

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF AGRICORE CS HOLDINGS BERHAD (“AGRICORE CS HOLDINGS” OR THE “COMPANY”) DATED 30 MAY 2024 (“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](http://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 Agricore CS 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 30 May 2024 and will close at 5.00 p.m. on 7 June 2024.

In the event the Closing Date is extended, Agricore CS 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.



# PROSPECTUS

THIS PROSPECTUS IS DATED 30 MAY 2024

## AGRICORE CS HOLDINGS BERHAD

(202301018008 (1511930-P))  
(Incorporated in Malaysia)

**INITIAL PUBLIC OFFERING IN CONJUNCTION WITH OUR LISTING ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING A PUBLIC ISSUE OF 51,714,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:**

- 10,140,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 10,140,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
- 25,350,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY; AND
- 6,084,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

**AT AN ISSUE PRICE OF RM0.50 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. This Prospectus has been registered by 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 document, 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.

**YOU 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 184.**

**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.**



## AGRICORE CS HOLDINGS BERHAD

(202301018008 (1511930-P))  
(Incorporated in Malaysia)

1173, Jalan Perindustrian Bukit Minyak 2  
Kawasan Perindustrian Bukit Minyak  
14100 Bukit Mertajam, Pulau Pinang

TEL +604-505 7766 FAX +604-505 7799 EMAIL corporate@agricore.com.my

www.agricore.com.my



Our Directors and Promoters (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.

You should note that you 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).

Securities listed on Bursa Securities 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 5 February 2024. Our admission to the Official List 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.

The SC (as defined herein) had on 6 February 2024 approved the resultant equity structure of our Company under the equity requirements for public listed companies pursuant to our Listing (as defined herein).

Our securities are classified as Shariah compliant by the Shariah Advisory Council of the SC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review is undertaken by the Shariah Advisory Council of the SC. 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 also be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://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 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 (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Adviser or 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, you are advised that:

- (a) The Internet Participating Financial Institutions 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 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 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 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, 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**

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

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

<b>Events</b>	<b>Indicative date</b>
Issuance of this Prospectus/Opening of Application	30 May 2024
Closing of Application	7 June 2024
Balloting of Application	11 June 2024
Allotment of IPO Shares to successful applicants	20 June 2024
Date of Listing	21 June 2024

If there is any change to the indicative timetable, we will advertise the notice of such change 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**

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

All references to "Agricore CS Holdings" and "Company" in this Prospectus are to Agricore CS Holdings Berhad (202301018008 (1511930-P)). 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 reference 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 the 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 Independent Market Researcher. 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**

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*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;
- (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; 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/transfer 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 CMA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

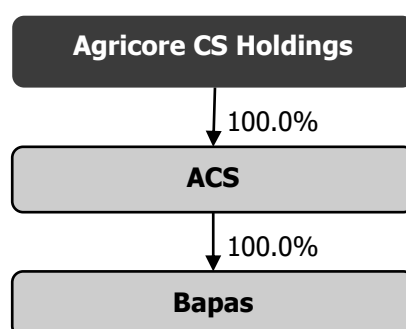


## DEFINITIONS

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:

"Agricore CS Holdings" or "Company"	: Agricore CS Holdings Berhad (202301018008 (1511930-P))
"Agricore CS Group" or "Group"	: Agricore CS Holdings and its subsidiaries, collectively
"ACS"	: Agricore CS Sdn Bhd (200901002764 (845691-H))
"Bapas"	: Bapas Food Products Sdn Bhd (201401048709 (1124898-K))



### GENERAL:

"ACE Market"	: ACE Market of Bursa Securities
"Acquisition"	: Acquisition by Agricore CS Holdings of the entire equity interest of ACS for a purchase consideration of RM23.4 million which was wholly satisfied by the issuance of 151,085,998 new Shares at an issue price of RM0.1546 per Share, which was completed on 7 March 2024
"Act"	: Companies Act 2016
"ADA"	: Authorised Depository Agent
"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	: M&A Securities
"Application(s)"	: Application(s) for 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
"Aromi"	: Aromi Sdn Bhd (202001006152 (1362472-T))
"ATM"	: Automated teller machine
"Board"	: Board of Directors of Agricore CS Holdings

## **DEFINITIONS (Cont'd)**

"Bukit Minyak Premises"	: Existing office, factory and storage building, which serves as the Group's headquarters, storage facility, production facilities for food additives, and R&D laboratory, located at 1173, Jalan Perindustrian Bukit Minyak 2, Kawasan Perindustrian Bukit Minyak, 14100 Bukit Mertajam, Pulau Pinang
"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
"CCM"	: Companies Commission of Malaysia
"CDS"	: Central Depository System
"CDS Account"	: 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
"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
"Director(s)"	: An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act
"EBIT"	: Earnings before interest and tax
"EBITDA"	: Earnings before interest, tax, depreciation and amortisation
"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), employee(s), and person(s) who have contributed to the success of our Group who are eligible to participate in the Pink Form Allocations, collectively
"EPS"	: Earnings per share
"F&B"	: Food and beverage
"Frazel"	: Frazel Group Sdn Bhd (201601021070 (1192009-A))
"FYE"	: Financial year(s) ended/ending 31 December, as the case may be

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**DEFINITIONS (Cont'd)**

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"Government"	:	Government of Malaysia
"GP"	:	Gross profit
"ICSA"	:	Institute of Chartered Secretaries and Administrators
"IFRS"	:	International Financial Reporting Standards
"IMR" or "SMITH ZANDER"	:	Smith Zander International Sdn Bhd (201301028298 (1058128-V)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Food Ingredients Industry in Malaysia" dated 2 May 2024
"Internet Participating Financial Institution(s)"	:	Participating financial institution(s) for Internet Share Application 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)
"Initial Public Offering" or "IPO"	:	Our initial public offering comprising the Public Issue
"IPO Price"	:	Issue price of RM0.50 per Share under our Public Issue
"IPO Share(s)" or "Issue Share(s)"	:	New Share(s) to be issued under our Public Issue
"Issuing House"	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
"JAKIM"	:	Department of Islamic Development Malaysia
"Listing"	:	Listing of and quotation for our entire enlarged share capital of RM49,214,897 comprising 202,800,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"Listing Scheme"	:	Comprising the Public Issue and Listing, collectively
"LPD"	:	30 April 2024, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M&A Securities"	:	M & A Securities Sdn Bhd (197301001503 (15017-H))
"MAICSA"	:	Malaysian Institute of Chartered Secretaries and Administrators
"Malaysian Public"	:	Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
"Market Day"	:	Any day between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities
"MCCG"	:	Malaysian Code on Corporate Governance

## **DEFINITIONS (Cont'd)**

"MCO"	:	The nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
"MFRS"	:	Malaysian Financial Reporting Standards
"MIA"	:	Malaysian Institute of Accountants
"MIDA"	:	Malaysian Investment Development Authority
"MITI"	:	Ministry of Investment, Trade and Industry
"MOH"	:	Ministry of Health Malaysia
"MyIPO"	:	Intellectual Property Corporation of Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"Official List"	:	A list specifying all securities which have been admitted for listing on the ACE Market
"Participating Financial Institution(s)"	:	Participating financial institution(s) for Electronic Share Application(s) 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 10,140,000 Issue Shares to Eligible Person(s), which forms part of our Public Issue
"Promoter(s)"	:	Frazel, Datuk Keh Chuan Seng, Datin Cheong Kai Meng and Oon Boon Khong, collectively
"Prospectus"	:	This prospectus dated 30 May 2024 in relation to our IPO
"Public Issue"	:	Public issue of 51,714,000 Issue Shares at our IPO Price
"QA&QC"	:	Quality assurance and quality control
"QC"	:	Quality control
"R&D"	:	Research and development
"ROC"	:	Registrar of Companies
"Rules of Bursa Depository" or "Depository Rules"	:	Rules of Bursa Depository and any appendices thereto
"SC"	:	Securities Commission Malaysia
"SEA"	:	Southeast Asia
"Share(s)"	:	Ordinary share(s) in Agricore CS Holdings

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**DEFINITIONS (Cont'd)**

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"Simpang Empat Factory"	:	Existing office, factory and storage building for the production of fried shallots, located at 46, Lengkok IKS Simpang Empat 1, Taman IKS Simpang Empat, 14100 Simpang Ampat, Pulau Pinang
"SKU(s)"	:	Stock keeping unit(s)
"SOP"	:	Standard operating procedures
"Specified Shareholder(s)"	:	Frazel, Datuk Keh Chuan Seng, Datin Cheong Kai Meng and Oon Boon Khong, collectively
"SRP"	:	Sijil Rendah Pelajaran Malaysia
"UK"	:	United Kingdom
"Underwriting Agreement"	:	Underwriting agreement dated 2 May 2024 entered into between our Company and M&A Securities for the purpose of our IPO
"USA"	:	United States of America

**CURRENCIES:**

"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"USD"	:	United States Dollar

**UNIT OF MEASUREMENTS:**

"g"	:	Gram
"kg"	:	Kilogram
"L"	:	Litre
"MT"	:	Metric ton
"sq ft"	:	Square feet

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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:

"Anti-caking agent"	:	A food additive used to prevent or reduce particles of food from clumping and binding to one another
"Anti-foaming agent"	:	A food additive used to prevent or reduce foaming of food products
"Binding agent"	:	A food additive used to improve or maintain texture of food products
"Certificate of Analysis"	:	A food analysis document issued by suppliers or appointed third party laboratory which indicates the contents of the products such as protein level, viscosity and moisture level, including test methodology
"Defoamer"	:	A food additive used to eliminate or minimise the creation of foam during food processing
"Freeze-thaw stability"	:	A measurement of the stability of food ingredients upon exposure to freezing temperatures and subsequent thawing
"Fried shallots"	:	A type of food ingredients produced through the frying of shallots and/or onions, and is used in food preparation such as cooking or garnishing
"Germination ability"	:	The sprouting ability of seeds
"Gluten-free substitute"	:	A type of product that serves as a substitute or alternative to gluten
"GMP"	:	Good Manufacturing Practice Certificate issued by the MOH
"Granule size"	:	Size of individual starch particles
"HACCP"	:	Hazard Analysis and Critical Control Point Certificate issued by the MOH
"ISO"	:	International Organisation for Standardisation, a non-governmental organisation that develops standards to ensure the quality, safety and efficiency of products, services and systems
"Leavening agent"	:	A substance that is used to expand doughs and batters by releasing gases within the mixtures, making doughs and batters to be light and porous
"Leguminous plants"	:	Plants that produce edible seeds, such as beans, peas, and lentils
"Meat replacement product"	:	A type of product that serves as a substitute or alternative to meat
"MeSTI"	:	Makanan Selamat Tanggungjawab Industri Certificate issued by the MOH
"Moisture retention agent"	:	A food additive used to retain moisture and prevent food from drying out

