Ann	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director	Sale of motor vehicle to Quek Sze Qi	-	-	-	-	-	-	3	(9)<0.1	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

					Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
No.	**Related party/ Transacting company in our Group**	**Interested person(s)**	**Nature of relationship**	**Nature of transactions**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	(11)**%**
			Goh Chen Ann is our Promoter and Executive Director Quek Sze Qi is the spouse of Goh Chen Ann and sister-in-law of Goh Chen Chang											
(f)	H.S.S. Food Berhad(6)/ HCF	Goh Chen Chang Goh Chen Ann	Goh Chen Chang is our Promoter, substantial shareholder and Managing Director Goh Chen Ann is our Promoter and Executive Director	(i) Payment made by HCF on behalf of H.S.S. Food Berhad in relation to listing expenses	(323)	(9)2.3	(7)	(9)<0.1	(9)	(9)<0.1	-	-	-	-
				(ii) Repayment to HCF in relation to listing expenses	-	-	-	-	339	(9)1.3	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Related party/ Transacting company in our Group	Interested person(s)	Nature of relationship	Nature of transactions	Transaction value FYE 2022 RM'000	FYE 2022 %	FYE 2023 RM'000	FYE 2023 %	FYE 2024 RM'000	FYE 2024 %	FYE 2025 RM'000	FYE 2025 %	1 January 2026 up to LPD RM'000	1 January 2026 up to LPD [(11)]%
			Goh Chen Chang and Goh Chen Ann were directors and shareholders of H.S.S. Food Berhad											
(g)	Valura Group/ HSS Holdings	Valura Group Goh Chen Chang Goh Chen Ann	Valura Group is our Promoter and substantial shareholder Goh Chen Chang is our Promoter, substantial shareholder and Managing Director. He is also a Director and substantial shareholder of Valura Group	(i) Payment made by Valura Group on behalf of HSS Holdings in relation to listing expenses	-	-	-	-	-	-	570	[(9)]1.6	-	-
				(ii) Repayment to Valura Group in relation to listing expenses	-	-	-	-	-	-	(570)	[(9)]1.6	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

					Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
No.	Related party/ Transacting company in our Group	Interested person(s)	Nature of relationship	Nature of transactions	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(11)%
			Goh Chen Ann is our Promoter and Executive Director. He is also a director and shareholder of Valura Group											

Notes:

(1) Kasaga was incorporated in Malaysia under the Act on 10 August 2023 by Goh Chen Chang (75.0%) and Joshua Lau Ern Tien (25.0%) who were appointed as directors on even date, to undertake the manufacturing of cakes. On 1 April 2025, Goh Chen Chang disposed his entire shareholdings representing 75.0% equity interest in Kasaga to Valura Group. Arising thereto, Kasaga became a 75.0%-owned subsidiary of Valura Group and sister company to HCF.

Prior to the disposal on 1 April 2025, the transactions between HCF and Kasaga were deemed as related party transactions due to the presence of a common director and shareholder, namely Goh Chen Chang. Although these transactions are recurrent in nature, they ceased to be related party transactions upon completion of the said disposal on 1 April 2025 as both HCF and Kasaga are subsidiaries of Valura Group.

(2) Relates to disposal of 1 unit forklift and 61 units of racking system.

(3) Manufacturing Facility 2 was previously rented by LHMC from a landlord, namely YS Tan Wealth Management Sdn Bhd until November 2023. Upon termination of tenancy at Manufacturing Facility 2 by LHMC in November 2023, a rental deposit amounting to RM17,550 has to be refunded from the landlord to LHMC. Subsequently, in December 2023, Kasaga entered into a tenancy agreement to commence renting Manufacturing Facility 2 from the same landlord, of which a rental deposit amounting to RM17,550 was owed to the landlord. As the landlord was aware that both LHMC and Kasaga, which Goh Chen Chang is the common director, the landlord assigned the rental deposit owed to LHMC, to Kasaga for full payment of the rental deposit by Kasaga. Arising thereto, LHMC is deemed to have paid rental deposit to the landlord on behalf of Kasaga.

(4) Relates to disposal of Office and Warehouse 1, which was completed on 4 February 2025.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(5) Kasaga rented Office and Warehouse 1 from Goh Chen Chang, our Promoter, substantial shareholder and Managing Director. The tenancy period was from 1 May 2024 to 30 April 2026, and subsequently renewed from 1 May 2026 to 30 April 2029. The rental rate per annum is RM96,000. This transaction is deemed as a related party transaction of our Group since 1 April 2025 upon completion of acquisition of 75.0% equity interest in Kasaga by Valura Group, as mentioned in Note (1) above. This transaction is recurrent in nature. There is no termination clause in the tenancy agreement.

(6) H.S.S. Food Berhad has been struck off on 26 June 2025. It was previously an investment holding company.

(7) Computed based on our Group's cost of sales for the financial year.

(8) Computed based on our Group's revenue for the financial year.

(9) Computed based on our Group's NA for the respective financial year.

(10) Computed based on our Group's other income for the financial year.

(11) The percentage of the related party transactions is not calculated as the financial statements up to LPD was not prepared.

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The payments made by our Group on behalf of our related party and vice versa were not conducted on arm's length basis as the payments were interest free. As at LPD, all payments made by our Group on behalf of our related party and vice versa have been fully settled. Moving forward, our Group will cease entering into such transactions. Save for the aforementioned, our Board is of the view that the other related party transactions were conducted on an arm's length basis and on competitive commercial terms not more favourable to the related parties on the following basis:

(a) Purchase of bakery products, purchase/ sales of packaging materials, sales of property, plant and equipment, transport charges charged as well as sales of motor vehicle by/ to the related parties were compared based on comparable quotations obtained from unrelated third-parties;

(b) Sales of bakery products to the related parties were comparable to similar rates charged by our Group to unrelated third-parties;

(c) Rental deposit received from the related party was based on the same rental deposit rates of the adjacent property;

(d) Disposal of Office and Warehouse 1 to the related party was based on the transacted prices of other similar properties in the area; and

(e) Rental paid to the related party was based on prevailing market rental rates.

As at LPD, there are no other related party transactions entered into by our Group but not yet effected. Our Group does not expect any other related party transaction to occur between LPD and the date of this Prospectus.

Moving forward, our Board will continue to monitor the transfer pricing arrangements of the Group to ensure compliance with the arm's length principle and if there are potential related party transactions, the related parties will first inform our Group's Audit and Risk Management Committee on their interests in the transaction and the nature of the transaction before the transaction is entered into. The Audit and Risk Management Committee is responsible for the review of all related party transactions to ensure that there is no conflict of interest. As at LPD, there are no other related party transactions entered into by our Group but not yet effected.

Moving forward, in order to ensure that related party transactions are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(a) Recurrent related party transactions

(i) At least 2 other contemporaneous transactions with third parties for similar products and/ or quantities will be used as comparison, wherever possible, to determine if the price and terms offered by related parties are fair and reasonable and comparable to those offered by other third parties for the same or substantially similar type of products/ services and/ or quantities; or

(ii) In the event that quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by other third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at a general meeting. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

(i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;

(ii) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and

(iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and the nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

For related party transactions that require shareholders' approval, the Directors, major shareholders and/ or persons connected to them, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transactions, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/ or indirect shareholdings. Such interested Directors and/ or major shareholders will also undertake that he shall ensure that the persons connected with him will abstain from voting on the resolution approving the proposed related party transaction at the general meeting. The relevant Directors who are deemed interested or conflicted in such transactions shall also abstain from our Board deliberations and voting on the Board resolutions relating to these transactions.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. If a member of our Audit and Risk Management Committee has an interest in any related party transaction, he is to abstain from participating in the review and approval process in relation to that transaction. Where necessary, our Board would make appropriate disclosures in our annual report with regard to any related party transaction entered into by us.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.2 OTHER TRANSACTIONS

10.2.1 Transactions entered into that are unusual in their nature or conditions

There were no transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for FYE 2022 to 2025 and up to LPD.

10.2.2 Outstanding loans (including guarantees of any kind)

(a) Outstanding loans and/or balances

As at LPD, there are no outstanding loans made by our Group to/ for the benefit of a related party or granted by the related parties for the benefit of our Group.

(b) Guarantees

(i) As at LPD, the following individuals have jointly and severally provided personal guarantees for the following banking facilities and hire purchase facilities extended by the following financial institutions ("**Financiers**"):

Financiers	**Type of facilities**	**Outstanding balance as at LPD**	**Facility limit**	**Guarantor(s)**
		RM'000	**RM'000**	
Affin Bank Berhad	18 hire purchase facilities	1,634	2,451	• Goh Chen Chang
Alliance Bank Malaysia Berhad	1 term loan	1,121	3,000	• Goh Chen Chang
	1 trade facility	6,099	6,100	• Goh Chen Chang
AmBank Islamic Berhad	4 hire purchase facilities	3,126	8,000	• Goh Chen Chang
	1 foreign exchange contract facility	-	(1)N/A	• Goh Chen Chang
	1 trade facility	10,671	12,000	• Goh Chen Chang
Maybank Islamic Berhad	3 trade facilities	10,004	13,610	• Goh Chen Chang
	2 term financing	13,606	14,715	• Goh Chen Chang
	1 overdraft	-	2,000	• Goh Chen Chang
Malayan Banking Berhad	1 hire purchase facility	169	360	• Goh Chen Chang
AmBank (M) Berhad	2 term loans	1,845	2,770	• Goh Chen Chang • Goh Chen Ann
	1 hire purchase facility	59	132	• Goh Chen Chang
		48,334	**65,138**	

Note:

(1) Pursuant to the letter of offer dated 11 October 2022, no specific facility limit was stipulated therein. However, the facility is subject to such limit as may be determined by the financier from time to time.

In conjunction with our Listing, we have applied to the Financiers to obtain conditional consent for the release and/ or discharge of the personal guarantees by substituting the same with a corporate guarantee from our Company and/ or other securities from our Group acceptable to the Financiers. Until such release and/ or discharge are obtained from the respective Financiers, the existing guarantors will continue to guarantee and the personal guarantees will remain intact as security for the banking facilities and hire purchase facilities extended to our Group.

As at LPD, we have received conditional approvals from all the Financiers (subject to, among others, our Listing) to discharge the above guarantees by substituting the same with a corporate guarantee from our Company and/ or other securities from our Group acceptable to the Financiers.

We expect for the substitution of the said personal guarantees with corporate guarantees from our Company will be completed as soon as practicable after our Listing.

(c) Financial assistance provided for the benefit of a related party

As at LPD, there is no financial assistance provided by us for the benefit of any related party.

10.2.3 Transactions entered into with M&A Securities

Save as disclosed below, we have not entered into any transactions with M&A Securities who is the Adviser, Sponsor, Placement Agent and Underwriter for our Listing:

(a) Agreement dated 24 February 2025 entered into between our Group and M&A Securities for the appointment of M&A Securities as Adviser, Sponsor and Placement Agent for our Listing; and

(b) Underwriting Agreement dated 15 April 2026 entered into between our Company and M&A Securities for the underwriting of 35,000,000 Issue Shares.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND/ OR SUPPLIERS

As at LPD, none of our Directors and substantial shareholders have any interest, direct or indirect, in:

(a) other businesses and corporations which are carrying on a similar trade as our Group; and

(b) the business of our customers and/ or suppliers.

It is our Directors' fiduciary duty to avoid conflict and in order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nominating Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nominating Committee will then first evaluate if such Director's involvement gives rise to an actual or potential conflict of interest with our Group's business after the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our Nominating Committee will then:

(a) immediately inform our Audit and Risk Management Committee and Board on the conflict of interest situation;

(b) after deliberation with our Audit and Risk Management Committee, to make recommendations to our Board to direct the conflicted Director to:

   (i) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director is an Executive Director); and

   (ii) abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

In relation to (b)(ii) above, the conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nominating Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, our Nominating Committee may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.1 for the procedures to be taken to ensure that related party transactions (if any) are undertaken on arm's length basis.

11.2 DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS

(a) M&A Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Adviser, Sponsor, Placement Agent and Underwriter for our Listing;

(b) Lee & Tengku Azrina has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for our Listing;

(c) Crowe Malaysia PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Auditors and Reporting Accountants for our Listing; and

(d) Protégé has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as IMR for our Listing.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our Company was incorporated as a private limited company on 11 April 2025 under the Act. On 10 September 2025, our Company was converted to a public limited company. The financial information of our Group for FYE 2022 to 2025 have been prepared in accordance with MFRS and IFRS. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and Accountants' Report set out in Sections 12.2 and 13 respectively.

For information, the financial information of our Group for FYE 2022 to 2024 has been prepared on a combined basis by applying the principles of merger accounting, comprising HSS Holdings, HCF and LHMC as these companies were under common control by the Promoters throughout FYE 2022 to 2024.

The financial information for the FYE 2025 was prepared on a consolidated basis comprising HSS Holdings, HCF, LHMC and Kasaga, with Kasaga's financial performance having been included as part of our Group's financial statements commencing 1 April 2025, as the acquisition of 75.0% equity interest in Kasaga by Valura Group falls within the scope of MFRS 3 Business Combination and is accounted for using the acquisition method of accounting for business combination.

12.1.1 Combined/ Consolidated statements of profit or loss and other comprehensive income

The following table sets out a summary of our audited combined/ consolidated statements of profit or loss and other comprehensive income for FYE 2022 to 2025, which have been extracted from the Accountants' Report as set out in Section 13.

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	126,948	132,226	160,221	144,442
Cost of sales	(107,174)	(111,640)	(132,797)	(117,265)
GP	**19,774**	**20,586**	**27,424**	**27,177**
Other income	1,206	1,252	1,883	4,091
Selling and distribution expenses	(5,476)	(6,340)	(8,501)	(8,861)
Administrative expenses	(4,451)	(5,349)	(7,058)	(7,853)
Other expenses	(575)	(539)	(513)	(361)
Finance costs	(1,030)	(1,728)	(2,262)	(2,272)
Net (impairment losses)/ reversal of impairment on financial assets	(295)	108	(173)	(53)
PBT	**9,153**	**7,990**	**10,800**	**11,868**
Income tax expense	(2,714)	(2,526)	(3,000)	(3,280)
PAT	**6,439**	**5,464**	**7,800**	**8,588**
PAT attributable to:				
Owners of our Company	6,439	5,464	7,800	8,472
Non-controlling interests	-	-	-	116
EBIT(1)	10,047	9,636	12,940	14,083
EBITDA(1)	11,918	12,184	15,955	17,401
GP margin (%)(2)	15.6	15.6	17.1	18.8
PBT margin (%)(3)	7.2	6.0	6.7	8.2
PAT margin (%)(3)	5.1	4.1	4.9	5.9
Effective tax rate (%)(4)	29.7	31.6	27.8	27.6
Basic EPS (sen)(5)	1.5	1.3	1.8	2.0

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Diluted EPS (sen)(6)	1.3	1.1	1.6	1.7

Notes:

(1) EBIT and EBITDA are calculated as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PAT	6,439	5,464	7,800	8,588
Less:				
Interest income	(136)	(82)	(122)	(57)
Add:				
Finance costs	1,030	1,728	2,262	2,272
Income tax expense	2,714	2,526	3,000	3,280
EBIT	**10,047**	**9,636**	**12,940**	**14,083**
Add:				
Depreciation	1,871	2,548	3,015	3,318
EBITDA	**11,918**	**12,184**	**15,955**	**17,401**

(2) GP margin is calculated based on GP over revenue.

(3) PBT or PAT margin is calculated based on PBT or PAT over revenue.

(4) Effective tax rate is calculated based on income tax expense divided by PBT.

(5) Basic EPS is calculated based on our PAT over the enlarged share capital of 425,000,000 Shares in issue before our IPO.

(6) Diluted EPS is calculated based on our PAT over the enlarged share capital of 500,000,000 Shares after our IPO.

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12.1.2 Historical combined/ consolidated statements of financial position

The following table sets out the audited combined/ consolidated statements of financial position of our Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, which have been extracted from the Accountants' Report as set out in Section 13.

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
ASSETS				
Non-current assets				
Property, plant and equipment	17,786	(5)40,887	(6)45,837	(7)43,527
Investment properties	-	622	2,519	2,210
Right-of-use ("**ROU**") assets	1,484	1,428	706	552
Intangible assets	36	36	36	36
Financial assets at fair value through profit or loss(1)	538	557	576	539
Total non-current assets	**19,844**	**43,530**	**49,674**	**46,864**
Current assets				
Inventories	3,354	6,000	7,728	13,515
Trade receivables	32,310	34,669	41,627	34,449
Other receivables, deposits and prepayments(2)	1,279	1,720	2,125	4,497
Amount owing by related parties	323	347	-	-
Current tax assets	85	144	198	84
Fixed deposits with licensed banks	-	-	-	2,392
Short-term investment	-	-	-	(8)800
Cash and bank balances	6,736	8,044	13,504	10,726
Total current assets	**44,087**	**50,924**	**65,182**	**66,463**
TOTAL ASSETS	**63,931**	**94,454**	**114,856**	**113,327**
EQUITY AND LIABILITIES				
Invested capital	1,340	1,370	1,620	25,174
Shares application money(3)	-	-	9,180	-
Re-organisation reserve	-	-	-	(9)(12,794)
Retained profits	12,798	13,262	15,062	23,193
TOTAL EQUITY	**14,138**	**14,632**	**25,862**	**35,573**
Non-current liabilities				
Borrowings	9,843	22,735	25,095	19,217
Lease liabilities	420	682	266	85
Deferred tax liabilities	227	254	254	567
Total non-current liabilities	**10,490**	**23,671**	**25,615**	**19,869**
Current liabilities				
Trade payables	23,977	23,035	34,128	31,138
Other payables and accruals(4)	1,668	2,481	5,992	4,234
Amount owing to holding company	-	3,997	2,342	-
Amount owing to a director	1	-	-	-
Borrowings	11,855	23,664	19,546	21,273
Lease liabilities	1,097	777	472	495
Dividend payable	-	2,000	-	-
Current tax liabilities	705	197	899	745
Total current liabilities	**39,303**	**56,151**	**63,379**	**57,885**

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
TOTAL LIABILITIES	**49,793**	**79,822**	**88,994**	**77,754**
TOTAL EQUITY AND LIABILITIES	**63,931**	**94,454**	**114,856**	**113,327**

Notes:

(1) Relates to the fair value of 3 life insurance policies for an executive director which are used as security for banking facilities granted to our Group by Alliance Bank Malaysia Berhad. For clarification, these policies serve as security for term loans and trade facility, and in the event of the death of the director, the proceeds from the life insurance policies will first be utilised to settle the outstanding amount under the banking facilities, and any excess thereafter will be paid to the director's nominee. The insurance premiums were financed by Alliance Bank Malaysia Berhad via the term loan facilities and repaid by our Group via monthly instalments amounting to RM7,117 in aggregate, with full settlement completed on 30 September 2025. In accordance with MFRS 13, the total premium amounting to RM0.78 million at the date of the inception of the policies is discounted using the borrowing rate to present value. The total sum insured for the policies is RM5.65 million which will mature between years 2034 and 2039.

(2) The breakdown of other receivables, deposits and prepayments are as follows:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Deposits(i)	592	869	1,076	1,735
Deposits paid to suppliers(ii)	255	91	153	205
Prepayments(iii)	423	747	883	2,532
Sundry receivables(iv)	9	13	13	25
	1,279	**1,720**	**2,125**	**4,497**

Notes:

(i) Comprises mainly rental and utilities deposits as well as deposits for the purchase of property, plant and equipment. Higher deposits as at 31 December 2023 was attributable to deposits for purchase of property, plant and equipment as well as rental and utility deposit paid for Manufacturing Facility 1 in August 2023. Meanwhile, higher deposits as at 31 December 2024 and 31 December 2025 were attributable to higher software deposit paid for the ERP system.

(ii) Relates to the deposits paid to suppliers to ensure sufficient availability of inventories.

(iii) Comprises mainly premium paid relating to the 3 life insurance policies for an executive director less the estimated surrender values which were amortised over the tenure of the respective policies, payments of term loans and hire purchase instalments in advance, and prepaid insurance and road tax for motor vehicles. Higher prepayments as at 31 December 2023 was attributable to prepayment of fire, all risks and motor vehicles insurance as well as work permits for new and existing foreign workers. Higher prepayments as at 31 December 2025 was attributable to prepayment of professional fees which amounted to RM1.53 million in relation to our IPO.

(iv) Relates to salary advances to employees.

(3) Relates to money received as at 31 December 2024 pending allotment of shares which was completed on 27 March 2025.

(4) The breakdown of our other payables and accruals are as follows:

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Accruals[(ii)]	72	67	137	145
Deposit received[(iii)]	[(i)]	11	2,645	3
Payroll liabilities	637	871	2,163	2,527
Customers deposits[(iv)]	304	251	204	125
Sales and services tax payables	45	45	104	159
Sundry payables[(v)]	610	1,236	739	1,275
	1,668	**2,481**	**5,992**	**4,234**

Notes:

(i) Represents less than RM500.

(ii) Comprises mainly accruals for audit fees.

(iii) Comprises rental and utilities deposits for a unit of serviced apartment located in Seksyen 13, Petaling Jaya, Selangor and No. 22 Factory, and deposit of RM2.60 million, being partial payment of the consideration for the disposal of Office and Warehouse 1 as at 31 December 2024. The disposal of Office and Warehouse 1 was completed in February 2025, where such deposit was subsequently recognised in FYE 2025 as part of the disposal proceeds.

(iv) Relates to deposits received from customers for the purchase of our bakery and other products.

(v) Comprises mainly outstanding amounts arising from non-trade transactions such as transportation charges, repair and maintenance for motor vehicles, machineries and factory, utility charges, printing and courier expenses as well as unpaid balance amount owing for the purchase of property, plant and equipment. Higher sundry payables as at 31 December 2025 was attributable to the inclusion of Kasaga's sundry payables after the completion of the acquisition of Kasaga on 1 April 2025.

(5) The higher property, plant and equipment as at 31 December 2023 was attributable to additions of 1 unit of factory with 2 storey office (i.e. HSS HQ) and a vacant freehold land (i.e. Vacant Land 2) which amounted to RM12.81 million and RM3.87 million, respectively, 30 units of motor vehicles of RM3.68 million, machineries, tools and equipment of RM2.30 million (mainly comprising cookies machines, packing machines, ovens and encrusting machines for Manufacturing Facility 1) and progress payments of RM0.49 million for 1 unit of 2 storey terrace house located at Eco Ardence, Shah Alam, Selangor, which was acquired in August 2021. For clarity, Vacant Land 2 is adjacent to and was purchased together with HSS HQ from a third party. Vacant Land 2 is intended for future expansion, while 1 unit of 2 storey terrace house located at Eco Ardence, Shah Alam, Selangor, was purchased for investment purposes.

(6) The higher property, plant and equipment as at 31 December 2024 was mainly attributable to costs incurred for the upgrading and renovation of HSS HQ of RM2.53 million and RM0.57 million respectively and 26 units of motor vehicles of RM3.89 million. This increase was partially offset by the reclassification of No. 22 Factory by its cost of RM2.13 million to investment properties. The said investment property was subsequently disposed to C.S Foodstuff Enterprise Sdn Bhd for a cash consideration of RM3.50 million, which was completed on 27 November 2025.

(7) The lower property, plant and equipment as at 31 December 2025 was mainly attributable to depreciation expenses for FYE 2025 of RM2.65 million, reclassification of 1 unit of 2 storey terrace house located at Eco Ardence, Shah Alam, Selangor of RM1.61 million to investment properties and disposal of property, plant and equipment (mainly comprising 9 units of motor vehicles) at carrying amounts of RM0.69 million. The said investment property is currently vacant. The decrease in property, plant and equipment was partially offset by the additional property, plant and equipment of RM2.86 million, mainly comprising 12 units of motor vehicles of RM1.61 million, machineries, tools and equipment of RM0.50 million (mainly comprising pallet racking system, bagging machines, moulds, mixers and waste water treatment machine) as well as computer and security system of RM0.44 million.

(8) Relates to investment in short-term money market funds as at 31 December 2025.

(9) The re-organisation reserve arose from the differences between the carrying value of the investment in subsidiaries (i.e. HCF and LHMC) and the nominal value of the share capital of the aforementioned subsidiaries respectively upon consolidation under merger accounting principles.

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12.1.3 Historical combined/ consolidated statements of cash flows

The following table sets out the audited combined/ consolidated statements of cash flows of our Group for FYE 2022 to 2025, which has been extracted from the Accountants' Report as set out in Section 13.

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash flow from operating activities				
PBT	**9,153**	**7,990**	**10,800**	**11,868**
Adjustments for:				
Bargain purchase gain on the acquisition of a subsidiary	-	-	-	(137)
Depreciation of investment properties	-	6	23	38
Depreciation of property, plant and equipment	1,085	1,286	2,187	2,652
Depreciation of ROU assets	786	1,256	805	628
Loss/ (Gain) on disposal of property, plant and equipment	5	9	(56)	(311)
Gain on disposal of investment property	-	-	-	(1,615)
(Gain)/ Loss on derecognition due to lease modification	-	(3)	*	*
Loss on reassessment/ modification of lease	-	-	2	-
Gain on change in fair value of financial assets at fair value through profit or loss	(23)	(19)	(19)	(19)
Reversal of impairment losses on trade receivables	(21)	(279)	(92)	(215)
Allowance for impairment loss on trade receivables	316	171	265	268
Property, plant and equipment written off	128	303	191	132
Unrealised (gain)/ loss on foreign exchange	(249)	(380)	43	23
Interest expenses on leases liabilities	87	99	72	50
Interest expenses	872	1,581	2,157	2,185
Interest income	(136)	(82)	(122)	(57)
Operating profit before working capital changes	**12,003**	**11,938**	**16,256**	**15,490**
Inventories	(579)	(2,646)	(1,728)	(4,220)
Trade receivables	(7,015)	(2,251)	(7,185)	7,130
Other receivables, deposits and prepayments	553	(400)	(169)	(1,528)
Trade payables	5,262	(942)	11,091	(3,958)
Other payables and accruals	308	50	3,897	(3,332)
Cash from operations	**10,532**	**5,749**	**22,162**	**9,582**
Interest received	136	82	122	57
Interest paid	-	(3)	(3)	(1)

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Tax paid	(2,388)	(3,066)	(2,352)	(3,380)
Tax refund	12	-	-	254
Net cash from operating activities	**8,292**	**2,762**	**19,929**	**6,512**
Cash flow (for)/from investing activities				
Acquisition of a subsidiary	-	-	-	40
Proceeds from disposal of investment property	-	-	-	3,500
Proceeds from disposal of property, plant and equipment	7	178	143	3,934
Purchase of property, plant and equipment	(5,168)	(21,428)	(6,157)	(2,144)
Deposit paid for purchase of property, plant and equipment	(303)	(160)	(419)	(573)
Increase in fixed deposits with tenure more than 3 months	-	-	-	(2,002)
Net cash (for)/from investing activities	**(5,464)**	**(21,410)**	**(6,433)**	**2,755**
Cash flow (for)/ from financing activities				
Net advance from/ (payment to) holding company	-	4,000	(1,558)	(2,442)
Net (advance to)/ repayment from related party	(323)	(7)	330	-
Dividends paid	(2,500)	(3,000)	(8,000)	(500)
Drawdown of bankers' acceptances	38,386	55,043	55,863	64,365
Drawdown of term loans	5,686	12,460	5,334	181
Interest paid	(959)	(1,677)	(2,226)	(2,234)
Proceeds from issuance of ordinary shares	12	30	250	*
Proceeds from surrender of investment in life insurance	-	-	-	56
Proceeds from share application money	-	-	9,180	-
Repayment of bankers' acceptances	(38,509)	(44,090)	(61,191)	(62,317)
Repayment of hire purchase payables	(512)	(747)	(1,486)	(1,780)
Repayment of lease liabilities	(757)	(1,255)	(806)	(640)
Repayment of term loans	(2,744)	(1,181)	(3,739)	(5,603)
Net cash (for)/ from financing activities	**(2,220)**	**19,576**	**(8,049)**	**(10,914)**
Net increase/(decrease) in cash and cash equivalents	608	928	5,447	(1,647)
Cash and cash equivalents at beginning of the financial year	5,879	6,736	8,044	13,504

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Effects of foreign exchange translation	249	380	13	(31)
Cash and cash equivalents at end of the financial year	**6,736**	**8,044**	**13,504**	**11,826**

Note:

* Represents less than RM500.

Cash and cash equivalents comprise the following:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Short-term investment	-	-	-	800
Fixed deposits with licensed banks	-	-	-	2,392
Cash and bank balances	6,736	8,044	13,504	10,726
	6,736	8,044	13,504	13,918
Less: Fixed deposits with tenure of more than 3 months	-	-	-	(2,092)
	6,736	**8,044**	**13,504**	**11,826**

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12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and segmental analysis of our combined/ consolidated financial information for FYE 2022 to 2025 should be read in conjunction with the Accountant's Report as set out in Section 13.

12.2.1 Overview of our operations

(a) Principal activities

We are principally involved in the sourcing of bakery products, trading of bakery and other products, as well as manufacturing of bakery products. Our core business activities are as follows:

(i) Sourcing of biscuits, cookies, cakes and snacks from third-party manufacturers where the bakery products sourced are produced according to specifications, recipe, and/ or brand standards, either under (i) our customers brands or unbranded; or (ii) our own brands such as "SINAR®" and "合顺成饼家®";

(ii) Manufacturing of biscuits, cookies and cakes, either under (i) customers' brands or unbranded; or (ii) our own brands such as "SINAR®" and "合顺成饼家®". These bakery products are manufactured in-house; and

(iii) We are also involved in the trading of bakery products and other products such as instant noodles, soft drinks, instant drinks and fruit juices under third-party brands. Additionally, we have been appointed as exclusive distributor of the 'Yami' brand of bakery products in Singapore and Australia and the 'Huat Huat' brand of bakery products in Singapore.

The bakery products under our customers' brands or unbranded and our own brands are either sourced from third-party manufacturers or manufactured in-house. The distribution of third-party brands under exclusive distributorship agreements and other traded products are sourced from third-party suppliers.

Our products are sold through Wholesalers, Distributors and Retailers mainly in Malaysia, Singapore, Indonesia and Australia.

Please refer to Section 7.3 for further details.

Our revenue is generated from local and overseas sales, and the currencies used in invoicing are RM, SGD and USD. Approximately 82.4%, 83.0%, 82.2% and 83.9% of our revenue was denominated in RM for FYE 2022 to 2025 respectively, whilst the remaining revenue was denominated in SGD and USD.

(b) Revenue

Our revenue is recognised upon delivery of goods and customer acceptance, if any, when the significant risks and rewards of ownership of the goods have been transferred to the buyer, net of sales and service tax, returns, rebates and discounts.

(c) Cost of sales

Our cost of sales includes:

(i) **Finished goods** – comprises customers' brands or unbranded and our own brands of bakery products manufactured by third-party manufacturers and includes products under the trading segment which are sourced from suppliers;

(ii) **Raw materials** – comprises essential baking ingredients (such as flour, edible oil, margarine, eggs, sugar and nuts) for our in-house manufacturing;

(iii) **Packaging materials** – comprises a wide range of packaging types such as trays, tins, plastic containers, packaging film rolls, carton boxes and labels. We supply packaging materials to our third-party manufacturers for both customers' brands or unbranded and our own brands of bakery products, if required;

(iv) **Direct labour** – refers to employees from our production, logistics and warehouse departments;

(v) **Overheads** – consists mainly depreciation expenses for machinery, tools and equipment and forklifts used in our manufacturing facilities, rental expenses, upkeep and maintenance of manufacturing facilities and warehouses, transportation charges as well as utility expenses; and

(vi) **Subcontracting works** – refers to subcontractors engaged by our Group to provide labour for repackaging services. We only appoint such subcontractors usually before festive seasons to handle increased order volumes. Generally, our Group coordinates with our subcontractors on our planned production schedule 30 days in advance based on the volume of repackaging works. This temporary workforce helps our Group's businesses meet the surge in sales orders during peak periods before Hari Raya and Chinese New Year. These roles are typically short-term, with an average period of approximately 90 days, before the deployment of bakery products for each festive season.

(d) Other income

Other income mainly comprises van sales programme income, transport income, interest income and gain on foreign exchange.

(e) Selling and distribution expenses

Selling and distribution expenses are costs related to the marketing and distribution of our products which mainly comprises staff costs, transportation charges, advertisement and promotional expenses, depreciation expenses for motor vehicles as well as travelling and accommodation expenses.

(f) Administrative expenses

Administrative expenses are expenses not directly attributable to the generation of revenue. It mainly comprises overheads incurred to maintain our operations such as staff costs, directors' remuneration, depreciation expenses mainly for office equipment, furniture and fittings, computer and peripherals and motor vehicles, office expenses and professional fees.

(g) Other expenses

Other expenses mainly comprise loss on foreign exchange, property, plant and equipment written off and listing expenses.

(h) Finance costs

Finance costs comprise interest expense on our borrowings (i.e. bank overdraft, bankers' acceptance, term loans and hire purchases) and interest expense on lease liabilities relating to the interest rate used to discount the estimated cash flows for the lease liabilities under MFRS 16 which are the ROU assets of the lease for our warehouses and manufacturing facilities as well as workers' accommodations.

(i) Net (impairment losses)/ reversal of impairment on financial assets

For FYE 2022 to 2025, the impairment losses on our trade receivables were determined under MFRS 9 from individual assessments of those overdue by 120 days or more. The reversal of impairment losses was made as there were subsequent collections for the trade receivables that were impaired in previous years.

(j) Recent developments

Save for the Acquisitions and as disclosed below, there were no other significant events subsequent to our audited combined/ consolidated financial statements for FYE 2025:

(i) On 9 April 2026, we declared an interim dividend of approximately 0.59 sen per ordinary share amounting to RM2.50 million in respect of FYE 2025. Such dividends were paid on 28 May 2026.

(k) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items for FYE 2022 to 2025. In addition, our audited combined/ consolidated financial statements for FYE 2022 to 2025 were not subject to any audit qualifications.

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12.2.2 Review of our results and operations

(a) Revenue

Analysis of revenue by business segments

The table below sets out our Group's revenue by business segments for FYE 2022 to 2025:

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sourcing	**100,848**	**79.4**	**105,912**	**80.1**	**129,670**	**80.9**	**106,788**	**73.9**
• Customers' brands or unbranded	61,330	48.3	65,707	49.7	76,969	48.0	57,326	39.7
• Own brands	39,518	31.1	40,205	30.4	52,701	32.9	49,462	34.2
Trading	**18,719**	**14.8**	**19,325**	**14.6**	**19,172**	**12.0**	**13,746**	**9.5**
Manufacturing	**7,381**	**5.8**	**6,989**	**5.3**	**11,379**	**7.1**	**23,908**	**16.6**
• Customers' brands or unbranded	3,926	3.1	3,995	3.0	4,512	2.8	7,805	5.4
• Own brands	3,455	2.7	2,994	2.3	6,867	4.3	16,103	11.2
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Analysis of revenue by product category

Cakes are our main revenue contributor, which contributed between 49.7% and 56.1% of our total revenue for FYE 2022 to 2025. The breakdown of our Group's revenue by product category for FYE 2022 to 2025 is as follows:

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Cakes	63,130	49.7	68,977	52.2	79,972	49.9	81,103	56.1
Biscuits and cookies	42,101	33.2	42,743	32.3	50,633	31.6	44,987	31.1
Snacks⁽¹⁾	12,525	9.9	11,416	8.6	18,647	11.6	11,920	8.3
Others⁽²⁾	9,192	7.2	9,090	6.9	10,969	6.9	6,432	4.5
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Notes:

(1) Refers to snacks that we distribute such as peanut puffs, mini *popiah*, crabsticks chips and arrowhead chips and traded products such as potato chips and popcorn.

(2) Refers to traded products such as instant noodles, soft drinks, instant drinks and fruit juices under third-party brands.

Analysis of revenue by geographical location

Our Group's principal markets are Malaysia and Singapore, which contributed between 88.8% and 91.7% of our total revenue for FYE 2022 to 2025. The breakdown of our Group's revenue by geographical markets for FYE 2022 to 2025 is as follows:

	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	**74,846**	**58.9**	**77,721**	**58.8**	**100,278**	**62.6**	**97,272**	**67.3**
Foreign sales:	**52,102**	**41.1**	**54,505**	**41.2**	**59,943**	**37.4**	**47,170**	**32.7**
• Singapore	39,717	31.3	39,683	30.0	42,949	26.8	35,165	24.4
• Australia	11,140	8.8	12,618	9.5	13,513	8.4	8,692	6.0
• Indonesia	1,245	1.0	2,041	1.6	2,847	1.8	3,313	2.3
• Others$^{(1)}$	-	-	163	0.1	634	0.4	-	-
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Note:

(1) Comprises sales of products to Cambodia and South Korea as well as one-off sales to China in FYE 2023.

Analysis of revenue by customer type

The breakdown of our Group's revenue by customer type for FYE 2022 to 2025 is as follows:

	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Wholesalers	92,058	72.5	94,145	71.2	106,465	66.5	89,025	61.6
Distributors	15,399	12.1	16,967	12.8	23,306	14.5	25,434	17.6
Retailers	19,491	15.4	21,114	16.0	30,450	19.0	29,983	20.8
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

Comparison between FYE 2022 and FYE 2023

Our total revenue recorded an increase of RM5.28 million or 4.2% from RM126.95 million in FYE 2022 to RM132.23 million in FYE 2023 due to the increase in revenue generated from the sourcing segment of RM5.06 million and trading segment of RM0.61 million.

The sourcing segment is our main business segment, contributing 79.4% and 80.1% of our total revenue in FYE 2022 and FYE 2023 respectively.

In FYE 2023, our total revenue growth was mainly attributable to an increase in sales orders from 3 major customers comprising 2 Wholesalers (Yin Kwee Trading Pty Ltd and Goods Huat Hee Marketing) and 1 Distributor (Sri Suria), which contributed to an increase of RM3.72 million or 17.1% (FYE 2022: RM21.76 million; FYE 2023: RM25.48 million), in line with their business growth during the year. Through our Group's marketing efforts, we secured 95 new customers which consist of Wholesalers and Retailers which contributed to an aggregate of RM5.00 million in FYE 2023, as follows:

(i) 59 new Wholesalers, increased revenue of RM3.52 million; and

(ii) 36 new Retailers, increased revenue of RM1.48 million.

Malaysia was our main revenue contributor in FYE 2023, representing 58.8%, followed by Singapore (30.0%), Australia (9.5%), Indonesia (1.6%) and other countries (0.1%). Our increase in revenue for FYE 2023 was contributed from:

(i) Malaysia: revenue increased by RM2.87 million or 3.8% due to increased orders from Retailer, Distributor and Wholesaler customers;

(ii) Singapore: revenue decreased slightly by RM0.04 million or 0.1% due to decreased orders from Wholesaler customers;

(iii) Australia: revenue increased by RM1.48 million or 13.3% due to increased orders from 2 Wholesaler customers;

(iv) Indonesia: revenue increased by RM0.79 million or 63.2% mainly due to the increased orders from 1 Distributor customer; and

(v) Other countries: our Group began to source and distribute bakery and other products to Cambodia and China, representing RM0.15 million and RM0.01 million in FYE 2023, respectively.

Cakes was our main revenue contributor in FYE 2023, representing 52.2% (FYE 2022: 49.7%), followed by biscuits and cookies of 32.3% (FYE 2022: 33.2%).

Generally, bakery products under our own brands and customers' brands or unbranded are manufactured by our third-party manufacturers and our in-house production, representing an aggregate of 80.1% (FYE 2022: 79.4%) and 5.3% (FYE 2022: 5.8%) of our total revenue for FYE 2023 respectively. The decrease in revenue from the sale of bakery products under our own brands manufactured by our in-house production in FYE 2023 was affected by the temporary disruption of production due to the relocation of our biscuits and cookies production to Manufacturing Facility 1 between November and December 2023.

For the trading segment, the increase in revenue was driven by the higher sales demand and increased orders from our customers. We typically buy and sell the traded products upon receipt of purchase orders from customers.

Sourcing

Our Group's revenue from the sourcing segment increased by RM5.06 million or 5.0% from RM100.85 million in FYE 2022 to RM105.91 million in FYE 2023. This increase was due to higher revenue derived from bakery products under customers' brands or unbranded by RM4.38 million or 7.1% from RM61.33 million in FYE 2022 to RM65.71 million in FYE 2023, arising from the higher sales orders with the introduction of 17 new cake flavours across 11 new cake types by our Group.

Bakery products under our own brands also increased by RM0.68 million or 1.7% from RM39.52 million in FYE 2022 to RM40.20 million in FYE 2023 due to higher sales demand and orders specifically from the "SINAR®" brand of biscuits and cookies.

Trading

Our Group's revenue from the trading segment increased by RM0.61 million or 3.3% from RM18.72 million in FYE 2022 to RM19.33 million in FYE 2023. This increase was mainly due to higher sales demand and orders on cakes.

Manufacturing

Our Group's revenue from the manufacturing segment decreased by RM0.39 million or 5.3% from RM7.38 million in FYE 2022 to RM6.99 million in FYE 2023. This decrease was due to lower revenue derived from the sale of bakery products under our own brands by RM0.47 million or 13.6% from RM3.46 million in FYE 2022 to RM2.99 million in FYE 2023 due to the temporary production disruption arising from the relocation of our biscuits and cookies production to Manufacturing Facility 1 between November and December 2023.

Comparison between FYE 2023 and FYE 2024

Our total revenue increased by RM27.99 million or 21.2% from RM132.23 million in FYE 2023 to RM160.22 million in FYE 2024 due to the increase in revenue generated from the sourcing segment of RM23.76 million and manufacturing segment of RM4.39 million. The increases were partially offset by the decrease in revenue generated from the trading segment of RM0.16 million.

The sourcing segment is our main business segment, contributing 80.1% and 80.9% of our total revenue in FYE 2023 and FYE 2024 respectively.

In FYE 2024, our total revenue growth was mainly attributable to an increase in sales orders from 6 major customers comprising 5 Wholesalers (Zing Heing Trading Sdn Bhd, Fragrance Foodstuff Pte Ltd, CMM Marketing Management Pte Ltd, Yin Kwee Trading Pty Ltd and Goods Huat Hee Marketing) and 1 Distributor (Sri Suria) which contributed to an increase of RM13.65 million or 31.0% (FYE 2023: RM44.11 million; FYE 2024: RM57.76 million), in line with their business growth during the year. We also secured 84 new customers which consist of Wholesalers and Retailers which contributed to an aggregate of RM4.03 million in FYE 2024 as follows:

(i) 56 new Wholesalers, increased revenue of RM3.31 million; and

(ii) 28 new Retailers, increased revenue of RM0.72 million.

Malaysia remained our main revenue contributor in FYE 2024, representing 62.6%, followed by Singapore (26.8%), Australia (8.4%), Indonesia (1.8%) and other countries (0.4%). Our increase in revenue for FYE 2024 was contributed from:

(i) Malaysia: revenue increased by RM22.56 million or 29.0% mainly due to increased orders from existing customers and our capabilities to secure new customers;

(ii) Singapore: revenue increased by RM3.27 million or 8.2% mainly due to increased orders from 3 Wholesalers;

(iii) Australia: revenue increased by RM0.89 million or 7.1% mainly due to the increased orders from 2 Wholesalers;

(iv) Indonesia: revenue increased by RM0.81 million or 39.7% mainly due to the increased orders from 2 Distributors; and

(v) other countries: revenue increased by RM0.47 million or 293.8%, mainly due to our presence to distribute bakery products under customers' brands to South Korea of RM0.42 million in FYE 2024.

Cakes was our main revenue contributor in FYE 2024, representing 49.9% (FYE 2023: 52.2%), followed by biscuits and cookies of 31.6% (FYE 2023: 32.3%).

Our bakery products under our own brands and customers' brands or unbranded are manufactured by third-party manufacturers and our in-house production, representing an aggregate of 80.9% (FYE 2023: 80.1%) and 7.1% (FYE 2023: 5.3%) of our total revenue for FYE 2024 respectively. The increase in revenue from the sales of bakery products under our own brands and customers' brands or unbranded manufactured by our in-house production was attributable to higher sales orders in FYE 2024 and increased production capacity in FYE 2024 after relocating to Manufacturing Facility 1, coupled with the increase in the number of production, logistics and warehouse employees as well as sales and marketing personnel in FYE 2024. The changes in the number of such employees as at 31 December 2023 to 31 December 2024 are as follows:

Category	**FYE 2023**	**FYE 2024**
Production, logistic and warehouse	130	160
Sales and marketing	33	36
	163	**196**

Sourcing

Our Group's revenue from the sourcing segment increased by RM23.76 million or 22.4% from RM105.91 million in FYE 2023 to RM129.67 million in FYE 2024. As a result of increased orders from existing customers and orders from new customers secured in FYE 2024, we recorded an increase in revenue derived from the following:

(i) revenue derived from bakery products under our own brands increased by RM12.50 million or 31.1% from RM40.20 million in FYE 2023 to RM52.70 million in FYE 2024. The increase was mainly as result of higher sales in our existing products under the "SINAR®" brands, which benefited from our intensified marketing and promotional activities, particularly through the van sales programme provided to a major customer (Sri Suria, our Distributor) and the introduction of products to existing customers who have not previously purchased such products in prior years; and

(ii) revenue derived from bakery products under customers' brands or unbranded increased by RM11.26 million or 17.1% from RM65.71 million in FYE 2023 to RM76.97 million in FYE 2024. This was mainly due to our Group's efforts in fulfilling customers' requirement and specification on the bakery products.

Trading

Our Group's revenue from the trading segment decreased slightly by RM0.16 million or 0.8% from RM19.33 million in FYE 2023 to RM19.17 million in FYE 2024. This decrease was mainly due to lower demand and orders for cakes, biscuit and cookies. However, this was partially offset by higher demand and orders for other products (i.e. instant noodles and soft drinks).

Manufacturing

Our Group's revenue from the manufacturing segment increased by RM4.39 million or 62.8% from RM6.99 million in FYE 2023 to RM11.38 million in FYE 2024. This increase was due to higher revenue derived from sales of our bakery products under our own brands of RM3.87 million or 129.4% from RM2.99 million in FYE 2023 to RM6.86 million in FYE 2024, as well as higher revenue derived from sales of our bakery products under customers' brands or unbranded of RM0.51 million or 12.8% from RM4.00 million in FYE 2023 to RM4.51 million in FYE 2024. These increases were driven by the continued increase in orders from existing and new customers and our increased production capacity in FYE 2024 after relocating to Manufacturing Facility 1, coupled with the increase in the number of production, logistics and warehouse employees as well as sales and marketing personnel. Following that, our total hourly output for biscuits and cookies increased from approximately 284 kg per hour in FYE 2023 to 435 kg per hour in FYE 2024, driven by improved production efficiency through larger batches of each product type, reducing machine idle time between batches and minimising setup preparation for different products.

Comparison between FYE 2024 and FYE 2025

Our total revenue recorded a decrease of RM15.78 million or 9.8% from RM160.22 million in FYE 2024 to RM144.44 million in FYE 2025 due to the decrease in revenue generated from the sourcing segment of RM22.88 million and trading segment of RM5.42 million. The decrease was partially offset by the increase in revenue generated from the manufacturing segment of RM12.53 million.

The sourcing segment continues to be our main business segment, contributing 80.9% and 73.9% of our total revenue in FYE 2024 and FYE 2025 respectively.

In FYE 2025, the decrease in our revenue was mainly attributable to a decrease in sales orders from 11 Wholesalers (mainly from Yin Kwee Trading Pty Ltd) which contributed to a decrease of RM11.65 million or 31.6% (FYE 2024: RM36.86 million; FYE 2025: RM25.21 million), collectively. However, we had secured 56 new customers, consisting of Wholesalers and Retailers which contributed to an aggregate of RM1.76 million in FYE 2025, as follows:

(i) 36 new Wholesalers, increased revenue of RM1.35 million; and

(ii) 20 new Retailers, increased revenue of RM0.41 million.

Malaysia remained our main revenue contributor in FYE 2025, representing 67.3%, followed by Singapore (24.4%), Australia (6.0%) and Indonesia (2.3%). Our increase/ decrease in revenue for FYE 2025 was contributed from:

(i) Malaysia: revenue decreased by RM3.01 million or 3.0% mainly due to decreased orders from 6 Wholesalers;

(ii) Singapore: revenue decreased by RM7.78 million or 18.1% mainly due to decreased orders from 10 Wholesalers;

(iii) Australia: revenue decreased by RM4.82 million or 35.7% mainly due to the decreased orders from 1 Wholesaler (i.e. Yin Kwee Trading Pty Ltd);

(iv) Indonesia: revenue increased by RM0.46 million or 16.1% mainly due to the increased orders from 2 Distributors; and

(v) other countries: revenue recorded nil in FYE 2025 as we did not have orders from Cambodia and South Korea.

Cakes remained our main revenue contributor in FYE 2025, representing 56.1% (FYE 2024: 49.9%), followed by biscuits and cookies at 31.1% (FYE 2024: 31.6%).

Sourcing

Our Group's revenue from the sourcing segment decreased by RM22.88 million or 17.6% from RM129.67 million in FYE 2024 to RM106.79 million in FYE 2025. This decrease in revenue was mainly driven by the timing of the festive season due to the earlier arrival of Chinese New Year in January 2025, resulting in major orders being placed towards the end of FYE 2024. Sales orders for FYE 2024 benefited from the two Chinese New Year cycles which occurred in February 2024 and January 2025.

As a result of decreased orders from existing customers in FYE 2025, our revenue derived from bakery products under customers' brands or unbranded decreased by RM19.64 million or 25.5% from RM76.97 million in FYE 2024 to RM57.33 million in FYE 2025 due to lower orders from our customers for biscuit, cookies and snacks. The decrease in revenue from the sourcing segment was also attributable to the reclassification of revenue between business segments following the completion of the acquisition of Kasaga on 1 April 2025. Cakes that were previously sourced from Kasaga as a third-party manufacturer and recorded under the sourcing segment in FYE 2024 are now recognised under the manufacturing segment in FYE 2025, resulting in a corresponding decrease in revenue from the sourcing segment.

Similarly, bakery products sold under our own brands also decreased by RM3.24 million or 6.1% from RM52.70 million in FYE 2024 to RM49.46 million in FYE 2025 due to lower orders for cakes and snacks.

Trading

Our Group's revenue from the trading segment decreased by RM5.42 million or 28.3% from RM19.17 million in FYE 2024 to RM13.75 million in FYE 2025. This decrease was mainly attributable to certain other products (i.e. beverages, instant cooking ingredients and sauces) which had higher sales orders in FYE 2024, but had nil orders in FYE 2025.

Manufacturing

Our Group's revenue from the manufacturing segment increased by RM12.53 million or 110.1% from RM11.38 million in FYE 2024 to RM23.91 million in FYE 2025. This increase was due to higher revenue derived from sales of bakery products under both our own brands and customers' brands or unbranded. Revenue from sales of bakery products under our own brands increased by RM9.24 million or 134.7% from RM6.86 million in FYE 2024 to RM16.10 million in FYE 2025, and revenue under customers' brands or unbranded increased by RM3.30 million or 73.2% from RM4.51 million in FYE 2024 to RM7.81 million in FYE 2025.

The increases were mainly driven by higher sales orders for cakes, and biscuits and cookies from existing and new customers. The increase in revenue was also due to the shift in contribution from cakes (which was previously sourced from Kasaga as a third-party manufacturer in FYE 2024) under the sourcing segment to the manufacturing segment in FYE 2025, following the completion of the acquisition of Kasaga on 1 April 2025.

(b) Cost of sales, GP and GP margin

Analysis of cost of sales by business segments

The breakdown of our Group's cost of sales by business segments for FYE 2022 to 2025 is as follows:

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Sourcing	**84,044**	**78.5**	**88,735**	**79.5**	**106,822**	**80.4**	**88,580**	**75.6**
• Customers' brands or unbranded	53,222	49.7	57,010	51.1	65,527	49.3	48,771	41.6
• Own brands	30,822	28.8	31,725	28.4	41,295	31.1	39,809	34.0
Trading	**17,094**	**15.9**	**17,229**	**15.4**	**17,197**	**13.0**	**12,111**	**10.3**
Manufacturing	**6,036**	**5.6**	**5,676**	**5.1**	**8,778**	**6.6**	**16,574**	**14.1**
• Customers' brands or unbranded	3,235	3.0	3,286	3.0	3,903	2.9	6,258	5.3
• Own brands	2,801	2.6	2,390	2.1	4,875	3.7	10,316	8.8
	107,174	**100.0**	**111,640**	**100.0**	**132,797**	**100.0**	**117,265**	**100.0**

Analysis of cost of sales by cost items

The breakdown of our Group's cost of sales by cost items for FYE 2022 to 2025 is as follows:

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Purchases$^{(1)}$	**100,806**	**94.1**	**104,491**	**93.6**	**122,641**	**92.3**	**104,809**	**89.4**
Finished goods	88,992	83.1	93,995	84.2	108,844	81.9	87,829	74.9
Packaging materials	8,809	8.2	7,619	6.8	9,960	7.5	8,651	7.4
Raw materials	3,005	2.8	2,877	2.6	3,837	2.9	8,329	7.1
Direct labour$^{(2)}$	**3,068**	**2.9**	**3,867**	**3.5**	**5,355**	**4.0**	**6,465**	**5.5**
Overheads$^{(3)}$	**2,147**	**2.0**	**2,615**	**2.3**	**3,132**	**2.4**	**3,651**	**3.1**
Subcontracting works$^{(4)}$	**1,153**	**1.0**	**667**	**0.6**	**1,669**	**1.3**	**2,340**	**2.0**
	107,174	**100.0**	**111,640**	**100.0**	**132,797**	**100.0**	**117,265**	**100.0**

Notes:

(1) Our purchases consist of finished goods, packaging materials and raw materials as well as inventories movement (comprising the opening inventories at the beginning of the financial year and closing inventories at the end of the financial year).

(aa) Finished goods

Finished goods comprise bakery products under our own brands and customers' brands or unbranded manufactured by third-party manufacturers and includes products under the trading segment which are sourced from third-party suppliers.

Finished goods were the largest component of our cost of sales, representing between 74.9% and 84.2% of our total cost of sales for FYE 2022 to 2025.

(bb) Packaging materials

Packaging materials consist of a wide range of packaging types such as trays, tins, plastic containers, packaging film rolls, carton boxes and labels for bakery products which we supply to our third-party manufacturers for our own brands and customers' brands or unbranded products.

Packaging materials were the second largest component of our cost of sales, representing between 6.8% and 8.2% of our total cost of sales for FYE 2022 to 2025.

(cc) Raw materials

Raw materials are essential baking ingredients (such as flour, edible oil, margarine, egg, sugar and nuts) for our in-house manufacturing.

Raw materials represented between 2.6% and 7.1% of our total cost of sales for FYE 2022 to 2025.

(2) Direct labour comprises production workers involved in our in-house production and employees in logistics and warehouse departments, which includes staff costs and other related expenses such as food allowance and staff welfare.

Our direct labour represented between 2.9% and 5.5% of our total cost of sales for FYE 2022 to 2025. The change in our direct labour was in tandem with the working hours and number of direct employees driven by the increased sales volume and production activities.

(3) Our overheads consist of upkeep and maintenance of manufacturing facilities and warehouses, depreciation expenses for machinery, tools and equipment and forklifts used in our manufacturing facilities, transportation charges, rental expenses and utility expenses. Overheads represented between 2.0% and 3.1% of our total cost of sales for FYE 2022 to 2025.

(4) We subcontract some repackaging of the bakery products to external third-parties. Our subcontractors will carry out the labour works at our manufacturing facilities and warehouses under our supervision. From time to time, our Group may engage subcontractors to carry out the repackaging works at their facilities during peak seasons prior to the festive seasons. Generally, our Group coordinates with our subcontractors on our planned production schedule 30 days in advance based on the volume of repackaging works. Typically, these subcontractors will be engaged for an average period of approximately 90 days, before the deployment of bakery products for each festive season.

The factors whether to subcontract the repackaging services to our subcontractors include, amongst others, capacity of our internal manpower and the availability of subcontractors.

Analysis of GP and GP margin by business segments

The table below sets out our Group's GP and GP margin by business segments for FYE 2022 to 2025:

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	GP RM'000	**GP margin %**	**GP RM'000**	**GP margin %**	**GP RM'000**	**GP margin %**	**GP RM'000**	**GP margin %**
Sourcing	**16,804**	**16.7**	**17,177**	**16.2**	**22,848**	**17.6**	**18,208**	**17.1**
• Customers' brands or unbranded	8,108	13.2	8,697	13.2	11,442	14.9	8,555	14.9
• Own brands	8,696	22.0	8,480	21.1	11,406	21.6	9,653	19.5
Trading	**1,625**	**8.7**	**2,096**	**10.8**	**1,975**	**10.3**	**1,635**	**11.9**
Manufacturing	**1,345**	**18.2**	**1,313**	**18.8**	**2,601**	**22.9**	**7,334**	**30.7**
• Customers' brands or unbranded	691	17.6	709	17.7	609	13.5	1,547	19.8
• Own brands	654	18.9	604	20.2	1,992	29.0	5,787	35.9
	19,774	**15.6**	**20,586**	**15.6**	**27,424**	**17.1**	**27,177**	**18.8**

Comparison between FYE 2022 and FYE 2023

Our total cost of sales increased by RM4.47 million or 4.2% from RM107.17 million in FYE 2022 to RM111.64 million in FYE 2023, in tandem with the increase in our total revenue of 4.2% in FYE 2023.

The increase in total cost of sales was mainly contributed by the following:

(i) increase in purchases of RM3.68 million or 3.7%, comprising:

  (aa) increase in finished goods of RM5.00 million or 5.6%, mainly in line with the higher revenue from bakery products under customers' brands or unbranded under the sourcing segment;

  (bb) decrease in packaging materials of RM1.19 million or 13.5%, mainly due to more packaging materials were directly supplied by our third-party manufacturers in FYE 2023 compared to FYE 2022; and

  (cc) decrease in raw material costs of RM0.13 million or 4.3%, mainly due to lower usage of raw materials as a result of temporary production disruption in the last quarter of FYE 2023.

(ii) increase in direct labour costs of RM0.80 million or 26.1%, mainly arising from the recognition of the salaries' costs for production and warehouse employees who were recruited throughout 2023. Our Group recruited 24 new production and warehouse employees in 2023; and

(iii) increase in overheads of by RM0.47 million or 21.9%, mainly due to higher depreciation charges for additional machineries, tools and equipment and new rental commitment on Manufacturing Facility 1 and Office and Warehouse 2 in 2023.

The increases in the abovementioned cost items were partially offset by a decrease in subcontracting works of RM0.48 million or 41.7%. This was due to less subcontracting works required due to the relocation to Manufacturing Facility 1, which temporarily disrupted our production activities.

Our overall GP margin was consistent at 15.6% in FYE 2023 (FYE 2022: 15.6%).

Our total GP increased by RM0.82 million or 4.1% from RM19.77 million in FYE 2022 to RM20.59 million in FYE 2023. This increase was mainly attributable to the increase in the GP contribution from the sourcing segment of RM0.38 million and trading segment of RM0.47 million.

Sourcing

Cost of sales for the sourcing segment was the main contributor to our total cost of sales for FYE 2022 and FYE 2023, which accounted for 78.5% and 79.5% of our total cost of sales.

Our cost of sales from the sourcing segment increased by RM4.70 million or 5.6% from RM84.04 million in FYE 2022 to RM88.74 million in FYE 2023, and our GP from the sourcing segment increased by RM0.38 million or 2.3% from RM16.80 million in FYE 2022 to RM17.18 million in FYE 2023.

The increase/ decrease in cost of sales, GP and GP margin by subsegment (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) increase in the cost of sales for bakery products under customers' brands or unbranded of RM3.79 million or 7.1% from RM53.22 million in FYE 2022 to RM57.01 million in FYE 2023, was mainly driven by an increase in the purchase of finished goods in line with revenue growth.

Our GP increased by RM0.59 million or 7.3% from RM8.11 million in FYE 2022 to RM8.70 million in FYE 2023. Our GP margin for FYE 2023 of 13.2% was consistent with the GP margin for FYE 2022.

(ii) increase in the cost of sales for bakery products under our own brands of RM0.91 million or 3.0% from RM30.82 million in FYE 2022 to RM31.73 million in FYE 2023, was mainly driven by an increase in the purchase of finished goods.

Our GP reduced by RM0.22 million or 2.5% from RM8.70 million in FYE 2022 to RM8.48 million in FYE 2023 and GP margin decreased from 22.0% in FYE 2022 to 21.1% in FYE 2023. This was mainly due to the introduction of our new brand (i.e. Cheeria®) which carried a lower GP margin during its introductory phase to capture consumer purchasing whilst creating product awareness.

Trading

Our cost of sales from the trading segment increased by RM0.14 million or 0.8% from RM17.09 million in FYE 2022 to RM17.23 million in FYE 2023, driven by an increase in the purchase of finished goods in line with the increased revenue from the sale of cakes under exclusive distributorship agreements.

Our GP from the trading segment increased by RM0.47 million or 28.8% from RM1.63 million in FYE 2022 to RM2.10 million in FYE 2023. Our GP margin increased from 8.7% in FYE 2022 to 10.8% in FYE 2023, due to a higher proportion of higher margin products such as cakes and other products (i.e. coffee and sweeteners).

Manufacturing

Our cost of sales from the manufacturing segment decreased by RM0.36 million or 6.0% from RM6.04 million in FYE 2022 to RM5.68 million in FYE 2023 and our GP from the manufacturing segment decreased by RM0.04 million or 3.0% from RM1.35 million in FYE 2022 to RM1.31 million in FYE 2023.

The increase/ decrease in cost of sales, GP and GP margin by subsegments (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) increase in cost of sales for bakery products under customers' brands or unbranded of RM0.05 million or 1.5% from RM3.24 million in FYE 2022 to RM3.29 million in FYE 2023, mainly due to an increase in raw materials and production costs in line with the revenue growth.

    Our GP increased by RM0.02 million or 2.9% from RM0.69 million in FYE 2022 to RM0.71 million in FYE 2023 and GP margin for FYE 2023 of 17.7% was fairly consistent with FYE 2022 (i.e. 17.6%). This was due to savings from lower raw materials price (i.e. margarine and shortening reduced by 19.5% per kg and 16.2% per kg in FYE 2023 respectively) which was partially offset by higher production costs due to higher volume of smaller batches of orders, resulting in an overall neutral effect on total costs.

(ii) decrease in cost of sales for bakery products under our own brands of RM0.41 million or 14.6% from RM2.80 million in FYE 2022 to RM2.39 million in FYE 2023, mainly due to the decrease in raw materials and production costs arising from the temporary production activities disruption in last quarter of FYE 2023.

    Our GP decreased by RM0.05 million or 7.7% from RM0.65 million in FYE 2022 to RM0.60 million in FYE 2023. However, our GP margin increased from 18.9% in FYE 2022 to 20.2% in FYE 2023, due to the price reduction in raw materials (i.e. margarine and shortening reduced by 19.5% per kg and 16.2% per kg in FYE 2023 respectively).

    Our Group recorded higher GP margin on our own brands sourced via third-party manufacturers in FYE 2022 and FYE 2023 as compared to GP margin of own brands produced in-house. This was mainly due to the higher production costs for biscuits and cookies manufactured in-house as such bakery products were manufactured in smaller batches and our manufacturing efficiency was lower from outdated and old machineries as compared to the speed and efficiency of modern, large-scale machineries used by third-party manufacturers.

Towards the end of FYE 2023, our Group relocated our production to Manufacturing Facility 1 with new machineries purchased in FYE 2023. As such, our Group was able to achieve a higher GP margin in FYE 2024 of 29.0% through the improved efficiency from new machineries and increased production capacity. Moving forward, the manufacturing of our own products will become more cost-effective at scale.

Comparison between FYE 2023 and FYE 2024

Our cost of sales increased by RM21.16 million or 19.0% from RM111.64 million in FYE 2023 to RM132.80 million in FYE 2024, in tandem with the increase in our total revenue of 21.2% in FYE 2024.

The increase in cost of sales was mainly contributed by the following:

(i) increase in purchases of RM18.15 million or 17.4%. This was driven by:

   (aa) increase in finished goods of RM14.84 million or 15.8%, in line with the increase in sales of bakery products under the sourcing segment and trading segment; and

   (bb) increase in packaging materials of RM2.34 million or 30.7% and raw materials by RM0.96 million or 33.3%, in line with the increase in sales of bakery products.

(ii) increase in direct labour costs of RM1.49 million or 38.5%, mainly arising from the recognition of the salaries' costs of production, logistics and warehouse employees recruited throughout 2024. Our Group recruited 30 new production, logistics and warehouse employees in 2024;

(iii) increase in subcontracting works of RM1.00 million or 149.3%. This was because of the significant increase in sales orders for our bakery products under the manufacturing segment. Hence, our Group subcontracted some repackaging works to external third-parties carried out at our manufacturing facilities in view of a surge in sales orders during peak periods before Hari Raya and Chinese New Year; and

(iv) increase in overheads of RM0.51 million or 19.5%, mainly due to:

   (aa) higher utility charges of RM0.18 million, in line with the higher utilisation of machineries and recognition of the full year utility charges for Manufacturing Facility 1;

   (bb) higher rental expenses of RM0.17 million, due to short term lease of PTD 13425 Warehouse located in Bukit Bakri Muar, Johor after the expiry of the previous tenancy in December 2023. The short-term lease from December 2023 to July 2024 was necessary to support our warehousing operations while awaiting the completion of renovation works at the then newly acquired HSS HQ; and

   (cc) higher transportation charges of RM0.11 million, for the purchase of finished products delivered to our warehouses.

Due to the higher increase in our total revenue by 21.2% as compared to the 19.0% increase in our total cost of sales, our overall GP margin increased from 15.6% in FYE 2023 to 17.1% in FYE 2024.

Our total GP increased by RM6.83 million or 33.2% from RM20.59 million in FYE 2023 to RM27.42 million in FYE 2024. This increase was attributable to the higher GP contribution from the sourcing segment of RM5.67 million and the manufacturing segment of RM1.29 million in FYE 2024.

Sourcing

Cost of sales for the sourcing segment was the main contributor to our total cost of sales for FYE 2023 and FYE 2024, which accounted for 79.5% and 80.4% of our total cost of sales respectively.

Our cost of sales from the sourcing segment increased by RM18.08 million or 20.4% from RM88.74 million in FYE 2023 to RM106.82 million in FYE 2024, and our GP from the sourcing segment increased by RM5.67 million or 33.0% from RM17.18 million in FYE 2023 to RM22.85 million in FYE 2024.

The increase in cost of sales, GP and GP margin by subsegment (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) increase in cost of sales for bakery products under customers' brands or unbranded of RM8.52 million or 14.9% from RM57.01 million in FYE 2023 to RM65.53 million in FYE 2024, mainly driven by an increase in the purchase of finished goods which was in line with the higher sales and orders of bakery products under customers' brands or unbranded.

Accordingly, our GP increased by RM2.74 million or 31.5% from RM8.70 million in FYE 2023 to RM11.44 million in FYE 2024. Our GP margin for bakery products under customers' brands or unbranded increased from 13.2% in FYE 2023 to 14.9% in FYE 2024. This was mainly due to our Group being able to source for new third-party manufacturers in FYE 2024 who offered lower prices for the same quality of products. In total, 32 SKUs across 7 types of products were manufactured by these new third-party manufacturers.

(ii) increase in cost of sales for bakery products under our own brands of RM9.57 million or 30.2% from RM31.73 million in FYE 2023 to RM41.30 million in FYE 2024, was mainly driven by an increase in the purchase of finished goods which was in line with the higher sales and orders of bakery products under our own brands to customers.

Accordingly, our GP increased by RM2.93 million or 34.6% from RM8.48 million in FYE 2023 to RM11.41 million in FYE 2024. Our GP margin for the bakery products under our own brands increased from 21.1% in FYE 2023 to 21.6% in FYE 2024. This was mainly due to our Group being able to source for new third-party manufacturers in FYE 2024 who offered lower prices for the same quality of products. In total, 49 SKUs across 13 types of products were manufactured by these new third-party manufacturers.

Trading

Our cost of sales from the trading segment decreased by RM0.03 million or 0.2% from RM17.23 million in FYE 2023 to RM17.20 million in FYE 2024, driven by a decrease in the purchase of finished goods which was in line with the decrease in the sales of the trading segment.

Accordingly, our GP from the trading segment decreased by RM0.12 million or 5.7% from RM2.10 million in FYE 2023 to RM1.98 million in FYE 2024. Our GP margin decreased from 10.8% in FYE 2023 to 10.3% in FYE 2024, due to a greater proportion of sales contributed from lower margin items i.e. instant noodles and soft drinks.

Manufacturing

Our cost of sales from the manufacturing segment increased by RM3.10 million or 54.6% from RM5.68 million in FYE 2023 to RM8.78 million in FYE 2024 and our GP from the manufacturing segment increased by RM1.29 million or 98.5% from RM1.31 million in FYE 2023 to RM2.60 million in FYE 2024.

The increase/ decrease in cost of sales, GP and GP margin by subsegment (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) increase in cost of sales for bakery products under customers' brands or unbranded of RM0.61 million or 18.5% from RM3.29 million in FYE 2023 to RM3.90 million in FYE 2024, was mainly driven by the increase in labour costs, subcontracting works and overheads allocated based on the production volume.

As such, our GP decreased by RM0.10 million or 14.1% from RM0.71 million in FYE 2023 to RM0.61 million in FYE 2024 and GP margin decreased from 17.7% in FYE 2023 to 13.5% in FYE 2024. The lower GP margin was due to higher production costs as a result of production for smaller batches, which resulted in lower utilisation of machineries due to additional setup times and longer machineries downtime between batches, contributing to the higher per unit cost. Nonetheless, the decrease in GP margin was cushioned by the price reduction in raw materials, i.e. margarine, low protein wheat flour and all-purpose wheat flour which reduced by 1.38% per kg, 6.58% per kg and 9.29% per kg respectively in FYE 2024.

(ii) increase in cost of sales for bakery products under our own brands of RM2.49 million or 104.2% from RM2.39 million in FYE 2023 to RM4.88 million in FYE 2024, mainly driven by the increase in raw materials, labour costs, subcontracting works and overheads and which was in line with the increase in revenue derived from sales of bakery products under our own brands.

Our GP increased by RM1.39 million or 231.7% from RM0.60 million in FYE 2023 to RM1.99 million in FYE 2024 and GP margin increased from 20.2% in FYE 2023 to 29.0% in FYE 2024, due to (1) higher efficiency from the utilisation of new machinery coupled with (2) the larger volume produced for each type of biscuits and cookies in FYE 2024 and (3) price reduction in raw materials, i.e. margarine, low protein wheat flour and all-purpose wheat flour reduced by 1.38% per kg, 6.58% per kg and 9.29% per kg respectively in FYE 2024. Our total hourly output increased from approximately 284 kg per hour in FYE 2023 to 435 kg per hour in FYE 2024, and our total production volume increased from 494,154 kg in FYE 2023 to 746,584 kg in FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our cost of sales decreased by RM15.53 million or 11.7% from RM132.80 million in FYE 2024 to RM117.27 million in FYE 2025.

The decrease in cost of sales was mainly contributed by the decrease in purchases of RM17.83 million or 14.5%. This was driven by the decrease in the purchase of finished goods of RM21.01 million or 19.3% and of packaging materials of RM1.31 million or 13.2%, in line with the decrease in sales of bakery products under the sourcing segment and trading segment.

The decrease in purchases of finished goods and packaging materials was partially offset by the:

(i) increase in raw material costs of RM4.49 million or 116.9%, in line with the increase in sales in bakery products under the manufacturing segment; and

(ii) increase in direct labour costs of RM1.11 million or 20.7%, subcontracting works of RM0.67 million or 40.1% and overheads of RM0.52 million or 16.6%, mainly arising from the inclusion of Kasaga's costs following the completion of the acquisition of Kasaga on 1 April 2025.

Due to the larger decrease in our total cost of sales by 11.7% as compared to the 9.8% decrease in our total revenue, our overall GP margin increased from 17.1% in FYE 2024 to 18.8% in FYE 2025.

Our total GP decreased by RM0.24 million or 0.9% from RM27.42 million in FYE 2024 to RM27.18 million in FYE 2025. This decrease was attributable to the decrease in the GP contribution from the sourcing segment of RM4.64 million and trading segment of RM0.34 million. However, it was partially offset by the increase in GP contribution from manufacturing segment of RM4.73 million.

<u>Sourcing</u>

Cost of sales for the sourcing segment was the main contributor to our total cost of sales for FYE 2024 and FYE 2025, which accounted for 80.4% and 75.6% of our total cost of sales respectively.

Our cost of sales from the sourcing segment decreased by RM18.24 million or 17.1% from RM106.82 million in FYE 2024 to RM88.58 million in FYE 2025, and our GP from the sourcing segment decreased by RM4.64 million or 20.3% from RM22.85 million in FYE 2024 to RM18.21 million in FYE 2025.

The decrease/ increase in cost of sales, GP and GP margin by subsegment (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) decrease in cost of sales for bakery products under customers' brands or unbranded of RM16.76 million or 25.6% from RM65.53 million in FYE 2024 to RM48.77 million in FYE 2025, was mainly driven by the decrease in the purchase of finished goods which was in line with the decrease in sales orders of bakery products under customers' brands or unbranded.

   Accordingly, our GP decreased by RM2.88 million or 25.2% from RM11.44 million in FYE 2024 to RM8.56 million in FYE 2025. Our GP margin for bakery products under customers' brands or unbranded in FYE 2024 and 2025 remained consistent at 14.9%.

(ii) decrease in cost of sales for bakery products under our own brands of RM1.49 million or 3.6% from RM41.30 million in FYE 2024 to RM39.81 million in FYE 2025, mainly driven by the decrease in the purchase of finished goods which was in line with the decrease in sales orders of bakery products under our own brands.

Accordingly, our GP decreased by RM1.76 million or 15.4% from RM11.41 million in FYE 2024 to RM9.65 million in FYE 2025. Our GP margin for the bakery products under our own brands decreased from 21.6% in FYE 2024 to 19.5% in FYE 2025 mainly due to the shift in higher margin cakes (which was previously sourced from Kasaga as a third-party manufacturer in FYE 2024) under the sourcing segment to the manufacturing segment in FYE 2025 following the completion of the acquisition of Kasaga on 1 April 2025. For clarification, Kasaga previously supplied a larger proportion of cakes under our own brands as compared to customers' brands or unbranded when it was our third-party manufacturer, resulting in a greater proportionate decrease in GP margin under our own brands in FYE 2025.

Trading

Our cost of sales from the trading segment decreased by RM5.09 million or 29.6% from RM17.20 million in FYE 2024 to RM12.11 million in FYE 2025, driven by a decrease in the purchase of finished goods which was in line with the decrease in sales of the trading segment.

Accordingly, our GP from the trading segment decreased by RM0.34 million or 17.2% from RM1.98 million in FYE 2024 to RM1.64 million in FYE 2025. Our GP margin increased from 10.3% in FYE 2024 to 11.9% in FYE 2025, due to the absence of certain other products (i.e. beverages, instant cooking ingredients and sauces) which had lower margins.

Manufacturing

Our cost of sales from the manufacturing segment increased by RM7.79 million or 88.7% from RM8.78 million in FYE 2024 to RM16.57 million in FYE 2025 and our GP from the manufacturing segment increased by RM4.73 million or 181.9% from RM2.60 million in FYE 2024 to RM7.33 million in FYE 2025.

The increase in cost of sales, GP and GP margin by subsegment (i.e. customers' brands or unbranded and our own brands) was due to the following:

(i) increase in cost of sales for bakery products under customers' brands or unbranded of RM2.36 million or 60.5% from RM3.90 million in FYE 2024 to RM6.26 million in FYE 2025, mainly driven by the increase in raw materials and labour costs due to higher production volume.

As such, our GP increased by RM0.94 million or 154.1% from RM0.61 million in FYE 2024 to RM1.55 million in FYE 2025 and GP margin increased from 13.5% in FYE 2024 to 19.8% in FYE 2025. The higher GP margin was due to higher volume of larger batches, which resulted in improved utilisation of machineries and lower per unit cost as compared to production of smaller batches in FYE 2024. Further, the higher GP margin was also contributed by the higher margin from cakes produced in-house by Kasaga upon the completion of the acquisition of Kasaga on 1 April 2025.

(ii) increase in cost of sales for bakery products under our own brands of RM5.44 million or 111.5% from RM4.88 million in FYE 2024 to RM10.32 million in FYE 2025, mainly driven by the increase in raw materials and labour costs, which was in line with the increase in revenue derived from sales of bakery products under our own brands.

Our GP increased by RM3.80 million or 191.0% from RM1.99 million in FYE 2024 to RM5.79 million in FYE 2025 and GP margin increased from 29.0% in FYE 2024 to 35.9% in FYE 2025. This was mainly due to the higher GP margin from cakes produced in-house by Kasaga following the inclusion of Kasaga's financial results into our Group after the completion of the acquisition of Kasaga on 1 April 2025.