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**TECHNICAL GLOSSARY (Cont'd)**

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"Nutrient solutions"	:	Liquid fertiliser containing the necessary nutrients for optimal crop growing
"Oxidation"	:	A process in which chemical substances within food products change due to exposure to oxygen, causing deterioration in the quality of food products
"pH value"	:	A measure of the acidity or basicity of a substance
"Phase separation"	:	An occurrence where a homogenous mixture comprising two or more components separates into its distinct constituent components
"Pulses"	:	Edible seeds from leguminous plants
"Rancidity"	:	A condition where fats and oils present in food has degraded, resulting in unpleasant odour or flavour
"Retrogradation"	:	A process where starch reverts to a more crystalline structure upon cooling
"Rheological properties"	:	Refers to the viscosity and flow behaviour of fluids
"Syneresis"	:	A process when a liquid such as water is expelled or extracted from a gel
"Tubers"	:	Thickened stems that grow underground and contain high starch content, such as potatoes, tapiocas, and yams
"Viscosity"	:	A measurement of the resistance of fluids to flow

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**TABLE OF CONTENTS**

<b>1.</b>	<b>CORPORATE DIRECTORY</b> .....	1
<b>2.</b>	<b>PROSPECTUS SUMMARY</b>	
2.1	PRINCIPAL DETAILS OF OUR IPO .....	4
2.2	GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS .....	4
2.3	INTERRUPTIONS TO BUSINESS .....	6
2.4	COMPETITIVE STRENGTHS .....	6
2.5	BUSINESS STRATEGIES.....	7
2.6	RISK FACTORS .....	8
2.7	DIRECTORS AND KEY SENIOR MANAGEMENT .....	9
2.8	PROMOTERS AND/OR SUBSTANTIAL SHAREHOLDERS .....	10
2.9	UTILISATION OF PROCEEDS .....	11
2.10	FINANCIAL HIGHLIGHTS .....	11
2.11	DIVIDEND POLICY .....	13
<b>3.</b>	<b>APPROVALS AND CONDITIONS</b>	
3.1	APPROVALS AND CONDITIONS.....	14
3.2	MORATORIUM ON OUR SHARES .....	16
<b>4.</b>	<b>DETAILS OF OUR IPO</b>	
4.1	OPENING AND CLOSING OF APPLICATION PERIOD .....	18
4.2	INDICATIVE TIMETABLE .....	18
4.3	DETAILS OF OUR IPO .....	18
4.4	SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS .....	22
4.5	PURPOSES OF OUR IPO .....	22
4.6	BASIS OF ARRIVING AT OUR IPO PRICE .....	23
4.7	TOTAL MARKET CAPITALISATION UPON LISTING .....	23
4.8	DILUTION .....	23
4.9	UTILISATION OF PROCEEDS .....	24
4.10	BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION .....	28
4.11	SALIENT TERMS OF THE UNDERWRITING AGREEMENT .....	28
4.12	TRADING AND SETTLEMENT IN SECONDARY MARKET .....	31
<b>5.</b>	<b>INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT</b>	
5.1	PROMOTERS AND/OR SUBSTANTIAL SHAREHOLDERS .....	32
5.2	DIRECTORS .....	40
5.3	KEY SENIOR MANAGEMENT .....	61
5.4	BOARD PRACTICE .....	72
5.5	RELATIONSHIPS AND/OR ASSOCIATIONS .....	77
5.6	EXISTING OR PROPOSED SERVICE AGREEMENTS.....	77
5.7	DECLARATIONS FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT .....	77
<b>6.</b>	<b>INFORMATION ON OUR GROUP</b>	
6.1	INFORMATION ON OUR COMPANY .....	78
6.2	DETAILS OF THE ACQUISITION .....	78
6.3	GROUP STRUCTURE.....	80
6.4	SUBSIDIARIES AND ASSOCIATED COMPANIES .....	83
6.5	MATERIAL CONTRACTS.....	83
6.6	PUBLIC TAKE-OVERS .....	84
6.7	MAJOR APPROVALS AND LICENCES .....	85
6.8	INTELLECTUAL PROPERTIES .....	97
6.9	PROPERTY, PLANT AND EQUIPMENT .....	106
6.10	RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS .....	110
6.11	ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES.....	119
6.12	EMPLOYEES.....	121



**TABLE OF CONTENTS (Cont'd)**

<b>7.</b>	<b>BUSINESS OVERVIEW</b>	
7.1	OUR HISTORY .....	122
7.2	KEY ACHIEVEMENTS AND MILESTONES .....	124
7.3	DESCRIPTION OF OUR BUSINESS.....	126
7.4	BUSINESS PROCESSES.....	139
7.5	PRINCIPAL MARKETS AND SEGMENTS .....	144
7.6	BUSINESS DEVELOPMENT AND MARKETING STRATEGIES .....	145
7.7	MAJOR CUSTOMERS .....	148
7.8	TYPES, SOURCES AND AVAILABILITY OF SUPPLIES.....	152
7.9	MAJOR SUPPLIERS.....	153
7.10	TECHNOLOGY USED OR TO BE USED.....	157
7.11	INTERRUPTIONS TO BUSINESS .....	157
7.12	SEASONALITY.....	158
7.13	OPERATING CAPACITIES AND OUTPUT.....	158
7.14	QA&QC PROCEDURES AND CERTIFICATIONS.....	159
7.15	R&D.....	162
7.16	COMPETITIVE STRENGTHS .....	166
7.17	BUSINESS STRATEGIES AND PROSPECTS .....	169
<b>8.</b>	<b>IMR REPORT</b> .....	172
<b>9.</b>	<b>RISK FACTORS</b>	
9.1	RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS .....	184
9.2	RISKS RELATING TO OUR INDUSTRY .....	190
9.3	RISKS RELATING TO THE INVESTMENT IN OUR SHARES .....	193
9.4	OTHER RISKS .....	194
<b>10.</b>	<b>RELATED PARTY TRANSACTIONS</b>	
10.1	RELATED PARTY TRANSACTIONS .....	195
10.2	OTHER TRANSACTIONS .....	202
<b>11.</b>	<b>CONFLICT OF INTEREST</b>	
11.1	INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND SUPPLIERS.....	205
11.2	DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS.....	206
<b>12.</b>	<b>FINANCIAL INFORMATION</b>	
12.1	HISTORICAL FINANCIAL INFORMATION .....	207
12.2	MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION .....	213
12.3	LIQUIDITY AND CAPITAL RESOURCES .....	238
12.4	BORROWINGS AND INDEBTEDNESS .....	239
12.5	TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES .....	242
12.6	MATERIAL CAPITAL COMMITMENTS .....	242
12.7	MATERIAL LITIGATION AND CONTINGENT LIABILITIES .....	242
12.8	KEY FINANCIAL RATIOS.....	242
12.9	IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES.....	247
12.10	IMPACT OF INFLATION .....	247
12.11	IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR OPERATIONS.....	247
12.12	ORDER BOOK .....	248
12.13	DIRECTORS' STATEMENT ON OUR GROUP'S FINANCIAL PERFORMANCE .....	248
12.14	TREND INFORMATION .....	249
12.15	DIVIDEND POLICY .....	249
12.16	CAPITALISATION AND INDEBTEDNESS.....	251

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**TABLE OF CONTENTS (Cont'd)**

---

<b>13.</b>	<b>ACCOUNTANTS' REPORT</b> .....	252
<b>14.</b>	<b>REPORTING ACCOUNTANTS' REPORT ON PRO FORMA COMBINED FINANCIAL INFORMATION</b> .....	293
<b>15.</b>	<b>STATUTORY AND OTHER INFORMATION</b>	
15.1	SHARE CAPITAL.....	307
15.2	SHARE CAPITAL OF OUR SUBSIDIARIES .....	307
15.3	CONSTITUTION .....	308
15.4	GENERAL INFORMATION.....	315
15.5	CONSENTS .....	316
15.6	DOCUMENTS FOR INSPECTION .....	316
15.7	RESPONSIBILITY STATEMENTS .....	316
<b>16.</b>	<b>SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE</b>	
16.1	OPENING AND CLOSING OF APPLICATION PERIOD .....	317
16.2	METHODS OF APPLICATIONS .....	317
16.3	ELIGIBILITY .....	318
16.4	APPLICATION BY WAY OF APPLICATION FORMS .....	319
16.5	APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS .....	319
16.6	APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS .....	320
16.7	AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE .....	320
16.8	OVER / UNDER SUBSCRIPTION .....	321
16.9	UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS .....	321
16.10	SUCCESSFUL APPLICANTS.....	322
16.11	ENQUIRIES.....	323

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**1. CORPORATE DIRECTORY****BOARD OF DIRECTORS**