(c) Other income

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Van sales programme fee income(1)	-	-	208	16.6	924	49.1	1,120	27.4
Transport income(2)	467	38.7	387	30.9	467	24.8	454	11.1
Interest income(3)	136	11.3	82	6.5	122	6.5	57	1.4
Dividend income from short-term investment(4)	-	-	-	-	66	3.5	223	5.5
Rental income(5)	-	-	11	0.9	65	3.4	115	2.8
Gain on disposal of property, plant and equipment	2	0.2	2	0.2	56	3.0	311	7.6
Gain on disposal of investment property	-	-	-	-	-	-	1,615	39.5
Fair value gain on financial assets measured at fair value through profit or loss(6)	23	1.9	19	1.5	19	1.0	19	0.4
Gain on foreign exchange(7)	514	42.6	453	36.2	-	-	-	-
Sponsorship(8)	20	1.7	26	2.1	72	3.8	28	0.7
Bargain purchase gain on the acquisition of a subsidiary	-	-	-	-	-	-	137	3.3
Others(9)	44	3.6	64	5.1	92	4.9	12	0.3
	1,206	**100.0**	**1,252**	**100.0**	**1,883**	**100.0**	**4,091**	**100.0**

Notes:

(1) Relates to income earned from the provision of delivery vehicles (as at 31 December 2022: Nil vehicles; As at 31 December 2023: 20 units of vehicles; as at 31 December 2024: 40 units of vehicles and as at 31 December 2025: 40 units of vehicles) to one of our Distributors, Sri Suria, to market and distribute our products in West Malaysia via a van sales programme. Further details on the Distributorship Agreement with Sri Suria is set out in Section 7.12.

(2) Relates to transportation fee charged to our customers and suppliers. As part of our regular outbound delivery operations, as and when there is additional space in our delivery vehicles, we allow selected customers and suppliers to include their products on these delivery routes when our destination aligns.

(3) Relates to interest income earned from bank balances and fixed deposit from licensed banks.

(4) Relates to interest income earned from money market funds.

(5) Relates to rental of 1 unit of serviced apartment located in Seksyen 13, Petaling Jaya, Selangor and No. 22 Factory to third parties.

(6) Relates to fair value gain on the 3 life insurance policies arising from the changes in interest rates and the policies' cash value.

(7) Relates to the realised gain on foreign exchange as a result of collections from customers due to the conversion of SGD to RM being higher than the book rate, and the unrealised gain on foreign exchange as a result of translation on SGD bank balances into RM arising from weaker RM against SGD as at 31 December 2022 and 31 December 2023.

(8) Represents sponsorships received from third-party manufacturers and/ or suppliers for our Group's annual dinners.

(9) Comprises insurance claim received on accidents of motor vehicles, term loan interest refund for overpayment and scrap sales.

Comparison between FYE 2022 and FYE 2023

Our other income recorded an increase of RM0.04 million or 3.3% from RM1.21 million in FYE 2022 to RM1.25 million in FYE 2023 was mainly due to an increase in van sales programme fee income of RM0.21 million arising from the provision of delivery vehicles to Sri Suria for the distribution of our products in West Malaysia via a van sales programme.

The increase in van sales programme fee income was partially offset by the following:

(i) decrease in interest income of RM0.06 million or 42.9%, due to lower bank balances throughout FYE 2023 despite higher bank balances as at 31 December 2023 as compared to bank balances as at 31 December 2022. Our bank balances as at 31 December 2023 was higher as our Group received RM4.00 million advance for working capital from Valura Group, our holding company; and

(ii) decrease in gain on foreign exchange of RM0.06 million or 11.8%, due to lower realised gain on foreign exchange due to the volatility of RM against SGD within an overall narrow trading range as compared to FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our other income increased by RM0.63 million or 50.4% from RM1.25 million in FYE 2023 to RM1.88 million in FYE 2024, mainly due to the following:

(i) increase in van sales programme fee income of RM0.71 million or 338.1%, due to an increased number of delivery vehicles from 20 as at 31 December 2023 to 40 as at 31 December 2024, to facilitate Sri Suria to market and distribute our products in West Malaysia via a van sales programme. The van sales programme fee income for FYE 2023 did not reflect the full 12-month contribution from the 20 delivery vehicles, as delivery vehicles were progressively deployed to Sri Suria from 4 units in July 2023 to 20 units by the end of FYE 2023. In FYE 2024, the van sales programme fee income comprised (a) recognition of the full year fee income from the delivery vehicles deployed to Sri Suria during FYE 2023; and (b) additional 20 delivery vehicles deployed to Sri Suria in FYE 2024. For clarification, the number of delivery vehicles increased to 29 units in March 2024 and progressively reached 40 units by the end of FYE 2024, resulting in approximately a threefold increase in van sales programme fee income. The increase in total income from van sales programme in FYE 2024 did not commensurate with the increase of vehicle units in FYE 2024 driven by the staggered deployment of the new delivery vehicles as more than half of the new units (11 out of 20) delivery vehicles were progressively deployed after May 2024;

(ii) increase in transport income of RM0.08 million or 20.5%, due to an increase in the number of trips during the period;

(iii) dividend income from short-term investments increased by RM0.07 million, due to interest income earned from money market funds;

(iv) increase in rental income of RM0.06 million or 600.0%, due to recognition of the full year rental income from 1 unit of serviced apartment located in Seksyen 13, Petaling Jaya, Selangor and additional rental income from No. 22 Factory; and

(v) gain on disposal of property, plant and equipment of RM0.06 million. Our Group disposed 5 units of motor vehicles (i.e. lorries and forklifts) and air conditioners.

The increase in other income was however, partially offset by the decrease in gain on foreign exchange of RM0.45 million due to the strengthening of RM against SGD in FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our other income increased by RM2.21 million or 117.6% from RM1.88 million in FYE 2024 to RM4.09 million in FYE 2025, mainly due to the following:

(i) increase in gain on disposal of investment property of RM1.62 million attributed to the disposal of No. 22 Factory for RM3.50 million, which was completed on 27 November 2025;

(ii) increase in gain on disposal of property, plant and equipment of RM0.25 million mainly attributed to the gain on disposal of Office and Warehouse 1 of RM0.37 million. This was partially offset by loss on disposal of 6 units of motor vehicles amounting to RM0.16 million;

(iii) increase in van sales programme fee income of RM0.20 million or 21.7%. The van sales programme fee income for FYE 2024 did not reflect the full 12-months fee income for the 40 delivery vehicles deployed to Sri Suria. 29 units of delivery vehicles were deployed in March 2024 and was progressively increased to 40 units by December 2024. In FYE 2025, the van sales programme fee income comprised recognition of the full 12-months fee income of the delivery vehicles deployed since FYE 2024;

(iv) dividend income from short-term investments of RM0.15 million, due to interest income earned from money market funds; and

(v) bargain purchase gain of RM0.14 million on the acquisition of our subsidiary (i.e. Kasaga).

(d) Selling and distribution expenses

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Staff costs[1]	2,244	41.0	2,849	44.9	3,644	42.9	3,234	36.5
Transportation charges[2]	1,203	22.0	1,212	19.1	1,582	18.6	1,795	20.3
Advertisement, sponsorship and promotional expenses	717	13.0	857	13.5	914	10.7	871	9.8
Depreciation expenses[3]	214	3.9	346	5.5	671	7.9	825	9.3
Travelling and accommodation	403	7.4	497	7.8	625	7.3	586	6.6
Commission	321	5.9	231	3.7	433	5.1	308	3.5
Display and documentation charges[4]	273	5.0	322	5.1	517	6.1	1,113	12.6
Insurance[5]	101	1.8	26	0.4	115	1.4	129	1.4
	5,476	**100.0**	**6,340**	**100.0**	**8,501**	**100.0**	**8,861**	**100.0**

Notes:

[1] Comprises staff salaries, allowances, bonuses, commissions, statutory contribution directly attributable to selling and distribution (i.e. employees in the sales and marketing department).

[2] Comprises diesel, delivery and handling costs, and upkeep of motor vehicles expenses to deliver the products to our customers.

[3] Relates to the depreciation expenses for lorries and vans.

[4] Comprises mainly listing fees (i.e. introduction fees for new products in our Retailers' premises) and block display fees (i.e. additional fees charged to place our own brand of products on prime spaces).

[5] Relates to insurance for motor vehicles (i.e. lorries and vans).

Comparison between FYE 2022 and FYE 2023

Our selling and distribution expenses increased by RM0.86 million or 15.7% from RM5.48 million in FYE 2022 to RM6.34 million in FYE 2023. The increase was mainly due to:

(i) increase in staff costs of RM0.61 million or 27.2%, attributed to higher commission and annual salary increments to sales and marketing employees as well as the recruitment of 7 new sales personnel to increase marketing efforts and awareness of our bakery products under our own brands;

(ii) increase in depreciation of property, plant and equipment of RM0.14 million or 66.7%, attributed to additional 23 units of motor vehicles (i.e. lorries and delivery vehicles), of which 16 delivery vehicles were deployed under the van sales programme, where transport costs such as fuel costs are borne entirely by our Distributor (Sri Suria). Amongst others, 7 lorries were purchased in the second half of FYE 2023, which did not incur a full year's depreciation; and

(iii) increase in advertisement, sponsorship and promotional expenses of RM0.14 million or 19.4%, due to higher sponsorship fees to our customers incurred for their marketing and promotional activities undertaken in FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our selling and distribution expenses increased by RM2.16 million or 34.1% from RM6.34 million in FYE 2023 to RM8.50 million in FYE 2024, mainly due to:

(i) increase in staff costs of RM0.79 million or 27.7%, attributed to higher commission and annual salary increments to employees as well as the recruitment of 4 new sales personnel to increase marketing efforts and awareness of our bakery products;

(ii) increase in transportation charges of RM0.37 million or 30.6%, mainly due to increase in delivery and handling costs which was in line with the increase in our revenue and increase in diesel arising from additional motor vehicles (i.e. lorries) acquired in FYE 2024 to support our business expansion;

(iii) increase in depreciation of property, plant and equipment of RM0.32 million or 91.4%, attributed to additional 23 units of motor vehicles (i.e. lorries), of which 21 delivery vehicles were deployed under the van sales programme, where transport costs such as fuel costs are borne entirely by our Distributor (Sri Suria);

(iv) increase in commission paid of RM0.20 million or 87.0%, due to the increase in commission payable to third parties for business referrals;

(v) increase in display and documentation charges of RM0.20 million or 62.5%, due to increase in listing fees and block display fees for the display and promotion of our own brands of products at Retailers' premises; and

(vi) increase in travelling expenses of RM0.13 million or 26.0%, mainly incurred for customers visits during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our selling and distribution expenses increased by RM0.36 million or 4.2% from RM8.50 million in FYE 2024 to RM8.86 million in FYE 2025, mainly due to:

(i) increase in display and documentation charges of RM0.59 million or 113.5%, mainly due to increased promotion of our own brands of existing and new bakery products mainly charged by 97 Retailers' outlets and 1 new Retailer in FYE 2025; and

(ii) increase in transportation charges of RM0.22 million or 13.9%, mainly due to increase in delivery and handling costs as the delivery rate charged by one of the transporters increased from 3.0% to 8.0% of delivered sales, with the new rate effective since July 2024.

The increase in selling and distribution expenses was partially offset by the decrease in staff costs of RM0.41 million or 11.3%, mainly due to lower commission payout.

(e) Administrative expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff costs(1)	1,492	33.5	2,126	39.8	2,723	38.6	3,521	44.8
Directors' remuneration	1,356	30.5	1,513	28.3	2,105	29.8	1,801	23.0
Depreciation expenses(2)	449	10.1	517	9.7	723	10.2	755	9.6
Office expenses(3)	400	9.0	480	9.0	527	7.5	681	8.7
Professional fees(4)	221	5.0	211	3.9	440	6.2	502	6.4
Upkeep and maintenance(5)	331	7.4	291	5.4	460	6.5	549	7.0
Stamp duty	70	1.6	173	3.2	6	0.1	10	0.1
Dismantling costs(6)	87	1.9	-	-	-	-	-	-
Others(7)	45	1.0	38	0.7	74	1.1	34	0.4
	4,451	**100.0**	**5,349**	**100.0**	**7,058**	**100.0**	**7,853**	**100.0**

Notes:

(1) Comprises salaries, wages and allowances, bonuses, statutory contributions and other staff related costs of our employees in the finance, administration, human resources as well as purchasing and planning departments.

(2) Relates to depreciation expenses for office equipment, furniture and fittings, computer and peripherals, air systems, electrical fittings and renovations and motor vehicles.

(3) Comprises mainly processing fees for licence and subscription fees, printing and stationery, utility charges and other general expenses.

(4) Comprises mainly company secretarial fees, audit fees, legal fees incurred for banking facilities and tax advisory fees.

(5) Comprises mainly cleaning expenses, quit rent and assessment fee, insurance costs as well as upkeep for office and office equipment.

[6] Refers to dismantling costs incurred to remove part of the roof from No. 22 Factory in FYE 2022 due to wear and tear.

[7] Comprises mainly the travelling and accommodation expenses (i.e. directors and finance and administration employees), prevention costs incurred for COVID-19 pandemic in FYE 2022, and entertainment expenses for suppliers from FYE 2022 to 2024.

Comparison between FYE 2022 and FYE 2023

Our administrative expenses increased by RM0.90 million or 20.2%, from RM4.45 million in FYE 2022 to RM5.35 million in FYE 2023, mainly attributable to the following:

(i) increase in staff costs of RM0.64 million or 43.0%, attributed to annual salary increments to existing employees in the purchase and planning, finance, administration and human resources departments as well as the recruitment mainly 4 new finance employees to support the business activities in the second half of FYE 2023;

(ii) increase in directors' remuneration of RM0.15 million or 11.0%, mainly due to increase in their salaries in line with our business growth; and

(iii) increase in stamp duty of RM0.10 million or 142.9%. Our Group incurred stamp duties in FYE 2023 mainly for a new banking facility agreement, letter of guarantee and share transfer.

The increase was partially offset by the absence of dismantling costs incurred to remove part of the roof from No. 22 Factory which was recorded in FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our administrative expenses increased by RM1.71 million or 32.0% from RM5.35 million in FYE 2023 to RM7.06 million in FYE 2024. The increase was mainly attributable to the following:

(i) increase in directors' remuneration of RM0.60 million or 39.7%, mainly due to higher bonus payout to the Directors in FYE 2024;

(ii) increase in staff costs of RM0.59 million or 27.7%, attributed to bonus payout to existing employees as well as the recruitment of 8 new purchase and planning, administration and human resources employees to support the business activities;

(iii) increase in professional fees of RM0.23 million or 109.5%, mainly due to the higher legal fees related to the disposal of Manufacturing Facility 1 as well as legal fees for the trade facility and term loan agreements in FYE 2024;

(iv) increase in depreciation of property, plant and equipment of RM0.20 million or 38.5%, mainly due to additional 2 units of passenger cars for business use and costs incurred for renovation and a fire protection system for HSS HQ; and

(v) increase in upkeep and maintenance of RM0.17 million or 58.6%, mainly due to maintenance costs incurred for HSS HQ as well as insurance and security fees incurred for our manufacturing facilities and warehouses.

The increase was partially offset by decrease in stamp duty of RM0.16 million where there was lesser stamp duty incurred as compared to the prior year.

Comparison between FYE 2024 and FYE 2025

Our administrative expenses increased by RM0.79 million or 11.2% from RM7.06 million in FYE 2024 to RM7.85 million in FYE 2025, mainly due to the following:

(i) increase in staff costs of RM0.80 million or 29.4%, mainly attributed to annual salary increments to existing employees in the purchase and planning, finance, administration and human resources departments as well as the recruitment of 5 new administration and human resources employees to support the business activities in FYE 2025;

(ii) increase in office expenses of RM0.15 million or 28.3%, mainly attributed to processing fees paid to obtain the new trade line facility with total limit of RM12.00 million; and

(iii) increase in upkeep and maintenance of RM0.09 million or 19.6%, mainly due to higher security fees and cleaning expenses for our manufacturing facilities and warehouses.

The increase in administrative expenses was partially offset by the decrease in directors' remuneration of RM0.31 million or 14.7% mainly attributable to lower bonus payout in FYE 2025.

(f) Other expenses

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Loss on foreign exchange	3	0.5	-	-	320	62.4	229	63.4
Property, plant and equipment written off	128	22.3	303	56.2	191	37.2	132	36.6
Listing expenses[1]	437	76.0	180	33.4	-	-	-	-
Deposit forfeited[2]	-	-	44	8.2	-	-	-	-
Loss on disposal of property, plant and equipment	7	1.2	12	2.2	-	-	-	-
Loss on modification of lease	-	-	-	-	2	0.4	-	-
	575	**100.0**	**539**	**100.0**	**513**	**100.0**	**361**	**100.0**

Notes:

(1) Relates to professional fees incurred for a previous submission of pre-admission consultation pack for the purposes of our Listing.

(2) Relates mainly to rental and utility deposit for a factory located at No. 9, Jalan Tiong Emas, Taman Mount Austin, 81100 Johor Bahru, Johor paid by LHMC in March 2023. Such deposit was forfeited as LHMC did not proceed with the tenancy.

Comparison between FYE 2022 and FYE 2023

Our other expenses decreased by RM0.04 million or 6.9% from RM0.58 million in FYE 2022 to RM0.54 million in FYE 2023, attributable to the decrease in listing expenses of RM0.26 million or 59.1%, which was incurred for a previous submission of pre-admission consultation pack in FYE 2022.

The decrease in listing expenses was partially offset by the increase in property, plant and equipment written off of RM0.17 million, comprising the write off of renovation and electrical installation for Manufacturing Facility 2 due to early termination of tenancy in December 2023 as our Group relocated our biscuit and cookies operations to Manufacturing Facility 1 in December 2023.

Comparison between FYE 2023 and FYE 2024

Our other expenses further decreased by RM0.03 million or 5.6% from RM0.54 million in FYE 2023 to RM0.51 million in FYE 2024, attributable to the absence of listing expenses incurred for a previous submission of pre-admission consultation pack in the prior year and the decrease in property, plant and equipment written off of RM0.11 million or 36.7%, comprising renovation written off for Office and Warehouse 1, which was subsequently disposed to Goh Chen Chang in February 2025.

The abovementioned decreases were partially offset by a loss on foreign exchange of RM0.32 million (FYE 2022: Nil), due to the strengthening of RM against SGD which led to our collections from customers being lower than the book rate.

Comparison between FYE 2024 and FYE 2025

Our other expenses decreased by RM0.15 million or 29.4% from RM0.51 million in FYE 2024 to RM0.36 million in FYE 2025, mainly due to the decrease in loss on foreign exchange of RM0.09 million or 28.1%. Our Group recorded lower unrealised loss on foreign exchange on translation of our SGD bank accounts to RM, due to the strengthening of RM against SGD during FYE 2025.

(g) Finance costs

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Term loan	414	40.2	774	44.8	1,070	47.3	990	43.6
Bankers' acceptance	368	35.7	657	38.0	781	34.5	859	37.8
Bank overdraft	-	-	3	0.2	3	0.1	1	<0.1
Hire purchase	90	8.7	147	8.5	303	13.4	335	14.8
Lease liabilities	87	8.5	99	5.7	72	3.2	50	2.2
	959	**93.1**	**1,680**	**97.2**	**2,229**	**98.5**	**2,235**	**98.4**
Bank guarantee fee	71	6.9	48	2.8	33	1.5	37	1.6
	1,030	**100.0**	**1,728**	**100.0**	**2,262**	**100.0**	**2,272**	**100.0**

Comparison between FYE 2022 and FYE 2023

Our finance costs increased by RM0.70 million or 68.0% from RM1.03 million in FYE 2022 to RM1.73 million in FYE 2023, mainly attributable to the following:

(i) increase in interest charged on term loan of RM0.36 million or 87.8% mainly attributable to 1 additional term loan obtained to finance the acquisition of HSS HQ and Vacant Land 2; and

(ii) increase in interest charged on bankers' acceptance of RM0.29 million or 78.4% attributable to higher utilisation of bankers' acceptance facility throughout FYE 2023 as most of our cash and bank balances during FYE 2023 had been utilised for the part payment for the acquisition of HSS HQ and Vacant Land 2 as well as the machineries, tools and equipment and renovation of Manufacturing Facility 1. Proceeds from the drawdown of bankers' acceptance in FYE 2023 was RM55.04 million (FYE 2022: RM38.39 million).

Comparison between FYE 2023 and FYE 2024

Our finance costs increased by RM0.53 million or 30.6% from RM1.73 million in FYE 2023 to RM2.26 million in FYE 2024, mainly attributable to the following:

(i) increase in interest charged on term loans of RM0.30 million or 39.0% attributable to 3 additional term loans obtained to finance the renovation costs of HSS HQ and for working capital. The recognition of the full year term loan interest on the existing term loan drawn down in November 2023 also contributed to the higher term loan interest in FYE 2024;

(ii) increase in interest charged on hire purchase payables of RM0.15 million or 100.0%, due to additional motor vehicles purchased in FYE 2024 and the recognition of the full year's hire purchase interest on 25 units of motor vehicles, of which 23 units of motor vehicles were purchased in the second half of FYE 2023; and

(iii) increase in interest charged on bankers' acceptance of RM0.12 million or 18.2% attributable to higher utilisation of bankers' acceptance facility throughout FYE 2024. Proceeds from the drawdown of bankers' acceptance in FYE 2024 was RM55.86 million (FYE 2023: RM55.04 million).

Comparison between FYE 2024 and FYE 2025

There was no material movement in finance costs between FYE 2024 and FYE 2025.

(h) Net (impairment losses)/ reversal of impairment on financial assets

The breakdown of our Group's net (impairment losses)/ reversal of impairment losses on financial assets for FYE 2022 to 2025 are as follows:

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Allowance of impairment losses on trade receivables	(316)	107.1	(171)	(158.3)	(265)	153.2	(268)	505.7
Reversal of impairment losses on trade receivables	21	(7.1)	279	258.3	92	(53.2)	215	(405.7)
	(295)	**100.0**	**108**	**100.0**	**(173)**	**100.0**	**(53)**	**100.0**

Comparison between FYE 2022 and FYE 2023

In FYE 2023, there was a reversal of impairment losses of RM0.28 million where we reversed the trade receivables impaired in the prior year due to the subsequent collections in FYE 2023.

In FYE 2023, there was an allowance of impairment loss on trade receivables of RM0.17 million, which represented the individual impairment from amounts owing by 24 customers where such receivables were outstanding beyond the credit period.

Comparison between FYE 2023 and FYE 2024

In FYE 2024, there was an allowance of impairment loss on trade receivables of RM0.27 million, which represented the individual impairment from amounts owing by 37 customers where such receivables were outstanding beyond the credit period.

In FYE 2024, there was a reversal of impairment loss of RM0.09 million where we reversed the trade receivables impaired in the prior year due to the subsequent collections in FYE 2024.

Comparison between FYE 2024 and FYE 2025

In FYE 2025, there was an allowance of impairment loss on trade receivables of RM0.27 million, which represented the individual impairment from amounts owing by 40 customers where such receivables were outstanding beyond the credit period.

In FYE 2025, there was a reversal of impairment loss of RM0.22 million where we reversed the trade receivables impaired in the prior year due to the subsequent collections in FYE 2025.

(i) Taxation, PBT and PAT

The following table sets out the comparison between the statutory tax rates and our effective tax rates for FYE 2022 to 2025:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Malaysia statutory tax rate (%)	24.0	24.0	24.0	24.0
Income tax expense (RM'000)	2,714	2,526	3,000	3,280
Effective tax rate (%)	29.7	31.6	27.8	27.6

The following table sets out our PBT, PBT margin, PAT and PAT margin for FYE 2022 to 2025:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
PBT (RM'000)	9,153	7,990	10,800	11,868
PBT margin (%)	7.2	6.0	6.7	8.2
PAT (RM'000)	6,439	5,464	7,800	8,588
PAT margin (%)	5.1	4.1	4.9	5.9

Comparison between FYE 2022 and FYE 2023

We recorded a decrease in PBT of RM1.16 million or 12.7% from RM9.15 million in FYE 2022 to RM7.99 million in FYE 2023. The decrease in PBT was mainly derived from higher selling and distribution expenses, administrative expenses and finance costs, despite the higher GP recorded in FYE 2023, as explained in Section 12.2.2(b) above. Accordingly, our PBT margin decreased from 7.2% for FYE 2022 to 6.0% for FYE 2023.

Our tax expenses decreased by RM0.18 million or 6.6% to RM2.53 million in FYE 2023 (FYE 2022: RM2.71 million), mainly due to lower PBT recorded.

Our effective tax rate of 31.6% in FYE 2023 (FYE 2022: 29.7%) was higher than the statutory tax rate of 24.0%, mainly due to non-tax-deductible expenses such as depreciation for non-qualifying assets, entertainment expenses and sponsorship fees as well as stamp duty and legal fees incurred in relation to a new banking facility and share sale agreement.

Accordingly, our PAT decreased from RM6.44 million in FYE 2022 to RM5.46 million in FYE 2023. Our PAT margin decreased from 5.1% in FYE 2022 to 4.1% in FYE 2023, in line with lower PBT margin.

Comparison between FYE 2023 and FYE 2024

We recorded an increase in PBT of RM2.81 million or 35.2% from RM7.99 million in FYE 2023 to RM10.80 million in FYE 2024. The increase in PBT was mainly derived from a higher GP as explained in Section 12.2.2(b) above, as well as other income of RM1.88 million as explained in Section 12.2.2(c) above, but was partially offset by higher selling and distribution expenses, administrative expenses, as explained in Sections 12.2.2(d) and (e) above respectively. Accordingly, our PBT margin increased from 6.0% for FYE 2023 to 6.7% for FYE 2024.

Our tax expenses increased by RM0.47 million or 18.6% to RM3.00 million in FYE 2024 (FYE 2023: RM2.53 million), mainly due to higher PBT recorded.

Our effective tax rate of 27.8% in FYE 2024 (FYE 2023: 31.6%) was higher than the statutory tax rate of 24.0%, mainly due to the non-deductible expenses such as depreciation for non-qualifying assets, entertainment expenses and sponsorship fees.

Accordingly, our PAT increased from RM5.46 million in FYE 2023 to RM7.80 million in FYE 2024. Our PAT margin increased from 4.1% in FYE 2023 to 4.9% in FYE 2024, in line with higher PBT margin.

Comparison between FYE 2024 and FYE 2025

We recorded an increase in PBT of RM1.07 million or 9.9% from RM10.80 million in FYE 2024 to RM11.87 million in FYE 2025. The increase in PBT was mainly derived from higher other income as explained in Section 12.2.2(c) above, but was partially offset by higher selling and distribution expenses and administrative expenses, as explained in Sections 12.2.2(d) and (e) above respectively. Accordingly, our PBT margin increased from 6.7% for FYE 2024 to 8.2% for FYE 2025.

Our tax expenses increased by RM0.28 million or 9.3% to RM3.28 million in FYE 2025 (FYE 2024: RM3.00 million), mainly due to higher PBT recorded.

Our effective tax rate of 27.6% in FYE 2025 (FYE 2024: 27.8%) was higher than the statutory tax rate of 24.0%, mainly due to the non-tax-deductible expenses such as depreciation for non-qualifying assets, sponsorship fees and bargain purchase gain on the acquisition of our subsidiary (i.e. Kasaga).

Despite the foregoing, our PAT increased from RM7.80 million in FYE 2024 to RM8.59 million in FYE 2025. Our PAT margin increased from 4.9% in FYE 2024 to 5.9% in FYE 2025, mainly due to higher PBT margin.

12.2.3 Review of cash flows

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net cash from operating activities	8,292	2,762	19,929	6,512
Net cash (for)/from investing activities	(5,464)	(21,410)	(6,433)	2,755
Net cash (for)/ from financing activities	(2,220)	19,576	(8,049)	(10,914)
Net increase/(decrease) in cash and cash equivalents	608	928	5,447	(1,647)
Effects of foreign exchange translation	249	380	13	(31)
Cash and cash equivalents at beginning of the financial years	5,879	6,736	8,044	13,504
Net increase in cash and cash equivalents at the end of the financial year	**6,736**	**8,044**	**13,504**	**11,826**

FYE 2022

Net cash from operating activities

For FYE 2022, we recorded net operating cash inflow of RM8.29 million after taking into consideration the PBT of RM9.15 million, which was then adjusted for non-cash and other items of RM2.85 million, mainly comprising depreciation of property, plant and equipment, depreciation of ROU assets, unrealised gain on foreign exchange, impairment loss on receivables and interest expenses, as well as further adjustment for the following working capital changes:

(a) increase in inventories of RM0.58 million mainly due to higher finished goods towards end of the year in anticipation for the increase in future orders in the following financial year. Our Group's policy in determining and forecasting the volume of future orders is determined by customers' insights and our historical sales data. For customers' brand and unbranded products, our purchasing forecast is based on input obtained during our monthly meetings with our customers, where they will provide insights on their planned marketing activities, promotions and festive season demand forecasts. For our own brands of products, our purchasing forecast is derived from the previous year's sales data;

(b) increase in trade receivables of RM7.02 million which is in line with our revenue growth;

(c) decrease in other receivables, deposits and prepayments of RM0.55 million, mainly due to the reversal of deposit payment for Office and Warehouse 1 in FYE 2021 to property, plant and equipment, as our Group had completed the acquisition in FYE 2022;

(d) increase in trade payables of RM5.26 million, mainly due to the increase in purchases of finished goods in FYE 2022; and

(e) increase in other payables and accruals of RM0.31 million, mainly due to higher payroll liabilities (i.e. accrued salaries) driven by an increase in the number of employees.

For FYE 2022, we also paid income tax of RM2.39 million which was partially offset by interest income received of RM0.14 million from bank balances.

Net cash for investing activities

For FYE 2022, we recorded a net cash outflow of RM5.46 million from our investing activities, mainly attributable to the following:

(a) cash payment of RM5.17 million for additional property, plant and equipment of RM5.95 million mainly comprising the purchase of Office and Warehouse 1 of RM3.11 million, renovations for Office and Warehouse 1, Manufacturing Facility 2, No. 22 Factory and PTD 13425 Warehouse collectively of RM0.42 million and payment for the purchase of 14 units of motor vehicles of RM0.56 million; and

(b) deposit paid of RM0.30 million for renovation and signboard for PTD 13425 Warehouse.

Net cash for financing activities

For FYE 2022, we recorded a net cash outflow of RM2.22 million for our financing activities, due to the following:

(a) drawdown and repayment of bankers' acceptance of RM38.39 million and RM38.51 million respectively, mainly for payments to third-party manufacturers and/ or suppliers;

(b) drawdown of term loans of RM5.69 million to finance the purchase of Office and Warehouse 1 and working capital, and repayment of term loans RM2.74 million;

(c) payment of dividend of RM2.50 million in respect of FYE 2022;

(d) repayment of lease liabilities of RM0.76 million pursuant to the rental commitments of our rented manufacturing facilities and warehouses, offices, and workers' accommodations;

(e) interest of RM0.96 million paid in respect of term loans, bankers' acceptances, hire purchase and lease liabilities; and

(f) repayment of hire purchase facilities amounting to RM0.51 million for motor vehicles.

FYE 2023

Net cash from operating activities

For FYE 2023, we recorded net operating cash inflow of RM2.76 million after taking into consideration the PBT of RM7.99 million, which was then adjusted for non-cash and other items of RM3.95 million, mainly comprising depreciation of property, plant and equipment, depreciation of ROU assets, unrealised gain on foreign exchange, property, plant and equipment written off and interest expenses, as well as further adjustment for the following working capital changes:

(a) increase in inventories of RM2.65 million mainly due to higher finished goods towards the end of the year in anticipation for the increase in future orders in the next financial year. Our Group's policy in determining and forecasting the volume of future orders is determined by customers' insights and our historical sales data. For customers' brand and unbranded products, our purchasing forecast is based on input obtained during our monthly meetings with our customers, where they will provide insights on their planned marketing activities, promotions and festive season demand forecasts. For our own brands of products, our purchasing forecast is derived from the previous year's sales data;

(b) increase in trade receivables of RM2.25 million which is in line with our revenue growth;

(c) increase in other receivables, deposits and prepayments of RM0.40 million, mainly due to higher prepayment of fire, all risks and motor vehicles insurance as well as work permits for new and existing foreign employees; and

(d) decrease in trade payables of RM0.94 million, mainly due to timely payments made to our third-party manufacturers and/ or suppliers in FYE 2023.

For FYE 2023, we also paid income tax of RM3.07 million which was partially offset by interest income received of RM0.08 million from bank balances.

Net cash for investing activities

For FYE 2023, we recorded a net cash outflow of RM21.41 million from our investing activities, mainly attributable to the following:

(a) cash payment of RM21.43 million for additional property, plant and equipment of RM25.51 million mainly comprising the purchase of HSS HQ and Vacant Land 2 for RM16.68 million, machineries, tools and equipment mainly comprising cookies machines, packing machines, ovens and encrusting machines for RM2.30 million, progress payments of RM0.49 million for 1 unit of 2 storey terrace house located at Eco Ardence, Shah Alam, Selangor, which was acquired in August 2021 and payment of RM0.46 million for the purchase of 30 units of motor vehicles; and

(b) deposit of RM0.16 million paid for the ERP software which will be classified as property, plant and equipment upon completion of implementation.

The cash outflow from our investing activities was partially offset by the proceeds of RM0.18 million from the disposal of 2 units of motor vehicles.

Net cash from financing activities

For FYE 2023, we recorded a net cash inflow of RM19.58 million from our financing activities, mainly due to the following:

(a) drawdown and repayment of bankers' acceptance of RM55.04 million and RM44.09 million respectively, for payments to third-party manufacturers and/ or suppliers;

(b) drawdown of term loans of RM12.46 million to part finance the purchase of HSS HQ, Vacant Land 2 and 1 unit of 2 storey terrace house located at Eco Ardence, Shah Alam, Selangor, and repayment of term loans of RM1.18 million;

(c) advance from our holding company (i.e. Valura Group) of RM4.00 million;

(d) payment of dividend of RM3.00 million in respect of FYE 2023;

(e) repayment of lease liabilities of RM1.26 million pursuant to the rental commitments of our rented manufacturing facilities and warehouses, offices and workers' accommodations;

(f) interest of RM1.68 million paid in respect of term loans, bankers' acceptances, hire purchase and lease liabilities; and

(g) repayment of hire purchase facilities amounting to RM0.75 million in respect of motor vehicles.

FYE 2024

Net cash from operating activities

For FYE 2024, we recorded net operating cash inflow of RM19.93 million after taking into consideration the PBT of RM10.80 million, which was then adjusted for non-cash and other items of RM5.46 million, mainly comprising depreciation of property, plant and equipment, depreciation of ROU assets, impairment loss on trade receivables, property, plant and equipment written off and interest expenses, as well as further adjustment for the following working capital changes:

(a) increase in inventories of RM1.73 million mainly due to higher finished goods towards the end of the year in anticipation for the increase in future orders in the next financial year. Our Group's policy in determining and forecasting the volume of future orders is determined by customers' insights and our historical sales data. For customers' brand and unbranded products, our purchasing forecast is based on input obtained during our monthly meetings with our customers, where they will provide insights on their planned marketing activities, promotions and festive season demand forecasts. For our own brands of products, our purchasing forecast is derived from the previous year's sales data;

(b) increase in trade receivables of RM7.19 million which is in line with our revenue growth;

(c) increase in other receivables, deposits and prepayments of RM0.17 million, mainly due to payment in advance for term loans and hire purchase facilities;

(d) increase in trade payables of RM11.09 million, mainly due to the increase in purchases of finished goods towards the last quarter of FYE 2024; and

(e) increase in other payables and accruals of RM3.90 million, mainly due to higher payroll liabilities driven by an increase in the number of employees and deposit received from Goh Chen Chang (purchaser) of RM2.60 million, as partial payment of the consideration for the disposal of Office and Warehouse 1 which disposal was completed in February 2025.

For FYE 2024, we also paid income tax of RM2.35 million which was partially offset by interest income received of RM0.12 million from bank balances.

Net cash for investing activities

For FYE 2024, we recorded a net cash outflow of RM6.43 million from our investing activities, mainly attributable to the following:

(a) cash payment of RM6.16 million for additional property, plant and equipment of RM9.34 million mainly comprising the costs incurred for the upgrading and renovation of HSS HQ of RM2.53 million and RM0.57 million respectively, fire protection system installed for HSS HQ of RM0.39 million and payment of RM0.43 million for the purchase of 26 units of motor vehicles; and

(b) deposit of RM0.42 million paid for the ERP software which will be classified as property, plant and equipment upon completion of implementation.

The cash outflow from our investing activities was offset by the proceeds of RM0.14 million from disposal of property, plant and equipment, comprising 5 units of lorries and forklifts as well as air conditioners.

Net cash for financing activities

For FYE 2024, we recorded a net cash outflow of RM8.05 million for our financing activities, due to the following:

(a) drawdown and repayment of bankers' acceptance of RM55.86 million and RM61.19 million respectively, mainly for payments to third-party manufacturers and/ or suppliers;

(b) drawdown of term loans of RM5.33 million to finance the renovation costs for HSS HQ and for working capital, and repayment of term loans RM3.74 million;

(c) proceeds of RM9.18 million for the share application money, which represents money received pending allotment of shares in HCF and LHMC. The allotments of shares were completed on 27 March 2025;

(d) repayment of advance to our holding company (i.e. Valura Group) of RM1.56 million;

(e) payment of dividend of RM8.00 million, comprising RM2.00 million dividend paid in respect of FYE 2023 and RM6.00 million dividend which was paid in respect of FYE 2024;

(f) repayment of lease liabilities of RM0.81 million pursuant to the rental commitments of our rented manufacturing facility, warehouses, offices and workers' accommodations;

(g) interest of RM2.23 million paid in respect of term loans, bankers' acceptances, hire purchase and lease liabilities; and

(h) repayment of hire purchase facilities amounting to RM1.49 million in respect of motor vehicles.

FYE 2025

Net cash from operating activities

For FYE 2025, we recorded net operating cash inflow of RM6.51 million after taking into consideration the PBT of RM11.87 million, which was adjusted for non-cash and other items of RM3.62 million. These adjustments mainly comprise depreciation of property, plant and equipment, depreciation of ROU assets, gain on disposal of investment property, gain on disposal of property, plant and equipment, interest expenses, and further adjustment for the following working capital changes:

(a) increase in inventories of RM4.22 million mainly higher finished goods and packaging materials towards the end of FYE 2025 in line with the increase in orders for the festive seasons in early FYE 2026.

Our Group's policy in determining and forecasting the volume of future orders is determined by customers' insights and our historical sales data. For customers' brand and unbranded products, our purchasing forecast is based on input obtained during our monthly meetings with our customers, where they will provide insights on their planned marketing activities, promotions and festive season demand forecasts. For our own brands of products, our purchasing forecast is derived from the previous year's sales data;

(b) decrease in trade receivables of RM7.13 million due to lower outstanding balances owed by our customers as at 31 December 2025 as compared to as at 31 December 2024;

(c) increase in other receivables, deposits and prepayments of RM1.53 million, mainly due to prepayment of professional fees incurred in relation to our IPO;

(d) decrease in trade payables of RM3.96 million, mainly due to lower outstanding balances owed to third party manufacturers and/ or suppliers as at 31 December 2025 as compared to 31 December 2024; and

(e) decrease in other payables and accruals of RM3.33 million, mainly due to the reversal of deposit of RM2.60 million received from Goh Chen Chang (as purchaser) to profit or loss upon completion of the disposal of Office and Warehouse 1 in February 2025.

For FYE 2025, we also paid income tax of RM3.38 million and received a tax refund of RM0.25 million.

Net cash from investing activities

For FYE 2025, we recorded a net cash inflow of RM2.76 million from our investing activities, mainly attributable to the following:

(a) cash proceeds of RM3.93 million from the disposal of property, plant and equipment, mainly comprising Office and Warehouse 1 to Goh Chen Chang for RM3.30 million and the disposal of 9 units of motor vehicles for RM0.62 million; and

(b) cash proceed of RM3.50 million from the disposal of No. 22 Factory.

The cash inflow from our investing activities was partially offset by the following:

(a) cash payment of RM2.14 million for additional property, plant and equipment mainly comprising computer and security system for RM0.44 million, machineries, tools and equipment for RM0.50 million and payment of RM0.61 million for the purchase of 12 units of motor vehicles;

(b) placement of fixed deposits with tenure of more than 3 months of RM2.00 million; and

(c) deposit of RM0.55 million paid for the ERP software which will be classified as property, plant and equipment upon completion of its implementation.

Net cash for financing activities

For FYE 2025, we recorded a net cash outflow of RM10.91 million for our financing activities, mainly attributable to the following:

(a) drawdown and repayment of bankers' acceptance of RM64.37 million and RM62.32 million respectively, mainly for payments to third-party manufacturers and/ or suppliers;

(b) drawdown of term loan of RM0.18 million to finance the renovation of HSS HQ, and repayment of term loans of RM5.60 million;

(c) repayment of advance to our holding company (i.e. Valura Group) of RM2.44 million;

(d) interest of RM2.23 million paid in respect of term loans, bankers' acceptances, hire purchase and lease liabilities;

(e) repayment of hire purchase facilities amounting to RM1.78 million in respect of motor vehicles;

(f) repayment of lease liabilities of RM0.64 million pursuant to the rental commitments for our rented manufacturing facility, warehouses, offices and workers' accommodations; and

(g) dividends paid of RM0.50 million in respect of FYE 2025.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We finance our operations through cash and bank balances, cash generated from our operations, credit extended by our third-party manufacturers and/ or suppliers and external sources of funds. Our external sources of funds comprise term loans and trade facilities from financial institutions such as bank overdraft, bankers' acceptances as well as hire purchase agreements. The principal use of our borrowings is for our acquisition of property, plant and equipment and working capital purposes.

The decision to utilise either internally generated funds or borrowings for our business operations depends on, amongst others, our cash and bank balances, expected cash inflow and outflow, future working capital requirements, future capital expenditure requirements and the interest rate on borrowings. We carefully consider our cash position and ability to obtain further financing before making significant capital commitments.

During FYE 2022 to 2025, there are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances, but which are subject to the availability of distributable reserves in compliance with their respective financial covenants.

Our Board confirms that we have sufficient funds for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus, taking into consideration the following:

(a) our cash and cash equivalents of RM19.00 million as at LPD;

(b) our expected future cash flows from operations and proceeds from our Public Issue, of which RM2.93 million is earmarked for our working capital;

(c) our total banking facilities as at LPD (excluding hire purchases) of RM54.20 million, of which RM47.26 million have been utilised; and

(d) our Group's pro forma NA position and gearing level as at 31 December 2025 after Acquisitions and subsequent events, Public Issue and utilisation of proceeds of RM43.07 million and 0.85 times, respectively.

At this juncture, we do not foresee any circumstances which may materially affect our liquidity. Our Group has not encountered any major disputes with our debtors. Our accounting personnel work closely with our sales personnel for the collection of outstanding balances on a monthly basis. This measure has been proven to be effective while allowing us to maintain a cordial relationship with our customers.

12.4 BORROWINGS

All our borrowings are secured, interest-bearing and denominated in RM. Our total outstanding borrowings (excluding lease liabilities in relation to rental lease agreement of RM0.58 million) as at 31 December 2025 stood at RM40.49 million, details of which are set out below:

	Purpose	**Security**	**Effective interest rate**	**Tenure of facility**	**As at 31 December 2025**
			%		**RM'000**
Current					
Bankers' acceptances	For working capital requirements	(i) Land and building of our Group as well as No. 22 Factory; (ii) Syarikat Jaminan Pembiayaan Perniagaan ("**SJPP**") guarantee under a shariah-compliant working capital guarantee scheme ("**WCGS-I**") with 70% coverage on the clean portion of facility; (iii) Fixed deposit with a licensed bank of our Group; (iv) Personal guarantee by our Director, Goh Chen Chang; and (v) Guarantee cover of 80% from the Government or SJPP under the PEMULIH Government Guarantee Scheme ("**PGGS**").	3.4 - 4.1	up to 120 days	17,759
Hire purchases	For purchase of motor vehicles	Motor vehicles under hire purchase arrangements.	2.1 - 3.4	5 to 7 years	1,652
Term loans	For purchase of life insurance, land and buildings, machineries, renovation of HSS HQ and Manufacturing Facility 1 as well as working capital requirements	(i) Land and building of our Group as well as No. 22 Factory; (ii) SJPP guarantee under WCGS-I scheme with 70% coverage on the clean portion of facility; (iii) Guarantee cover of 80% from the Government or SJPP under PGGS; (iv) Charge over Debt Service Reserve Account ("**DSRA**"); (v) Machineries under this financing arrangement; and	3.9 - 7.4	5 to 20 years	1,862

	Purpose	Security	Effective interest rate	Tenure of facility	As at 31 December 2025
			%		RM'000
		(vi) Personal guarantee by our Directors, Goh Chen Chang and Goh Chen Ann.			
				Total current borrowings	**21,273**
Non-current					
Hire purchase	For purchase of motor vehicles	Motor vehicles under hire purchase arrangements	2.1 - 3.4	5 to 7 years	3,886
Term loans	For purchase of life insurance, land and buildings machineries, renovation of HSS HQ and Manufacturing Facility 1 as well as working capital requirements	(i) Land and building of our Group as well as No. 22 Factory; (ii) Syarikat SJPP guarantee under WCGS-I scheme with 70% coverage on the clean portion of facility; (iii) Guarantee cover of 80% from the Government or SJPP under PGGS; (iv) Charge over DSRA; (v) Machineries under this financing arrangement; and (vi) Personal guarantee by our Directors, Goh Chen Chang and Goh Chen Ann.	3.9 - 7.4	5 to 20 years	15,331
				Total non-current borrowings	**19,217**
				Total borrowings	**40,490**

Pro forma gearing (times)

After Acquisitions and subsequent events but before Public Issue(1)	1.25
After Acquisitions and subsequent events, Public Issue and utilisation of proceeds (2)	0.85

Notes:

(1) Computed based on our pro forma equity attributable to the owners of our Company of RM33.07 million in the pro forma consolidated statements of financial position after the Acquisitions and subsequent events but before Public Issue and utilisation of proceeds.

(2) Computed based on our pro forma equity attributable to the owners of our Company of RM43.07 million in the pro forma consolidated statements of financial position after the Acquisitions and subsequent events, Public Issue and utilisation of proceeds.

Our pro forma gearing ratio is expected to decrease from 1.25 times (before our Public Issue) to 0.85 times (after our Public Issue and utilisation of proceeds) due to the repayment of borrowings of RM4.50 million from the proceeds of our Public Issue and from the increase in shareholders' funds arising from the issuance of new Shares pursuant to our Public Issue.

The following table sets out the contractual cash flow and maturities of our borrowings as at 31 December 2025:

	As at 31 December 2025
	RM'000
Borrowings	
Within the next 12 months	21,273
Later than 1 year but not later than 5 years	9,115
More than 5 years	10,102
Total borrowings	**40,490**

Separately, we have also recognised the following lease liabilities in relation to rental lease arrangement which are denominated in RM:

	Purpose	**Tenure**	**As at 31 December 2025**
			RM'000
Lease liabilities payable within 1 year	Rental of manufacturing facility, warehouses, offices and workers' accommodations	Ranging from 2 years to 3.5 years	495
Lease liabilities payable after 1 year	Rental of manufacturing facility, warehouses, offices and workers' accommodations	Ranging from 2 years to 3.5 years	85
			580

As at LPD, we do not have any borrowings which are non-interest bearing and/ or in foreign currency. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities.

We have not defaulted on payments of principal sums and/ or interests in respect of any of our borrowings throughout FYE 2022 to 2025 and up to LPD.

As at LPD, neither our Company nor any of our subsidiaries are in breach of any terms and conditions or covenants associated with the credit arrangement or bank loan which can materially affect our (a) financial position and results; (b) business operations; or (c) the investments by holders of our securities.

During FYE 2022 to 2025, we did not experience any claw back or reduction in the facilities limit granted to us by our lenders.

In conjunction with our Listing, we have applied to and have obtained conditional approvals from all our financiers to discharge (subject to, amongst others, our Listing) of the guarantees by substituting the same with a corporate guarantee from our Company and/or other securities from our Group acceptable to the financiers. Until such release and/ or discharge are obtained from the respective financiers, our Promoters will continue to guarantee the banking facilities extended to our Group.

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12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

Save as disclosed in Section 12.4 above, we do not have or utilise any other financial instruments or have any other treasury policies. Our cash and cash equivalents are primarily held in RM. All our financial instruments are used towards purchase of property, plant and equipment and for our working capital requirements.

As at LPD, save for our hire purchase payables which are based on fixed rates, our other facilities with licensed financial institutions are based on base rate plus or minus a rate which varies depending on the type of facility.

12.6 MATERIAL CAPITAL COMMITMENTS

Save as disclosed below, we do not have any other material capital commitment as at LPD:

	To be funded from internally generated funds or borrowings	**To be funded from proceeds from our Public Issue**
	RM'000	**RM'000**
Approved and contracted for:		
Implementation of an ERP system(1)	583	-
Approved but not contracted for:		
Capital expenditure for Manufacturing Facility 1(2)	-	1,108
Capital expenditure for Manufacturing Facility 2(3)	-	1,461
	583	**2,569**

Notes:

(1) Further details are as set out in Section 7.19.4.

(2) Further details are as set out in Section 4.9.1(a).

(3) Further details are as set out in Section 4.9.1(b).

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

As at LPD, we are not engaged in any other material litigation, claim or arbitration either as plaintiff or defendant and there is no proceeding pending or threatened or any fact likely to give rise to any proceeding which may have or have had, a material or significant effect on the financial position or profitability of our Group.

As at LPD, our Directors confirm that there are no material contingent liabilities incurred by our Group, which upon becoming enforceable may have a material effect on our Group's business, financial results or position.

12.8 KEY FINANCIAL RATIOS

The key financial ratios of our Group for FYE 2022 to 2025 are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Trade receivables turnover (days) (1)	83	92	87	96
Trade payables turnover (days) (2)	77	82	85	114
Inventory turnover (days) (3)	10	15	19	33
Current ratio (times) (4)	1.1	0.9	1.0	1.2
Gearing ratio (times) (5)	1.5	3.2	1.7	1.1

Notes:

(1) Computed based on the average trade receivables divided by revenue for the respective financial year, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade receivables	25,589	32,310	34,669	41,627
Closing trade receivables	32,310	34,669	41,627	34,449
Average trade receivables	28,950	33,490	38,148	38,038
Revenue	126,948	132,226	160,221	144,442
Average trade receivable turnover period (days)	83	92	87	96

(2) Computed based on the average trade payables divided by purchases for the respective financial year, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade payables	18,715	23,977	23,035	34,128
Closing trade payables	23,977	23,035	34,128	31,138
Average trade payables	21,346	23,506	28,582	32,633
Purchases	100,806	104,491	122,641	104,809
Average trade payable turnover period (days)	77	82	85	114

(3) Computed based on the average inventories divided by cost of sales for the respective financial year, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening inventories	2,775	3,354	6,000	7,728
Closing inventories	3,354	6,000	7,728	13,515
Average inventories	3,065	4,677	6,864	10,622
Cost of sales	107,174	111,640	132,797	117,265
Inventory turnover period (days)	10	15	19	33

(4) Computed based on current assets over current liabilities as at year end for each financial year.

(5) Computed based on the total borrowings over total equity as at year end for each financial year.

12.8.1 Trade receivables turnover period

Our normal trade terms are on cash term and credit period of up to 120 days, from the date of invoice issued to our customer. Our credit period to customers is assessed and approved on a case-by-case basis after taking into consideration various factors such as relationship with customers, customers' payment history and credit worthiness. We use ageing analysis to monitor the credit quality of our trade receivables.

Our average trade receivable turnover periods for FYE 2022 to 2025 were 83 days, 92 days, 87 days and 96 days respectively, which were within our credit period. As at 31 December 2025, we have approximately 400 customers. Our trade receivable turnover period increased as our customers took longer time to process our payment.

The ageing analysis of our trade receivables as at 31 December 2025 is as follows:

	Trade receivables as at 31 December 2025		**Collection from 1 January 2026 up to LPD**	**Balance of trade receivables not collected as at LPD**
	RM'000	**Percentage of trade receivables (%)**	**RM'000**	**RM'000**
	(a)	**(a)/total of (a)**	**(b)**	**(c) = (a)-(b)**
Neither past due nor impaired	28,707	83.3	27,100	1,607
Past due but not impaired:				
- less than 30 days	3,324	9.7	3,284	40
- 31 to 60 days	781	2.3	735	46
- 61 to 90 days	756	2.2	601	155
- over 90 days	881	2.5	657	224
	5,742	16.7	5,277	465
Total	**34,449**	**100.0**	**32,377**	**2,072**

As at LPD, we have collected RM32.38 million or 94.0% of our trade receivables as at 31 December 2025.

Our management monitors closely the recoverability of the trade receivables on a regular basis. As at 31 December 2025, an allowance for impairment losses amounting to RM0.44 million (i.e. collective impairment of RM0.04 million and individual impairment of RM0.40 million) has been made for the trade receivables. Our Board is of the view that the trade receivables are recoverable and no further provision for impairment is required after taking into consideration our relationship with the customers as well as our effort to improve collection with various credit control measures to reduce the potential exposure on credit risk. This is evidenced by our 95.0% collection of our trade receivables subsequent to 31 December 2025.

Our Group has not encountered any major disputes with our debtors.

12.8.2 Trade payables turnover period

Trade payables comprise amounts outstanding for trade purchases. The normal trade terms granted to our Group by third-party manufacturers and our suppliers are cash term and credit periods ranging from 30 to 120 days for FYE 2022 and FYE 2023, 0 to 120 days for FYE 2024 and FYE 2025, calculated from the date of the invoices from third-party manufacturers and/or suppliers.

Our average trade payables turnover period for FYE 2022 to 2025 were 77 days, 82 days, 85 days and 114 days respectively, which were within our credit period. The increase in our trade payables turnover period to 114 days for FYE 2025 was in tandem with the longer trade receivables turnover period, to manage our cash flow by capitalising on the credit terms extended to our Group by our third-party manufacturers and/ or suppliers.

The ageing analysis of our trade payables as at 31 December 2025 is as follows:

	Trade payables as at 31 December 2025		**Payment from 1 January 2026 up to LPD**	**Balance of trade payables unpaid as at LPD**
	RM'000	**Percentage of trade payables (%)**	**RM'000**	**RM'000**
	(a)	**(a)/total of (a)**	**(b)**	**(c) = (a)-(b)**
Within credit period	28,270	90.8	27,633	637
Exceeding credit period:				
- 1 to 30 days	2,669	8.6	2,374	295
- 31 to 60 days	197	0.6	197	-
- More than 60 days	2	<0.1	1	1
	2,868	9.2	2,572	296
Total	**31,138**	**100.0**	**30,205**	**933**

As at LPD, we have paid RM30.21 million or 97.0% of our outstanding trade payables as at 31 December 2025.

As at LPD, we do not have any material disputes in respect of our trade payables and no material legal proceedings to demand for payment have been initiated by our third-party manufacturers and/ or suppliers against us. There are also no disputes regarding trade payables, and our third-party manufacturers and/ or suppliers have not initiated any legal action against us to demand for payments.

12.8.3 Inventory turnover period

Our inventories consist of finished goods, raw materials and packaging materials. Our inventory turnover period for FYE 2022 to 2025 approximates an average of less than 1 month. Our inventory turnover days vary year to year according to our sales orders.

The details of our inventories for FYE 2022 to 2025 are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Raw materials	134	276	546	956
Packaging materials	475	707	1,230	3,105
Work-in-progress	-	-	8	68
Finished goods	2,745	5,017	5,944	9,386
	3,354	**6,000**	**7,728**	**13,515**

We update our inventory level daily and our purchase & planning department conducts fortnightly meeting to review our inventory level and inventory ageing. Approval is required from authorised personnel at management level for replenishment of stocks and impairment on slow moving stocks. Our inventory turnover period for FYE 2025 of 33 days was higher than the inventory turnover period for FYE 2024 of 19 days. This was mainly due to higher finished goods and packaging materials towards the end of FYE 2025 in line with the increase in orders for the festive seasons in early FYE 2026 whilst the higher inventory of raw materials was attributable to the inclusion of Kasaga's inventories into our Group.

Our Group practices "first-in, first-out" basis in computing the cost of inventories. The costs of inventories include invoiced value of goods purchased, expenditure incurred in acquiring inventories and production expenditure.

12.8.4 Current ratio

Our current ratios as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 are as follows:

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	44,087	50,924	65,182	66,463
Current liabilities	39,303	56,151	63,379	57,885
Net current assets/ (liabilities)	**4,784**	**(5,227)**	**1,803**	**8,578**
Current ratio (times)	1.1	0.9	1.0	1.2

Our current ratio as at 31 December 2023 was 0.9 times which is below 1.0 times. This was mainly due to the following:

(a) the acquisition cost of HSS HQ and Vacant Land 2 of RM16.68 million, of which (i) RM11.97 million was financed via term loan; and (ii) cash payment of RM4.71 million for the remaining sum; and

(b) our Group relocated our production to Manufacturing Facility 1 between November and December 2023. Arising thereto, our Group incurred RM3.69 million (comprising machinery, tools and equipment as well as renovation) for Manufacturing Facility 1 which was mainly paid for in cash.

The improved collection from our Group's trade receivables resulted in our current ratio improving to 1.0 times as at 31 December 2024 and 1.2 times as at 31 December 2025.

Our Group's current ratio of more than 1.0 times as at 31 December 2024 and 31 December 2025 indicates that our Group is capable of meeting our short-term obligations as our current assets, which can be readily converted to cash, together with our cash in the bank are sufficient to meet our current liabilities.

12.8.5 Gearing ratio

Our gearing ratios as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 are as follows:

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total borrowings⁽¹⁾	21,698	46,399	44,641	40,490
Total equity	14,138	14,632	25,862	35,573
Gearing ratio (times)	1.5	3.2	1.7	1.1

Note:

(1) Excluding lease liabilities which are rental commitment for rented factories, office and workers' accommodations, which amounted to RM1.52 million, RM1.46 million, RM0.74 million and RM0.58 million as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, respectively.

Our Group's gearing ratio increased from 1.5 times as at 31 December 2022 to 3.2 times as at 31 December 2023. This was attributable to the increase in total borrowings arising from higher outstanding balances of bankers' acceptance for the purchase of raw materials, packaging materials, and finished goods, higher term loan mainly arising from drawdown of 1 term loan to finance the purchase of HSS HQ and Vacant Land 2 as well as higher hire purchase payables to finance the purchase of motor vehicles as at 31 December 2023.

Our Group's gearing ratio decreased from 3.2 times as at 31 December 2023 to 1.7 times as at 31 December 2024. This was attributable to the scheduled repayments of borrowings and increase in equity as a result of share application money of RM9.18 million which represented money received from our holding company (i.e. Valura Group) pending allotment of shares in HCF (RM7.68 million) and LHMC (RM1.50 million), and higher retained earnings recorded resulting from higher PAT achieved in FYE 2024 (31 December 2023: RM13.26 million and 31 December 2024: RM15.06 million), as well as scheduled repayments of borrowings in FYE 2024. The money received from share application money of RM9.18 million is used for our working capital requirements.

Our Group's gearing ratio decreased from 1.7 times as at 31 December 2024 to 1.1 times as at 31 December 2025. This was attributable to the higher retained earnings recorded as a result of higher PAT achieved in FYE 2025 (31 December 2024: RM15.06 million and 31 December 2025: RM23.19 million), and the scheduled repayments of borrowings in FYE 2025.

12.9 SIGNIFICANT FACTORS AFFECTING OUR REVENUE

Section 9 details a number of risk factors relating to our business and the industry in which we operate in. The main factors which affect our financial performance include but not limited to the following:

(a) Our business operation depends on a stable supply of products and our business relationship with our third-party manufacturers

Our Group's bakery products are mainly sourced from third party manufacturers. Our reliance on third party manufacturers, may expose us to supply chain disruptions. If our third-party manufacturers experience factors such as prolonged shortages of products, operational issues, or financial difficulties, their ability to fulfil their obligations towards us may be adversely impacted. This may impact our ability to meet our customers' needs and subsequently lead to lost sales, which may negatively affect our financial performance.

Further, our Group has strived to establish and maintain long-lasting business relationships with our third-party manufacturers for a constant and sufficient supply of products. As such, any adverse changes to the business relationship between our Group and our major third-party manufacturers may result in disruptions to our business operations, arising from an unstable supply of products, which could adversely affect our financial performance.

Please refer to Section 9.1.1 for further details.

(b) We may be exposed to disruptions in our operations

Unanticipated disruptions such as power shortages or damage to our machinery or equipment could interrupt or suspend our operations, either partially or completely. Failure to meet delivery deadlines due to disruptions may in turn result in the loss of business and claims against us. Such incidents may damage our Group's reputation and affect our business relationships with our customers, thereby having an adverse effect on our financial performance and profitability.

Our warehouses and manufacturing facilities may face disruptions or unplanned shutdowns due to events beyond our control, such as fire, power failure, floods, or interruptions in the water supply. If any of these events occur, we may experience prolonged disruptions, unplanned shutdowns, and damage to our warehouses or manufacturing facilities, which would have a material and adverse impact on our business and financial performance. For FYE 2022 to 2025 and up to LPD, we have not experienced any material disruptions in our operations.

Please refer to Section 9.1.2 for further details.

(c) We face the risk of food contamination

As we are involved in the manufacturing of bakery products, we are exposed to food contamination throughout the production process. Additionally, we source finished goods from third-party manufacturers. Our third-party manufacturers may also be exposed to food contamination during the production process of the various finished goods that we source from them. For FYE 2022 to 2025 and up to LPD, we have not experienced any incidents of food contamination.

Please refer to Section 9.1.3 for further details.

(d) We are exposed to the risk of disruptions in the delivery of our products

Our products are delivered to customers through either our in-house fleet of vehicles or third-party logistics providers. As such, we are exposed to delivery disruptions such as delivery delays or failure to deliver due to factors such as natural disasters and adverse weather conditions. Delivery delays or lost deliveries will affect our customers' product availability, which may lead to stock shortages at their outlets and impacting their sales performance. Such instances may lead to a negative impact on our brand name and reputation, which subsequently leads to a loss of revenue. Such instances may adversely affect our future financial performance.

While we have not experienced any delivery disruptions during FYE 2022 to 2025 and up to LPD that have had a material adverse impact on our business and financial performance, there can be no assurance that we will not experience any delivery disruptions in the future that could have a material adverse impact on our business and financial performance.

Please refer to Section 9.1.5 for further details.

(e) We are subject to stringent food regulations, hygiene standards, and licensing requirements

We are subject to various laws and regulations related to food safety, handling and storage, hygiene standards, and Certificate of Halal Authentication for our products. As such, we are required to obtain the necessary licences and permits from the relevant authorities to operate our business. If we are unable to comply with the pertinent laws and regulations as well as the conditions of our licences and permits, our licences and permits may be suspended or revoked. Additionally, if the laws and regulations relevant to our business are changed or new laws and regulations are introduced in the future, there can be no assurance that our Group will be able to comply accordingly. This may also lead to a suspension or revocation of our licences and permits. Failure to obtain and/ or renew the relevant licences and permits, including the Certificate of Halal Authentication, will likely have a material adverse effect on our product supply chain, business operations and financial performance.

Please refer to Section 9.2.1 for further details.

(f) We operate in a competitive industry

We operate in a highly competitive bakery products market. We face competition from existing competitors as well as potential new market entrants for distributing similar products in the industry. Generally, we compete with our competitors on factors such as product pricing and quality, delivery times, reputation, and customer service. We strive to increase our competitiveness to stay ahead of the competition. Our Group constantly seeks to strengthen our branding and provide high-quality products with excellent service to our customers. However, there can be no assurance that our Group will be able to compete effectively with existing and new competitors in the future, given the competitive market environment.

Please refer to Section 9.2.2 for further details.

12.10 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are set out in Section 9.

12.11 IMPACT OF INFLATION

During FYE 2022 to 2025, our financial performance was not materially affected by inflation. However, there is no assurance that our financial performance will not be adversely affected by inflation moving forward. Any significant increase in our cost of sales in the future may adversely affect our operations and performance if we are unable to pass on the higher costs to our customers through an increase in selling prices.

12.12 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/ OR COMMODITY PRICES

12.12.1 Impact of foreign exchange rates

Our revenue and actual purchases transactions are principally denominated in RM. Our revenue and actual purchases denominated in local and foreign currencies are as follows:

	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Revenue denominated in:								
RM	104,585	82.4	109,750	83.0	131,731	82.2	121,231	83.9
SGD	22,363	17.6	22,476	17.0	28,074	17.5	23,211	16.1
USD	-	-	-	-	416	0.3	-	-
	126,948	**100.0**	**132,226**	**100.0**	**160,221**	**100.0**	**144,442**	**100.0**

	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Actual purchases denominated in:								
RM	99,323	98.0	104,037	97.1	120,091	96.6	106,782	97.9
IDR	1,664	1.6	2,689	2.5	3,602	2.9	2,067	1.9
CNY	391	0.4	412	0.4	675	0.5	160	0.2
SGD	7	<0.1	-	-	-	-	21	<0.1
	101,385	**100.0**	**107,138**	**100.0**	**124,368**	**100.0**	**109,030**	**100.0**

We are exposed to transactional currency exposure as approximately 17.6% and 17.0% of our revenue were denominated in SGD for FYE 2022 and 2023, 17.8% of our revenue was denominated in SGD and USD for FYE 2024, and 16.1% of our revenue was denominated in SGD for FYE 2025, respectively. For actual purchases, approximately 2.0%, 2.9%, 3.4% and 2.1% of our total actual purchases were denominated in IDR, CNY and SGD for FYE 2022 to 2025 respectively.

As such, we are exposed to foreign currency fluctuation risk. Although the majority of our transactions are conducted in RM, any unfavourable fluctuation in foreign currency rates may have an adverse impact on our financial performance. A depreciation of the RM against the currencies in which we transact will lead to higher revenue in RM after conversion, whereas it will also lead to higher purchases in RM after conversion. Conversely, appreciation of the RM against the currencies in which we transact will lead to lower revenue and lower purchases in RM after conversion.

A sensitivity analysis performed on our Group's foreign currency financial assets and liabilities as at 31 December 2025 indicates that, in the event of a 5% fluctuation of RM against SGD, our PAT for FYE 2025 would fluctuate by RM0.30 million. An appreciation of RM against the SGD may adversely affect our financial performance and GP margin.

12.12.2 Impact of interest rates

Interest coverage ratio measures the number of times a company can make its interest payments with its EBIT. Our interest coverage ratio for FYE 2022 to 2025 is as follows:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Interest coverage ratio (times)(1)	9.8	5.6	5.7	6.2

Note:

(1) Computed based on EBIT over finance costs for FYE 2022 to 2025.

Our interest coverage ratio ranges from 5.6 to 9.8 times for FYE 2022 to 2025, which indicates that our Group has been able to generate sufficient profits from operations to meet our interest serving obligations.

Our Group's financial results from FYE 2022 to 2025 were not materially affected by fluctuations in interest rates. However, any major increase in interest rates would raise the cost of our borrowings and our finance costs, which may have an adverse effect on the performance of our Group.

12.12.3 Impact of commodity prices

Our Group's raw materials are mainly food ingredients such as flour, edible oil, margarine, egg, sugar and nuts. These raw materials are mostly available in Malaysia and are sourced from our large base of suppliers.

The raw materials used by our Group, including but not limited to wheat, cocoa powder, palm oil, sugar and groundnuts, are commodities and may experience fluctuations in price due to global economic factors, geopolitical tensions, environmental crises, diseases in crops, as well as changes in demand and supply. Any adverse changes in such commodity prices will raise our cost of sales and may have an adverse effect on us. However, any such price increase will affect the entire bakery product market in Malaysia. We will generally pass on such price increase to our customers (wherever possible) to minimise the impact on our financial performance. We were not directly affected by major fluctuations in the prices of raw materials during FYE 2022 to 2025.

12.13 ORDER BOOK

We do not enter into long-term contracts with our customers as our sales are transacted based on purchase orders from our customers on an ongoing basis. Due to the nature of our business, we do not maintain an order book.

12.14 DIRECTORS' STATEMENT ON OUR GROUP'S FINANCIAL PERFORMANCE

During FYE 2022 to 2025, the Board takes cognisance that our selling and distribution, and administrative expenses increased at a higher rate than revenue, and that our PAT growth has been supported by the increase in other income. Notwithstanding this, our Board considers our business and earnings to be sustainable moving forward.

During FYE 2022 to 2025, the increase in our Group's selling and distribution expenses was mainly due to business expansion, including higher staff costs from additional hires, increased sales commissions and bonuses, as well as higher depreciation and transportation costs from the acquisition of additional lorries and delivery vehicles. Administrative expenses increased due to the recruitment of additional personnel to support our business expansion and bonus payouts to existing staff. These costs are variable and may not increase at the same rate moving forward. The increases in depreciation and transportation costs reflect the initial build-up of the delivery fleet and higher delivery volumes, including vehicles deployed under the van sales programme. These costs are associated with our Group's initial expansion and are not expected to increase at the same rate moving forward.

Our Group's sustainability is further supported by planned operational efficiency measures such as warehouse automation as well as new and upgraded production lines, which will be funded via IPO proceeds, details of which are set out in Section 4.9.1. Our Group also plans to undertake a strategic shift toward higher-margin manufacturing activities and an increased focus on own-brand products, which consistently generated stronger gross margins. Additionally, growth in other income, particularly from the van sales programme, reflects expanded distribution reach and higher committed sales volumes.

Moving forward, our Board is of the opinion that:

(a) our revenue will remain sustainable with an upward growth trend, in line with the long term growth in the bakery products market as set out in the IMR Report;

(b) our liquidity will improve subsequent to the Public Issue given the additional funds to be raised for us to carry out our business strategies as stated in Section 7.19; and

(c) our capital resources will strengthen, considering the proceeds to be raised from the Public Issue as well as from internally generated funds. We may consider debt or equity funding for our business expansion should the need arise.

In addition to the above, our Board confirms that there are no circumstances which would result in a significant decline in our revenue and GP margin or known factors that are likely to have a material impact on our liquidity, revenue or profitability.

12.15 TREND INFORMATION

Based on our track record for FYE 2022 to 2025, the following trends may continue to affect our business:

(a) revenue contribution from cakes as well as biscuits and cookies have been the main revenue contributors of our business. We expect these two product categories to continue contributing significantly to our revenue in the future;

(b) for FYE 2022 to 2025, our revenue was primarily derived from Malaysia and Singapore. We expect this trend to continue in the future;

(c) the main components of our cost of sales are purchases comprising finished goods, packaging materials and raw materials which accounted for more than 89.4% of our total cost of sales during FYE 2022 to 2025. Moving forward, our cost of sales is expected to fluctuate in tandem with the growth of our business and would depend on amongst others, the availability and price fluctuation of our purchases; and

(d) we achieved GP margin of between 15.6% and 18.8% for FYE 2022 to 2025 respectively. We hope to maintain our GP margin within the same range in the future. This would depend on, amongst others, our continued ability to manage our costs efficiently and our revenue segmentation in the future.

As at LPD, our financial performance, position and operations are not affected by any of the following:

(a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have a material favourable or unfavourable impact on our financial performance, position and operations, save as disclosed in Sections 8, 9 and 12;

(b) material commitments for capital expenditure as disclosed in Section 12.6;

(c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as discussed in Sections 9 and 12.2;

(d) known trends, demands, commitments, events or uncertainties that have resulted in a substantial increase in our revenue and/ or profit save as disclosed in Section 12.2, business and industry overview, as set out in Sections 7 and 8, and business strategies as set out in Section 7.19;

(e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our historical financial statements not indicative of the future financial performance and position, save as disclosed in Sections 9 and 12; and

(f) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our liquidity and capital resources, save as disclosed in Sections 7, 9 and 12.

Based on the above, our Board is optimistic about the future prospects of our Group given the outlook of the bakery products market in Malaysia as set out in the IMR Report in Section 8, our competitive strengths as set out in Section 7.18 and our commitment to implement the business strategies as set out in Section 7.19.

12.16 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. Our ability to pay dividends or make other distributions to our shareholders in the future years is subject to various factors such as having profits and excess funds, which are not required to be retained to fund our business.

As we are a holding company, our ability to declare and pay dividends or make other distributions to our shareholders is dependent upon the dividends we receive from our subsidiaries, present and future. The payment of dividends by our subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of Directors deem relevant. Save for certain restrictive covenants from our credit facilities, which our subsidiaries are subject to, there is no other dividend restriction imposed on our subsidiaries as at LPD.

Our Board will consider the following factors (which may not be exhaustive) when declaring any dividends:

(a) the level of cash and level of indebtedness;

(b) required and expected interest expenses, cash flows, profits, return on equity and retained earnings;

(c) our expected results of operations and future level of operations;

(d) our projected levels of capital expenditure and other investment plans; and

(e) the prior consent from our lenders, if any.

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

Our Company may from time to time propose and approve dividends or other distributions. However, no dividend or distribution shall be declared in excess of the amount recommended by our Board. Further, under the Act, our Company may not declare or pay dividend, if there are reasonable grounds for believing that:

(a) our Company is, or would after the payment, be unable to pay our liabilities as they become due; or

(b) the realisable value of our assets would thereby be less than our liabilities.

For FYE 2022 to 2025 and up to LPD, our Group declared and paid the following dividends to the shareholders of our subsidiaries:

	Audited				**Unaudited**
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**1 January 2026 up to LPD**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Dividends declared	2,500	5,000	6,000	500	(1)2,500
Dividends paid	2,500	3,000	8,000	500	-

Note:

(1) Dividends of RM2.50 million was declared in April 2026 in respect of FYE 2025. Such dividends were paid on 28 May 2026.

The above dividends were funded from internally generated funds of our subsidiaries. The dividends will not affect the execution and implementation of our future plans or business strategies. Together with the proceeds from our Public Issue, we believe that we have sufficient cash from operations and bank borrowings to fund our operations and expansion plans.

Save as disclosed above, we do not intend to declare or pay any dividend prior to our Listing.

No inference should or can be made from any of the above statements as to our actual future profitability or our ability to pay dividends in the future.

12.17 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness based on our latest unaudited financial information as at 31 March 2026 and adjusting for the effects of the Acquisitions and subsequent events, Public Issue and utilisation of proceeds.

	Unaudited	**I**	**II**	**III**
	As at 31 March 2026	**After Acquisitions and subsequent events**	**After I and our Public Issue**	**After II and utilisation of proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Capitalisation				
Shareholders' equity	39,672	37,172	50,650	47,150
Total capitalisation	**39,672**	**37,172**	**50,650**	**47,150**
Indebtedness⁽¹⁾				
Non-current				
Borrowings	18,304	18,304	18,304	14,258
Lease liabilities⁽²⁾	51	51	51	51
Current				
Borrowings	26,419	22,727	22,727	22,273
Lease liabilities⁽²⁾	345	345	345	345
Total indebtedness	**45,119**	**41,427**	**41,427**	**36,927**
Total capitalisation and indebtedness	**84,791**	**78,599**	**92,077**	**84,077**
Gearing ratio⁽³⁾ (times)	**1.14**	**1.11**	**0.82**	**0.78**

Notes:

(1) All our indebtedness are secured and guaranteed.

(2) Excluding lease liabilities in relation to rental lease agreement.

(3) Calculated based on the total indebtedness over total capitalisation.

Crowe

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Date: 0 7 MAY 2026

The Board of Directors
HSS Holdings Berhad
No. 17386 Parit Raja Sari
Jalan Parit Hulu
Bukit Bakri
84200 Muar, Johor

Dear Sirs

REPORTING ACCOUNTANTS' OPINION ON THE FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF HSS HOLDINGS BERHAD ("HSS Holdings" OR "The Company")

OPINION

We have audited the financial information of HSS Holdings and its subsidiaries, namely H.S.S. Confectionery Foodstuff Sdn. Bhd., Lotus Home Made Cookies Sdn. Bhd. and Kasaga Bakery Sdn. Bhd. ("the Group"), which comprises the combined/consolidated statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and the combined/consolidated statements of profit or loss and other comprehensive income, combined/ consolidated statements of changes in equity and combined/consolidated statements of cash flows for each of the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and notes to the combined/consolidated financial statements including material accounting policy information as set out on pages 4 to 85.

This historical financial information has been prepared for inclusion in the prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued shares capital of HSS Holdings on the ACE Market of Bursa Malaysia Securities Berhad. This report is required by the Prospectus Guidelines issued by Securities Commission Malaysia ("Prospectus Guidelines") and is given for the purpose of complying with Chapter 10 of the Prospectus Guidelines and for no other purpose.