<b>Name</b>	<b>Designation</b>	<b>Residential address</b>	<b>Nationality/ Profession</b>	<b>Gender</b>
Fu Yew Sun	Independent Non-Executive Chairman	15, Jalan TR 9/1 Tropicana Golf & Country Resort 47410 Petaling Jaya Selangor	Malaysian/ Chief Investment Officer	Male
Datuk Keh Chuan Seng	Non-Independent Non-Executive Deputy Chairman	31, Taman Johan Fasa 2 Jalan Kuala Kedah 05400 Alor Setar Kedah	Malaysian/ Director	Male
Oon Boon Khong	Managing Director	2, Lorong Alma Indah 14 Taman Alma Indah 14000 Bukit Mertajam Pulau Pinang	Malaysian/ Director	Male
Koay Hooi Lynn	Independent Non-Executive Director	43, Jesselton Crescent 10450 George Town Pulau Pinang	Malaysian/ Chartered Accountant	Female
Teh Boon Beng	Independent Non-Executive Director	8, Jalan Gelugor 11600 Georgetown Pulau Pinang	Malaysian/ Director	Male
Lee Seow Ling	Independent Non-Executive Director	Tower 2-18-E Greenlane Park 1, Solok Tembaga 11600 Georgetown Pulau Pinang	Malaysian/ Chartered Accountant	Female

**AUDIT AND RISK MANAGEMENT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Koay Hooi Lynn	Chairperson	Independent Non-Executive Director
Teh Boon Beng	Member	Independent Non-Executive Director
Lee Seow Ling	Member	Independent Non-Executive Director

**NOMINATING COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Teh Boon Beng	Chairperson	Independent Non-Executive Director
Koay Hooi Lynn	Member	Independent Non-Executive Director
Lee Seow Ling	Member	Independent Non-Executive Director

**REMUNERATION COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lee Seow Ling	Chairperson	Independent Non-Executive Director
Koay Hooi Lynn	Member	Independent Non-Executive Director
Teh Boon Beng	Member	Independent Non-Executive Director

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**1. CORPORATE DIRECTORY (Cont'd)**

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- COMPANY SECRETARIES** : How Wee Ling (SSM Practising Certificate No. 202008000869)  
(MAICSA 7033850)  
*(Associate Member of the MAICSA)*
- Ooi Ean Hoon (SSM Practising Certificate No. 202008000734)  
(MAICSA 7057078)  
*(Associate Member of the MAICSA)*
- 57-G, Persiaran Bayan Indah  
Bayan Bay, Sungai Nibong  
11900 Bayan Lepas  
Pulau Pinang
- Telephone number: +604-6408 933
- REGISTERED OFFICE** : 57-G, Persiaran Bayan Indah  
Bayan Bay, Sungai Nibong  
11900 Bayan Lepas  
Pulau Pinang
- Telephone number: +604-6408 933
- HEAD OFFICE** : 1173, Jalan Perindustrian Bukit Minyak 2  
Kawasan Perindustrian Bukit Minyak  
14100 Bukit Mertajam  
Pulau Pinang
- Telephone number: +604-505 7766
- EMAIL ADDRESS AND WEBSITE** : Website: [www.agricore.com.my](http://www.agricore.com.my)  
Email address: [corporate@agricore.com.my](mailto:corporate@agricore.com.my)
- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING** : **Crowe Malaysia PLT**  
(201906000005 (LLP0018817-LCA)) & (AF 1018)
- Level 6, Wisma Penang Garden  
42 Jalan Sultan Ahmad Shah  
10050 George Town  
Pulau Pinang
- Partner-in-charge: Eddy Chan Wai Hun  
Approval number: 02182/10/2025 J  
*(Chartered Accountant of MIA and Malaysian Institute of Certified Public Accountant)*
- Telephone number: +604-2277 061
- ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT** : **M & A Securities Sdn Bhd**  
(197301001503 (15017-H))
- 45 & 47, Levels 3 and 7  
The Boulevard  
Mid Valley City  
Lingkar Syed Putra  
59200 Kuala Lumpur
- Telephone number: +603-2284 2911

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**1. CORPORATE DIRECTORY (Cont'd)**

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- SOLICITORS FOR OUR LISTING** : **Rosli Dahlan Saravana Partnership**  
Level 16, Menara 1 Dutamas  
1, Jalan Dutamas 1  
Solaris Dutamas  
50480 Kuala Lumpur  
  
Telephone number: +603-6209 5400
- 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  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
  
Telephone number: +603-2783 9299
- INDEPENDENT MARKET RESEARCHER** : **Smith Zander International Sdn Bhd**  
(201301028298 (1058128-V))  
  
15-01, Level 15  
Menara MBMR  
1, Jalan Syed Putra  
58000 Kuala Lumpur  
  
Managing Partner: Dennis Tan Tze Wen  
*(Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada)*  
  
Telephone number: +603-2732 7537
- LISTING SOUGHT** : ACE Market
- SHARIAH STATUS** : Approved by Shariah Advisory Council of SC

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## 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 OUR 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.

#### No. of Shares to be issued under Public Issue

- For application by the Malaysian Public	10,140,000
- For Pink Form Allocations	10,140,000
- For private placement to Bumiputera investors approved by MITI	25,350,000
- For private placement to selected investors	6,084,000

Enlarged number of Shares upon Listing	202,800,000
IPO Price per Share	RM0.50
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing)	RM101,400,000

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

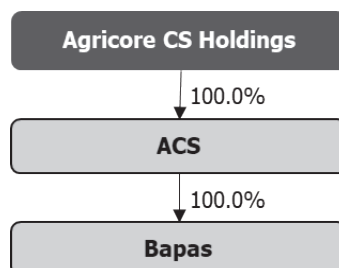
Our Specified Shareholders' entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the ACE Market. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of their shares held under moratorium upon expiry of the second 6 month period. In addition, Aromi, our substantial shareholder, has also shown its commitment to the future of our Group, by voluntarily providing its written undertaking not to sell, transfer or assign its entire shareholding in our Company for a period of 6 months from the date of admission to the ACE Market.

Our Specified Shareholders and Aromi have provided written undertakings not to sell, transfer or assign their shareholdings under moratorium during their moratorium periods respectively. 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 16 May 2023 as a private limited company under the name of Agricore CS Holdings Sdn Bhd. On 11 September 2023, our Company was converted into a public limited company and adopted our present name.

Our Group structure as at LPD is as follows:

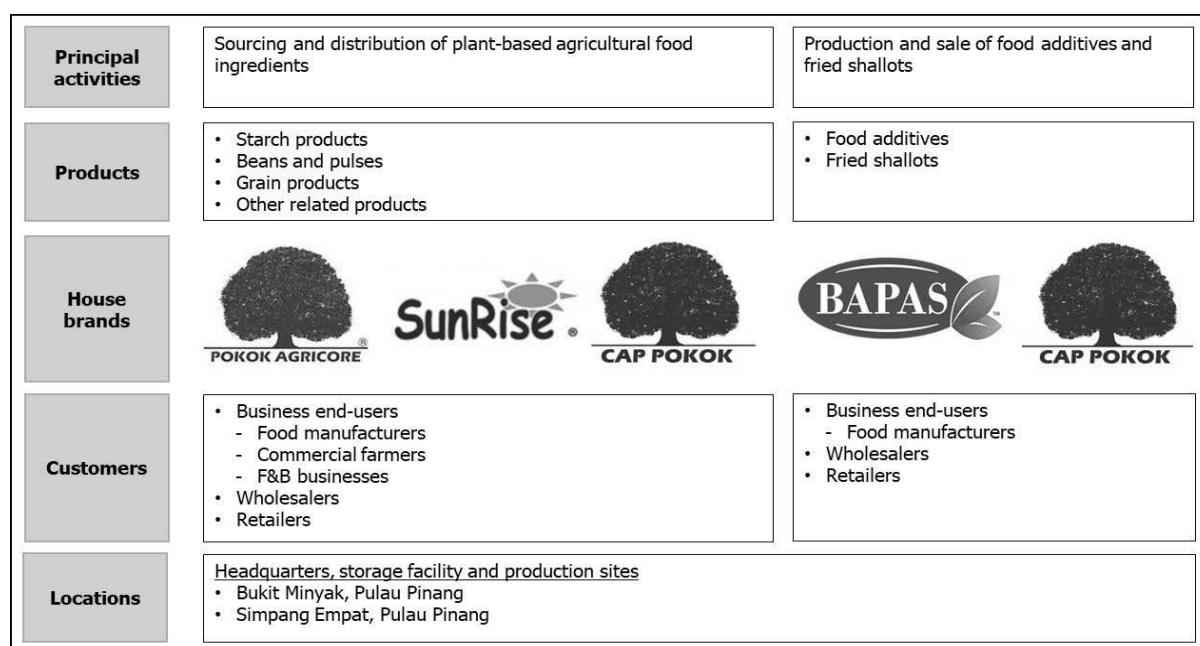


Our Company is principally an investment holding company. Through our subsidiaries, we are principally involved in the sourcing, distribution and production of food ingredients which core business activities are segmented as follows:

- sourcing and distribution of plant-based agricultural food ingredients comprising starch products, beans and pulses, grain products and other related products; and
- production and sale of food additives and fried shallots.

## 2. PROSPECTUS SUMMARY (Cont'd)

Our Group's business model is depicted in the diagram below:



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

The breakdown of our revenue by business activity for FYE 2020 to 2023 is as follows:

Business activity	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>Sourcing and distribution of plant-based agricultural products</b>								
Starch products	27,000	30.3	36,309	36.0	44,872	36.6	53,850	39.9
Beans and pulses	46,161	51.9	49,093	48.7	53,264	43.4	52,676	39.0
Grain products	10,421	11.7	8,591	8.5	10,288	8.4	9,955	7.4
Other related products <sup>(1)</sup>	3,025	3.4	3,114	3.1	3,079	2.5	3,327	2.5
	<b>86,607</b>	<b>97.3</b>	<b>97,107</b>	<b>96.3</b>	<b>111,503</b>	<b>90.9</b>	<b>119,808</b>	<b>88.8</b>
<b>Production of food additives and fried shallots</b>								
Food additives	-	-	1,186	1.2	8,012	6.5	12,086	8.9
Fried shallots	2,388	2.7	2,539	2.5	3,170	2.6	3,098	2.3
	<b>2,388</b>	<b>2.7</b>	<b>3,725</b>	<b>3.7</b>	<b>11,182</b>	<b>9.1</b>	<b>15,184</b>	<b>11.2</b>
<b>Total</b>	<b>88,995</b>	<b>100.0</b>	<b>100,832</b>	<b>100.0</b>	<b>122,685</b>	<b>100.0</b>	<b>134,992</b>	<b>100.0</b>

**Note:**

<sup>(1)</sup> Comprises mainly nutrient solutions, brown sugar, sesame seeds and groundnuts.