In our opinion, the financial information gives a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of their financial performance and their cash flows for each of the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Information section* of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL INFORMATION

The directors of the Company ("the Directors") are responsible for the preparation of the financial information of the Group that give a true and fair view in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial information of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the financial information of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the financial information of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial information.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:p

- Identify and assess the risks of material misstatement of the financial information of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL INFORMATION (CONT'D)

- Evaluate the overall presentation, structure and content of the financial information of the Group, including the disclosures, and whether the financial information of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial information of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RESTRICTION ON DISTRIBUTION AND USE

We understand that this report will be used solely for the purpose of inclusion in the prospectus of HSS Holdings in connection with the listing of and quotation for its entire enlarged number of issued ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Crowe

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Goh Siow Yen
03557/03/2027 J
Chartered Accountant

Muar, Johor Darul Takzim

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		Audited As at 31 December			
	Note	**2022** RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	17,786	40,887	45,837	43,527
Investment properties	5	-	622	2,519	2,210
Right-of-use assets	6	1,484	1,428	706	552
Intangible assets	7	36	36	36	36
Financial assets at fair value through profit or loss	8	538	557	576	539
		19,844	43,530	49,674	46,864
CURRENT ASSETS					
Inventories	9	3,354	6,000	7,728	13,515
Trade receivables	10	32,310	34,669	41,627	34,449
Other receivables, deposits and prepayments	11	1,279	1,720	2,125	4,497
Amount owing by related parties	12	323	347	-	-
Current tax assets		85	144	198	84
Fixed deposits with licensed banks	13	-	-	-	2,392
Short-term investment	14	-	-	-	800
Cash and bank balances		6,736	8,044	13,504	10,726
		44,087	50,924	65,182	66,463
TOTAL ASSETS		63,931	94,454	114,856	113,327

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

		Audited As at 31 December			
	Note	**2022** RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	1,340	1,370	1,620	25,174
Shares application money	16	-	-	9,180	-
Re-organisation reserve	17	-	-	-	(12,794)
Retained profits		12,798	13,262	15,062	23,193
TOTAL EQUITY		14,138	14,632	25,862	35,573
NON-CURRENT LIABILITIES					
Borrowings	18	9,843	22,735	25,095	19,217
Lease liabilities	19	420	682	266	85
Deferred tax liabilities	20	227	254	254	567
		10,490	23,671	25,615	19,869
CURRENT LIABILITIES					
Trade payables	21	23,977	23,035	34,128	31,138
Other payables and accruals	22	1,668	2,481	5,992	4,234
Amount owing to holding company	23	-	3,997	2,342	-
Amount owing to a director	24	1	-	-	-
Borrowings	18	11,855	23,664	19,546	21,273
Lease liabilities	19	1,097	777	472	495
Dividend payable	25	-	2,000	-	-
Current tax liabilities		705	197	899	745
		39,303	56,151	63,379	57,885
TOTAL LIABILITIES		49,793	79,822	88,994	77,754
TOTAL EQUITY AND LIABILITIES		63,931	94,454	114,856	113,327

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Audited			
		Financial Year Ended 31 December			
		2022	2023	2024	2025
	Note	RM'000	RM'000	RM'000	RM'000
REVENUE	26	126,948	132,226	160,221	144,442
COST OF SALES		(107,174)	(111,640)	(132,797)	(117,265)
GROSS PROFIT		19,774	20,586	27,424	27,177
OTHER INCOME		1,206	1,252	1,883	4,091
SELLING AND DISTRIBUTION EXPENSES		(5,476)	(6,340)	(8,501)	(8,861)
ADMINISTRATIVE EXPENSES		(4,451)	(5,349)	(7,058)	(7,853)
OTHER EXPENSES		(575)	(539)	(513)	(361)
FINANCE COSTS	29	(1,030)	(1,728)	(2,262)	(2,272)
NET (IMPAIRMENT LOSSES)/ REVERSAL OF IMPAIRMENT ON FINANCIAL ASSETS	30	(295)	108	(173)	(53)
PROFIT BEFORE TAX	31	9,153	7,990	10,800	11,868
INCOME TAX EXPENSE	32	(2,714)	(2,526)	(3,000)	(3,280)
PROFIT AFTER TAX AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		6,439	5,464	7,800	8,588
PROFIT AFTER TAX ATTRIBUTABLE TO:					
Owners of the Company		6,439	5,464	7,800	8,472
Non-controlling interests		-	-	-	116
		6,439	5,464	7,800	8,588
EARNINGS PER SHARE (RM)					
Basic	33	4.81	3.99	4.81	0.02
Diluted		N.A	N.A	N.A	N.A

Note:
N.A – Not applicable. There are no dilutive potential equity instruments that would give a diluted effect to the basic earnings per share.

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Non Distributable		**Distributable**	
	Note	**Invested capital** RM'000	**Share application money** RM'000	**Retained profits** RM'000	**Total equity** RM'000
Audited					
Balance at 1 January 2022		1,328	-	8,859	10,187
Profit after tax and total comprehensive income for the financial year		-	-	6,439	6,439
Contributions by and distributions to owners of the Company:					
- Issuance of shares	15	12	-	-	12
- Dividends	34	-	-	(2,500)	(2,500)
Balance at 31 December 2022		1,340	-	12,798	14,138
Audited					
Balance at 1 January 2023		1,340	-	12,798	14,138
Profit after tax and total comprehensive income for the financial year		-	-	5,464	5,464
Contributions by and distributions to owners of the Company:					
- Issuance of shares	15	30	-	-	30
- Dividends	34	-	-	(5,000)	(5,000)
Balance at 31 December 2023		1,370	-	13,262	14,632
Audited					
Balance at 1 January 2024		1,370	-	13,262	14,632
Share application money	16	-	9,180	-	9,180
Profit after tax and total comprehensive income for the financial year		-	-	7,800	7,800
Contributions by and distributions to owners of the Company:					
- Issuance of shares	15	250	-	-	250
- Dividends	34	-	-	(6,000)	(6,000)
Balance at 31 December 2024		1,620	9,180	15,062	25,862

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

				Non Distributable		**Distributable**			
	Note	**Share capital** RM'000	**Invested capital** RM'000	**Re-organisation reserve** RM'000	**Share application money** RM'000	**Retained profits** RM'000	**Attributable to Owners of the Company** RM'000	**Non-controlling interest** RM'000	**Total equity** RM'000
Audited									
Balance at 1 January 2025		-	1,620	-	9,180	15,062	25,862	-	25,862
Profit after tax and total comprehensive income for the financial year		-	-	-	-	8,472	8,472	116	8,588
Contributions by and distributions to owners of the Company:									
- Issuance of shares	15	*	-	-	-	-	*	-	*
- Issuance of shares for the acquisition of the subsidiaries		25,174	(10,800)	(12,794)	-	-	1,580	-	1,580
- Utilisation of share application money for issuance of ordinary shares in subsidiaries		-	9,180	-	(9,180)	-	-	-	-
- Dividends paid by subsidiary (before acquisition of the subsidiary)	34	-	-	-	-	(500)	(500)	-	(500)
Acquisition of a subsidiary		-	-	-	-	-	-	438	438
Acquisition of non-controlling interests in a subsidiary		-	-	-	-	159	159	(554)	(395)
Balance at 31 December 2025		25,174	-	(12,794)	-	23,193	35,573	-	35,573

* Represents amount less than RM500.

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF CASH FLOWS

		Audited Financial year ended 31 December			
	Note	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		9,153	7,990	10,800	11,868
Adjustments for:					
Bargain purchase gain on the acquisition of a subsidiary		-	-	-	(137)
Depreciation of investment properties		-	6	23	38
Depreciation of property, plant and equipment		1,085	1,286	2,187	2,652
Depreciation of right-of-use assets		786	1,256	805	628
Loss/(Gain) on disposal of property, plant and equipment		5	9	(56)	(311)
Gain on disposal of investment property		-	-	-	(1,615)
Gain on derecognition due to lease modification		-	(3)	*	*
Gain on reassessment/modification of lease		-	-	2	-
Gain on change in fair value of financial assets at fair value through profit or loss		(23)	(19)	(19)	(19)
Reversal of impairment losses on trade receivables		(21)	(279)	(92)	(215)
Allowance of impairment loss on trade receivables		316	171	265	268
Property, plant and equipment written off		128	303	191	132
Unrealised (gain)/loss on foreign exchange		(249)	(380)	43	23
Interest expenses on leases liabilities		87	99	72	50
Interest expenses		872	1,581	2,157	2,185
Interest income		(136)	(82)	(122)	(57)
Operating profit before working capital changes		12,003	11,938	16,256	15,490
Inventories		(579)	(2,646)	(1,728)	(4,220)
Trade receivables		(7,015)	(2,251)	(7,185)	7,130
Other receivables, deposits and prepayments		553	(400)	(169)	(1,528)
Trade payables		5,262	(942)	11,091	(3,958)
Other payables and accruals		308	50	3,897	(3,332)
CASH FROM OPERATIONS		10,532	5,749	22,162	9,582
CARRIED FORWARD		10,532	5,749	22,162	9,582

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

		Audited Financial year ended 31 December			
		2022	**2023**	**2024**	**2025**
	Note	RM'000	RM'000	RM'000	RM'000
BROUGHT FORWARD		10,532	5,749	22,162	9,582
Interest paid		-	(3)	(3)	(1)
Interest received		136	82	122	57
Tax paid		(2,388)	(3,066)	(2,352)	(3,380)
Tax refund		12	-	-	254
NET CASH FROM OPERATING ACTIVITIES		8,292	2,762	19,929	6,512
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary		-	-	-	40
Proceeds from disposal of investment property		-	-	-	3,500
Proceeds from disposal of property, plant and equipment		7	178	143	3,934
Purchase of property, plant and equipment	35(a)	(5,168)	(21,428)	(6,157)	(2,144)
Deposit paid for purchase of property, plant and equipment		(303)	(160)	(419)	(573)
Increase in fixed deposits with tenure more than 3 months		-	-	-	(2,002)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(5,464)	(21,410)	(6,433)	2,755
CARRIED FORWARD		2,828	(18,648)	13,496	9,267

The annexed notes form an integral part of these financial statements.

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

COMBINED/CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

		Audited Financial year ended 31 December			
	Note	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
BROUGHT FORWARD		2,828	(18,648)	13,496	9,267
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Net advance from/(payment to) holding company		-	4,000	(1,558)	(2,442)
Net (advance to)/repayment from related party		(323)	(7)	330	-
Dividends paid		(2,500)	(3,000)	(8,000)	(500)
Drawdown of bankers' acceptances	35(b)	38,386	55,043	55,863	64,365
Drawdown of term loans	35(b)	5,686	12,460	5,334	181
Interest paid	35(b)	(959)	(1,677)	(2,226)	(2,234)
Proceed from issuance of ordinary shares		12	30	250	*
Proceed from surrender of investment in life insurance		-	-	-	56
Proceeds from share application money		-	-	9,180	-
Repayment of bankers' acceptances	35(b)	(38,509)	(44,090)	(61,191)	(62,317)
Repayment of hire purchase payables	35(b)	(512)	(747)	(1,486)	(1,780)
Repayment of lease liabilities	35(b)	(757)	(1,255)	(806)	(640)
Repayment of term loans	35(b)	(2,744)	(1,181)	(3,739)	(5,603)
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(2,220)	19,576	(8,049)	(10,914)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		608	928	5,447	(1,647)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		249	380	13	(31)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		5,879	6,736	8,044	13,504
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35(d)	6,736	8,044	13,504	11,826

* Represents amount less than RM500.

The annexed notes form an integral part of these financial statements.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

(a) The Company was incorporated in Malaysia as a private limited liability company on 11 April 2025 under the Companies Act 2016.

(b) On 10 September 2025, the Company was converted from a private company to a public company limited by shares and assumed its present name of HSS Holdings Berhad ("HSS Holdings").

(c) The Company is principally engaged as investment holding. The details of its subsidiaries, which are incorporated in Malaysia, are as follows:

Name of Company	**Date of incorporation**	**Equity Interest**	**Principal activities**
H.S.S. Confectionery Foodstuff Sdn. Bhd. ("HCF")	19 May 2006	100%	Sourcing of bakery products, trading of bakery and other products
Lotus Home Made Cookies Sdn. Bhd. ("LHMC")	9 October 2014	100%	Manufacturing of biscuits and cookies
Kasaga Bakery Sdn. Bhd. (Kasaga)	10 August 2023	100%	Manufacturing of cakes

The Company and its subsidiaries namely HCF, LHMC and Kasaga shall be collectively referred to as "the Group" hereinafter.

(d) The registered office and principal place of business of the Group are as follows:

Subsidiaries	Registered office	Principal place of business
HSS Holdings	No. 7 (1st Floor), Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri, 84000 Muar Johor	No. 17386, Parit Raja Sari Jalan Parit Hulu Bukit Bakri 84200 Muar, Johor
HCF	No. 7 (1st Floor), Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri, 84000 Muar Johor	No. 17386, Parit Raja Sari Jalan Parit Hulu Bukit Bakri 84200 Muar, Johor
LHMC	No. 7 (1st Floor), Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri, 84000 Muar Johor	Lot 11507, Jalan Perindustrian 1/1 Kawasan Perindustrian Parit Jamil Parit Jawa, 84150 Muar, Johor
Kasaga	No. 7 (1st Floor), Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri, 84000 Muar Johor	No. 18 & 20, Jalan Perusahaan 1 Kawasan Perindustrian Parit Hulu Jalan Parit Hulu Mukim Jalan Bakri 84200 Muar, Johor

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION (CONT'D)

(e) As an integral part of listing the Company on the ACE Market of Bursa Malaysia Securities Berhad, the Company entered into 3 share sale agreements and completed on 8 August 2025 the following acquisitions:

(i) 100% equity interest each in HCF and LHMC from Valura Group; and

(ii) 75% and 25% equity interest in Kasaga from Valura Group and a non-controlling interest shareholder respectively.

Collectively referred to as "the Acquisitions" hereinafter.

Internal Reorganisation: On 15 December 2023, Valura Group acquired 100% equity interest each in HCF and LHMC by way of shares swap and these acquisitions were accounted for as a business combination under common control. On 1 April 2025, Valura Group acquired 75% equity interest in Kasaga and this acquisition was accounted for as a business combination in accordance with MFRS 3 Business Combinations. Therefore, the acquisitions of 100% equity interest in HCF, 100% equity interest in LHMC and 75% equity interest in Kasaga on 8 August 2025 were accounted for as an internal reorganisation.

Acquisition of Non-Controlling Interest in a subsidiary: The acquisition of remaining 25% equity interest in Kasaga from a non-controlling shareholder on 8 August 2025 was accounted for as an equity transaction in accordance with MFRS 10 *Consolidated Financial Statements*, as control had already been established. Accordingly, the carrying amount of the non-controlling interests at the date of acquisition is derecognised and the difference between the consideration paid and the carrying amount of the non-controlling interests is recognised directly in equity attributable to owners of the Company. The Group recognised a decrease in non-controlling interests of RM553,732 and an increase in retained profits of RM158,768.

Following the completion of the Acquisitions on 8 August 2025, HCF, LHMC and Kasaga became wholly owned subsidiaries of the Company, whilst Valura Group became the holding company of the Company.

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HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

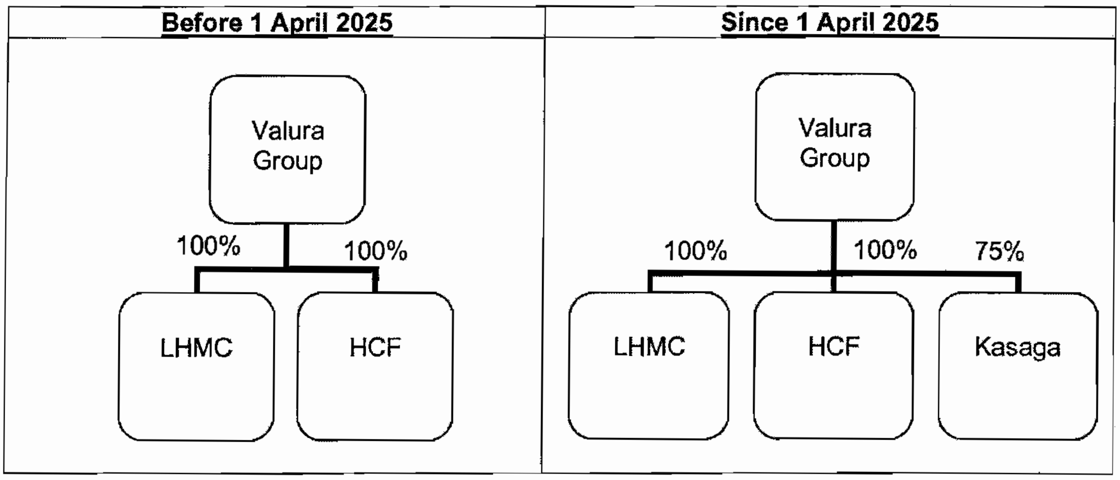
ACCOUNTANTS' REPORT

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

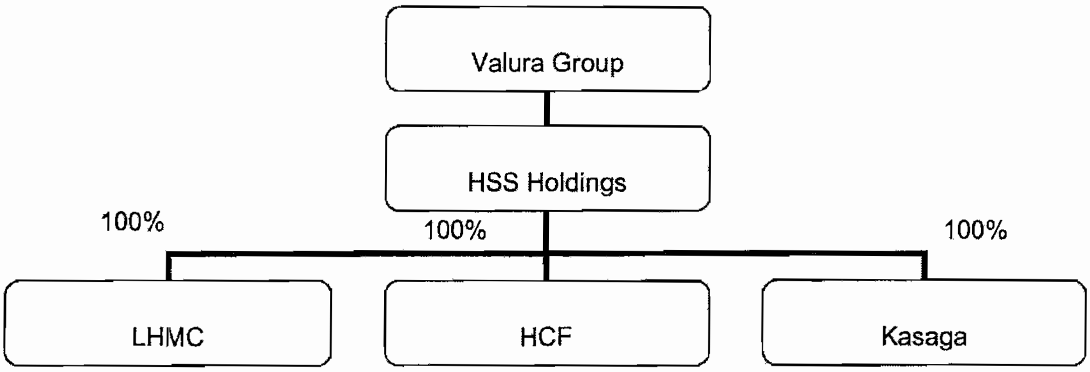
1. GENERAL INFORMATION (CONT'D)

The group structures before and after the Acquisitions are depicted below:

Before the Acquisitions



After the Acquisitions



2. BASIS OF PREPARATION

(a) As the Acquisitions were only completed on 8 August 2025, there are no consolidated financial statements of HSS Holdings for financial years ended 31 December 2022, 2023 and 2024.

As the acquisition of 75% and 100% equity interest in Kasaga by Valura Group and HSS Holdings were completed on 1 April 2025 and 8 August 2025 respectively, the results of Kasaga were incorporated into the combined/consolidated financial statements of HSS Holdings based on the respective equity interest for the relevant periods during the financial year ended 31 December 2025.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(a) For the purpose of inclusion in the prospectus of HSS Holdings in connection with the listing of and quotation for its entire enlarged number of issued ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad in accordance with the Chapter 10 of Prospectus Guidelines - Equity issued by Securities Commission Malaysia, the combined/consolidated financial statements of HSS Holdings, have been prepared based on the separate financial statements of the following companies for the relevant reporting periods as follows:

Companies	**Relevant Reporting Periods**	**Statutory Audit**		
		Financial Year/Period	**Accounting Standards**	**Statutory Auditor**
HSS Holdings	FPE 31 December 2025	FPE 31 December 2025	MFRSs	Crowe Malaysia PLT
HCF	FYE 31 December 2022	FYE 31 December 2022	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2023	FYE 31 December 2023	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2024	FYE 31 December 2024	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2025	FYE 31 December 2025	MFRSs	Crowe Malaysia PLT
LHMC	FYE 31 December 2022	FYE 31 December 2022	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2023	FYE 31 December 2023	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2024	FYE 31 December 2024	MFRSs	Crowe Malaysia PLT
	FYE 31 December 2025	FYE 31 December 2025	MFRSs	Crowe Malaysia PLT
Kasaga	FYE 31 December 2025	FYE 31 December 2025	MFRSs	Crowe Malaysia PLT

Notes:
FPE = Financial period ended
FYE = Financial year ended
MFRSs = Malaysian Financial Reporting Standards

The audited financial statements of the above subsidiaries for the relevant reporting periods were not subject to any modification and qualification.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(b) Combined financial statements for the FYE 31 December 2022, 31 December 2023 and 31 December 2024

The combined financial statements for the FYE 31 December 2022, 31 December 2023 and 31 December 2024, are the combination or aggregation of the separate financial statements of HSS Holdings, HCF and LHMC, where applicable.

The combined financial statements were prepared in a manner similar to the "pooling-of-interest" method, as if the entities within the Group were operating as a single economic enterprise from the beginning of the earliest period covered by the relevant reporting periods. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant reporting periods.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the subsidiaries so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of common controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs. All material intra-group transactions and balances are eliminated upon combination, where applicable.

(c) Consolidated financial statements for the FYE 31 December 2025

The consolidated financial statements are prepared based on the separate financial statements of HSS Holdings, HCF, LHMC and Kasaga as follows:

(i) Acquisition of HCF and LHMC

The acquisition of HCF and LHMC by HSS Holdings represent an internal reorganisation exercise within Valura Group of companies. Therefore, it is accounted for using the merger method of accounting for business combination.

Under the merger method of accounting, the results of subsidiaries are consolidated as if the business combination has taken effect throughout the FYE 31 December 2025. The assets and liabilities are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer.

On consolidation, the difference between costs of acquisition over the nominal value of share capital of subsidiaries is taken to merger reserve or merger deficit. The merger deficit is adjusted against suitable reserves of subsidiary acquired to the extent that laws or statues do not prohibit the use if such reserves.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(c) Consolidated financial statements for the FYE 31 December 2025 (Cont'd)

(ii) Acquisition of Kasaga

The acquisition of Kasaga falls within the scope of MFRS 3 Business Combination, and therefore is accounted for using the acquisition method of accounting for business combination.

Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the group at the acquisition date.

(d) The financial statements of the Group are prepared under the historical cost convention and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and including related interpretations which are effective for accounting periods on or before 1 January 2025.

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(e) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the relevant reporting periods:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	**Effective Date**
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the combined/consolidated financial statements of the Group upon their initial application except as follows:

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Company has yet to be assessed.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Critical Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 4 to the financial statements.

(b) Write-down of Inventories

Management periodically reviews damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 9 to the financial statements.

(c) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables (other than related parties). The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables (other than related parties). The carrying amounts of trade receivables as at the reporting date are disclosed in Note 10 to the financial statements.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 Critical Accounting Estimates and Judgements (Cont'd)

(d) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax assets and current tax liabilities of the Group as at the reporting date are as follows:

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Current tax assets	85	144	198	84
Current tax liabilities	(705)	(197)	(899)	(745)

(e) Discount Rate used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:

Lease Terms

Some lease contains extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group control an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through it power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiary to ensure consistency of accounting policies with those of the Group.

3.2.1 Business Combination within the scope of MFRS 3

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 BASIS OF CONSOLIDATION (CONT'D)

3.2.1 Business Combination within the scope of MFRS 3 (Cont'd)

(a) Goodwill

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill. Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(c) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in the equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 BASIS OF CONSOLIDATION (CONT'D)

3.2.1 Business Combination within the scope of MFRS 3 (Cont'd)

(d) Loss of Control (Cont'd)

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value of the initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.2.2 Business Combination under Common Control

A business combination involving entity under common control is a business combination in which all the subsidiaries or subsidiaries are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the financial periods under common control.

The assets and liabilities combined/consolidated are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combination to the extent of the continuation of the controlling party and parties' interests.

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as a merger deficit or merger reverse as applicable. The results of the subsidiaries being merged are included for the full financial year.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 Financial Instruments

(a) Financial assets

Financial assets through profit or loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial assets at amortised cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial liabilities

Financial liabilities through profit or loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expenses.

Financial liabilities at amortised cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:

Freehold buildings	2%
Machinery, tools and equipment	10%
Motor vehicles	10% - 20%
Office equipment and furniture and fittings	10% - 20%
Renovations, electrical installations and signboards	10%
Computer and security system	10%

Capital work-in-progress are not depreciated until such time when the asset is available for use.

3.5 Investment properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives of 50 years.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.6 Trademark

Expenditure incurred on the acquisition of trademark is capitalised as non-current asset. The useful lives of trademark is estimated to be indefinite because based on the current market share of the trademark, management believes there is no foreseeable limit to the period over which the trademark is expected to generate net cash flows to the Group. Trademark is stated at cost less any impairment losses. The carrying amount of trademark is reviewed annually and adjusted for impairment where it is considered necessary.

3.7 Right-of-use assets and lease liabilities

(a) Short-term leases and leases of low-value assets

The Group apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase, cost of conversion plus other costs incidentals incurred in bringing the inventories to their present location and condition.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT

Audited 2022	**Freehold land** RM'000	**Freehold buildings** RM'000	**Machinery, tools and equipment** RM'000	**Motor vehicles** RM'000	**Office equipment and furniture and fittings** RM'000	**Renovations, electrical installations and signboard** RM'000	**Computer and security system** RM'000	**Capital work-in-progress** RM'000	**Total** RM'000
At cost									
At 1 January 2022	4,864	1,591	2,265	4,441	389	1,393	540	1,379	16,862
Additions	1,967	1,223	385	1,355	95	416	118	392	5,951
Disposals	-	-	(42)	(16)	-	-	-	-	(58)
Reclassification	-	647	-	-	-	-	-	(647)	-
Write off	-	-	-	(53)	-	(463)	-	-	(516)
At 31 December 2022	6,831	3,461	2,608	5,727	484	1,346	658	1,124	22,239
Less : Accumulated depreciation									
At 1 January 2022	-	134	878	1,635	183	825	147	-	3,802
Charge for the financial year	-	99	239	485	45	147	70	-	1,085
Disposals	-	-	(30)	(16)	-	-	-	-	(46)
Write off	-	-	-	(53)	-	(335)	-	-	(388)
At 31 December 2022	-	233	1,087	2,051	228	637	217	-	4,453
Carrying amount									
At 31 December 2022	6,831	3,228	1,521	3,676	256	709	441	1,124	17,786

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited 2023	**Freehold land**	**Freehold buildings**	**Machinery, tools and equipment**	**Motor vehicles**	**Office equipment and furniture and fittings**	**Renovations, electrical installations and signboard**	**Computer and security system**	**Capital work-in-progress**	**Total**
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At cost									
At 1 January 2023	6,831	3,461	2,608	5,727	484	1,346	658	1,124	22,239
Additions	7,762	8,925	394	3,677	55	774	235	3,683	25,505
Disposals	-	-	(96)	(216)	-	-	(9)	-	(321)
Reclassification	-	(647)	1,909	-	227	930	127	(3,193)	(647)
Write off	-	-	-	-	-	(550)	-	-	(550)
At 31 December 2023	14,593	11,739	4,815	9,188	766	2,500	1,011	1,614	46,226
Less : Accumulated depreciation									
At 1 January 2023	-	233	1,087	2,051	228	637	217	-	4,453
Charge for the financial year	-	99	202	683	52	152	98	-	1,286
Disposals	-	-	(19)	(113)	-	-	(2)	-	(134)
Reclassification	-	(19)	-	-	-	-	-	-	(19)
Write off	-	-	-	-	-	(247)	-	-	(247)
At 31 December 2023	-	313	1,270	2,621	280	542	313	-	5,339
Carrying amount									
At 31 December 2023	14,593	11,426	3,545	6,567	486	1,958	698	1,614	40,887

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited **2024**	**Freehold land** RM'000	**Freehold buildings** RM'000	**Machinery, tools and equipment** RM'000	**Motor vehicles** RM'000	**Office equipment and furniture and fittings** RM'000	**Renovations, electrical installations and signboard** RM'000	**Computer and security system** RM'000	**Capital work-in-progress** RM'000	**Total** RM'000
At cost									
At 1 January 2024	14,593	11,739	4,815	9,188	766	2,500	1,011	1,614	46,226
Additions	-	2,526	973	3,889	367	936	644	-	9,335
Disposals	-	-	(34)	(277)	(72)	-	-	-	(383)
Reclassification	(640)	(1,494)	-	-	-	-	-	-	(2,134)
Write off	-	-	-	-	(4)	(701)	-	-	(705)
At 31 December 2024	13,953	12,771	5,754	12,800	1,057	2,735	1,655	1,614	52,339
Less : Accumulated depreciation									
At 1 January 2024	-	313	1,270	2,621	280	541	314	-	5,339
Charge for the financial year	-	196	393	1,083	93	269	153	-	2,187
Disposals	-	-	(8)	(238)	(50)	-	-	-	(296)
Reclassification	-	(214)	-	-	-	-	-	-	(214)
Write off	-	-	-	-	(1)	(513)	-	-	(514)
At 31 December 2024	-	295	1,655	3,466	322	297	467	-	6,502
Carrying amount									
At 31 December 2024	13,953	12,476	4,099	9,334	735	2,438	1,188	1,614	45,837

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	**Freehold land**	**Freehold buildings**	**Machinery, tools and equipment**	**Motor vehicles**	**Office equipment and furniture and fittings**	**Renovations, electrical installations and signboard**	**Computer and security system**	**Capital work-in-progress**	**Total**
2025	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At cost									
At 1 January 2025	13,953	12,771	5,754	12,800	1,057	2,735	1,655	1,614	52,339
Acquisition of a subsidiary	-	-	2,520	63	86	508	68	-	3,245
Additions	-	80	499	1,611	129	94	440	-	2,853
Disposals	(1,890)	(1,223)	(15)	(1,437)	-	(12)	(4)	-	(4,581)
Reclassification	-	-	-	-	-	-	-	(1,614)	(1,614)
Write off	-	-	(384)	-	(226)	-	(62)	-	(672)
At 31 December 2025	12,063	11,628	8,374	13,037	1,046	3,325	2,097	-	51,570
Less : Accumulated depreciation									
At 1 January 2025	-	295	1,655	3,466	322	297	467	-	6,502
Acquisition of a subsidiary	-	-	300	8	10	62	7	-	387
Charge for the financial year	-	234	632	1,127	112	315	232	-	2,652
Disposals	-	(181)	(2)	(768)	-	(4)	(3)	-	(958)
Write off	-	-	(309)	-	(176)	-	(55)	-	(540)
At 31 December 2025	-	348	2,276	3,833	268	670	648	-	8,043
Carrying amount									
At 31 December 2025	12,063	11,280	6,098	9,204	778	2,655	1,449	-	43,527

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) The following property, plant and equipment have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 18 to the financial statements:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Carrying amount				
Freehold land	6,075	13,476	12,063	12,063
Freehold buildings	2,496	11,328	11,337	11,183
Capital work-in-progress	1,124	1,614	1,614	-
Machinery, tools and equipment	-	-	1,178	1,075
	9,695	26,418	26,192	24,321

(b) The following property, plant and equipment are held under hire purchase arrangements. These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 18 to the financial statements:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Carrying amount				
Plant and machinery, tools and equipment	138	-	-	-
Motor vehicles	2,262	5,240	7,861	7,390
	2,400	5,240	7,861	7,390

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES

	Audited As at 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
At cost				
At 1 January	-	-	647	2,781
Disposal	-	-	-	(2,134)
Reclassification	-	647	2,134	1,614
At 31 December	-	647	2,781	2,261
Less: Accumulated Depreciation				
At 1 January	-	-	25	262
Disposal	-	-	-	(249)
Reclassification	-	19	214	-
Charge for the financial year	-	6	23	38
At 31 December	-	25	262	51
Carrying Amount				
At 31 December	-	622	2,519	2,210
Represented by:				
Freehold 2 storey terrace house	-	-	-	1,614
Leasehold service residence	-	622	609	596
Land and factory	-	-	1,910	-
	-	622	2,519	2,210

(a) The following investment property of the Company is charged against banking facility granted to the Group as disclosed in Note 18 to the financial statements.

	Audited As at 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Carrying Amount				
At 31 December	-	-	1,270	-

(b) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods of 1 year (2024: 1 to 2 years, 2023: 1 year and 2022: NIL).

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES (CONT'D)

(c) The fair values hierarchy profile of the Company's investment properties not carried at fair values are analysed as follows:

	Level 1 RM'000	**Level 2** RM'000	**Level 3** RM'000	**Total** RM'000
Audited				
2022				
Investment property	-	-	-	-
Audited				
2023				
Investment property	-	-	705	705
Audited				
2024				
Investment properties	-	2,800	705	3,505
Audited				
2025				
Investment properties	-	1,800	745	2,545

The level 2 fair value of the land and factory have been derived using the market comparison approach performed by independent professional valuers by making reference to recent sales transactions of similar office lots within the same building on a price per square feet basis without any adjustment. There has been no change to the valuation technique during the financial year.

The level 3 fair value of the investment properties are arrived at by reference to market evidence of transaction prices for similar properties in the vicinity and are recommended by the director. The most significant input into this valuation approach is the price per square foot of comparable properties.

(d) Rental income and direct operating expenses arising from investment properties during the financial year are as follows:

	Audited **As at 31 December**			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Rental income	-	11	65	115
Direct operating expenses - generating rental income	-	6	24	40

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

6. RIGHT-OF-USE ASSETS

Audited	**Hostel** RM'000	**Warehouses and factory** RM'000	**Offices** RM'000	**Total** RM'000
Carrying amount				
At 1 January 2022	30	1,008	-	1,038
Additions	39	1,086	107	1,232
Depreciation	(16)	(730)	(40)	(786)
At 31 December 2022 / 1 January 2023	53	1,364	67	1,484
Additions	-	1,272	-	1,272
Depreciation	(24)	(1,184)	(48)	(1,256)
Derecognition due to lease modification	(29)	(43)	-	(72)
At 31 December 2023 / 1 January 2024	-	1,409	19	1,428
Addition	34	-	-	34
Reassesment/Modification of lease	53	-	-	53
Depreciation	(33)	(757)	(15)	(805)
Derecognition due to lease modification	-	-	(4)	(4)
At 31 December 2024 / 1 January 2025	54	652	-	706
Acquisition of a subsidiary	12	203	-	215
Addition	93	-	-	93
Reassesment/Modification of lease	64	123	-	187
Depreciation	(69)	(559)	-	(628)
Derecognition due to lease modification	(21)	-	-	(21)
At 31 December 2025	133	419	-	552

The Group leases following assets of which the leasing activities are summarised below:

(i)	Hostels	The Group has leased certain hostels that run between 2 and 3 years, with some has an option to renew the lease after that date.
(ii)	Warehouse and factory	The Group has leased a warehouse and a factory that run 2 and 3 years respectively, with an option to renew the lease after that date.
(iii)	Offices	The Group has leased certain offices that run between 2 and 3 years, with an option to renew the lease after that date.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

7. INTANGIBLE ASSET

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Trademark	36	36	36	36

This represents trademark "Sinar" which is registered in Malaysia and was acquired from a related party, namely Chatur Capital Sdn. Bhd. (formerly known as Sinar Bakery & Biscuit Supply Sdn. Bhd.) for a cash consideration of RM36,000 in July 2021.

The management is not aware of any reasonably possible that would cause the carrying amounts of the cash generating units to materially exceed their recoverable amounts.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Investment in life insurances, at fair value				
Non-current				
Life insurance policies	538	557	576	539

Movements of investments in life insurances are as follows:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
At 1 January	515	538	557	576
Surrender	-	-	-	(56)
Fair value gain recognised in profit or loss	23	19	19	19
At 31 December	538	557	576	539

During the financial period ended 31 December 2020, the Group entered into three (3) Life Insurance Policies for an Executive Director of the Group with a total single premium amounting to RM782,347 for securing a banking facility as disclosed in Note 18. The total sum insured of policies are RM5,653,795 and will mature between year 2039 and 2034.

At the date of the inception of the policies, the total surrender values are estimated to be RM478,892. The difference between the premium paid and the surrender values was recognised as prepayments and amortised over the tenure of respective policies' years.

During the financial year ended 31 December 2025, the Company surrendered one of the Life Insurance Policies amounting to RM56,192 due to the secured bank facility has been fully settled.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

9. INVENTORIES

	Audited As at 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Raw materials	134	276	546	956
Packing materials	475	707	1,230	3,105
Work-in-progress	-	-	8	68
Finished goods	2,745	5,017	5,944	9,386
	3,354	6,000	7,728	13,515
Recognised in profit or loss:				
Inventories recognised as cost of sales	107,174	111,640	132,797	117,265

10. TRADE RECEIVABLES

	Audited As at 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Trade receivables	32,689	34,940	42,071	34,946
Allowance for impairment losses	(379)	(271)	(444)	(497)
	32,310	34,669	41,627	34,449

The Group's normal trade terms granted to customers are as follows:

	Audited As at 31 December			
	2022	2023	2024	2025
Trade receivables (days)	Cash term - 120	Cash term - 120	Cash term - 120	Cash term - 150

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Deposits	592	869	1,076	1,735
Deposits paid to suppliers	255	91	153	205
Prepayments	423	747	883	2,532
Sundry receivables	9	13	13	25
	1,279	1,720	2,125	4,497

(a) Inclusive in deposits at the end of the reporting period are the following amount paid for purchase of property, plant, and equipment:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Deposit paid for purchase of property, plant and equipment	303	360	579	1,293

(b) Inclusive in prepayments is an amount of RM106,008 (2024: RM106,008, 2023 and 2022: NIL) in Debt Service Reserve Account as disclosed in Note 18 to the financial statements.

(c) The deposits paid to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

12. AMOUNT OWING BY A RELATED PARTIES

As at 31 December 2022 and 2023, the non-trade balances are unsecured, interest-free and repayable on demand.

13. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group at the end of the reporting period bear effective interest rates at 1.75% to 2.25% (2022 to 2024: NIL) per annum. The fixed deposits have maturity periods of 1 to 12 months (2022 to 2024: NIL).

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14. SHORT-TERM INVESTMENT

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Money market fund, at fair value	-	-	-	800

The money market funds represent investments in highly liquid money market instruments which are redeemable within four (4) days' notice at known amounts of cash and are subject to an insignificant risk of changes in values.

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15. SHARE CAPITAL AND INVESTED CAPITAL

(a) Share Capital

	Audited As at 31 December							
	2022		2023		2024		2025	
	Number of shares ('000)	RM'000	Number of shares ('000)	RM'000	Number of shares ('000)	RM'000	Number of shares ('000)	RM'000
Issued and fully paid-up								
Ordinary shares								
At 1 January	-	-	-	-	-	-	-	-
Issuance of shares	-	-	-	-	-	-	*	*
Issuance of shares for acquisition of the subsidiaries	-	-	-	-	-	-	425,000	25,174
At 31 December	-	-	-	-	-	-	425,000	25,174

* Represents amount less than RM500.

(i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

(ii) During the financial period, the Company increased its issued and paid-up share capital from RM1 to approximately RM25,174,126 by way of an issuance of 424,999,999 new ordinary shares for a total consideration of approximately RM25,174,125 as full payment for the acquisition of the subsidiaries as disclosed in Note 40(i), 40(j) and 40(k) to the financial statements.

The new ordinary shares issued rank pari passu in all respect with the existing ordinary shares of the Company.

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15. SHARE CAPITAL AND INVESTED CAPITAL (CONT'D)

(b) Invested Capital

	Audited As at 31 December							
	2022		2023		2024		2025	
	shares ('000)	RM'000	shares ('000)	RM'000	shares ('000)	RM'000	shares ('000)	RM'000
Issued and fully paid-up								
Ordinary shares								
At 1 January	1,328	1,328	1,340	1,340	1,370	1,370	1,620	1,620
Issuance of new shares	12	12	30	30	250	250	9,180	9,180
Acquisition of subsidiaries	-	-	-	-	-	-	(10,800)	(10,800)
At 31 December	1,340	1,340	1,370	1,370	1,620	1,620	-	-

(i) For the purpose of these combined/consolidated financial statements, the invested capital at the end of the respective financial years is the aggregate of share capital of the subsidiaries constituting the Group.

(ii) On 21 April 2022, LHMC increased its issued and paid-up share capital from RM208,000 to RM220,000 by way of issuance of 12,000 new ordinary shares at RM1 each for a total cash consideration of RM12,000.

(iii) On 28 November 2023, LHMC increased its issued and paid-up share capital from RM220,000 to RM250,000 by way of issuance of 30,000 new ordinary shares at RM1 each for a total cash consideration of RM30,000.

(iv) On 24 April 2024, LHMC increased its issued and paid-up share capital from RM250,000 to RM500,000 by way of issuance of 250,000 new ordinary shares at RM1 each for a total cash consideration of RM250,000.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

15. SHARE CAPITAL AND INVESTED CAPITAL (CONT'D)

(b) Invested capital (Cont'd)

(v) On 27 March 2025, HCF increased its issued and paid-up share capital from RM1,120,000 to RM8,800,000 by way of issuance of 7,680,000 new ordinary shares at RM1 each for a total cash consideration of RM7,680,000.

(vi) On 27 March 2025, LHMC increased its issued and paid-up share capital from RM500,000 to RM2,000,000 by way of issuance of 1,500,000 new ordinary shares at RM1 each for a total cash consideration of RM1,500,000.

16. SHARE APPLICATION MONEY

This represents money received pending allotment of shares as at the reporting date.

17. RE-ORGANISATION RESERVE

The re-organisation reserve arose from the differences between carrying value of the investment and the nominal value of the shares of subsidiaries upon consolidation under merger accounting principles.

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

18. BORROWINGS

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
CURRENT				
Secured - Bankers' acceptances	10,086	21,039	15,711	17,759
- Hire purchase payables	594	1,143	1,599	1,652
- Term loans	1,175	1,482	2,236	1,862
	11,855	23,664	19,546	21,273
NON-CURRENT				
Secured - Hire purchase payables	1,277	3,197	4,716	3,886
- Term loans	8,566	19,538	20,379	15,331
	9,843	22,735	25,095	19,217
	21,698	46,399	44,641	40,490
TOTAL BORROWINGS				
Secured - Bankers' acceptances	10,086	21,039	15,711	17,759
- Hire purchase payables	1,871	4,340	6,315	5,538
- Term loans	9,741	21,020	22,615	17,193
	21,698	46,399	44,641	40,490

(a) The borrowings are secured by the followings:

(i) First party legal charge over the property, plant and equipment of the Group (Note 4);

(ii) First party charge over the investment property of the Group (Note 5);

(iii) Syarikat Jaminan Pembiayaan Perniagaan (SJPP) guarantee under WCGS-I scheme with 70% coverage on the clean portion of facility;

(iv) Guarantee cover of 80% from Government of Malaysia or Syarikat Jaminan Pembiayaan Perniagaan Berhad's (SJPP) under PEMULIH Government Guarantee Scheme (PGGS);

(v) Joint and several guarantee by certain directors of the Group and an employee of the Group;

(vi) Corporate guarantee by a subsidiary company;

(vii) Charge over Debt Service Reserve Account (DSRA); and

(viii) Specific debentures by way of fixed charge over subject machinery.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

18. BORROWINGS (CONT'D)

(b) The major covenants of the term loans are as follow:

(i) the subsidiaries' gearing ratio shall not exceed 3.0 times; and

(ii) The subsidiaries shall not declare and pay any dividend without the prior written consent of the bank.

The covenants are tested annually, 31 December. The Group has complied with the covenants throughout the reporting periods.

There are no indicators that the Group would have difficulties complying with the upcoming covenant assessments.

(c) The borrowings of the Group at the end of the reporting period bear effective annual interest rates as follows:

	Audited As at 31 December			
	2022 %	**2023** %	**2024** %	**2025** %
Bankers' acceptances	2.93 - 4.35	3.12 - 4.30	3.27 - 4.35	3.37 - 4.10
Hire purchase payables	2.28 - 4.31	2.28 - 4.31	2.28 - 3.40	2.08 - 3.40
Term loans	4.04 - 7.42	4.04 - 7.67	3.95 - 7.67	3.90 - 7.42

(d) The profile of the borrowings are summarised below:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Fixed rate borrowings	11,957	25,379	23,091	24,142
Floating rate borrowings	9,741	21,020	21,550	16,348
	21,698	46,399	44,641	40,490

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

19. LEASE LIABILITIES

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
At 1 January	1,042	1,517	1,459	738
Acquisition of a subsidiary	-	-	-	223
Additions	1,232	1,272	34	93
Interest expense recognised in profit or loss (Note 29)	87	99	72	50
Changes due to lease modification	-	-	55	187
Derecognition due to lease modification	-	(75)	(4)	(21)
Repayment of principal	(757)	(1,255)	(806)	(640)
Repayment of interest expense	(87)	(99)	(72)	(50)
At 31 December	1,517	1,459	738	580
Analysed by:				
Current liabilities	1,097	777	472	495
Non-current liabilities	420	682	266	85
	1,517	1,459	738	580

20. DEFERRED TAX LIABILITIES

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
(a) Movement of deferred tax liabilties				
At 1 January	149	227	254	254
Acquisition of a subsidiary	-	-	-	61
Recognised in profit or loss (Note 32)	78	27	-	252
At 31 December	227	254	254	567
(b) Components of deferred tax liabilities				
Excess of capital allowances over corresponding book depreciation	297	479	254	567
Other temporary differences	(70)	(225)	-	-
	227	254	254	567

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

21. TRADE PAYABLES

The Group's normal trade terms granted by suppliers are as follows:

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
Third parties (days)	30 - 120	30 - 120	cash term - 120	cash term - 120

22. OTHER PAYABLES AND ACCRUALS

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	RM'000	RM'000	RM'000
Accruals	72	67	137	145
Deposit received	*	11	2,645	3
Payroll liabilities	637	871	2,163	2,527
Customers deposits	304	251	204	125
Sales and services tax payables	45	45	104	159
Sundry payables	610	1,236	739	1,275
	1,668	2,481	5,992	4,234

* Represents amount less than RM500.

Included in sundry payables of the Group is the following amounts payable for purchase of property, plant and equipment as follows:

	Audited			
	As at 31 December			
	2022	**2023**	**2024**	**2025**
	RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment	35	794	311	316

23. AMOUNT OWING TO HOLDING COMPANY

The non-trade balances are unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

24. AMOUNT OWING TO A DIRECTOR

The amount owing to a director is unsecured, interest-free and repayable on demand.

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25. DIVIDEND PAYABLE

	Audited **As at 31 December**			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Unpaid balances for first interim dividend of approximately RM4.46 per ordinary share	-	2,000	-	-

26. REVENUE

Revenue of the Group comprises the followings:

	Audited **Financial year ended 31 December**			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Revenue from contracts with customers				
Recognised at a point in time				
Sale of bakery and other products	126,948	132,226	160,221	144,442
Represented by geographical market:				
Malaysia	74,846	77,721	100,278	97,271
Other countries	52,102	54,505	59,943	47,171
	126,948	132,226	160,221	144,442

The information about the performance obligations in contracts with customers is summarised below:

Nature of Goods	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Sale of bakery products.	At a point in time when goods have been transferred and accepted by customers, net of discount.	Credit period of cash to 150 days from the invoice date.	Not applicable.	Not applicable.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

27. KEY MANAGEMENT PERSONNEL

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Director				
Director of the Company				
Executive directors:				
Salaries, bonuses and other benefits	1,210	1,351	1,879	1,534
Defined contribution plan	146	162	226	184
	1,356	1,513	2,105	1,718
Non-executive directors:				
Fees	-	-	-	83
	-	-	-	83
	1,356	1,513	2,105	1,801
Estimated monetary value of benefits-in-kind	29	25	59	90

28. EMPLOYEE BENEFITS

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Key management personnel (Note 27)	1,356	1,513	2,105	1,801
Other staff costs				
Salaries, bonuses and other benefits	7,267	8,592	12,330	14,498
Defined contribution plan	598	714	892	1,055
	7,865	9,306	13,222	15,553
	9,221	10,819	15,327	17,354

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

29. FINANCE COSTS

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Interest on:				
Bank overdraft	-	3	3	1
Bankers' acceptances	368	657	781	859
Hire purchase payables	90	147	303	335
Lease liabilities	87	99	72	50
Term loans	414	774	1,070	990
	959	1,680	2,229	2,235
Bank guarantee	71	48	33	37
	1,030	1,728	2,262	2,272

30. NET IMPAIRMENT LOSSES / (REVERSAL OF IMPAIRMENT) ON FINANCIAL ASSETS

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Allowance of impairment loss on trade receivables	316	171	265	268
Reversal of impairment losses on trade receivables	(21)	(279)	(92)	(215)
	295	(108)	173	53

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

31. PROFIT BEFORE TAX

	Audited Financial year ended 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Profit before tax is arrived at after charging/(crediting):				
Auditors' remuneration:				
- audit fees:				
- current financial year	70	85	95	153
- (over)/underprovision in previous financial year	(2)	-	-	8
- non-audit fee:				
- member firms of the auditors of the Company	7	7	18	25
Material Expenses/(Income)				
Depreciation:				
- investment properties	-	5	23	38
- property, plant and equipment	1,085	1,287	2,187	2,652
- right-of-use assets	786	1,256	805	628
Property, plant and equipment written off	128	303	191	132
Listing expenses	437	180	-	-
Loss on disposal of property, plant and equipment	5	9	-	-
Loss on reassessment/modification of lease	-	-	2	-
Loss on foreign exchange:				
- realised	-	-	277	205
- unrealised	-	-	43	23
Rental expenses:				
- meeting room	-	-	-	1
- hostel	40	31	46	16
- warehouse	7	39	196	7
- equipment	4	3	2	3
- forklift	-	-	-	5
Incorporation fee	-	-	-	1
Bargain purchase gain on the acquisition of a subsidiary	-	-	-	(137)
Dividend income from short-term investment	-	-	(66)	(223)
Gain on change in fair value of financial assets measured at fair value through profit or loss	(23)	(19)	(19)	(19)
Gain on change in fair value of short term investment measured at fair value through profit or loss	-	-	-	*
Gain on disposal of property, plant and equipment	-	-	(56)	(311)
Gain on disposal of investment property	-	-	-	(1,615)
Gain on derecognition of lease modification	-	(3)	*	*
Gain on foreign exchange:				
- realised	(265)	(73)	-	-
- unrealised	(249)	(380)	-	-
Interest income	(136)	(82)	(122)	(57)
Rental income	-	(11)	(65)	(115)
Vans sales programme fee income	-	(208)	(924)	(1,120)

* Represents amount less than RM500.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

32. INCOME TAX EXPENSE

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Current tax expense	2,655	2,623	3,220	3,109
- overprovision in previous financial year	(19)	(124)	(220)	(230)
	2,636	2,499	3,000	2,879
Real property gain tax	-	-	-	149
	2,636	2,499	3,000	3,028
Deferred tax (Note 20):				
- origination of temporary differences	117	93	-	248
- (over)/underprovision in previous financial year	(39)	(66)	-	4
	78	27	-	252
	2,714	2,526	3,000	3,280

A reconciliation of income tax expense applicable to the profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group is as follows:

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Profit before tax	9,153	7,990	10,800	11,868
Tax at statutory income tax rate	2,199	1,943	2,543	2,861
Tax effect of non-deductible expense	573	773	726	496
Tax effect of non-taxable income	-	-	(49)	-
Real property gain tax arising from disposal of investment property	-	-	-	149
(Over)/Underprovision in previous financial year:				
- current tax expense	(19)	(124)	(220)	(230)
- deferred tax expense	(39)	(66)	-	4
	2,714	2,526	3,000	3,280

The income tax rate at the Malaysian statutory tax rate of 24% (31.12.2024, 31.12.2023 and 31.12.2022: 24%) of the estimated assessable profit for the financial year.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

33. EARNINGS PER SHARE

	Audited Financial year ended 31 December			
	2022	**2023**	**2024**	**2025**
Profit attributable to owners of the Company (RM'000)	6,439	5,464	7,800	8,472
Number of ordinary shares in issue (unit'000)	1,340	1,370	1,620	425,000
Basic earnings per ordinary share (RM)	4.81	3.99	4.81	0.02

The diluted earnings per ordinary share is not applicable as there are no dilutive potential ordinary shares existing throughout the relevant reporting periods.

34. DIVIDENDS

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
H.S.S. Confectionery Foodstuff Sdn. Bhd.				
In respect of financial year ended 31 December 2022				
First interim dividend	1,500	-	-	-
Second interim dividend	1,000	-	-	-
In respect of financial year ended 31 December 2023				
First interim dividend	-	5,000	-	-
In respect of financial year ended 31 December 2024				
First interim dividend	-	-	6,000	-
Kasaga Bakery Sdn. Bhd.				
In respect of financial year ended 31 December 2025				
First interim dividend	-	-	-	500
	2,500	5,000	6,000	500

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

34. DIVIDENDS (CONT'D)

On 9 April 2026, the Company declared an interim dividend of approximately 0.59 sen per ordinary share amounting to RM2,500,000 in respect of financial year ended 31 December 2025, payable on 28 May 2026. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits for the financial year ending 31 December 2026.

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

35. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Property, plant and equipment				
Cost of property, plant and equipment purchased (Note 4)	5,951	25,505	9,335	2,853
Amount financed through hire purchase payables	(802)	(3,216)	(3,461)	(1,003)
Deposits paid in previous financial year	-	(102)	(200)	-
Unpaid balances included in sundry payables (Note 22)	(35)	(794)	(311)	(19)
Cash paid in respect of acquisition in previous financial year	54	35	794	313
Cash disbursed for the purchase of property, plant and equipment	5,168	21,428	6,157	2,144
Right-of-use assets				
Cost of right-of-use assets acquired (Note 6)	1,232	1,272	34	93
Addition of new lease liabilities (Note 19)	(1,232)	(1,272)	(34)	(93)
	-	-	-	-

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35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:

Audited	**Term loans** RM'000	**Lease liabilities** RM'000	**Hire purchase payables** RM'000	**Bankers' acceptances** RM'000	**Total** RM'000
2022					
At 1 January 2022	6,799	1,042	1,581	10,209	19,631
Changes in financing cash flows					
Proceeds from drawdown	5,686	-	-	38,386	44,072
Repayment of borrowing principal	(2,744)	(757)	(512)	(38,509)	(42,522)
Repayment of borrowing interest	(414)	(87)	(90)	(368)	(959)
	2,528	(844)	(602)	(491)	591
Non-cash changes					
Acquisition of new lease	-	1,232	-	-	1,232
Acquisition of new hire purchase	-	-	802	-	802
Finance charges recognised in profit or loss	414	87	90	368	959
	414	1,319	892	368	2,993
At 31 December 2022	9,741	1,517	1,871	10,086	23,215

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35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

Audited	**Term loans** RM'000	**Lease liabilities** RM'000	**Hire purchase payables** RM'000	**Bankers' acceptances** RM'000	**Total** RM'000
2023					
At 1 January 2023	9,741	1,517	1,871	10,086	23,215
Changes in financing cash flows					
Proceeds from drawdown	12,460	-	-	55,043	67,503
Repayment of borrowing principal	(1,181)	(1,255)	(747)	(44,090)	(47,273)
Repayment of borrowing interest	(774)	(99)	(147)	(657)	(1,677)
	10,505	(1,354)	(894)	10,296	18,553
Non-cash changes					
Acquisition of new lease	-	1,272	-	-	1,272
Acquisition of new hire purchase	-	-	3,216	-	3,216
Derecognition due to lease modification	-	(75)	-	-	(75)
Finance charges recognised in profit or loss	774	99	147	657	1,677
	774	1,296	3,363	657	6,090
At 31 December 2023	21,020	1,459	4,340	21,039	47,858

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35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

Audited	**Term loans** RM'000	**Lease liabilities** RM'000	**Hire purchase payables** RM'000	**Bankers' acceptances** RM'000	**Total** RM'000
2024					
At 1 January 2024	21,020	1,459	4,340	21,039	47,858
Changes in financing cash flows					
Proceeds from drawdown	5,334	-	-	55,863	61,197
Repayment of borrowing principal	(3,739)	(806)	(1,486)	(61,191)	(67,222)
Repayment of borrowing interest	(1,070)	(72)	(303)	(781)	(2,226)
	525	(878)	(1,789)	(6,109)	(8,251)
Non-cash changes					
Acquisition of new hire purchase	-	-	3,461	-	3,461
Acquisition of new lease	-	34	-	-	34
Derecognition due to lease modification	-	(4)	-	-	(4)
Finance charges recognised in profit or loss	1,070	72	303	781	2,226
Reassessment/Modification	-	55	-	-	55
	1,070	157	3,764	781	5,772
At 31 December 2024	22,615	738	6,315	15,711	45,379

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):

Audited	**Term loans** RM'000	**Lease liabilities** RM'000	**Hire purchase payables** RM'000	**Bankers' acceptances** RM'000	**Total** RM'000
2025					
At 1 January 2025	22,615	738	6,315	15,711	45,379
Changes in financing cash flows					
Proceeds from drawdown	181	-	-	64,365	64,546
Repayment of borrowing principal	(5,603)	(640)	(1,780)	(62,317)	(70,340)
Repayment of borrowing interest	(990)	(50)	(335)	(859)	(2,234)
	(6,412)	(690)	(2,115)	1,189	(8,028)
Non-cash changes					
Acquisition of a subsidiary	-	223	-	-	223
Acquisition of new lease	-	93	-	-	93
Acquisition of new hire purchase	-	-	1,003	-	1,003
Derecognition due to lease modification	-	(21)	-	-	(21)
Reassessment/Modification	-	187	-	-	187
Finance charges recognised in profit or loss	990	50	335	859	2,234
	990	532	1,338	859	3,719
At 31 December 2025	17,193	580	5,538	17,759	41,070

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

35. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflow for leases as a lessee are as follows:

	Audited			
	Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Payment of lease liabilities	757	1,255	806	640
Interest paid on lease liabilities	87	99	72	50
	844	1,354	878	690

(d) The cash and cash equivalents comprise the following:

	Audited			
	As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Short-term investment	-	-	-	800
Fixed deposits with licensed banks	-	-	-	2,392
Cash and bank balances	6,736	8,044	13,504	10,726
	6,736	8,044	13,504	13,918
Less: Fixed deposits with tenure of more than 3 months	-	-	-	(2,092)
Cash and bank balances	6,736	8,044	13,504	11,826

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

36. RELATED PARTY DISCLOSURES

Transactions with the related parties for the relevant reporting periods are as follows:

	Audited Financial year ended 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Holding company				
- Dividend paid	-	-	-	375
- Repayment	-	-	-	2,442
Company in which the directors have substantial financial interest				
- Sales of goods	-	-	(235)	-
- Purchase of goods	-	-	7,743	2,462
- Transport income	-	-	(5)	*
- Disposal of property, plant and equipment	-	-	(45)	(2)
- Rental deposit	-	18	-	-
- Payment on behalf	323	7	9	-
- Repayment from	-	-	(339)	-
Director				
- Disposal of investment property	-	-	-	(3,300)
- Interest on lease liability	-	-	-	4
- Repayment of lease liability	-	-	-	68
Person connected to a director				
- Disposal of property, plant and equipment	-	-	-	(3)

* Represents amount less than RM500.

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the combined/consolidated financial statements.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

37. CAPITAL COMMITMENTS

	Audited Financial year ended 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Purchase of property, plant and equipment	836	529	951	615

38. OPERATING SEGMENTS

(a) Business Segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely sale of bakery products.

(b) Geographical Information

In presenting the information on the basis of geographical segments, segmental information on non-current assets is not presented, as all non-current assets are located in Malaysia.

Segmental revenue is presented based on the geographical location of customers.

	Audited Financial year ended 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Malaysia	74,846	77,721	100,278	97,271
Other countries	52,102	54,505	59,943	47,171
	126,948	132,226	160,221	144,442

(c) Major Customers

The following is major customer with revenue equal to or more than 10% of the Group's total revenue:

	Audited Financial year ended 31 December			
	2022	2023	2024	2025
Customer A	-	-	-	15,809
Customer B	-	-	-	15,316

For financial year 2022 to 2024, none of the customers with revenue equal to or more than 10% of the Group's total revenue.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

39.1 Financial Risk Management Policies

The policies in respect of the major areas of treasury activity are as follows:

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia ("RM"). The currency giving rise to this risk is primarily Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of each reporting period is summarised below:

Foreign Currency Exposure

Audited **2022**	**SGD** RM'000	**RM** RM'000	**Others** RM'000	**Total** RM'000
Financial assets				
Trade receivables	7,478	24,832	-	32,310
Cash and bank balances	1,107	5,626	3	6,736
	8,585	30,458	3	39,046
Financial liabilities				
Other payables and accruals	124	1,195	-	1,319
	124	1,195	-	1,319
Net financial assets	8,461	29,263	3	37,727
Less: Net financial assets denominated in the respective entities' functional currency	-	(29,263)	-	(29,263)
Currency exposure	8,461	-	3	8,464

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39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Audited **2023**	**SGD** RM'000	**RM** RM'000	**Others** RM'000	**Total** RM'000
Financial assets				
Trade receivables	7,553	27,116	-	34,669
Cash and bank balances	992	7,049	3	8,044
	8,545	34,165	3	42,713
Financial liabilities				
Other payables and accruals	79	2,095	-	2,174
	79	2,095	-	2,174
Net financial assets	8,466	32,070	3	40,539
Less: Net financial assets denominated in the respective entities' functional currency	-	(32,070)	-	(32,070)
Currency exposure	8,466	-	3	8,469

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Audited **2024**	**SGD** RM'000	**RM** RM'000	**Others** RM'000	**Total** RM'000
Financial assets				
Trade receivables	9,007	32,620	-	41,627
Cash and bank balances	347	12,863	294	13,504
	9,354	45,483	294	55,131
Financial liabilities				
Other payables and accruals	40	2,999	-	3,039
	40	2,999	-	3,039
Net financial assets	9,314	42,484	294	52,092
Less: Net financial assets denominated in the respective entities' functional currency	-	(42,484)	-	(42,484)
Currency exposure	9,314	-	294	9,608

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Audited **2025**	**SGD** RM'000	**RM** RM'000	**Others** RM'000	**Total** RM'000
Financial assets				
Trade receivables	6,429	28,020	-	34,449
Cash and bank balances	1,364	9,105	257	10,726
	7,793	37,125	257	45,175
Financial liabilities				
Other payables and accruals	41	3,906	-	3,947
	41	3,906	-	3,947
Net financial assets	7,752	33,219	257	41,228
Less: Net financial assets denominated in the respective entities' functional currency	-	(33,219)	-	(33,219)
Currency exposure	7,752	-	257	8,009

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currency at the end of each reporting period, with all other variables held constant:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Effects on profit after tax				
SGD/RM				
- strengthened by 5%	322	322	365	295
- weakened by 5%	(322)	(322)	(365)	(295)

There is no impact on the Group's equity.

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NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 15 to the financial statements.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have material impact on the profit after taxation and other comprehensive income of the Group and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The Group does not has any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (includes related party) at the end of each reporting period is as follows:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Asia (excluding Malaysia)	12,105	11,738	16,719	8,918
Oceania	2,369	4,302	4,329	2,921
Malaysia	17,836	18,629	20,579	22,610
	32,310	34,669	41,627	34,449

At the end of the reporting period, the Group's major concentration of credit risk related to the amount by individual customer or counterparty is as follows:

	Audited As at 31 December			
	2022	**2023**	**2024**	**2025**
Number of customers	-	2	1	1
% of trade receivables	-	21%	13%	14%

(ii) Maximum Exposure to Credit Risk

At the end of each reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the combined/consolidated statements of financial position of the Group after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost are credit impaired.

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:
- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

<u>Trade receivables</u>

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (excluding related party) have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 24 months (2021: 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumption which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade receivables (Cont'd)

Allowance for impairment losses

The reconciliations of allowance for impairment losses are as follows:

Audited	**Non-credit impaired** RM'000	**Credit impaired** RM'000	**Total** RM'000
Trade receivables			
Balance at 1 January 2022	-	234	234
Additions (Note 30)	*	316	316
Reversal (Note 30)	-	(21)	(21)
Write off	-	(150)	(150)
Balance at 31 December 2022/ 1 January 2023	*	379	379
Additions (Note 30)	-	171	171
Reversal (Note 30)	*	(279)	(279)
Balance at 31 December 2023/ 1 January 2024	-	271	271
Additions (Note 30)	46	219	265
Reversal (Note 30)	-	(92)	(92)
Balance at 31 December 2024/ 1 January 2025	46	398	444
Additions (Note 30)	1	267	268
Reversal (Note 30)	(46)	(169)	(215)
Write off	-	-	-
Balance at 31 December 2025	1	496	497

* Represents amount less than RM500.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade receivables (Cont'd)

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for trade receivables is summarised below:

	Gross amount RM'000	**Individual impairment** RM'000	**Carrying amount** RM'000
Audited			
2022			
Current (not past due)	28,474	-	28,474
1 to 30 days past due	3,083	-	3,083
31 to 60 days past due	540	-	540
61 to 90 days past due	22	-	22
91 to 120 days past due	149	*	149
	32,268	*	32,268
Credit impaired:			
More than 120 days past due	421	(379)	42
	32,689	(379)	32,310
Audited			
2023			
Current (not past due)	28,301	-	28,301
1 to 30 days past due	4,614	-	4,614
31 to 60 days past due	1,004	-	1,004
61 to 90 days past due	532	-	532
91 to 120 days past due	204	-	204
	34,655	-	34,655
Credit impaired:			
More than 120 days past due	285	(271)	14
	34,940	(271)	34,669

* Represents amount less than RM500.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade receivables (Cont'd)

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for trade receivables is summarised below (cont'd):

Audited	Gross amount RM'000	Individual impairment RM'000	Carrying amount RM'000
2024			
Current (not past due)	34,140	-	34,140
1 to 30 days past due	6,031	(5)	6,026
31 to 60 days past due	714	-	714
61 to 90 days past due	124	-	124
91 to 120 days past due	398	(41)	357
	41,407	(46)	41,361
Credit impaired:			
More than 120 days past due	664	(398)	266
	42,071	(444)	41,627
2025			
Current (not past due)	28,707	-	28,707
1 to 30 days past due	3,324	-	3,324
31 to 60 days past due	781	-	781
61 to 90 days past due	757	(1)	756
91 to 120 days past due	525	-	525
	34,094	(1)	34,093
Credit impaired:			
More than 120 days past due	852	(496)	356
	34,946	(497)	34,449

The movement in the loss allowances in respect of trade receivables is disclosed in Note 10 to the financial statements.

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other receivables

The Group applies the 3-stage general approach to measure expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Fixed deposits with licensed banks, cash and bank balances

The Group considers the licensed banks to be of low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount due from related party (non-trade balances)

The Group applies the 3-stage general approach to measure expected credit losses for amount owing by related parties (non-trade balances).

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Group measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the owing by related parties.

The Group uses 3 categories to reflect its credit risk and how the loss allowance is determined for each category:

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group considers amount due have low credit risks. The Group assumes that there is a significant increase in credit risk when the financial position of the related party deteriorates significantly.

Impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the related parties do not have sufficient highly liquid resources when the amount owing by are demanded, the Group will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the related parties.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for impairment losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

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39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Audited	**Contractual interest rate** % per annum	**Carrying amount** RM'000	**Contractual undiscounted cash flows** RM'000	**Within 1 year** RM'000	**1 - 5 years** RM'000	**Over 5 years** RM'000
2022						
Non-derivative financial liabilities						
Trade payables	-	23,977	23,977	23,977	-	-
Other payables and accruals	-	1,319	1,319	1,319	-	-
Amount owing to a director	-	1	1	1	-	-
Borrowings:						
- Bankers' acceptances	2.93 - 4.35	10,086	10,086	10,086	-	-
- Hire purchase payables	2.28 - 4.31	1,871	2,074	688	1,387	-
- Term loans	4.04 - 7.42	9,741	12,663	1,677	6,161	4,825
Lease liabilities	5.40 - 6.77	1,517	1,594	1,164	430	-
		48,512	51,714	38,912	7,978	4,825

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39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	**Contractual interest rate** % per annum	**Carrying amount** RM'000	**Contractual undiscounted cash flows** RM'000	**Within 1 year** RM'000	**1 - 5 years** RM'000	**Over 5 years** RM'000
2023						
Non-derivative financial liabilities						
Trade payables	-	23,035	23,035	23,035	-	-
Other payables and accruals	-	2,174	2,174	2,174	-	-
Amount owing to holding company	-	3,997	3,997	3,997	-	-
Borrowings:						
- Bankers' acceptances	3.12 - 4.30	21,039	21,039	21,039	-	-
- Hire purchase payables	2.28 - 4.31	4,340	4,867	1,362	3,506	-
- Term loans	4.04 - 7.67	21,020	29,817	2,421	8,559	18,836
Lease liabilities	6.65 - 6.77	1,459	1,566	846	720	-
Dividend payables	-	2,000	2,000	2,000	-	-
		79,064	88,495	56,874	12,785	18,836

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39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	**Contractual interest rate** % per annum	**Carrying amount** RM'000	**Contractual undiscounted cash flows** RM'000	**Within 1 year** RM'000	**1 - 5 years** RM'000	**Over 5 years** RM'000
2024						
Non-derivative financial liabilities						
Trade payables	-	34,128	34,128	34,128	-	-
Other payables and accruals	-	3,039	3,039	3,039	-	-
Amount owing to holding company	-	2,342	2,342	2,342	-	-
Borrowings:						
- Bankers' acceptances	3.27 - 4.35	15,711	15,711	15,711	-	-
- Hire purchase payables	2.28 - 3.40	6,315	7,029	1,907	5,123	-
- Term loans	3.95 - 7.67	22,615	30,141	3,241	9,997	16,903
Lease liabilities	5.40 - 6.77	738	778	506	272	-
		84,888	93,168	60,874	15,392	16,903

HSS HOLDINGS BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Audited	**Contractual interest rate** % per annum	**Carrying amount** RM'000	**Contractual undiscounted cash flows** RM'000	**Within 1 year** RM'000	**1 - 5 years** RM'000	**Over 5 years** RM'000
2025						
Non-derivative financial liabilities						
Trade payables	-	31,138	31,138	31,138	-	-
Other payables and accruals	-	3,947	3,947	3,947	-	-
Borrowings:						
- Bankers' acceptances	3.37 - 4.10	17,759	17,759	17,759	-	-
- Hire purchase payables	2.08 - 3.40	5,538	6,048	1,908	4,140	-
- Term loans	3.90 - 7.42	17,193	22,314	2,566	7,197	12,551
Lease liabilities	6.65 - 6.77	580	603	515	88	-
		76,155	81,809	57,833	11,425	12,551

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.2 Capital Risk Management

The Group manages its capital structure to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital structure based on net debt-to-equity ratios that complies with debt covenants and regulatory, if any. The net debt-to-equity ratio is calculated as net debt divided by total equity. The Group's includes within net debt, borrowings less cash and cash equivalents. The net debt-to-equity ratio of the Group at the end of each reporting period was as follows:

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Borrowings	21,698	46,399	44,641	40,490
Less: Cash and cash equivalents	(6,736)	(8,044)	(13,504)	(11,826)
Net debt	14,962	38,355	31,137	28,664
Total equity	14,138	14,632	25,862	35,573
Debt-to-equity ratio	1.06	2.62	1.20	0.81

There was no change in the Group's approach to capital management during the financial year.

39.3 Classification of Financial Instruments

	Audited As at 31 December			
	2022 RM'000	**2023** RM'000	**2024** RM'000	**2025** RM'000
Financial assets				
Fair value through profit or loss				
Financial assets at fair value through profit or loss	538	557	576	539
Short-term investment	-	-	-	800
	538	557	576	1,339

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.3 Classification of Financial Instruments (Cont'd)

	Audited As at 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Financial assets				
Amortised cost				
Trade receivables	32,310	34,669	41,627	34,449
Other receivables	9	13	13	21
Amount owing by related parties	323	347	-	-
Fixed deposits with licensed banks	-	-	-	2,392
Cash and bank balances	6,736	8,044	13,504	10,726
	39,378	43,073	55,144	47,588
Financial liabilities				
Amortised cost				
Trade payables	23,977	23,035	34,128	31,138
Other payables and accruals	1,319	2,174	3,039	3,947
Amount owing to holding company	-	3,997	2,342	-
Amount owing to a director	1	-	-	-
Borrowings	21,698	46,399	44,641	40,490
Lease liabilities	1,517	1,459	738	580
Dividend payables	-	2,000	-	-
	48,512	79,064	84,888	76,155

39.4 Gain or Loss arising from Financial Instruments

	Audited Financial year ended 31 December			
	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Financial assets				
Fair value through profit or loss				
Net gain recognised in profit or loss	23	19	85	243
Amortised cost				
Net loss recognised in profit or loss	(639)	(174)	(52)	(21)
Financial liabilities				
Amortised cost				
Net loss recognised in profit or loss	(909)	(1,525)	(2,196)	(2,232)

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 Fair Value Information

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:

	Fair value of financial instruments carried at fair value			**Fair value of financial instruments not carried at fair value**				
	Level 1 RM'000	**Level 2** RM'000	**Level 3** RM'000	**Level 1** RM'000	**Level 2** RM'000	**Level 3** RM'000	**Total fair value** RM'000	**Carrying amount** RM'000
Audited								
2022								
Financial asset								
Financial assets at fair value through profit or loss								
- Investment in life insurance	-	-	538	-	-	-	538	538
Financial liabilities								
Hire purchase payables	-	-	-	-	1,871	-	1,871	1,871
Term loans - floating rate	-	-	-	-	9,741	-	9,741	9,741

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ACCOUNTANTS' REPORT

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 Fair Value Information (Cont'd)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value				
	Level 1 RM'000	**Level 2** RM'000	**Level 3** RM'000	**Level 1** RM'000	**Level 2** RM'000	**Level 3** RM'000	**Total fair value** RM'000	**Carrying amount** RM'000
Audited								
2023								
Financial asset								
Financial assets at fair value through profit or loss								
- Investment in life insurance	-	-	557	-	-	-	557	557
Financial liabilities								
Hire purchase payables	-	-	-	-	4,340	-	4,340	4,340
Term loans - floating rate	-	-	-	-	21,020	-	21,020	21,020
2024								
Financial asset								
Financial assets at fair value through profit or loss								
- Investment in life insurance	-	-	576	-	-	-	576	576
Financial liabilities								
Hire purchase payables	-	-	-	-	6,315	-	6,315	6,315
Term loans - fixed rate	-	-	-	-	1,064	-	1,064	1,064
- floating rate	-	-	-	-	21,550	-	21,550	21,550

HSS HOLDINGS BERHAD
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ACCOUNTANTS' REPORT

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 Fair Value Information (Cont'd)

	Fair value of financial Instruments carried at fair value			Fair value of financial instruments not carried at fair value				
	Level 1 RM'000	**Level 2** RM'000	**Level 3** RM'000	**Level 1** RM'000	**Level 2** RM'000	**Level 3** RM'000	**Total fair value** RM'000	**Carrying amount** RM'000
Audited								
2025								
Financial asset								
Financial assets at fair value through profit or loss								
- Investment in life insurance	-	-	539	-	-	-	539	539
- Short-term investment	-	800	-	-	-	-	800	800
Financial liabilities								
Hire purchase payables	-	-	-	-	5,538	-	5,538	5,538
Term loans - fixed rate	-	-	-	-	844	-	844	844
- floating rate	-	-	-	-	16,348	-	16,348	16,348

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (CONT'D)

39.5 Fair Value Information (Cont'd)

(a) Fair value of financial instruments carried at fair value

(i) The fair value of the investment in life insurance in determined by reference to information provided by the insurance company without adjustment.

(ii) The fair value of short-term investment is determined by reference to statements provided by the financial institutions with which the investment were entered into.

(iii) There were no transfers between level 1 and level 2 during the financial year.

(b) Fair value of financial instruments not carried at fair value

(i) The fair value of hire purchase that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period.

(ii) The fair value of the Group's term loans that carry fixed interest rate is determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flow is ranging from 6.45% to 7.42% (2024: 6.70% to 7.67%, 2023: 7.67% and 2022: 7.25% to 7.42%).

(iii) The fair value of the Group's term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

40. SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

(a) On 1 June 2023, HCF entered into sales and purchase agreement with Trent Upholstery Industries Sdn. Bhd. (as vendor) for the acquisition of a unit of factory with 2 storey office known as PTD 11742, Parit Raja Sari, Jalan Parit Hulu, 84200 Bukit Bakri, Muar, Johor for a total purchase consideration of RM11,000,000. The acquisition was completed on 28 November 2023.

(b) On 1 June 2023, HCF entered into sales and purchase agreement with Trent Upholstery Industries Sdn. Bhd. (as vendor) for the acquisition of a freehold land known as PTD 11743, Parit Raja Sari, Jalan Parit Hulu, 84200 Bukit Bakri, Muar, Johor for a total purchase consideration of RM5,000,000. The acquisition was completed on 28 November 2023.

(c) On 30 April 2024, HCF entered into sales and purchase agreement with one of its directors to dispose a piece of freehold land with one unit of single storey factory known as No. 18, Jalan Perusahaan 1, Kawasan Perindustrian Parit Hulu, Mukim Jalan Bakri, 84200, Muar, Johor for a total cash consideration of RM3,300,000. The disposal was completed on 4 February 2025.

NOTES TO THE COMBINED/CONSOLIDATED FINANCIAL STATEMENTS

40. SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (CONT'D)

(d) On 27 March 2025, HCF increased its issued and paid-up share capital from RM1,120,000 to RM8,800,000 by way of issuance of 7,680,000 new ordinary shares for a total cash consideration of RM7,680,000 for working capital.

(e) On 27 March 2025, LHMC increased its issued and paid-up share capital from RM500,000 to RM2,000,000 by way of issuance of 1,500,000 new ordinary shares for a total cash consideration of RM1,500,000.

(f) On 27 March 2025, Kasaga increased its issued and paid-up share capital from RM200,100 to RM1,500,000 by way of issuance of 1,299,900 new ordinary shares for a total cash consideration of RM1,299,900.

(g) On 12 June 2025, HCF entered into sales and purchase agreement with a third party to dispose a piece of freehold land together with one unit of single storey factory known as No. 22, Jalan Perusahaan Kawasan Perindustrian Parit Hulu, Parit Batu Nampak, Jalan Parit Hulu, Jalan Bakri, 84200, Muar, Johor for a total cash consideration of RM3,500,000. The disposal was completed on 27 November 2025.

(h) On 31 July 2025, Kasaga declared an interim dividend of approximately 33.33 sen per ordinary share amounting to RM500,000 in respect of the financial year ending 31 December 2025, which was paid on 18 December 2025.

(i) On 8 August 2025, the Company entered into a share sale agreement to acquire the entire equity interest in HCF, comprising 8,800,000 ordinary shares from Valura Group, for a total purchase consideration of RM21,842,479 by way of issuance of 370,840,056 new ordinary shares of the Company at an issue price of RM0.0589 each. Following the completion of the acquisition on 8 August 2025, HCF became a wholly owned subsidiary of the Company.

(j) On 8 August 2025, the Company entered into a share sale agreement to acquire the entire equity interest in LHMC, comprising 2,000,000 ordinary shares from Valura Group, for a total purchase consideration of RM1,751,792 by way of issuance of 29,741,805 new ordinary shares of the Company at an issue price of RM0.0589 each. Following the completion of the acquisition on 8 August 2025, LHMC became a wholly owned subsidiary of the Company.

(k) On 8 August 2025, the Company entered into a share sale agreement to acquire the entire equity interest in Kasaga, comprising 1,500,000 ordinary shares from Valura Group and a minority shareholder, namely Joshua Lau Ern Tien, for a total purchase consideration of RM1,579,854 by way of issuance of 24,418,138 new ordinary shares of the Company at an issue price of RM0.0647 each. Following the completion of the acquisition on 8 August 2025, Kasaga became a wholly owned subsidiary of the Company.