Our Group's principal market is in Malaysia, which accounted for 97.4%, 98.6%, 98.5% and 98.4% of our total revenue for FYE 2020 to 2023 respectively.

## 2. PROSPECTUS SUMMARY (Cont'd)

The breakdown of our Group's revenue by geographical area for FYE 2020 to 2023 are as follows:

Geographical area	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>Malaysia</b>	<b>86,688</b>	<b>97.4</b>	<b>99,367</b>	<b>98.6</b>	<b>120,838</b>	<b>98.5</b>	<b>132,864</b>	<b>98.4</b>
<b>Overseas</b>								
Singapore	945	1.0	785	0.8	1,029	0.8	826	0.6
Indonesia	1,313	1.5	579	0.6	564	0.5	1,180	0.9
China	-	-	54	<0.1	190	0.2	-	-
Australia	24	<0.1	26	<0.1	38	<0.1	91	<0.1
Hong Kong	25	<0.1	21	<0.1	26	<0.1	31	<0.1
	<b>2,307</b>	<b>2.6</b>	<b>1,465</b>	<b>1.4</b>	<b>1,847</b>	<b>1.5</b>	<b>2,128</b>	<b>1.6</b>
<b>Total</b>	<b>88,995</b>	<b>100.0</b>	<b>100,832</b>	<b>100.0</b>	<b>122,685</b>	<b>100.0</b>	<b>134,992</b>	<b>100.0</b>

Further details on the breakdown of our revenue are set out in Section 12.2.3.

### 2.3 INTERRUPTIONS TO BUSINESS

#### 2.3.1 Impact of COVID-19 pandemic and our Group's business operations

Save for the interruption in our operations arising from the imposition of movement controls in Malaysia following the outbreak of COVID-19 pandemic, our Group had not experienced any other interruptions which has significantly affected our business during the past 12 months preceding LPD.

Further details on the impact of COVID-19 pandemic are set out in Section 7.11.

### 2.4 COMPETITIVE STRENGTHS

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

- (a) We have an extensive network of suppliers, which allows us to have wide product offerings to meet the different needs of our customers. As at LPD, we have engaged a total of 80 suppliers from 13 countries for the supply of our plant-based agricultural food ingredients which are originated from 15 countries including Malaysia. With our wide network of suppliers, we have developed a product portfolio for our sourcing and distribution business segment comprising a total of 69 SKUs as at LPD, which enables us to address the sourcing needs of our customers for food ingredients. Further, we have also established long-standing relationships with our suppliers by maintaining loyalty, timely payments as well as commitment to fulfil purchases;
- (b) With over 15 years of experience in the food ingredients industry, we have accumulated in-depth industry knowledge and experience as well as understanding on the characteristics and attributes of food ingredients. This allows us to provide advice and recommendations to our customers based on the intended applications of the food ingredients to meet their requirements in food manufacturing, in terms of desired results of the end-products and budget considerations. Further, we also have an in-house R&D team that possesses food technology knowledge and experience which allows us to develop food additive formulations according to our customers' requirements and intended applications, to achieve certain functions in various aspects such as modifying or enhancing texture, taste, appearance and preservative properties of the end-products;



## 2. PROSPECTUS SUMMARY *(Cont'd)*

- (c) We contribute to food security as our products are widely used in food manufacturing and food preparation, hence our business is sustainable and well-positioned for growth. Our products are staple food ingredients that are widely used in the manufacturing or preparation of food. Our products are used as inputs in food manufacturing by food manufacturers, and food preparation by F&B businesses and households;
- (d) We are accredited with various certifications as a testament to our compliance with internationally recognised food quality and safety standards. Such certificates and accreditations provide confidence to our customers and end-consumers on the compliance of our products, which in turn enhances the reputation of our brands in the food ingredient industry. Additionally, with these certifications and accreditations, we believe that we have a strong foundation and are well-positioned to further grow our business in the local and export markets; and
- (e) Our Group is led by our key senior management team which possesses in-depth industry knowledge and experience in the food ingredients industry. Our Managing Director, Oon Boon Khong has 28 years of experience in the food ingredients business. He has been instrumental to our Group's expansion since our inception in 2009 and will continue to play a pivotal role in the future growth of our Group. He is supported by a team of key senior management which take an active, hands-on role in spearheading their respective departments to support the growth of our Group.

Further details of our competitive strengths are set out in Section 7.16.

### 2.5 BUSINESS STRATEGIES

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

- (a) We intend to increase our storage capacity by setting up a new storage facility in Klang, Selangor. In anticipation of our Group's future business growth, we plan to expand our storage capacity by setting up a new regional storage facility in Klang, Selangor, with approximate built-up area of 30,000 sq ft. In addition to having additional storage capacity, the setup of the new regional storage facility is expected to enhance the efficiency of our business operations in terms of product delivery to our customers, as the new regional storage facility will serve as our regional storage facility to support our business in the central and southern regions of Peninsular Malaysia. As at LPD, we do not have any storage facility in the central region of Peninsular Malaysia. Our new regional storage facility is expected to save approximately RM0.7 million logistics cost and transportation cost per year;
- (b) We intend to continue expanding our sourcing and distribution business to fuel our business growth by increasing our inventory levels, as it is crucial to have sufficient and readily available inventory to meet the demand for our products from customers. Through higher inventory levels, we will be able to drive our revenue growth by increasing our sales volume to our existing customers as well as securing new customers as we will be well-equipped to offer products in larger quantities on immediate basis to meet the demand from our existing customers, hence reducing the need for our customers to source the same products from alternative suppliers to fulfil their needs. Further, higher inventory level ensures consistent product availability and prompt order fulfilment, in turn allowing us to seek and secure new customers; and
- (c) We intend to expand our team in Bukit Minyak Premises to carry out our day-to-day business activities as well as to support our business growth by recruiting 1 Business Development Manager, 1 Group Accountant, 1 R&D Executive, 1 QA&QC Executive, 3 Sales Executive and 1 Logistics Executive. Recruitment of the aforementioned employees is necessary to support our business operations as we continue to expand.

Further details of our business strategies are set out in Section 7.17.

**2. PROSPECTUS SUMMARY (Cont'd)****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 exposed to foreign exchange fluctuation risks which may impact the profitability of our Group. The breakdown of our purchases by currency for FYE 2020 to 2023 are as follows:

Currency	Audited							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
RM	29,068	38.8	20,685	25.5	18,275	18.0	12,798	11.9
USD	45,777	61.2	60,557	74.5	83,391	82.0	94,924	88.1
<b>Total purchases</b>	<b>74,845</b>	<b>100.0</b>	<b>81,242</b>	<b>100.0</b>	<b>101,666</b>	<b>100.0</b>	<b>107,722</b>	<b>100.0</b>

For FYE 2020 to 2023, majority of our purchases are denominated in USD which accounted for 61.2%, 74.5%, 82.0% and 88.1% to our Group's total purchases respectively. However, most of our revenue is generated from sales to local customers which are transacted in RM. As such, any substantial depreciation of the RM against the USD will lead to higher costs of supplies in RM. Nevertheless, for FYE 2020 to 2022, our financial performance was not materially impacted by the foreign exchange fluctuations as we were generally able to pass on the increase in costs to our customers. For FYE 2023, USD fluctuated significantly and we were not able to fully pass on the increase in costs to our customers. Nevertheless, such event did not materially impact our financial performance in overall as our Group recorded profits for FYE 2023. Notwithstanding that, there can be no assurance that we will be able to pass on any increase in costs arising from foreign exchange fluctuations to our customers timely in the future, whereby failure in doing so may lead to negative impact on our financial performance;

- (b) We are dependent on our Managing Director and key senior management for continued success and growth of our business. The loss of any of our Managing Director and key senior management personnel simultaneously and/or within a short period of time may unfavourably impact our Group's operations and the future growth of our business;
- (c) We may be affected by negative perception and publicity on our brand names and reputation. As our products are either packaged in our house brands or indicate us as distributor or manufacturer, and sold to customers such as wholesalers and retailers which eventually sell our products to the general public, our business performance and growth would be affected by any negative perception of our brand name and reputation, which are sensitive to public opinion;
- (d) We may be affected by the presence of counterfeit products or product imitation that are sold under our brands. These counterfeit products may be from sources that do not comply with the necessary food safety standards and hence may not meet the food safety requirements. In the event that consumers experience food poisoning or other illnesses after consuming the counterfeit products and subsequently claim that the counterfeit products are products of our Group, it may create material negative impact to our reputation and may eventually affect our sales;

**2. PROSPECTUS SUMMARY (Cont'd)**

- (e) We may not be able to secure funding, especially on terms acceptable to us, to meet our working capital requirement. If adequate funding is not available when needed, or is available only on unfavourable terms, meeting our working capital needs or otherwise taking advantage of business opportunities or responding to competitive pressures may become challenging, which could affect our ability to grow in the food ingredients industry; and
- (f) We are dependent on our in-house R&D team. We started our manufacturing of food additives segment in FYE 2021 and recorded a substantial growth of more than 10 times from RM1.2 million to RM12.1 million in FYE 2023. Moving forward, we expect this segment to further contribute to our growth. The loss of our R&D team within a short period of time and without any suitable and timely replacements, or our inability to attract or retain qualified and competent R&D personnel may adversely affect our ability to compete and grow in the food ingredients industry.