(l) On 9 April 2026, the Company declared an interim dividend of approximately 0.59 sen per ordinary share amounting to RM2,500,000 in respect of financial year ended 31 December 2025, payable on 28 May 2026. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits for the financial year ending 31 December 2026.

HSS HOLDINGS BERHAD

STATEMENTS BY DIRECTORS

We, Goh Chen Chang and Goh Chen Ann, being two of the directors of HSS Holdings Berhad, state that in the opinion of the directors, the combined/consolidated financial statements set out on page 4 to 85 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and *Prospectus Guidelines – Equity* issued by the Securities Commission Malaysia so as to give a true and fair view of the combined/consolidated financial position of the Group as at 31 December 2022, 2023, 2024 and 2025 and of their combined/consolidated financial performance and cash flows for the relevant reporting periods ended on those dates.

Signed in accordance with a resolution of the directors dated 07 MAY 2026

Goh Chen Chang

Goh Chen Ann

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
8, Jalan Pesta 1/1
Taman Tun Dr. Ismail 1, Jalan Bakri
84000 Muar, Johor
Malaysia
Main +6 06 9524 328
Fax +6 06 9527 328
info.muar@crowe.my
www.crowe.my

Date: 0 7 MAY 2026

The Board of Directors
HSS Holdings Berhad
No. 17386, Parit Raja Sari
Jalan Parit Hulu
Bukit Bakri
84200 Muar, Johor

Dear Sirs

HSS HOLDINGS BERHAD ("HSS Holdings" OR "Company")
REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position of HSS Holdings and its subsidiaries, namely H.S.S. Confectionery Foodstuff Sdn. Bhd., Lotus Home Made Cookies Sdn. Bhd. and Kasaga Bakery Sdn. Bhd. (collectively known as "HSS Holdings Group" or "Group") as at 31 December 2025 and related notes as set out in Appendix A, for which we have stamped for the purpose of identification. The pro forma consolidated statements of financial position and related notes have been prepared by the Board of Directors of the Company for inclusion in the prospectus of HSS Holdings ("Prospectus") in connection with the listing of and quotation for its entire enlarged number of issued ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad ("the Listing").

The applicable criteria on the basis of which the Board of Directors of the Company have compiled the pro forma consolidated statements of financial position are described in the notes thereon to the pro forma consolidated statements of financial position. The pro forma consolidated statements of financial position are prepared in accordance with the requirements of the Prospectus Guidelines issued by Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro forma consolidated statements of financial position issued by the Malaysian Institute of Accountants ("Guidance Note").

The pro forma consolidated statements of financial position have been compiled by the Board of Directors of the Company to illustrate the impact of the events or transactions as set out in the notes thereon to the pro forma consolidated statements of financial position as if the events have occurred or the transactions have been undertaken on 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the Board of Directors of the Company from the consolidated statements of financial position of the Group as at 31 December 2025 as set out in the Accountants' Report of the Company.

THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the pro forma consolidated statements of financial position on the basis as described in the notes thereon to the pro forma consolidated statements of financial position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

Crowe

REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the pro forma consolidated statements of financial position of HSS Group has been compiled, in all material respects, by the Board of Directors of the Company on the basis as set out in the notes thereon to the pro forma consolidated statements of financial position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro forma consolidated statements of financial position included in a Prospectus*, issued by the International Auditing and Assurance Standards as adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the pro forma consolidated statements of financial position on the basis as set out in the notes thereon to the pro forma consolidated statements of financial position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of pro forma consolidated statements of financial position included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position has been compiled, in all material respects, on the basis set out in the notes thereon to the pro forma consolidated statements of financial position and in accordance with the requirements of the Prospectus Guidelines, involves performing procedures to assess whether the applicable criteria used by the Board of Directors of the Company in the compilation of the pro forma consolidated statements of financial position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

* The related pro forma adjustments give appropriate effect to those criteria; and

* The pro forma consolidated statements of financial position reflects the proper application of those adjustments to the unadjusted financial information.

REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma consolidated statements of financial position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the pro forma consolidated statements of financial position of HSS Holdings Group has been compiled, in all material respects, on the basis as set out in the notes thereon to the pro forma consolidated statements of financial position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

OTHER MATTER

This letter has been prepared solely for the purpose of inclusion in the Prospectus in connection with the Listing. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Crowe

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Goh Siow Yen
03557/03/2027 J
Chartered Accountant

Muar, Johor Darul Takzim

PRO FORMA FINANCIAL INFORMATION

1. ABBREVIATION

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:

HSS Holdings or the Company	:	HSS Holdings Berhad (Registration No. 202501015431 (1616846 - W))
HCF	:	H.S.S. Confectionery Foodstuff Sdn Bhd (Registration No. 200601014720 (734472 - D))
LHMC	:	Lotus Home Made Cookies Sdn Bhd (Registration No. 201401036368 (1112507 - W))
Kasaga	:	Kasaga Bakery Sdn Bhd (Registration No. 202301031130 (1525053 - M))
HSS Holdings Group or Group	:	HSS Holdings and its subsidiaries, collectively
Valura	:	Valura Group Sdn Bhd (Formerly known as HSS Food Holdings Sdn Bhd) (Registration No. 202301033646 (1527569 – U))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998 – W))
Eligible Person(s)	:	Eligible Director(s) and employee(s) of our Group, and person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations, collectively
FYE	:	Financial year(s) ended/ending 31 December, as the case may be
IPO	:	Collectively, our Public Issue and the Offer for Sale
IPO Price	:	Issue price of RM0.18 per Issue Share
Issue Share(s)	:	75,000,000 new HSS Holdings Share(s) to be issued at the IPO Price pursuant to the Public Issue
Listing	:	Listing and quotation of the enlarged number of ordinary shares in HSS Holdings on the ACE Market of Bursa Securities
LPD	:	30 April 2026, being the latest practicable date for ascertaining certain information contained in this letter
Malaysian Public	:	Malaysia Citizens, companies, societies, co-operatives and institutions incorporated or organized under the laws of Malaysia, but excluding our Directors, substantial shareholders and persons connected with them
Manufacturing Facility 1	:	A rented factory of the Group, located at Lot 11507, Jalan Perindustrian 1/1, Kawasan Perindustrian Parit Jamil, Mukim Sri Menanti, 84150 Muar, Johor

For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

PRO FORMA FINANCIAL INFORMATION

1. ABBREVIATION (CONT'D)

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report (cont'd):

Manufacturing Facility 2	:	A rented factory and office of the Group, located at No. 20, Jalan Perusahaan 1, Kawasan Perindustrian Parit Hulu, Mukim Jalan Bakri, 84200 Muar, Johor
MITI	:	Ministry of Investment, Trade and Industry, Malaysia
NA	:	Net assets
Offer Share(s)	:	52,500,000 existing HSS Holdings Share(s) to be offered at our IPO Price by our Selling Shareholders pursuant to the Offer for Sale
Prospectus	:	This prospectus dated 29 May 2026 issued by HSS Holdings in relation to our IPO
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
Selling Shareholder(s)	:	Collectively, Goh Chen Chang and Essential Family Ventures Sdn. Bhd., undertaking the Offer for Sale
Share(s)	:	Ordinary share(s) in the Company

2. BASIS OF PREPARATION

2.1 Introduction

The pro forma financial statements of HSS Holdings Group for FYE 2025 ("Pro forma consolidated statements of financial position") together with the notes thereon, for which the Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities ("the Listing").

2.2 Basis of Preparation

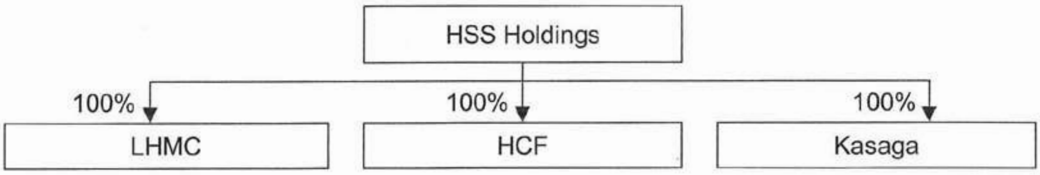
The pro forma consolidated statements of financial position of HSS Holdings as at 31 December 2025 have been prepared for illustration purposes using the audited consolidated financial statements of HSS Holdings as at 31 December 2025 which are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards and are not subject to any qualification, modification or disclaimer.

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of Preparation (Cont'd)

The audited consolidated financial statements of HSS Holdings for FYE 2025 consist of the financial statements of HSS Holdings, HCF, LHMC and Kasaga.

The corporate structure of the HSS Holdings Group is presented as follow:



2.3 Applicable Criteria

(a) The pro forma consolidated statements of financial position have been prepared solely to illustrate the effect on the financial positions of the HSS Holdings Group as at 31 December 2025 had the transactions as set out in Note 3.1 herein been implemented on 31 December 2025;

(b) The pro forma consolidated statements of financial position of HSS Holdings Group has also been compiled in a manner consistent with both the format of the audited financial statements and accounting policies of HSS Holdings, HCF, LHMC, and Kasaga.

(c) Material and appropriate adjustments have been made in the preparation of pro forma consolidated statements of financial position of HSS Holdings Group.

2.4 Significant Subsequent Events

2.4.1 Drawdown of term loan

Subsequent to 31 December 2025, and up to the date of this report, HCF has undertaken a drawdown of borrowings totaling RM4,500,000, of which RM3,800,000 was applied towards the redemption of banker's acceptances with the remaining balance credited to its bank account.

2.4.2 Dividend declaration

On 9 April 2026, the Company declared an interim dividend of approximately 0.59 sen per ordinary share amounting to RM2,500,000 in respect of the financial year ended 31 December 2025. The said dividend will be paid before the Listing.

PRO FORMA FINANCIAL INFORMATION

2. BASIS OF PREPARATION (CONT'D)

2.5 Listing Scheme

(a) Public Issue

A total of 75,000,000 Issue Shares, representing 15.0% of the enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

25,000,000 Issue Shares, representing 5.0% of the enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

(aa) 12,500,000 Issue Shares made available to public investors; and

(bb) 12,500,000 Issue Shares made available to Bumiputera public investors.

(ii) Eligible Persons

10,000,000 Issue Shares, representing 2.0% of the enlarged share capital, are reserved for our Eligible Persons;

(iii) Private placement to Bumiputera investors approved by MITI

10,000,000 Issue Shares, representing 2.0% of the enlarged share capital, are reserved for private placement to Bumiputera investors approved by the MITI; and

(iv) Private placement to selected investors

30,000,000 Issue Shares, representing 6.0% of the enlarged share capital, are reserved for private placement to selected investors.

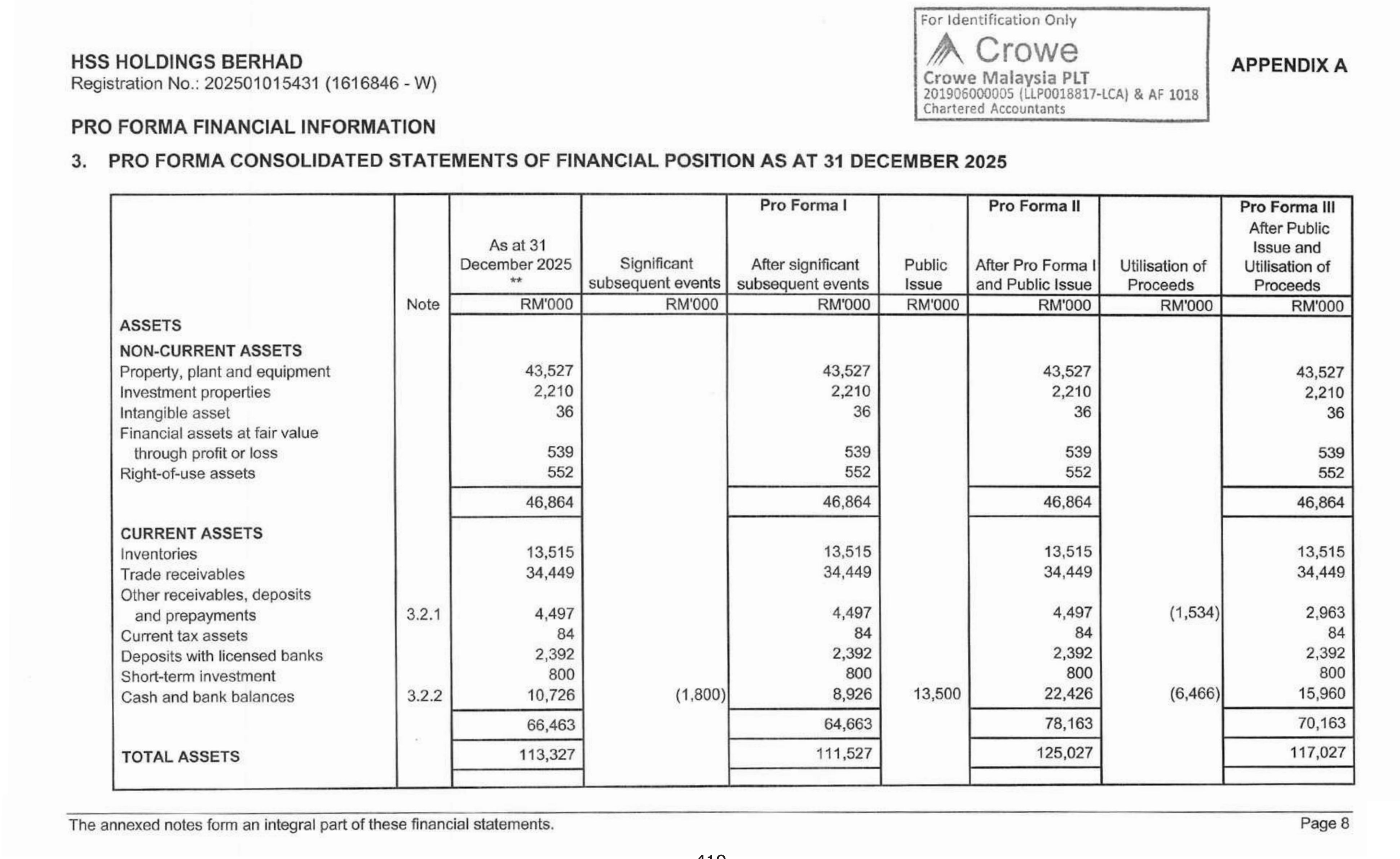
Upon completion of our Public Issue, the share capital will increase from RM25,174,126 comprising 425,000,000 Shares to RM38,674,126 comprising 500,000,000 Shares.

(b) Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 52,500,000 Offer Shares, representing 10.5% of the enlarged share capital at our IPO Price. The Offer Shares shall be undertaken by way of private placement to Bumiputera investors approved by MITI.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM38,674,126 comprising 500,000,000 Shares shall be listed on the ACE Market of Bursa Securities.



For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

APPENDIX A

HSS HOLDINGS BERHAD
Registration No.: 202501015431 (1616846 - W)

PRO FORMA FINANCIAL INFORMATION

3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

				Pro Forma I		Pro Forma II		Pro Forma III
	Note	As at 31 December 2025 **	Significant subsequent events	After significant subsequent events	Public Issue	After Pro Forma I and Public Issue	Utilisation of Proceeds	After Public Issue and Utilisation of Proceeds
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment		43,527		43,527		43,527		43,527
Investment properties		2,210		2,210		2,210		2,210
Intangible asset		36		36		36		36
Financial assets at fair value through profit or loss		539		539		539		539
Right-of-use assets		552		552		552		552
		46,864		46,864		46,864		46,864
CURRENT ASSETS								
Inventories		13,515		13,515		13,515		13,515
Trade receivables		34,449		34,449		34,449		34,449
Other receivables, deposits and prepayments	3.2.1	4,497		4,497		4,497	(1,534)	2,963
Current tax assets		84		84		84		84
Deposits with licensed banks		2,392		2,392		2,392		2,392
Short-term investment		800		800		800		800
Cash and bank balances	3.2.2	10,726	(1,800)	8,926	13,500	22,426	(6,466)	15,960
		66,463		64,663		78,163		70,163
TOTAL ASSETS		113,327		111,527		125,027		117,027

The annexed notes form an integral part of these financial statements.

APPENDIX A

HSS HOLDINGS BERHAD
Registration No.: 202501015431 (1616846 - W)

PRO FORMA FINANCIAL INFORMATION

3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

				Pro Forma I		Pro Forma II		Pro Forma III
		As at 31 December 2025 **	Significant subsequent events	After significant subsequent events	Public Issue	After Pro Forma I and Public Issue	Utilisation of Proceeds	After Public Issue and Utilisation of Proceeds
	Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES								
EQUITY								
Share capital	3.2.3	25,174		25,174	13,500	38,674	(1,097)	37,577
Reserves	3.2.4	10,399	(2,500)	7,899		7,899	(2,403)	5,496
TOTAL EQUITY		35,573		33,073		46,573		43,073
NON-CURRENT LIABILITIES								
Borrowings	3.2.5	19,217		19,217		19,217	(4,046)	15,171
Lease liabilities		85		85		85		85
Deferred tax liabilities		567		567		567		567
		19,869		19,869		19,869		15,823
CURRENT LIABILITIES								
Trade payables		31,138		31,138		31,138		31,138
Other payables and accruals		4,234		4,234		4,234		4,234
Borrowings	3.2.5	21,273	700	21,973		21,973	(454)	21,519
Lease liabilities		495		495		495		495
Current tax liabilities		745		745		745		745
		57,885		58,585		58,585		58,131
TOTAL LIABILITIES		77,754		78,454		78,454		73,954
TOTAL EQUITY AND LIABILITIES		113,327		111,527		125,027		117,027

The annexed notes form an integral part of these financial statements.

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APPENDIX A

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PRO FORMA FINANCIAL INFORMATION

3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

		As at 31 December 2025 **	Significant subsequent events	Pro Forma I After significant subsequent events	Public Issue	Pro Forma II After Pro Forma I and Public Issue	Utilisation of Proceeds	Pro Forma III After Public Issue and Utilisation of Proceeds
No. of ordinary shares in issue ('000)		425,000		425,000		500,000		500,000
NA (RM'000)		35,573		33,073		46,573		43,073
NA per ordinary share (RM)		0.08		0.08		0.09		0.09

Notes:

** Extracted from the audited consolidated financial statements of HSS Holdings Berhad for the financial year ended 31 December 2025.

The annexed notes form an integral part of these financial statements.

3. PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

3.1 Transactions and Assumptions

The pro forma consolidated statements of financial position as at 31 December 2025 has been prepared solely for illustrative purposes only to show the effects of the following transactions based on the assumptions that they had been undertaken on FYE 2025:

(a) Pro Forma I

Pro Forma I incorporates the effects of the significant subsequent events as set out in Note 2.4.

(b) Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the Public Issue as set out in Note 2.5(a).

(c) Pro Forma III

Pro Forma III incorporates the effects of Pro Forma II and the utilisation of the proceeds from the Public Issue.

The proceeds from Public Issue will be utilised as follows:

Utilisation of proceeds	Amount of proceeds		Estimated time frame for utilisation from the date of our Listing
	RM'000	%	
(a) Capital expenditure for			
• Manufacturing Facility 1 #	1,108	8.2	Within 12 months
• Manufacturing Facility 2 #	1,461	10.8	Within 12 months
(b) Repayment of borrowings**	4,500	33.4	Within 6 months
(c) Working capital	2,931	21.7	Within 12 months
(d) Estimated listing expenses @	3,500	25.9	Within 1 month
	13,500	100.0	

3. PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

3.1 Transaction and Assumption (Cont'd)

(c) Pro Forma III (Cont'd)

\# *As at the latest practicable date of the prospectus, the utilisation of proceeds for each of these purposes is not factually supported by purchase orders or contractual binding agreements. Hence, the Group has not illustrated the utilisation of proceeds for these purposes in the pro forma statements of financial position.*

** *The Group intends to utilise RM4.50 million of its IPO proceeds as settlement for certain borrowings. The utilisation is reflected in the pro forma statements of financial position.*

@ *The estimated listing expenses totaling RM3.50 million to be borne by the Group comprise brokerage, underwriting and placement fees, professional fees and miscellaneous expenses of which RM1.53 million has been paid and captured as prepayment of the Group as at 31 December 2025. A total of RM1.10 million is assumed to be directly attributable to the issuance of new shares and therefore will be set off against the share capital. The remaining expenses of RM2.40 million are assumed to be attributable to the Listing and therefore will be charged to the statements of profit or loss and other comprehensive income.*

* *If the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.*

The pro forma consolidated statements of financial position as at 31 December 2025 are not necessarily indicative of the financial position that would have been attained had the above transactions eventually occurred at the respective actual dates. The pro forma statements of financial position have been prepared for illustrative purposely only, and because of this nature, may not give a true picture of the actual financial position of the HSS Holdings Group.

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3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

3.2 Notes to the Pro Forma Financial Position as at 31 December 2025

3.2.1 Other Receivables, Deposits and Prepayments

	RM'000
At 31 December 2025	4,497
As per Pro Forma I and II	4,497
Pursuant to Utilisation of Proceeds from IPO	(1,534)
As per Pro Forma III	2,963

3.2.2 Cash and Bank Balances

	RM'000
At 31 December 2025	10,726
Significant subsequent events	(1,800)
As per Pro Forma I	8,926
Proceeds from Public Issues	13,500
As per Pro Forma II	22,426
Pursuant to Utilisation of Proceeds from IPO	(6,466)
As per Pro Forma III	15,960

3.2.3 Share Capital

	Number of Ordinary Shares ('000)	Amount of Share Capital RM'000
At 31 December 2025	425,000	25,174
As per Pro Forma I	425,000	25,174
Pursuant to Public Issue	75,000	13,500
As per Pro Forma II	500,000	38,674
Estimated listing expenses	-	(1,097)
As per Pro Forma III	500,000	37,577

3. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

3.2 Notes to the Pro Forma Financial Position as at 31 December 2025 (Cont'd)

3.2.4 Reserves

	Retained profits RM'000	Re-organisation reserve RM'000	Total RM'000
At 31 December 2025	23,193	(12,794)	10,399
Significant subsequent events	(2,500)	-	(2,500)
As per Pro Forma I and II	20,693	(12,794)	7,899
Estimated listing expenses	(2,403)	-	(2,403)
As per Pro Forma III	18,290	(12,794)	5,496

3.2.5 Borrowings

	RM'000
Current	
At 31 December 2025	21,273
Significant subsequent events	700
As per Pro Forma I and II	21,973
Pursuant to Utilisation of Proceeds from IPO	(454)
As per Pro Forma III	21,519
Non-current	
At 31 December 2025	19,217
As per Pro Forma I and II	19,217
Pursuant to Utilisation of Proceeds from IPO	(4,046)
As per Pro Forma III	15,171

HSS HOLDINGS BERHAD **APPENDIX A**
Registration No.: 202501015431 (1616846 - W)

PRO FORMA FINANCIAL INFORMATION

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 07 MAY 2026

On behalf of the Board of Directors,

Goh Chen Chang

Goh Chen Ann

15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

(a) As at the date of this Prospectus, we only have one class of shares, namely, ordinary shares, all of which rank equally with one another.

(b) Save for the Pink Form Allocations as disclosed in Section 4.3.3,

  (i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiaries; and

  (ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.

(c) Save for the subscriber Share and new Shares pursuant to the Acquisitions as disclosed in Section 6.2 and to be issued for the Public Issue as disclosed in Section 4.3.1, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.

(d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.

(e) As at the date of this Prospectus, we do not have any outstanding convertible debt securities.

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES

Details of our share capital are set out in Section 6.1. Details of the share capital of our subsidiaries are set out below.

15.2.1 HCF

HCF's share capital as at LPD is RM8,800,000 comprising 8,800,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	**No. of shares allotted**	**Consideration/ Type of issue**	**Cumulative share capital**
			RM
19 May 2006	4	RM4/ Subscribers' shares	4
31 May 2006	96	RM96/ Cash	100
6 August 2008	231,000	RM231,000/ Cash	231,100
6 August 2008	19,000	RM19,000/ Otherwise than cash	250,100
28 October 2016	749,900	RM749,900/ Cash	1,000,000
9 January 2019	120,000	RM120,000/ Cash	1,120,000
27 March 2025	7,680,000	RM7,680,000/ Cash	8,800,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in HCF. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.2 LHMC

LHMC's share capital as at LPD is RM2,000,000 comprising 2,000,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
9 October 2014	100	RM100/ Subscribers' Shares	100
22 December 2014	152,900	RM152,900/ Cash	153,000
13 September 2016	55,000	RM55,000/ Cash	208,000
21 April 2022	12,000	RM12,000/ Cash	220,000
28 November 2023	30,000	RM30,000/ Cash	250,000
24 April 2024	250,000	RM250,000/ Cash	500,000
27 March 2025	1,500,000	RM1,500,000/ Cash	2,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in LHMC. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.3 Kasaga

Kasaga's share capital as at LPD is RM1,500,000 comprising 1,500,000 ordinary shares. The movements in its share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
10 August 2023	100	RM100/ Subscribers' Shares	100
29 August 2024	200,000	RM200,000/ Cash	200,100
27 March 2025	1,299,900	RM1,299,900/ Cash	1,500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Kasaga. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.3 CONSTITUTION

The following provisions are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

15.3.1 Changes in share capital

The provisions in our Constitution dealing with changes in share capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 6 - Power to issue Shares with special rights

(1) Without prejudice to any special rights previously conferred on the holders of any existing Shares but subject to Section 75(2) of the Act and to this Constitution, the Directors shall only upon prior approval by way of resolution by the Members, exercise any power to:

(a) allot Shares;

(b) grant rights to subscribe for Shares;

(c) convert any security into Shares; or

(d) allot Shares under an agreement or option or offer.

PROVIDED ALWAYS that:

the pricing, issuance and/ or placement of Shares or convertible Securities shall be in compliance with and not in contravention of the provisions of the Listing Requirements; and

(2) Any such Shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors may determine. Where the Company has different classes of shares, this Constitution will state:

(a) that the Company's share capital is divided into different classes of shares;

(b) the voting rights attached to shares in each class;

(c) any other rights attached to those Shares; and

(d) any other things which Section 90 of the Act requires.

Clause 7 - Allotment of Shares to directors, etc

The Company shall not issue Shares or other convertible Securities to the Directors or major shareholders or chief executive of the Company and/ or its holding company or the person(s) connected to them unless the Members in the general meeting have approved the specific allotment to be made to such persons.

Clause 8 - Issue of new Shares to Members

Subject to any direction to the contrary that may be given by the Company in a general meeting, all new Shares or other convertible Securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing Shares or Securities to which they are entitled. Such offer shall be made by notice specifying the number of Shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of any intimation from the person to whom the offer is made that he declines to accept the Shares or Securities offered, the Directors may dispose of those Shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new Shares or Securities which (by reason of the ratio which the new Shares or Securities bear to Shares or Securities held by persons entitled to an offer of new Shares or Securities) cannot, in the opinion of the Directors, be conveniently offered in the manner provided under this Constitution.

Clause 9 - General mandate for issue of Securities

Notwithstanding the existence of a resolution pursuant to Section 76 of the Act, but subject always to the Listing Requirements, the Company may obtain Members' approval for further issues of Shares in accordance with the provisions of Section 75 of the Act, there is still in effect a resolution approving the issue of Shares by the Company.

Clause 12 - Repayment of preference capital

Notwithstanding Clause 13, the repayment of preference share capital other than redeemable preference shares, or any alteration of preference shareholder's rights may only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing representing not less than 75.0% of the total voting rights of the preference shareholders concerned is obtained within 2 months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Clause 13 - Modification of class rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders representing not less than 75.0% of the total voting rights of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class pursuant to the provision of Section 292 of the Act. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, except that the necessary quorum hereof shall be 2 persons at least holding or representing by proxy one third (1/3) of the issued shares of the class and for an adjourned meeting, 1 person holding shares of such class.

Clause 14 - Ranking of class rights

The rights conferred upon the holders of the shares of any class issued with preferred or other rights, shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects pari passu therewith.

Clause 15 - Commission on subscription of Shares

The Company may exercise the powers of paying commission conferred by the Act, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of 10.0% of the price at which the Shares in respect whereof the same is paid are issued or an amount equal to 10.0% of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other. The Company may also on any issue of Shares pay such brokerage as may be lawful.

Clause 16 - Trusts not to be recognised

Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even with notice thereof) any equitable, contingent, future or partial interest in any Share or any unit of Share or (except only as by this Constitution or by law otherwise provided) any other right in respect of any Shares, except an absolute right to the entirety thereof in the registered holder.

Clause 17 - Issue of Securities

All new issues of Securities for which listing is sought are made by way of crediting the Securities Accounts of the allottees with such Securities save and except where it is specifically exempted from compliance with Section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this requirement. For this purpose, the Company must notify the Depository of the names of the allottees and all such particulars required by the Depository, to enable the Depository to make the appropriate entries in the Securities accounts of such allottees. The Company shall, if required by the Listing Requirements to obtain an auditors' certificate to the effect that the issue of the new Securities is in accordance with the Listing Requirements and this Constitution.

Clause 18 - Allotment of Securities and dispatch notices

Subject to the provisions of the Act, the Central Depositories Act and the Depository Rules, the Company shall allot and/or issue Securities, despatch notices of allotment to the successful allottees and make an application for the quotation of such Securities within the relevant periods prescribed by the Exchange.

Clause 19 - Compliance with the Act and Listing Requirements

The Company shall duly observe and comply with the provisions of the Act and the Listing Requirements applicable to any allotment of its Shares.

Clause 61 - Power to alter capital

(a) The shareholders may pass ordinary resolutions to alter the Company's share capital in accordance with the Act and the Listing Requirements as follows:

  (i) to increase the share capital by such sum to be divided into Shares of such amount as the resolution shall prescribe;

(ii) to consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided Share, shall be the same as it was in the case of the Share from which the subdivided Share is derived;

(iii) to convert all or any of its paid-up Shares into stock and may reconvert that stock into paid-up Shares;

(iv) to subdivide its Shares or any of the Shares, whatever is in the subdivision, the proportions between the amount paid and the amount, if any, unpaid on each subdivided Share shall be the same as it was in the case of the Share from which the subdivided Share is derived; or

(v) cancel any Shares, which at the date of the passing of the resolution, which have been forfeited, and diminish the amount of its share capital by the amount of the Shares so cancelled.

(b) If any Shares are consolidated or divided, the Directors may deal with any fractions of Shares which result or any other problem that arises. If the Directors decide to sell any Shares which represent fractions, they must sell for the best price they can reasonably obtain and distribute the net proceeds of sale among shareholders in proportion to their fractional entitlements or shall be disregarded and will be dealt with by the Directors in such a manner as they deem fit at their absolute discretion and in the best interest of the Company. The Directors can sell to a person (including the Company, if the Act and Listing Requirements allow) and can authorise a person to transfer those Shares to the buyer or in accordance with the buyer's instructions. The buyer does not need to take any action to check how any money paid is used. The buyer's ownership will not be affected if the sale was irregular or invalid in any way.

Clause 62 - Share Buy-Back

Subject to and in accordance with the provisions of the Act and such other relevant law, regulation or guideline for the time being in force, the Company is allowed and shall have power, to the fullest extent permitted, to purchase any of its own Shares and other Securities and thereafter, the Directors may resolve and shall have the fullest power to deal with such purchased Shares or other Securities in accordance with the provisions of the Act and such other relevant law, regulation or guideline.

Clause 63 - Power to reduce capital

The shareholders can pass a special resolution to reduce in any way the Company's share capital in accordance with the Act, whether with the confirmation of the Court or a solvency statement.

15.3.2 Borrowing and voting power of the Directors

The provisions in our Constitution dealing with voting and borrowing powers of our Directors including voting powers in relation to proposals, arrangements or contract in which they are interested in are as follows:

Clause 110 - Scope of Directors' borrowing powers

(1) The Directors may exercise all the powers of the Company to borrow money and/or to mortgage or charge the Company's or the subsidiaries' undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities, whether outright or as security for any debt, liability or obligation of the Company or its subsidiaries as may be thought fit.

(2) The Directors may exercise all the powers of the Company to guarantee payment of money payable under contract obligations of any subsidiary company or companies with or without securities.

(3) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

(4) The Directors may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures, debenture stock, or Securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale; payment of premium or bonus upon redemption or repayment or upon any other terms as they may think proper.

(5) Any debenture or other security may be issued at a discount, premium or otherwise and (with the sanction of the Company in general meeting) with any special privilege as to allotment of Shares, attending and voting at general meetings of the Company, appointment of Directors or otherwise.

(6) Subject to the Act, if the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors, or persons so becoming liable as aforesaid, from any loss in respect of such liability.

Clause 126 - Disclosure of interest

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director.

Clause 127 - Restriction on voting

A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 221 of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting.

Clause 128 - Relaxation of restriction of voting

A Director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company, or whereat any decision is taken upon any contract or arrangement in which he is in any way interested PROVIDED ALWAYS that he has complied with Section 221 and all other relevant provisions of the Act and of this Constitution.

Clause 130 - Directors may become directors of other corporation

A Director may be or become a Director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is directly or indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for a remuneration or other benefit received by him as a Director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the Shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation, in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or is about to be appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

15.3.3 Remuneration of Directors

The provisions in our Constitution dealing with remuneration of Directors are as follows:

Clause 105 - Remuneration of Directors

The Directors shall be paid by way of fees for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine (or failing agreement, equally). PROVIDED ALWAYS that:

(a) fee payable to Directors who hold non-executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.

(b) salaries payable to Directors who hold executive office in the Company may not include a commission on or percentage of turnover.

(c) fees and any benefits payable to Directors shall be subject to annual shareholder approval at a general meeting.

(d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 106 - Reimbursement of expenses

(1) The Directors shall be entitled to be reimbursed for all their travelling and other reasonable expenses as may be incurred in attending meetings of the Directors or any committee of the Directors of the Company, in or about the business of the Company in the course of the performance of their duties as Directors.

(2) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a Member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board of Directors provided that in the case of Non-Executive Directors of the Company, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an Executive Director, such fee may be either in addition to or in substitution for his Share in the fee from time to time provided for the Directors.

Clause 111 - Power to maintain pension fund

The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such person as aforesaid and make payments for or towards any hospital or scholastic expenses and any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, for proper disclosure to the Members and the approval of the Company in general meeting.

Clause 118 - Director may act in his professional capacity

Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company and provided further that such shall be at normal commercial terms.

Clause 131 - Alternate Director

(1) Each Director shall have power from time to time to nominate any person to act as his alternate Director and at his discretion remove such alternate Director, but the appointment of such alternate Director shall not take effect until approved by a majority of the other Directors PROVIDED ALWAYS that:

  (a) such person is not a Director;

(b) such person does not act as an alternate for more than 1 Director;

(c) the appointment is approved by a majority of the other members of the Board; and

(d) any fee paid by the Company to an alternate Director shall be deducted from that Director's remuneration.

(2) An alternate Director shall (except as regards the power to appoint an alternate Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointer is not present.

(3) Any appointment or removal of an alternate Director may be made by way of electronic or in any other manner approved by the Directors. Any way of electronic shall be confirmed as soon as possible by letter, but may be acted upon by the Company in the meanwhile.

(4) If a Director making any such appointment as aforesaid shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him shall thereupon cease to have any power or authority to act as an alternate Director.

(5) A Director shall not be liable for the acts and defaults of any alternate Director appointed by him.

(6) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

Clause 133 - Remuneration of Director holding executive office

The remuneration of a Director holding an executive office pursuant to this Constitution shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

Clause 135 - Power of Directors to appoint committees

The Directors may establish any committees, local boards or agencies comprising 2 or more persons for managing any other affairs of the Company either in Malaysia or elsewhere, and may lay down, vary or annul such rules and regulations as they may think fit for the conduct of the business thereof, and may appoint any person or persons to be the member or members of any such committee or local board or agency and may fix their remuneration and may delegate to any such committee or local board or agency any of the powers, authorities and discretion vested in the Directors, with power to sub-delegate, and may authorise the member or members of any such committee or local board or agency or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Director may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no persons dealing in good faith and without notice of any such annulment or variation shall be affected thereby. The regulations herein contained for the proceedings of Directors shall so far as not altered by any regulations made by the Directors apply also to the meetings and proceedings of any committee.

15.3.4 Transfer of Securities

The provisions in our Constitution dealing with transfer of shares as follows:

Clause 33 - Transfers of Securities

The transfer of any listed Securities or class of listed Securities of the Company which have been deposited with the Depository, shall be by way of book entry by the Depository in accordance with the Rules, notwithstanding Sections 105, 106 or 110 of the Act, but subject to section 148(2) of the Act and any exemption that may be made from compliance with section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Securities.

Clause 34 - Transferor's Right

Subject to the provisions of the Act, the Central Depositories Act and the Rules, the transfer of all other Shares not so deposited with the Depository (not being Deposited Securities) shall be in the manner provided in the Act (including the applicable provisions of Third Schedule to the Act) to the extent that the same is not inconsistent with this Constitution.

The instrument of transfer of the Share shall be executed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered into the Register as the case may be in respect thereof. Subject to the relevant law and regulations, an instrument of transfer must be in respect of only 1 class of shares.

Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of any Shares which is legally inoperative or insufficient to pass the property of such Shares to be transferred by reason of any fraud or other cause unknown to the Company or its Directors or officers.

Clause 35 - Suspension of registration

Subject to the provisions of the Act, the Central Depositories Act and the Rules, the registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole, 30 days in any year. 10 market days' notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned; of intention to close the Register and the reason thereof shall be given to the Exchange and published in a daily newspaper circulating in Malaysia. Such notice shall state the books closing date which shall not be less than 8 clear market days from the date of notification to the Exchange.

Clause 37 - Restriction on transfer

There should be no restriction on the transfer of fully paid Shares except where required by law or the relevant regulations or where the Company has a lien and no Share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 38 - Refusal to register transfer

(1) Subject to Section 106 of the Act and any other relevant provisions of the Act, the Directors may refuse or delay to register the transfer of a Share, not being a Deposited Security, to a person of whom they shall not approve.

(2) The Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.

Clause 39 - Notice of refusal

If the Directors passed a resolution to refuse or delay the registration of a transfer, they shall, within 7 days of the resolution being passed, give to the lodging broker, transferor and the transferee written notice of the resolution setting out the precise reasons thereof.

Clause 40 - Renunciation

Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any Share by the allottee thereof in favour of some other person.

Clause 41 - Reasonable diligence

Subject to the provisions of the Act, the Central Depositories Act and the Rules, where by the exercise of reasonable diligence the Company is unable to discover the whereabouts of a Member for a period of not less than 10 years the Company may cause an advertisement circulating in the place shown in the Register as the address of the Member stating that the Company after expiration of 1 month from the date of the advertisement intends to transfer the Shares to the Minister charged with responsibility for finance.

Clause 42 - Transfer of shares to Minister charged with responsibility for finance

Subject to the provisions of the Act, the Central Depositories Act and the Rules, if after the expiration of 1 month from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the Shares held by the Member to the Minister charged with responsibility for finance and for the purpose may execute for and on behalf of such Member a transfer of those Shares to the Minister charged with responsibility for finance.