**2.7 DIRECTORS AND KEY SENIOR MANAGEMENT**

Our Directors and key senior management are as follows:

<b>Name</b>	<b>Designation</b>
<b><u>Directors</u></b>	
Fu Yew Sun	Independent Non-Executive Chairman
Datuk Keh Chuan Seng	Non-Independent Non-Executive Deputy Chairman
Oon Boon Khong	Managing Director
Koay Hooi Lynn	Independent Non-Executive Director
Teh Boon Beng	Independent Non-Executive Director
Lee Seow Ling	Independent Non-Executive Director
<b><u>Key senior management</u></b>	
Lim Swee Chuan	Chief Financial Officer
Wong Kam Tong	Chief Operating Officer
Tan Hong Sheng	Marketing Manager
Cheng Boon Kai	Procurement Manager

Further details of our Directors and key senior management are set out in Section 5.

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## 2. PROSPECTUS SUMMARY (Cont'd)

### 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:

Name	Nationality	<sup>(1)</sup> Before IPO				<sup>(2)</sup> After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoters and substantial shareholders</b>									
Frazel <sup>(3)</sup>	Malaysia	66,996,100	44.3	-	-	66,996,100	33.0	-	-
Datuk Keh Chuan Seng	Malaysian	8,611,900	5.7	<sup>(4)</sup> 66,996,100	44.3	8,611,900	4.3	<sup>(4)</sup> 66,996,100	33.0
Datin Cheong Kai Meng	Malaysian	86,100	0.1	<sup>(4)</sup> 66,996,100	44.3	86,100	<0.1	<sup>(4)</sup> 66,996,100	33.0
Oon Boon Khong	Malaysian	60,434,400	40.0	-	-	60,434,400	29.8	<sup>(5)</sup> 470,000	0.2
<b>Substantial shareholders</b>									
Aromi <sup>(3)</sup>	Malaysia	13,597,700	9.0	-	-	13,597,700	6.7	-	-
Wong Pak Zen	Malaysian	-	-	<sup>(6)</sup> 13,597,700	9.0	-	-	<sup>(6)</sup> 13,597,700	6.7

#### Notes:

- (1) Based on the share capital of 151,086,000 Shares before the Proposed IPO.
- (2) Based on the enlarged share capital of 202,800,000 Shares after the Proposed IPO.
- (3) Please refer to Section 5.1.2(a) for details of shareholdings of Frazel and Section 5.1.2(e) for details of shareholdings of Aromi.
- (4) Deemed interested by virtue of their shareholdings in Frazel pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his spouse's (Ng Pei Jin) shareholding (assuming she will fully subscribe for the Pink Form Allocation). Ng Pei Jin is the Logistics Manager of ACS.
- (6) Deemed interested by virtue of his shareholding in Aromi pursuant to Section 8(4) of the Act.

Further details of our Promoters and substantial shareholders are set out in Section 5.

**2. PROSPECTUS SUMMARY (Cont'd)****2.9 UTILISATION OF PROCEEDS**

The estimated gross proceeds to be raised from our Public Issue of RM25.9 million shall be utilised in the following manner:

<b>Utilisation of proceeds</b>	<b>RM'000</b>	<b>%</b>	<b><sup>(1)</sup>Estimated timeframe for utilisation</b>
Setup of a regional storage facility	2,650	10.3	Within 12 months
Purchase of inventories	18,929	73.2	Within 12 months
Recruitment of staff	578	2.2	Within 12 months
Estimated listing expenses	3,700	14.3	Within 1 month
<b>Total</b>	<b>25,857</b>	<b>100.0</b>	

**Note:**

- (1) From the date of listing of our Shares, except for staff costs for the regional storage facility which will be utilised within 12 months from the date of commencement of operations of the regional storage facility, estimated to be in October 2024.

There is no minimum subscription to be raised from IPO.

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

**2.10 FINANCIAL HIGHLIGHTS****2.10.1 Combined statements of profit or loss and other comprehensive income**

The following table sets out the financial highlights based on our combined statements of profit or loss and other comprehensive income for FYE 2020 to 2023:

	<b>Audited</b>			
	<b>FYE 2020</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	88,995	100,832	122,685	134,992
GP	10,800	14,181	19,391	19,259
PBT	4,191	5,807	9,735	9,054
PAT	2,991	4,282	7,117	6,782
PAT attributable to owners of our Company	2,980	4,282	7,117	6,782
GP margin (%) <sup>(1)</sup>	12.1	14.1	15.8	14.3
PAT margin (%) <sup>(2)</sup>	3.4	4.2	5.8	5.0
Basic EPS (sen) <sup>(3)</sup>	2.0	2.8	4.7	4.5
Diluted EPS (sen) <sup>(4)</sup>	1.5	2.1	3.5	3.3

**Notes:**

- (1) Calculated based on GP over revenue.
- (2) Calculated based on PAT divided by revenue.
- (3) Calculated based on PAT attributable to owners of our Company divided by our share capital of 151,086,000 Shares before our IPO.
- (4) Calculated based on PAT attributable to owners of our Company divided by our enlarged share capital of 202,800,000 Shares after our IPO.

There were no exceptional items during the financial years under review. Our audited combined financial statements for the past financial years under review were not subject to any audit qualifications. Further details on the financial information are set out in Sections 12 and 13.

**2. PROSPECTUS SUMMARY (Cont'd)****2.10.2 Pro forma combined statements of financial position**

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

	<b>As at 31 December 2023</b>	<b>I After Acquisition</b>	<b>II After I and Public Issue</b>	<b>III After II and utilisation of proceeds</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>				
Total non-current assets	15,460	15,460	15,460	15,460
Total current assets	54,460	54,460	80,317	76,617
<b>TOTAL ASSETS</b>	<b>69,920</b>	<b>69,920</b>	<b>95,777</b>	<b>92,077</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital / Invested capital	10,000	23,358	49,215	48,467
Reorganisation reserve	-	(13,358)	(13,358)	(13,358)
Retained profits	20,135	20,135	20,135	17,183
<b>TOTAL EQUITY</b>	<b>30,135</b>	<b>30,135</b>	<b>55,992</b>	<b>52,292</b>
Total non-current liabilities	8,191	8,191	8,191	8,191
Total current liabilities	31,594	31,594	31,594	31,594
<b>TOTAL LIABILITIES</b>	<b>39,785</b>	<b>39,785</b>	<b>39,785</b>	<b>39,785</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>69,920</b>	<b>69,920</b>	<b>95,777</b>	<b>92,077</b>
No. of Shares in issue ('000)	(1)-	151,086	202,800	202,800
NA per Share (RM)	15,067,500	0.20	0.28	0.26
Borrowings	26,579	26,579	26,579	26,579
Gearing (times)	0.9	0.9	0.5	0.5

**Note:**

(1) Representing 2 shares.

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**2. PROSPECTUS SUMMARY (Cont'd)**


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**2.11 DIVIDEND POLICY**

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

During FYE 2020 to 2023 and up to LPD, we declared the following dividends:

	<b>FYE 2020</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>1 January 2024 up to LPD</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Dividends declared	999	880	-	1,423	-

There were no further dividends declared and/or paid up to LPD. Further to the above, we do not intend to declare and pay any dividends from LPD up to our Listing. Further details of our dividend policy are set out in Section 12.15.

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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 5 February 2024, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market and the approval-in-principle for the registration of the Prospectus. The approval from Bursa Securities is subject to the following conditions:

<b>No.</b>	<b>Details of conditions imposed</b>	<b>Status of compliance</b>
(a)	Submit the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: <ul style="list-style-type: none"> <li>(i) Name of shareholders;</li> <li>(ii) Number of Shares; and</li> <li>(iii) Date of expiry of the moratorium for each block of Shares.</li> </ul>	Complied
(b)	Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied
(c)	The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	Complied
(d)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements;	To be complied
(e)	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of Agricore CS Holdings on the first day of Listing;	To be complied
(f)	In relation to the Public Issue to be undertaken by Agricore CS Holdings, to announce at least 2 market days prior to the Listing date, the result of the offering including the following: <ul style="list-style-type: none"> <li>(i) Level of subscription of public balloting and placement;</li> <li>(ii) Basis of allotment / allocation;</li> <li>(iii) A table showing the distribution for placement tranche; and</li> <li>(iv) Disclosure of placees who become substantial shareholders of Agricore CS Holdings arising from the Public Issue, if any.</li> </ul>	To be complied
(g)	Agricore CS 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 Agricore CS Holdings to the Official List of the ACE Market.	To be complied



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

#### 3.1.2 SC approval

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

The SC had, vide its letter dated 6 February 2024, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies. The approval from the SC is subject to the following conditions:

<b>No.</b>	<b>Details of conditions imposed</b>	<b>Status of compliance</b>
(a)	Agricore CS Holdings to allocate 12.5% of its enlarged number of issued shares at the point of Listing to Bumiputera investors to be approved by the MITI; and	To be complied
(b)	Agricore CS Holdings to make available at least 50% of the shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing.	To be complied

The effect of our Listing on our equity structure is as follows:

<b>Category of shareholders</b>	<b>As at LPD</b>		<b>After our Listing</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Bumiputera	-	-	<sup>(1)</sup> 30,420,000	15.0
Non-Bumiputera	151,086,000	100.0	172,380,000	85.0
<b>Malaysian</b>	<b>151,086,000</b>	<b>100.0</b>	<b>202,800,000</b>	<b>100.0</b>
Foreigners	-	-	-	-
	<b>151,086,000</b>	<b>100.0</b>	<b>202,800,000</b>	<b>100.0</b>

**Note:**

(1) Based on the assumption that the Shares allocated to the Bumiputera public investors via balloting and Bumiputera investors approved by MITI by way of private placement are subscribed as follows:

<b>Category</b>	<b>No. of Shares</b>	<b>%</b>
Bumiputera public investor via balloting	5,070,000	2.5
Private placement to identified Bumiputera investors approved by MITI	25,350,000	12.5
	<b>30,420,000</b>	<b>15.0</b>

The Shariah Advisory Council of SC had, vide its letter dated 17 May 2024, classified our Shares as shariah-compliant based on our audited combined financial statements for FYE 2023.

#### 3.1.3 MITI approval

The MITI had, vide its letter dated 22 November 2023, taken note and has no objection to our Listing.

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

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#### 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 ACE Market ("**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
- (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.

In addition to the moratorium imposed on the Shares held by the Specified Shareholders, Aromi, our substantial shareholder, has also shown its commitment to the future of our Group, by voluntarily providing its written undertaking not to sell, transfer or assign its entire shareholding in our Company of 13,597,700 Shares, representing 6.7% of our enlarged share capital after our Listing, for a period of 6 months from the date of our admission to the ACE Market.

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

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

Shareholders	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	
	No. of Shares	<sup>(1)</sup> %	No. of Shares	<sup>(1)</sup> %	No. of Shares	<sup>(1)</sup> %	No. of Shares	<sup>(1)</sup> %
Frazel	66,996,100	33.0	60,840,000	30.0	40,560,000	20.0	20,280,000	10.0
Datuk Keh Chuan Seng	8,611,900	4.2	-	-	-	-	-	-
Datin Cheong Kai Meng	86,100	<0.1	-	-	-	-	-	-
Oon Boon Khong	60,434,400	29.8	30,420,000	15.0	20,280,000	10.0	10,140,000	5.0
Aromi	13,597,700	6.7	-	-	-	-	-	-
	<b>149,726,200</b>	<b>73.8</b>	<b>91,260,000</b>	<b>45.0</b>	<b>60,840,000</b>	<b>30.0</b>	<b>30,420,000</b>	<b>15.0</b>

**Note:**

<sup>(1)</sup> Based on our enlarged share capital of 202,800,000 Shares after our IPO.

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

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by the above shareholders to ensure that our Share Registrar does not register any transfer that contravenes with such restrictions.

Separately, the shareholders of Frazel, namely Datuk Keh Chuan Seng and Datin Cheong Kai Meng, and the shareholders of Aromi, namely Wong Pak Zen, Voon Kooi Wong, Ng Wen Ying, Cheng Boon Kai, Tan Cheah Haw, Tan Hong Sheng, Wong Kam Tong and Yong Chew Yuong, have also undertaken not to sell, transfer or assign their respective shareholdings in Frazel and Aromi during their abovementioned moratorium periods respectively.

## 4. DETAILS OF OUR IPO

### 4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 30 May 2024 and will remain open until 5.00 p.m. on 7 June 2024. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

### 4.2 INDICATIVE TIMETABLE

<b>Events</b>	<b>Indicative date</b>
Issuance of this Prospectus/ Opening of Application	30 May 2024
Closing of Application	7 June 2024
Balloting of Application	11 June 2024
Allotment of IPO Shares to successful applicants	20 June 2024
Date of Listing	21 June 2024

In the event there is any change to the indicative timetable, we will advertise the notice of change 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 51,714,000 Issue Shares, representing 25.5% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

##### (i) Malaysian Public

10,140,000 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) 5,070,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to public investors; and

(bb) 5,070,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to Bumiputera public investors.

##### (ii) Eligible Persons

10,140,000 Issue Shares, representing 5.0% 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 4.3.2.

##### (iii) Private placement to Bumiputera investors approved by MITI

25,350,000 Issue Shares, representing 12.5% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

**4. DETAILS OF OUR IPO (Cont'd)****(iv) Private placement to selected investors**

6,084,000 Issue Shares, representing 3.0% 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 RM23.4 million comprising 151,086,000 Shares to RM49.2 million comprising 202,800,000 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) Listing**

Upon completion of our IPO, our Company's entire enlarged share capital of RM49.2 million comprising 202,800,000 Shares shall be listed on the ACE Market.

**4.3.2 Pink Form Allocations**

We have allocated 10,140,000 Issue Shares under the Pink Form Allocations to our Eligible Persons as follows:

<b>Category</b>	<b>No. of Eligible Persons</b>	<b>Aggregate no. of Issue Shares allocated</b>
Eligible Directors	3	300,000
Eligible employees	38	6,490,000
Persons who have contributed to the success of our Group	10	3,350,000
	<b>51</b>	<b>10,140,000</b>

Entitlements which are not accepted by certain Eligible Persons will be re-allocated among the Eligible Persons at the discretion of our Board.

**(a) Allocation to eligible Directors**

The criteria for allocation to our eligible Directors are based on amongst others their anticipated contribution to our Group.

Datuk Keh Chuan Seng (our Non-Independent Non-Executive Deputy Chairman) and Oon Boon Khong (our Managing Director) have opted not to participate in the Pink Form Allocations as they are already our substantial shareholders. Lee Seow Ling (our Independent Non-Executive Director) has also opted not to participate in the Pink Form Allocations.

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

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

<b>Name</b>	<b>Designation</b>	<b>No. of Issue Shares allocated</b>
Fu Yew Sun	Independent Non-Executive Chairman	100,000
Koay Hooi Lynn	Independent Non-Executive Director	100,000
Teh Boon Beng	Independent Non-Executive Director	100,000
		<b>300,000</b>

**(b) Allocation to our eligible employees**

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

- (i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;
- (ii) The number of 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 employee of at least 18 years of age.

Details of the proposed allocation to our key senior management are as follows:

<b>Name</b>	<b>Designation</b>	<b>No. of Issue Shares allocated</b>
Lim Swee Chuan	Chief Financial Officer	550,000
Wong Kam Tong	Chief Operating Officer	635,000
Tan Hong Sheng	Marketing Manager	283,000
Cheng Boon Kai	Procurement Manager	435,000
		<b>1,903,000</b>

**(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.

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.

**4.3.3 Placement and underwriting arrangement**

Our Underwriter will underwrite 20,280,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 31,434,000 Issue Shares available for application by 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 allocated for excess application by the Eligible Persons (subject always that public spread requirements are met). Likewise, any Issue Shares which are not taken up by the Eligible Persons, will be allocated to the Malaysian Public in the event of an oversubscription.

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

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- (b) After (a) above, the remaining portion will be made available for application by way of private placement to selected investors to be identified.
- (c) 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 allocated to Bumiputera investors approved by MITI shall firstly be reallocated to Malaysian institutional investors. If after the above reallocation, there are still Issue Shares not taken up, the said unsubscribed Issue Shares shall then be offered to Bumiputera public investors via public balloting in the event of an oversubscription.
- (b) After (a) above, the remaining portion will be made available for:
  - (i) Malaysian Public, in the event of an oversubscription; 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 oversubscription 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.

#### **4.3.4 Minimum and oversubscription**

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 oversubscription, 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 as disclosed in Section 4.3.2, to the extent known to our Company:

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

#### 4. DETAILS OF OUR IPO (Cont'd)

##### 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
<b>Share capital</b>		
As at date of incorporation	2	2
Issued pursuant to the Acquisition	151,085,998	23,357,895
<b>As at date of this Prospectus</b>	<b>151,086,000</b>	<b>23,357,897</b>
To be issued under our Public Issue	51,714,000	25,857,000
<b>Enlarged share capital upon our Listing</b>	<b>202,800,000</b>	<b>49,214,897</b>

As at 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 allotment and issuance, rank equally in all respects with our existing ordinary 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.

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.

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. On a poll, every shareholder present in person or by proxy or other duly authorised representative shall have one vote for each ordinary 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 in terms of marketing our products and to retain and attract new employees;
- (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. DETAILS OF OUR IPO (Cont'd)

##### 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 of RM0.26, calculated based on our pro forma NA after our IPO and utilisation of proceeds as at 31 December 2023 of approximately RM52.3 million and enlarged share capital of 202,800,000 Shares upon Listing;
- (b) The PE Multiple of our IPO Price of 14.9 times, calculated based on our PAT for FYE 2023 of RM6.8 million and market capitalisation of RM101.4 million upon Listing;
- (c) Our historical financial track record as follows:

	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	88,995	100,832	122,685	134,992
GP	10,800	14,181	19,391	19,259
PAT attributable to owners of our Company	2,980	4,282	7,117	6,782

- (d) Our competitive strengths as set out in Section 7.16; and
- (e) Our business strategies and prospects as set out in Section 7.17.

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 202,800,000 Shares upon Listing, our total market capitalisation will be RM101.4 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:

IPO Price	<u>RM</u> 0.50
Pro forma NA per Share as at 31 December 2023 after Acquisition but before Public Issue	0.20
Pro forma NA per Share as at 31 December 2023 after Acquisition, Public Issue and utilisation of proceeds	0.26
Increase in pro forma NA per Share attributable to existing shareholders	0.06
Dilution in pro forma NA per Share to our new public investors pursuant to our IPO	0.24
Dilution in pro forma NA per Share as a percentage of our IPO Price	48.0%

Further details of our pro forma NA per Share as at 31 December 2023 is set out in Section 14.

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

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

<b>Shareholders</b>	<b>(<sup>1</sup>)No. of Shares received</b>	<b>(<sup>2</sup>)Total consideration</b>	<b>Average effective cost per Share</b>
		<b>RM</b>	<b>RM</b>
Frazel	66,996,100	10,357,599	0.1546
Datuk Keh Chuan Seng	8,611,900	1,331,400	0.1546
Oon Boon Khong	60,434,400	9,343,158	0.1546
Datin Cheong Kai Meng	86,100	13,311	0.1546
Aromi	13,597,700	2,102,204	0.1546
Lim Swee Chuan	1,359,800	210,225	0.1546
	<b>151,086,000</b>	<b>23,357,897</b>	

**Notes:**

- (1) Issued under the Acquisition and including transfer of 2 shares from the subscriber shareholders to Frazel.
- (2) Being the consideration for the Acquisition and including transfer of 2 shares from the subscriber shareholders to Frazel.

Save as disclosed above and the Pink Form Allocations to our eligible Directors and key senior management, there has been no acquisition 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 RM25.9 million will accrue entirely to us and are planned to be utilised in the following manner:

<b>Utilisation of proceeds</b>	<b>Notes</b>	<b>RM'000</b>	<b>%</b>	<b>(<sup>1</sup>)Estimated timeframe for utilisation</b>
Setup of a regional storage facility	(a)	2,650	10.3	Within 12 months
Purchase of inventories	(b)	18,929	73.2	Within 12 months
Recruitment of staff	(c)	578	2.2	Within 12 months
Estimated listing expenses	(d)	3,700	14.3	Within 1 month
<b>Total</b>		<b>25,857</b>	<b>100.0</b>	

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. For avoidance of doubt, the interest, income and/or dividend to be received from placement of the proceeds in short-term deposits with financial institutions shall be utilised for our Group's working capital requirements.