Clause 43 - Death of Member

In the case of the death of a Member, the person(s) recognised by the Company as having any title to his interest in the Shares shall be, where the deceased was a sole holder, the legal representative(s) of the deceased, and where the deceased was a joint holder, the survivor; but nothing herein contained shall release the estate of a deceased Member from any liability in respect of any Share which had been held by him.

Clause 44 - Notice of election

Subject to the provisions of the Act, the Central Depositories Act and the Rules, any person becoming entitled to a Share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by that Member before his death or bankruptcy. Provided always that where the Share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the Shares may be carried out by the person becoming so entitled. Nothing herein contained shall release the estate of a deceased Member from any liability in respect of any Share which had been held by him.

Clause 45 - Share of deceased or bankrupt Member

Subject to Clause 48 if any person so becoming entitled elects to register himself, he shall deliver or send to the Company, a notice in writing signed by him and stating that he so elects, provided that where the Share is a Deposited Security and the person becoming entitled elects to have the Share transferred to him, the aforesaid notice must be served by him to the Depository together with such other relevant documents as may be required by the Depository. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the Share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Clause 47 - Transmission of Securities

Where:

(a) the Securities of the Company are listed on another stock exchange; and

(b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such Securities,

the Company shall, upon request of a holder of Securities, permit a transmission of Securities held by such Securities holder from the register of holders maintained by the Registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the Registrar of Companies in Malaysia and vice versa provided that there shall be no change in the ownership of such Securities.

15.3.5 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

Clause 10 - New Shares to rank with original Shares

Except so far as otherwise provided by the conditions of issue, or by this Constitution, any capital raised by the creation of new Shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Clause 11 - Rights of preference shareholders

Subject to the Act, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have the same rights as ordinary shareholders in relation to receiving notices, reports and audited financial statements and attending general meetings of the Company.

Clause 46 - Person entitled may receive dividends

Where the registered holder of any Share dies or becomes bankrupt, his personal representative or the assignee or his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors on that behalf, be entitled to the same dividends and other advantages and to which he would be entitled if he were the registered holder of the Share (whether in relation to meetings of the Company or to voting or otherwise), except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it, to exercise any right conferred by membership in relation to meetings of the Company. Provided further always that the Directors may at any time give notice requiring any such person to elect, either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 days, the Directors may, thereafter, withhold payment of all dividends, bonuses or other moneys payable in respect of the Share until the requirements of the notice have been complied with.

Clause 59 - Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings of the Company and other matters as if they held the Shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock as would not, if existing in Shares, have conferred that right, privilege or advantage.

Clause 69 - Record of Depositors eligible to be present and vote

Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable) and notwithstanding any provision in the Act, a Depositor shall not be regarded as a Member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

Clause 81 - How a vote is to be taken

(1) At any general meeting a resolution put to the vote of the meeting shall be decided by a show of hands, unless a poll is demanded as soon as, or before, the result of the show of hands is declared by the Chairman. A poll can be demanded by:

  (a) the Chairman of the meeting;

  (b) at least 3 Members;

  (c) any Member or Members present in person or by proxy and representing at least 10.0% of the total voting rights of all Members having the right to vote at the meeting; or

  (d) a Member or Members holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to at least 10.0% of the total sum paid on all the Shares conferring that right.

The Chairman of the meeting can also demand a poll before all, some or any of the resolutions are put to the vote on a show of hands. If Listing Requirements or the Exchange or any part of regulations requires that a poll be taken in relation to any resolution or that all resolutions at a meeting be by way of poll, that resolution or those resolutions will be decided by a poll. The Chairman shall demand a poll when this happens.

(2) A demand for a poll can be withdrawn if the Chairman agrees to this. However, this does not apply to a resolution which Listing Requirements or the Exchange requires to be decided by a poll. If a poll is demanded, and this demand is then withdrawn, a declaration by the Chairman of the result of a vote by a show of hands on that resolution, which was made before the poll was demanded, will stand.

Clause 83 - Voting

Subject to Clause 86 and any rights or restrictions for the time being attached to any class of shares at meetings of Members or classes of Members, each Member entitled to vote may vote in person or by proxy or by attorney or duly authorised representative, and on a resolution to be decided on a show of hands, a holder of ordinary shares or preference shares who is personally present or by proxy or attorney or representative appointed under this Constitution and entitled to vote shall be entitled to 1 vote, and on a poll, every Member present in person or by proxy or attorney or representative shall have 1 vote for each Share he holds. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.

Clause 84 - Shares of different monetary denominations

Where the capital of the Company consists of Shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.

Clause 85 - Vote of Member of unsound mind and person entitled to transfer

A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether in a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney and subject to the provisions of the Act, the Central Depositories Act and the Rules, any person entitled, under the Clause relating to transmission of Shares in this Constitution to transfer any Shares, may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such Shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Clause 86 - Member barred from voting while call unpaid

Subject to this Constitution, a Member shall be entitled to be present and vote at any general meeting in respect of any Share or Shares of which he is the registered holder and upon which all calls due to the Company have been paid. No person shall be entitled to be present or to vote on any resolution either as a Member or otherwise as a proxy or attorney or representative at any general meeting or demand a poll or be reckoned in the quorum in respect of any Shares upon which calls are due and unpaid.

Clause 87 - Time for objection

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

Clause 91 - Power of attorney

Every power, right or privilege herein given in these presents to any Member of the Company to convene, attend, vote and in any way take part in any meeting of the Company, may be exercised in the event of such Member being out of Malaysia by any attorney, whether a Member of the Company or not, duly appointed by such Member for the purpose, by a power of attorney produced at the Office of the Company during business hours not less than 2 clear days before the same is acted on and any vote given or thing done by such attorney shall be valid notwithstanding the previous death of the Member giving such power of attorney or revocation of such power of attorney by other means provided no intimation in writing of such death or revocation shall have been received at the Office of the Company before such vote is given or thing done.

Clause 92 - Validity of vote given under proxy

A vote given in accordance with the terms of an instrument of proxy or attorney or authority shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or proxy or of the authority under which the instrument of proxy was executed, or the transfer of the Share in respect of which the instrument of proxy is given, if no intimation in writing of such death, unsoundness of mind, revocation or transfer as aforesaid has been received by the Company at the Office before the commencement of the meeting or adjourned meeting or in the case of a poll before the time appointed for the taking of the poll, at which the instrument of proxy is used.

Clause 93 - Corporate representative

A corporation may by resolution of its directors or other governing body, if it is a Member of the Company, authorise such person as it thinks fit to act as its representative either at a particular meeting or at all meetings of the Company or of any class of Members and a person so authorised shall in accordance with his authority and until his authority is revoked by the corporation, be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company.

15.4 GENERAL INFORMATION

(a) Save for the dividends paid to our shareholders in FYE 2022 to 2025 and up to LPD and remuneration of our Directors and key senior management as disclosed in Sections 12.16, 5.1.5, 5.2.5, and 5.3.5 respectively, issuance of our Shares as consideration for the Acquisitions as disclosed in Section 6.2 and repayment of advances provided by our Promoters as disclosed in Section 10.1, there is no other amount or benefit that has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.

(b) Save as disclosed in Section 10.1, none of our Promoters, Directors and/ or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.

(c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.

(d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

(e) Our Group has not established any other place of business outside of Malaysia and is not subject to governmental laws, decrees, regulations or other legislations that may affect the repatriation of capital and remittance of profits by or to our Group.

15.5 CONSENTS

(a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Solicitors, Share Registrar, Company Secretaries and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;

(b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma consolidated statements of financial position in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and

(c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

15.6 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

(a) Constitution;

(b) Audited financial statements of:

  (i) Our Company since the date of incorporation up to 31 December 2025;

  (ii) HCF for FYE 2022 to 2025;

  (iii) LHMC for FYE 2022 to 2025; and

  (iv) Kasaga since the date of incorporation up to 31 December 2023 and FYE 2024 to 2025;

(c) Accountants' Report as set out in Section 13;

(d) Reporting Accountants' report relating to our pro forma consolidated statements of financial position as set out in Section 14;

(e) IMR Report as set out in Section 8;

(f) Material contracts as set out in Section 6.5; and

(g) Letters of consent as set out in Section 15.5.

15.7 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

M&A Securities acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 29 May 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 9 June 2026

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

Late applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Retail Offering

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

Types of Application and category of investors	**Application Method**
Applications by our eligible Directors, employees and persons who have contributed to the success of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16.2.2 Placement

Types of Application	**Application Method**
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Selected investors, Bumiputera investors approved by MITI and Eligible Persons may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities. The CDS Account must be in your own name. **Invalid, nominee or third party CDS Accounts will not be accepted** for the Application.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Application by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(a) You must be one of the following:

   (i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

   (ii) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(b) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(c) You must submit Applications by using only one of the following methods:

(i) White Application Form; or

(ii) Electronic Share Application; or

(iii) Internet Share Application.

16.3.3 Application by eligible Directors, employees and persons who have contributed to the success of our Group

The eligible Directors, employees and persons (including any entities, wherever established) who have contributed to the success of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus.

16.4 APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The **FULL** amount payable is RM0.18 for each IPO Share.

Payment must be made out in favour of **"TIIH SHARE ISSUE ACCOUNT NO. 828"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(a) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

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

(b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

So as to arrive not later than 5.00 p.m. on 9 June 2026 or by such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, RHB Bank Berhad, CGS International Securities Malaysia Sdn Bhd, Hong Leong Investment Bank Berhad, iFast Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Moomoo Securities Malaysia Sdn Bhd, TA Securities Holdings Sdn Bhd and UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

(a) reject Applications which:

    (i) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
    (ii) are illegible, incomplete or inaccurate; or

    (iii) are accompanied by an improperly drawn up or improper form of remittance; or

(b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(c) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER/ UNDER SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at https://srmy.vistra.com within one Market Day after the balloting date.

Pursuant to the Listing Requirements we are required to have a minimum of 25.0% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or eligible Directors, employees and persons who have contributed to the success of our Group, subject to the clawback and reallocation as set out in Section 4.3.4, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

(a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(b) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (a) and (b) above (as the case may be).

(d) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

(a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(b) You may check your account on the 5th Market Day from the balloting date.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

(a) Our IPO Shares allotted to you will be credited into your CDS Account.

(b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(c) In accordance with Section 14(1) of the Central Depositories Act, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the Central Depositories Act and Depository Rules.

(d) In accordance with Section 29 of the Central Depositories Act, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	**Parties to direct the enquiries**
Application Form	Issuing House Enquiry Services Telephone at 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at https://srmy.vistra.com, **1 Market Day** after the balloting date.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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1. HISTORICAL FINANCIAL INFORMATION OF KASAGA

The following tables sets out a summary of Kasaga's audited financial statements of profit or loss and other comprehensive income, statements of financial position and statements of cash flows for the financial period from 10 August 2023 (being its date of incorporation) to 31 December 2023 ("**FPE 2023**") and FYE 2024, which were prepared in accordance with MFRS and IFRS.

1.1 Historical statements of profit or loss and other comprehensive income

	Audited	
	FPE 2023	**FYE 2024**
	RM'000	**RM'000**
Revenue	-	7,744
Cost of sales	(10)	(7,030)
GP	**(10)**	**714**
Other income	-	28
Selling and distribution expenses	(6)	(13)
Administrative expenses	(16)	(534)
Finance costs	(1)	(19)
(Loss before tax) ("LBT")/PBT	**(33)**	**176**
Income tax expense	-	(61)
(Loss after tax)("LAT")/ PAT	**(33)**	**115**
EBIT⁽¹⁾	(32)	194
EBITDA⁽¹⁾	(27)	628
GP margin (%)⁽²⁾	-	9.2
PBT margin (%)⁽³⁾	-	2.3
PAT margin (%)⁽³⁾	-	1.5
Effective tax rate (%)⁽⁴⁾	-	34.7

Notes:

(1) EBIT and EBITDA are calculated as follows:

	Audited	
	FPE 2023	**FYE 2024**
	RM'000	**RM'000**
(LAT)/ PAT	(33)	115
Less:		
Interest income	-	(1)
Add:		
Finance costs	1	19
Income tax expense	-	61
EBIT	**(32)**	**194**
Add:		
Depreciation	5	434
EBITDA	**(27)**	**628**

(2) GP margin is calculated based on GP over revenue.

(3) PBT or PAT margin is calculated based on PBT or PAT over revenue.

(4) Effective tax rate is calculated based on tax expenses divided by PBT.

Kasaga commenced business on 1 February 2024. Kasaga recorded revenue of RM7.74 million in FYE 2024 and is principally involved in the manufacturing of cakes. The majority of the cakes were sold to HSS.

For FYE 2024, Kasaga recorded cost of sales of RM7.03 million and GP of RM0.71 million, resulting in a GP margin of 9.2%. This performance was largely due to Kasaga being in its early ramp-up stage. During the first half FYE 2024, production volumes were low and operations were still being refined.

Additionally, GP margin was impacted by the fixed overhead cost, which included utilities, equipment maintenance, and depreciation of ROU assets. As production levels had not yet reached commercial scale, operating expenses were high relative to the output produced.

Kasaga recorded a PBT of RM0.18 million in FYE 2024 which was offset mainly by higher administrative expenses arising from staff costs and directors' remuneration. Accordingly, Kasaga reported a PBT margin of 2.3% for FYE 2024. Kasaga's PAT was RM0.11 million and its PAT margin was 1.5% in FYE 2024.

1.2 Historical statements of financial position

	Audited	
	As at 31 December	
	2023	**2024**
	RM'000	**RM'000**
ASSETS		
Non-current assets		
Property, plant and equipment	2,086	2,845
ROU assets	185	255
Total non-current assets	**2,271**	**3,100**
Current assets		
Inventories	-	1,365
Other receivables, deposits and prepayments	70	104
Fixed deposits with a licensed bank	-	89
Cash and bank balances	12	669
Total current assets	**82**	**2,227**
TOTAL ASSETS	**2,353**	**5,327**
EQUITY		
Share capital	*	200
Shares application money	-	1,300
(Accumulated losses)/ Retained profit	(33)	82
TOTAL EQUITY	**(33)**	**1,582**
LIABILITIES		
Non-current liabilities		
Lease liabilities	126	102
Deferred tax liabilities	-	61
Total non-current liabilities	**126**	**163**

	Audited	
	As at 31 December	
	2023	2024
	RM'000	RM'000
Current liabilities		
Trade payables	-	1,139
Other payables and accruals	107	806
Amount owing to directors	2,077	1,477
Amount owing to LHMC (non-trade)	17	-
Lease liabilities	59	160
Total current liabilities	**2,260**	**3,582**
TOTAL LIABILITIES	**2,386**	**3,745**
TOTAL EQUITY AND LIABILITIES	**2,353**	**5,327**

Note:

* Represents RM100.

1.3 Historical statements of cash flows

	Audited	
	FPE 2023	FYE 2024
	RM'000	RM'000
Cash flows (for)/from operating activities		
(LBT)/ PBT	**(33)**	**176**
Adjustments for:		
Depreciation of property, plant and equipment	-	306
Depreciation of ROU assets	5	128
Gain on disposal of property, plant and equipment	-	(1)
Interest expenses on leases liabilities	1	19
Interest income	-	(1)
Operating (loss)/profit before changes in working capital	**(27)**	**627**
Inventories	-	(1,365)
Other receivables, deposits and prepayments	(24)	(80)
Trade payables	-	1,139
Other payables and accruals	28	479
Cash generated (for)/ from operations	**(23)**	**800**
Interest received	-	1
Net cash (for)/ from operating activities	**(23)**	**801**
Cash flows for investing activities		
Proceeds from disposal of property, plant and equipment	-	45
Purchase of property, plant and equipment	(1,990)	(859)
Deposit paid for purchase of property, plant and equipment	(46)	-
Additions to fixed deposit with tenure more than 3 months	-	(89)
Net cash for investing activities	**(2,036)**	**(903)**
Cash flows from financing activities		
Advances from director	2,077	(600)
Interest paid	(1)	(19)
Proceed from issuance of ordinary shares	*	200
Proceeds from share application money	-	1,300

	Audited	
	FPE 2023	**FYE 2024**
	RM'000	**RM'000**
Repayment of lease liabilities	(5)	(122)
Net cash from financing activities	**2,071**	**759**
Net increase in cash and cash equivalents	12	657
Cash and cash equivalents at the beginning of the financial period/ year	-	12
Cash and cash equivalents at the end of the financial period/ year	**12**	**669**

Note:

* Represents RM100.

1.4 Review of cash flows

The table below sets out the summary of Kasaga's statements of cash flows for FPE 2023 and FYE 2024.

	Audited	
	FPE 2023	**FYE 2024**
	RM'000	**RM'000**
Net cash (for)/ from operating activities	(23)	801
Net cash for investing activities	(2,036)	(903)
Net cash from financing activities	2,071	759
Net increase in cash and cash equivalents	**12**	**657**
Cash and cash equivalents at the beginning of financial period	-	12
Cash and cash equivalents at end of financial period/ year	**12**	**669**

Net cash for operating activities

For FPE 2023, Kasaga recorded net operating cash outflow of RM0.02 million due to Kasaga being inactive.

For FYE 2024, Kasaga recorded net operating cash inflow of RM0.80 million mainly due to commencement of business in February 2024 and collections from customers.

Net cash for investing activities

For FPE 2023, Kasaga recorded a net cash outflow of RM2.04 million from its investing activities, mainly attributable to cash payment of RM1.99 million for additional property, plant and equipment mainly comprising machinery, tools and equipment of RM1.88 million and renovation cost for Manufacturing Facility 2 of RM0.20 million.

For FYE 2024, Kasaga recorded a net cash outflow of RM0.90 million from its investing activities, mainly attributable to cash payment of RM0.86 million for additional machinery, tools and equipment of RM0.55 million and renovation cost for Office and Warehouse 1 of RM0.31 million.

Net cash from financing activities

For FPE 2023, Kasaga recorded a net cash inflow of RM2.07 million from its financing activities, which was attributable to advances from directors (i.e. Goh Chen Chang and Joshua Lau Ern Tien) for working capital requirements.

For FYE 2024, Kasaga recorded a net cash inflow of RM0.76 million from its financing activities, mainly attributable to proceeds of RM1.30 million received from the share application money which represented money received pending allotment of shares in Kasaga. The allotment of shares were completed on 27 March 2025. The cash inflow was partially offset by the repayment of advances to directors (i.e. Goh Chen Chang and Joshua Lau Ern Tien) of RM0.60 million.

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DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF HSS HOLDINGS BERHAD ("HSS HOLDINGS" OR THE "COMPANY") DATED 29 MAY 2026 ("PROSPECTUS")

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in the Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and viceversa.

1. OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 29 May 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 9 June 2026

In the event of any changes to the date or time for closing, we will make an announcement on Bursa Securities' website and advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

Late Applications will not be accepted.

2. METHODS OF APPLICATIONS

2.1 Retail Offering

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

Types of Application and category of investors	Application Method
Applications by our eligible Directors, employees and persons who have contributed to the success of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

2.2 Placement

Types of Application	Application method
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Selected investors and Bumiputera investors approved by MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

3. ELIGIBILITY

3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the list of ADAs in Section 12 of the "Detailed Procedures for Application and Acceptance" accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS accounts will not be accepted for the Applications.**

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WISHING TO APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD ENSURE THAT THEIR APPLICATION DETAILS MATCH THOSE OF THE CDS ACCOUNT INDICATED IN THE APPLICATION. ANY DISCREPANCY BETWEEN THE INFORMATION PROVIDED BY YOUR FINANCIAL INSTITUTION AND THE CDS ACCOUNT RECORD WILL RESULT IN APPLICATION REJECTION. TO AVOID ANY REJECTION, PLEASE CONTACT YOUR FINANCIAL INSTITUTION TO VERIFY THE DETAILS. PLEASE NOTE THAT THE COMPANY, PRINCIPAL ADVISER, AND ISSUING HOUSE WILL NOT BE LIABLE FOR ANY ISSUES ARISING THEREAFTER.

3.2 Application by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(a) You must be one of the following:

  (i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

  (ii) a corporation/ institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(b) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and

(c) You must submit Applications by using only one of the following methods:

(i) White Application Form;

(ii) Electronic Share Application; or

(iii) Internet Share Application.

3.3 Application by eligible Directors, employees and persons who have contributed to the success of our Group

The eligible Directors, employees and persons (including any entities, wherever established) who have contributed to the success of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus.

4. PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The Malaysian Public must follow the following procedures in making their applications through the White Application Form.

(a) Obtain the relevant Application Form together with the Official "A" and "B" envelopes and the Prospectus.

The **White Application Forms** together with the Prospectus, can be obtained subject to availability from M & A Securities Sdn Bhd, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association and our Issuing House and our Company.

(b) In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by the Prospectus. You are advised to read and understand the Prospectus before making your Application.

(c) Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in the Prospectus, including:

(i) Ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.

(ii) Stating your CDS account number in the space provided in the Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.

(iii) Stating the details of your payment in the appropriate boxes provided in the Application Form.

(iv) Stating the number of shares applied. Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares.

(d) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.18 for each IPO Share.

Payment must be made out in favour of **"TIIH SHARE ISSUE ACCOUNT NO. 828"** andcrossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Only Banker's Draft or Cashier's Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the White Application Forms.

(e) Insert the White Application Form together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

Affix RM1.50 stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

(f) Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

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

(ii) **DELIVERED BY HAND AND DEPOSIT** in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, so as to arrive not later than **5.00 p.m. on 9 June 2026** or by such other time and date specified in any change to the date or time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Forms to our Issuing House.

5. PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

5.1 Participating Financial Institutions

Only **Malaysian individuals** may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived) as follows:

Participating Financial Institutions	Charges
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

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5.2 Procedures for Electronic Share Application

The exact procedures, terms and conditions for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF THE PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATM CAREFULLY PRIOR TOMAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number ("**PIN**");
- **TIIH Share Issue Account No. 828**;
- Your CDS account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 5.3 below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or our Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and Conditions for Electronic Share Application

You must have a CDS account to be eligible to use the Electronic Share Application. Invalid, nominee or third party CDS accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

(a) The Electronic Share Application shall be made in relation to and subject to the terms of the Prospectus and our Company's Constitution.

(b) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:

   (i) You are at least 18 years old as at the date of the application for our IPO Shares;

   (ii) You are a Malaysian citizen residing in Malaysia;

   (iii) You have read the Prospectus and understood and agreed with the terms and conditions of the Application;

   (iv) The Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and

   (v) You consent to the disclosure by the Participating Financial Institutions and Bursa Depository of information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to our Issuing House and other relevant authorities.

   Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to our Issuing House or any relevant authorities.

(c) You confirm that you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our IPO Shares offered to the Malaysian Public.

(d) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

(e) You agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated keys or buttons on the ATM keyboard) of the number of IPO Shares applied for shall signify, and shall be treated as, your acceptance of the number of IPO Shares that may be allotted or allocated to you and your acceptance to be bound by our Constitution.

(f) Our Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.

(g) You request and authorise us:

(i) to credit our IPO Shares allotted or allocated to you into your CDS account; and

(ii) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

(h) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of our Issuing House, Bursa Depository or the Participating Financial Institution, and irrevocably agree that if:

(i) our Company or our Issuing House does not receive your Electronic Share Application; or

(ii) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or our Issuing House,

you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, our Issuing House or the Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage.

(i) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, our Issuing House and the relevant Participating Financial Institution shall be entitled to rely on their accuracy.

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

(k) By making and completing an Electronic Share Application, you agree that:

(i) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;

(ii) we, the Participating Financial Institutions, Bursa Depository and our Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;

(iii) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;

(iv) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and

(v) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and / or the Electronic Share Application and / or any terms of the Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

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

6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

6.1 Internet Participating Financial Institutions or Participating Securities Firms

Only **Malaysian individuals** may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

The following processing fee for each Internet Share Application will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) as follows:

YOU ARE ADVISED NOT TO APPLY FOR OUR IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

Internet Participating Financial Institution or Participating Securities Firm	Website address	Fees charged
Affin Bank Berhad	https://rib.affinalways.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00

Internet Participating Financial Institution or Participating Securities Firm	**Website address**	**Fees charged**
CGS International Securities Malaysia Sdn Bhd	www.eipo.cgsi.com.my	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
Hong Leong Investment Bank Berhad	https://www.hlebroking.com/v3/	RM1.00
iFast Capital Sdn Bhd	https://www.fsmone.com.my/	Free
Kenanga Investment Bank Berhad	https://kentrade.com.my/	Free
Malacca Securities Sdn Bhd	https://eipo.mplusonline.com	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com/my/invest/ipo	Free
Public Bank Berhad	www.pbebank.com	RM2.00
RHB Bank Berhad	www.rhbgroup.com/index.html	RM2.50
TA Securities Holdings Berhad	https://eservices.tasecurities.com.my/auth/login	Free
UOB Kay Hian (M) Sdn Bhd (formerly known UOB Kay Hian Securities (M) Sdn Bhd)	https://eipo.utrade.com.my	Free

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Participating Securities Firms. Please contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

PLEASE READ THE TERMS OF THE PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Participating Securities Firms.

6.2 Terms and Conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

An Internet Share Application shall be made on and subject to the following terms and conditions:

(a) You can make an Internet Share Application if you fulfill all of the following:

  (i) You are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;

  (ii) You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution or Participating Securities Firm. You must have your user identification ("**User ID**") and PIN/password for the relevant Internet financial services facilities; and

  (iii) You are a Malaysian citizen and have a mailing address in Malaysia.

  You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Participating Securities Firms cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

(b) An Internet Share Application shall be made on and subject to the terms of the Prospectus and our Company's Constitution.

(c) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution or Participating Securities Firm) and to undertake thatthe following information given are true and correct:

  (i) You are at least 18 years old as at the date of the application for our IPO Shares;

  (ii) You are a Malaysian citizen residing in Malaysia;

  (iii) You have, prior to making your Internet Share Application, received and/or have had access to a printed/electronic copy of the Prospectus, the contents of which you have fully read and understood;

  (iv) You agree to all the terms and conditions of the Internet Share Application as set out in the Prospectus and have carefully considered the risk factors as well as all other information and statements set out in the Prospectus, before making your Internet Share Application;

  (v) Your Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;

(vi) You authorise the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution;

(vii) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution or Participating Securities Firm, to our Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;

(viii) You are not applying for our IPO Shares as a nominee of any other person and your Internet Share Application is made in your own name, as beneficial owner and subject to the risks referred to in the Prospectus;

(ix) You authorise the Internet Participating Financial Institution or Participating Securities Firm to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Participating Securities Firm, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Participating Securities Firm will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Participating Securities Firm in connection with the use of the Internet Share Application services.

(d) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institution and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of the Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in Section 6.2(iii) above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution or Participating Securities Firm and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or our Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

(e) You must have sufficient funds in your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in the Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.

(f) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

(i) Your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and

(ii) Your agreement to be bound by the Constitution of our Company.

(g) You are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating the Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

(h) An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.

(i) You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond the control of the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution, our Issuing House and our Company and irrevocably agree that if:

(i) our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/ or the Authorised Financial Institution do not receive your Internet Share Application and/ or payment; and

(ii) any data relating to your Internet Share Application or the tape or any other devices containing such data and/ or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever,

you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/ or the Authorised Financial Institution in relation to our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

(j) All of your particulars in the records of the relevant Internet Participating Financial Institution or Participating Securities Firm at the time of your Internet Share Application shall be deemed to be true and correct, and we, our Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution or Participating Securities Firm are correct and identical. Otherwise, your Internet Share Application will be rejected. The notification letter on successful allotment will be sent to your last address maintained with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution or Participating Securities Firm and Bursa Depository of any changes in your personal particulars that may occur from time to time.

7. AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. Our Issuing House, on the authority of our Board, reserves the right to:

(a) reject Applications which:

(i) do not conform to the instructions of the Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

(ii) are illegible, incomplete or inaccurate; or

(iii) are accompanied by an improperly drawn up, or improper form of, remittance; or

(b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(c) bank in all Application monies (including those from unsuccessful/partially successful Applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

8. OVER/ UNDER-SUBSCRIPTION

In the event of over-subscription, our Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at https://srmy.vistra.com within 1 Market Day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares, subject to the clawback and reallocation as set out in Section 4.3.4 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

9. UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

9.1 For Applications by way of Application Forms

(a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful Applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful Applications) within 10 Market Days from the date of the final ballot at your own risk.

(b) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the National Registration Identity Card or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (a) and (b) above (as the case may be).

(d) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful Applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinar /registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

9.2 For applications by way of Electronic Share Application and Internet Share Application

(a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) or Participating Securities Firms within 2 Market Days after the receipt of confirmation from the Issuing House.

(b) You may check your account on the 5th Market Day from the balloting date.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House

10. SUCCESSFUL APPLICANTS

If you are successful in your Application:

(a) Our IPO Shares allotted to you will be credited into your CDS account.

(b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(c) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares offered through the Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

11. ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	**Parties to direct the enquiries**
Application Form	Issuing House Enquiry Services at telephone no. (03)-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firm or Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at our Issuing House website at https://srmy.vistra.com, **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 below.

12. LIST OF ADAS

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
KUALA LUMPUR		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No.: 03-9130 8803	068-018
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bagunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam No 22, Jalan Perak 50450 Kuala Lumpur Tel No.: 03-2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No.: 03-9132 7424/7428/7429	065-001
CIMB SECURITIES SDN BHD (formerly known as Kaf Equities Sdn Bhd)	14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03-2171 0216	053-001

Name	Address and telephone number	Broker code
FA SECURITIES SDN BHD	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No.: 03-2288 1676	021-001
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No.12 Jalan Gelenggang 60000 Kuala Lumpur Tel No.: 03-2080 8777	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-2083 1800	066-008
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-2117 1888	054-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No.: 03-7984 7796	054-003
IFAST CAPITAL SDN BHD	Level 28, Menara AIA Sentral No. 30, Jalan Sultan Ismail Kuala Lumpur Tel No.: 03-2149 0660	039-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-2172 2888	073-001
M & A SECURITIES SDN BHD	22A-1 Jalan Kuchai Maju 1 Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel No.: 03-7983 9890	057-001

Name	**Address and telephone number**	**Broker code**
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Bandar Mid Valley Lingkaran Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) 53300 Setapak, Kuala Lumpur Tel No.: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No.: 03-2733 9782	012-001
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3 Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No.: 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No.: 03-2059 1888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2, Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No.: 03-9212 0718	062-001

Name	Address and telephone number	Broker code
PHILLIP CAPITAL SDN BHD	B-3-6, Block B Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No.:03-2783 0361	076-001
NEWPARADIGM SECURITIES SDN BHD	Level 12, EXSIM Tower (Block D) Millerz Square @ Old Klang Road Megan Legasi No. 357, Jalan Klang Lama 58000 Kuala Lumpur Tel No.: 03-2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2233	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1 & 64, 64-1 Vista Magna Jalan Prima, Metro Prima 52100 Kepong Kuala Lumpur Tel No.: 03-6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No.: 03-4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	34th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Suite 12-05, Level 12 Wisma UOA Damansara II No.6 Jalan Changkat Semantan Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2147 1861	078-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	N3, Plaza Damas No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-6205 6000	078-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground & 19th Floor Menara Keck Seng No. 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2147 1888	078-010
SELANGOR DARUL EHSAN		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B3A1, East Wing 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5635 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3322 1999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-001

Name	Address and telephone number	Broker code
APEX SECURITIES BHD	Level 5, Menara UAC No.12, Jalan PJU7/5 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7890 8877	079-001
APEX SECURITIES BHD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5631 7934/7892	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3325 7105/7106	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.26A(F), 26A(M) & 26A(B), Jalan SJ6 Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No.: 03-6137 1680	065-001
KENANGA INVESTMENT BANK BERHAD	Level 1, East Wing Wisma Consplant 2 No. 7, Jalan SS16/1 47610 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5621 2118	073-001

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	No. 35, (Ground, 1st & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7876 1533	012-001
MBSB INVESTMENT BANK BERHAD (Formerly known as MIDF Amanah Investment Bank Berhad)	Level 21, Menara MBSB Bank PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD	1st Floor, 157-A Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8074 7094	064-003
NEWPARADIGM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	1,3 & 5, Tingkat 2 Jalan 52/18 New Town Centre 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366/7875 8428	087-011
RHB INVESTMENT BANK BERHAD	1st Floor 10 & 11, Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No.: 03-5567 3000	096-001
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7795 5713	058-007
PERAK DARUL RIDZUAN		
AFFIN HWANG INVESTMENT BANK BERHAD	Tingkat Bawah, 1, 2 & 3 21, Jalan Stesen 30400 Taiping Perak Darul Ridzuan Tel No.: 05-8066 688	068-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2088 688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422 828	073-022
M & A SECURITIES SDN BHD	5th, 6th & Unit 8A M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419 800	057-001
MALACCA SECURITIES SDN BHD	1st Floor No. 3, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2541 533	012-013
MAYBANK INVESTMENT BANK BERHAD	No. 47, Hala Pusat Perdagangan Canning I Pusat Perdagangan Canning II 30350, Ipoh, Perak Tel No.: 05-2453 457	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236 498	087-014

Name	**Address and telephone number**	**Broker code**
RHB INVESTMENT BANK BERHAD	Gound & 1st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921 228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A, SOHO Ipoh 2 Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor No. 40, 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088 229	087-034
RHB INVESTMENT BANK BERHAD	No. 1 & 3, First Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-7170 888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng, No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531 313	058-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	153A, Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No.: 05-2411 290	078-002
PENANG		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Penang Tel No.: 04-2636 996	068-001

Name	Address and telephone number	Broker code
AFFIN HWANG INVESTMENT BANK BERHAD	1st, 2nd & 3rd Floor No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5372 882	068-001
AMINVESTMENT BANK BERHAD	Level 3, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2261 818	086-001
APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Penang Tel No.: 04-2289 118	079-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2385 900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Penang Tel No.: 04-6412 881	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 & 3 No. 56 Cantonment Road 10250 Penang Tel No.: 04-2268 288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead 39, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2283 355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Penang Tel No.: 04-5060 967	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No.11A-1, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Penang Tel No.: 04-6421 533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor Bangunan KWSP No. 38, Lot PT 8, Seksyen 14 Jalan Sultan Ahmad Shah 10050 Georgetown Penang Tel No.: 04-2196 888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st & 2nd floor No. 1, Jalan Todak 5 Pusat Bandar Seberang Jaya 13700 Prai, Penang Tel No.: 04-3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor Standard Chartered Bank Chambers 2 Lebuh Pantai 10300 Penang Tel No.: 04-2639 118	093-004
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Penang Tel No.: 04-2273 000	064-004
PHILIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Penang Tel No.: 04-2616 363	076-015
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Penang Tel No.: 04-3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground Floor – Tingkat 3 & Tingkat 5 – Tingkat 8 64 & 64-D Lebuh Bishop 10200 Penang Tel No.: 04-2634 222	087-033

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Penang Tel No.: 04-6404 888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan 171, Jalan Burmah 10050 Penang Tel No.: 04-2272 339	058-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	1st and 2nd Floor Bangunan Heng Guan No. 171 Jalan Burmah 10050 Penang Tel No.: 04-2299 318	078-002
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	21 Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5047 313/316	078-003
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70A, B & C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256 666	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No.102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No.: 04-7774 400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7350 888	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
PHILIP CAPITAL SDN BHD	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317 088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A & 214-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209 888	087-021
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 4, 4, & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322 111	078-007
NEGERI SEMBILAN DARUL KHUSUS		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-6037 408	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 188	068-019
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 155	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6515 385	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 38, 1st Floor Jalan S2 B18 Biz Avenue Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7614 651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7655 998	073-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Wisma HM No. 43 Jalan Dr. Krishnan 70000, Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669 555	098-005
NEWPARADIGM SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor 19, 20 & 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623 131	064-002
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No.: 06-6137 767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33 Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641 641	087-024
MELAKA		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. 191 Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-2898 897	065-001
KENANGA INVESTMENT BANK BERHAD	71 & 73 (Ground, A&B) Jalan Merdeka, Taman Melaka Raya 75000 Melaka Tel No.: 06-2881 720	073-001

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O Box 248 75250 Melaka Tel No.: 06-3371 533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921 898	093-003
NEWPARADIGM SECURITIES SDN BHD	No. 6-1, Jalan Lagenda 2 Taman 1 Legenda 75400 Melaka Tel No.: 06-2866 008	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	No. 59, 59A & 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2862 618	058-003
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No.: 06-3352 511	078-014
JOHOR DARUL TAKZIM		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222 692	068-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, No 11 & 12 BP Avenue Jalan Abdul Rahman Bandar Penggaram 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4311 081	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342 282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 73 Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3405 888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No.: 07-9764 559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No.: 07-2329 673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9311 509	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3537 669	065-001

Name	**Address and telephone number**	**Broker code**
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231 211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9531 222	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3381 233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3351 533	012-001
MALACCA SECURITIES SDN BHD	1735-B, Jalan Sri Putri 4 Taman Putri Kulai, 81000 Kulaijaya, Johor Darul Takzim Tel No.: 07-6638 877	012-001
MALACCA SECURITIES SDN BHD	Lot 880, Batu 3 ½ Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316 992	093-005

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333 608	064-001
PHILIP CAPITAL SDN BHD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717 922	076-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st and 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No.: 07-7769 655	087-031

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522 293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No.: 07-9435 278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3647 388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3364 672	058-013
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3332 000	078-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6635 651	078-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
KELANTAN DARUL NAIM		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4, Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Baru Kelantan Darul Naim Tel No.: 09-7419 050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7433 388/2288	058-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7473 906	078-004
PAHANG DARUL MAKMUR		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-5057 800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5171 698	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	P11-3 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No.: 09-2220 993	012-001
PHILIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B-400 Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660 800	076-002
RHB INVESTMENT BANK BERHAD	No. 12, Ground Floor 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No.: 09-5173 811	087-007
TERENGGANU DARUL IMAN		
PHILIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor No. 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261 816	087-055
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6224 766	078-016
SABAH		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 3 Block A Level 2, Luyang Commercial Centre Damai Plaza PH3 Jalan Damai, 88300 Kota Kinabalu Sabah Tel No.: 088-311 688	068-005

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st – 3rd Floor, Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No.: 089-215 578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236 188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor No. 81 & 83 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	087-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234 099	078-004
SARAWAK		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Lot No. 27, NBX 2 The Northbank Off Kucing-Samarahan Expressway 93350 Kuching, Sarawak Tel No.: 082-501 007	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-001

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No.: 084-367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA No. 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No.: 085-435 577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93400 Kuching Sarawak Tel No.: 082-338 000	073-001
KENANGA INVESTMENT BANK BERHAD	No. 11-12, (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No.: 084-313 855	073-001
MERCURY SECURITIES SDN BHD	1st Floor No.16 Jalan Getah 96100 Sarikei Sarawak Tel No.: 084-659 019	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-250 888	087-008

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329 100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319 998	058-002
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No.: 085-324 128	078-017
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & First Floor No. 16, Lorong Intan 6 96000 Sibu Sarawak Tel No.: 084-252 737	078-018

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