**Notes:**

- (1) From the date of our Listing, except for staff costs, rental, utilities, security, and general upkeep and maintenance for the regional storage facility which will be utilised within 12 months from the date of commencement of operations of the regional storage facility, estimated to be in October 2024.

**4. DETAILS OF OUR IPO (Cont'd)****(a) Setup of a regional storage facility**

As at LPD, we have a storage facility with aggregate space for purposes of our sourcing and distribution of plant-based agricultural products segment of approximately 50,838 sq ft located within the Bukit Minyak Premises. This storage has an average utilisation rate of approximately 91.1% over FYE 2020 to 2023, further details of which are set out in Section 7.13.

With the ongoing growth and expansion of our business, we intend to set up a new regional storage facility in the central region of Peninsular Malaysia. Due to limited financial and human resources in the past, we did not set up such a facility. As at LPD, we are in the midst of identifying a suitable building to rent for our new regional storage facility (with built-up area of approximately 30,000 sq ft), ideally located in Klang, Selangor, which is of near proximity to Port Klang. The exact location and size of the new regional storage facility are subject to changes depending on the market price and availability. Our Group will be applying for a certificate of registration of food premises from the MOH and business/ storage licence from Majlis Perbandaran Klang for the new regional storage facility in Klang.

As at LPD, we store all of our plant-based agricultural products delivered by our suppliers and for onward distribution to our customers at Bukit Minyak Premises. With the setup of this new regional storage facility in the central region, it is expected to enhance the efficiency of our business operations in terms of product delivery to our customers by providing quicker delivery lead times to our customers in the central and southern regions of Peninsular Malaysia. Our products can be directly delivered from our new regional storage facility to our customers in central region (i.e. Selangor, Kuala Lumpur and Negeri Sembilan) and southern region (i.e. Melaka and Johor) of Peninsular Malaysia. For FYE 2020 to 2023, revenue from our sourcing and distribution business from the central and southern regions of Peninsular Malaysia collectively amounted to RM33.4 million, RM42.1 million, RM55.2 million and RM59.8 million respectively, which accounted for 38.6%, 43.4%, 49.5% and 49.9% respectively of our revenue generated from our sourcing and distribution business segment.

Our Group intends to allocate RM2.7 million, representing 10.3% of our gross proceeds from the Public Issue as setup costs for the regional storage facility, details of which are as follows:

Description	Estimated cost RM'000	Total estimated cost RM'000	(1)Estimated timeframe for utilisation
Renovation costs			
- Mechanical and electrical works	200		
- Installation of racking platform and storage fixture	360	(2)560	Within 4 months
Staff costs(3)		420	(3)-
Acquisition of:			
- Office furniture	174		
- 2 units of lorry	200		
- 2 units of forklift	200	(2)574	Within 4 months
Operating expenses		(4)1,096	Within 12 months
		2,650	

**4. DETAILS OF OUR IPO (Cont'd)****Notes:**

- (1) From the date of our Listing.
- (2) The estimated renovation cost and capital expenditures are based on quotations obtained from contractors and suppliers.
- (3) Comprises staff cost for additional permanent employees for the regional storage facility (i.e. 1 operation manager, 1 warehouse executive, 1 account and administrative executive, 6 storage staffs, 2 logistic crews and 2 lorry drivers, where the number of employees required are based on management's estimation on the storage size, expected inventory levels and operation level of the regional storage facility), to be utilised over a period of 12 months from the commencement of operations of the regional storage facility (estimated to be in October 2024 as stated in the indicative timeline below).
- (4) Comprises rental, utilities, security, and general upkeep and maintenance to be utilised over a period of 12 months from the commencement of operations of the regional storage facility (estimated to be in October 2024 as stated in the indicative timeline below).

Once the setup of the regional storage facility in October 2024 is completed based on the estimated timeline, we will commence our operations immediately.

The indicative timeline for the setup the regional storage facility is as follows:

<b>Timeline</b>	<b>Details</b>
T (from date of our Listing)	Execution of tenancy agreement for the regional storage facility
T + 1 month	Submission of building plan to local council
T + 2 months	<ul style="list-style-type: none"> <li>- Approved building plan obtained from local council</li> <li>- Submission of building plan to the Fire and Rescue Department of Malaysia</li> </ul>
T + 3 months	<ul style="list-style-type: none"> <li>- Approval obtained from the Fire and Rescue Department of Malaysia</li> <li>- Commencement of renovation</li> </ul>
T + 4 months	<ul style="list-style-type: none"> <li>- Completion of renovation</li> <li>- Business / storage licence obtained from Majlis Perbandaran Klang</li> <li>- Certificate of registration from MOH obtained</li> <li>- Commencement of operations of the regional storage facility</li> </ul>

Please refer to Section 7.17.1 for further details.

In the event that we have identified suitable premise for our new regional storage facility and are required to execute the tenancy agreement prior to our Listing, we will fund the setup costs for the regional storage facility using our internally-generated funds. Upon completion of our Listing, we will replenish our internally-generated funds from the earmarked proceeds of the Public Issue.

**4. DETAILS OF OUR IPO (Cont'd)****(b) Purchase of inventories**

Our Group intends to allocate RM18.9 million, representing approximately 73.2% of our gross proceeds from the Public Issue, to increase the inventory levels to support our business growth, of which RM13.7 million will be utilised to purchase inventory for our Bukit Minyak Premises and the remaining RM5.2 million will be utilised to purchase inventory for the new regional storage facility. The purchase of inventories mainly comprise our 3 main categories of primary plant-based agricultural food ingredients. Raw materials cost accounted for approximately 94.6%, 94.6%, 93.3% and 93.1% of our Group's total cost of goods sold for FYE 2020 to 2023 respectively. Please refer to Section 7.17.2 for further details.

**(c) Recruitment of staff**

Our Group intends to allocate RM0.6 million, representing approximately 2.2% of our gross proceeds from the Public Issue, to recruit additional staff in our Bukit Minyak Premises to support the expected growth in our business operations, details of which are as follows:

Details	Pax	(1)RM'000
- Business Development Manager	1	120
- Group Accountant	1	120
- R&D Executive	1	55
- QA&QC Executive	1	55
- Sales Executive	3	180
- Logistic Executive	1	48
		<b>578</b>

**Note:**

- (1) The estimated staff cost is based on management's internal estimations using existing and historical staff salaries of our Group. The estimated staff cost is for a period of 12 months beginning from the date of employment of the respective staff which is expected to be upon our Listing. The estimated staff cost mainly consists of salaries, medical expenses, staff benefits and other related expenses.

**(d) Estimated listing expenses**

An amount of RM3.7 million, representing approximately 14.3% of our gross proceeds from the 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:

Estimated listing expenses	RM'000
Professional fees <sup>(1)</sup>	2,502
Underwriting, placement and brokerage fees	800
Fees payable to the authorities	79
Printing and contingencies <sup>(2)</sup>	319
	<b>3,700</b>

**Notes:**

- (1) Includes advisory/professional fees for, amongst others, our Adviser, solicitors, reporting accountants, IMR, internal control reviewer and Issuing House.
- (2) Other incidental or related expenses in connection with our IPO.

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

Any variations from the amounts budgeted above, save for items (b) and (c), shall be adjusted towards or against, as the case may be, the proceeds allocated for the purchase of inventories and recruitment of staff. Any further shortfall will be funded via our internally generated funds and/or bank borrowings. 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.

#### **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 Malaysian Investment Banking Association or Issuing House.

##### **4.10.2 Placement fees**

Our Placement Agent will place out a total of 31,434,000 Issue Shares 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.

##### **4.10.3 Underwriting commission**

Our Underwriter has agreed to underwrite 20,280,000 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 20,280,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.3.

The following are the salient terms in the Underwriting Agreement. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement.

##### **4.11.1 Conditions precedent**

The several obligations of our Underwriter under the Underwriting Agreement shall further be conditional upon:

- (a) the acceptance of our Listing and the clearance of registrable prospectus from Bursa Securities, and the lodgement of registrable prospectus with the ROC respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of this Prospectus to the public;
- (b) the issuance of this Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within 3 months from the date hereof or such extension as consented by our Underwriter;

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

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- (c) there having been, as at any time hereafter up to and including the Closing Date, no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of our Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in this Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
- (d) the issue, offering and subscription of the Issue Shares in accordance with the provisions hereof and this Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (e) all necessary approvals and consents required in relation to our Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
- (f) our Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;
- (g) the delivery to our Underwriter prior to the date of registration of this Prospectus of (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Board and the shareholders in general meeting approving the Underwriting Agreement, this Prospectus, our Public Issue and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; (ii) a certificate dated the date of this Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in sub-section (c);
- (h) the delivery to our Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as our Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
- (i) our Underwriter being satisfied that our Company will, following completion of our Public Issue be admitted to the official list and its issued share capital listed and quoted on the ACE Market without undue delay.

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

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##### **4.11.2 Non-fulfilment of conditions precedent**

In the event any of the conditions as set out in Section 4.11.1 are not satisfied by the Closing Date, our Underwriter shall thereupon be entitled but not bound to terminate the Underwriting Agreement by notice given to our Company not later than 3 Market Days after the Closing Date and upon such termination, our Company and our Underwriter shall be released and discharged from their obligations save for our Company's obligations pursuant to the Underwriting Agreement and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). Our Underwriter reserves the right to waive or modify any of the conditions aforesaid and such waiver or modification shall not prejudice our Underwriter's rights under the Underwriting Agreement.

##### **4.11.3 Termination**

Notwithstanding anything herein contained, our Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:

- (a) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from our Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our 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 Public Issue, or the distribution of the Issue Shares; or
- (b) there is withholding of information of a material nature from our Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of our Public Issue, or the distribution of the Issue Shares; or
- (c) there shall have occurred, happened or come into effect in the opinion of our Underwriter any material and/or adverse change to the business or financial condition of our Group; or
- (d) there shall have occurred, happened or come into effect any of the following circumstances:
  - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to interbank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
  - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or our Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, (in the reasonable opinion of our Underwriter), would



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

have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Group and the success of our Public Issue, or the distribution of the Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or

- (iii) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
  - (1) on or after the date of the Underwriting Agreement; and
  - (2) prior to the allotment of the Issue Shares, lower than 90% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least 3 Market Days; or
- (iv) in the event of national disorder, outbreak of war or the declaration of a state of national emergency; or
- (e) there is failure on the part of our Company to perform any of our respective obligations contained under the Underwriting Agreement; or
- (f) any matter which arose immediately before the date of this Prospectus would have constituted a material and adverse omission in the context of our Public Issue; or
- (g) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.

#### **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.

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.

## 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 our IPO are set out below:

Name	Place of incorporation/ Nationality	<sup>(1)</sup> Before IPO				<sup>(2)</sup> After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoters and substantial shareholders</b>									
Frazel <sup>(3)</sup>	Malaysia	66,996,100	44.3	-	-	66,996,100	33.0	-	-
Datuk Keh Chuan Seng	Malaysian	8,611,900	5.7	<sup>(4)</sup> 66,996,100	44.3	8,611,900	4.3	<sup>(4)</sup> 66,996,100	33.0
Datin Cheong Kai Meng	Malaysian	86,100	0.1	<sup>(4)</sup> 66,996,100	44.3	86,100	<0.1	<sup>(4)</sup> 66,996,100	33.0
Oon Boon Khong	Malaysian	60,434,400	40.0	-	-	60,434,400	29.8	<sup>(5)</sup> 470,000	0.2
<b>Substantial shareholders</b>									
Aromi <sup>(3)</sup>	Malaysia	13,597,700	9.0	-	-	13,597,700	6.7	-	-
Wong Pak Zen	Malaysian	-	-	<sup>(6)</sup> 13,597,700	9.0	-	-	<sup>(6)</sup> 13,597,700	6.7

#### Notes:

- (1) Based on our share capital of 151,086,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 202,800,000 Shares after our IPO.
- (3) Please refer to Section 5.1.2(a) for details of shareholdings of Frazel and Section 5.1.2(e) for details of shareholdings of Aromi.
- (4) Deemed interested by virtue of their shareholdings in Frazel pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his spouse's (Ng Pei Jin) shareholding (assuming she will fully subscribe for the Pink Form Allocations). Ng Pei Jin is the Logistics Manager of ACS.
- (6) Deemed interested by virtue of his shareholding in Aromi 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.

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

### 5.1.2 Profiles of Promoters and/or substantial shareholders

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

#### (a) Frazel

Frazel was incorporated in Malaysia on 20 June 2016 under the Companies Act 1965 as a private limited company under the name of Frasers Group Sdn Bhd and assumed its present name on 2 June 2020. Frazel is an investment holding company principally involved in the provision of management services for companies in the property development industry. As at LPD, the issued capital of Frazel is RM20,400,000 comprising 20,400,000 ordinary shares.

As at LPD, the directors of Frazel and their respective shareholdings in Frazel are as follows:

Name	Designation	Nationality	Direct		Indirect	
			No. of shares	%	No. of shares	%
Datuk Keh Chuan Seng	Director and shareholder	Malaysian	12,240,000	60.0	-	-
Datin Cheong Kai Meng	Director and shareholder	Malaysian	8,160,000	40.0	-	-
			<b>20,400,000</b>	<b>100.0</b>		

#### (b) Datuk Keh Chuan Seng

Datuk Keh Chuan Seng, a Malaysian, aged 53, is our Promoter, substantial shareholder and Non-Independent Non-Executive Deputy Chairman. He was appointed to our Board on 10 August 2023 and provides advice on corporate strategy to our Group such as financing decisions. He was introduced to Oon Boon Khong, our Promoter, substantial shareholder and Managing Director, through mutual acquaintances back in 2016, and was invited by Oon Boon Khong in May 2022 to invest in ACS which subsequently led to the acquisition of ACS shares from Leong Yeok Wah, BBN Network Sdn Bhd and Oon Boon Khong by Frazel, Datin Cheong Kai Meng and himself in September 2022, further details of which could be referred to in Section 7.1. Upon completion of our IPO, he will hold 37.3% equity interest in our Company.

In 1989, he completed his SRP at Sin Min (Private) High School, Alor Setar, Kedah. Upon completion of SRP, he left for Singapore and undertook part-time jobs involving the maintenance and repair of ships. In 1991, he decided to venture to Japan where he stayed until November 2005, during which he was involved in real estate development on a personal basis where he was responsible for identifying and sourcing for potential investors.

In December 2005, he was appointed as Director of Shanghai JM Development Sdn Bhd, where he ventured into property development business in Kedah and Sadao, a district in Songkhla Province, Thailand. Shanghai JM Development Sdn Bhd is principally involved in the property investment holding, general trading of bird nest and swiftlet bird nest farming. He still presently assumes this position where he is responsible for identifying and sourcing for potential investment properties.

In 2016, he founded Frazel and was appointed as Executive Chairman of Frazel, a position he presently assumes, where he is responsible for the strategic planning of building construction projects.

In 2020, he was appointed as Non-Independent Non-Executive Chairman of EG Industries Berhad (listed on the Main Market of Bursa Securities), an investment holding company with subsidiaries involved in printed board assembly, where he provides advice on corporate strategy. He subsequently resigned in May 2023.

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

In 2021, he was appointed as Non-Independent Non-Executive Director and Chairman of HB Global Limited (listed on the Main Market of Bursa Securities) and was subsequently redesignated as the Executive Chairman in the even year, where he provides advice for the group's business operations focusing on strategic matters such as major investments. HB Global Limited is a Singapore investment holding company with its subsidiaries involved in telecommunication services, food manufacturing and processing as well as research and development in wellness technology. He subsequently resigned from his role as Executive Chairman in February 2024.

He was appointed as Executive Chairman of K. Seng Seng Corporation Berhad (listed on the Main Market of Bursa Securities), an investment holding company with its subsidiaries involved in the manufacturing and processing of secondary stainless steel products as well as the trading of industrial hardware including marine hardware and consumables and Tex Cycle Technology (M) Berhad (listed on the ACE Market of Bursa Securities), an investment holding company with its subsidiaries primarily engaged in the waste management business, the supply of specialised products for the defence industry, the supply of further endow chemical products for related industries, as well as the undertaking of renewable energy projects in January 2023 and May 2023 respectively, where he is responsible for managing the company and providing strategic guidance to the board of directors. On 6 June 2023, he was also appointed as Executive Director of Ge-Shen Corporation Berhad (listed on the Main Market of Bursa Securities), which involved in the provision of management services as well as investment holding with its subsidiaries involved in various sectors including automotive, medical devices & consumables, industrial applications, consumer electronics, office automation, home appliances and aerospace and was subsequently redesignated as their Executive Chairman on 8 June 2023, where he is responsible for the development and implementation of strategic initiatives. He presently assumes the aforementioned positions.

He is the spouse of Datin Cheong Kai Meng, our Promoter and substantial shareholder.

Kindly refer to Section 5.2.3(b) for his involvement in other business activities outside our Group.

**(c) Datin Cheong Kai Meng**

Datin Cheong Kai Meng, a Malaysian, aged 51, is our Promoter and substantial shareholder.

In 1999, she was admitted to the Graduateship of ICSA and has been a Chartered Secretary and Associate Member of MAICSA since 2000.

In 1997, whilst undertaking the ICSA course, she commenced her career at Por & Ooi Management (Kedah) Sdn Bhd (now known as Por & Ooi Management (Kedah) PLT), a partnership involved in the provision of management consultancy and company secretarial services, as a Secretarial Assistant where she was responsible for maintaining and updating statutory registers and minutes books as well as to assist in preparation of directors' resolutions. In 2000, upon becoming an Associate Member of MAICSA she was promoted and appointed to the role of Company Secretary, where she handled a portfolio of clients of the firm including public and private limited companies. She was involved in conducting company secretarial work such as preparing and lodging the requisite statutory filings of her clients and advising them on secretarial matters.

In 2013, she was appointed as a Director in Por & Ooi Management (Kedah) Sdn Bhd and eventually assumed the designation of Partner in Por & Ooi Management (Kedah) PLT after the company's conversion to a limited liability partnership in 2015. Presently, she is responsible for overseeing the firm's human resources initiatives and operations, and continues to hold the role of Company Secretary for the firm's clients.

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

In 2013, she joined Shanghai JM Development Sdn Bhd, which is principally involved in property investment holding, general trading of bird nest and swiftlet bird nest farming, as Chief Financial Officer, a role she currently holds, where she is responsible for assessing and forecasting the company's financial standing based on financial and operational data and reports.

In 2014, she joined Por Ooi Management Services (AS) PLT (now known as P & O Management Services (AS) PLT), a partnership involved in the provision of business management, accounting and tax consultancy services, and held the position as a Partner where she was responsible for managing its operational matters prior to her resignation in October 2016.

In June 2016, she was appointed as Chief Financial Officer of Frazel, a role she presently assumes, where she is responsible for financial planning and analysing company's financial strengths in place to achieve organisational goals.

In 2019, she joined P & O Corporate Services (AS) PLT, a management consultancy and company secretarial services provider, and held the position as Partner, where she provides management consultancy and secretarial support services. She was also appointed as Partner for Frazel Interiors PLT, a partnership involved in the provision of interior decoration services, in 2020 where she oversees the creation and design of residential and commercial spaces. She presently holds the aforementioned positions.

She is the spouse of Datuk Keh Chuan Seng, our Promoter, substantial shareholder and Non-Executive Non-Independent Deputy Chairman.

**(d) Oon Boon Khong**

Oon Boon Khong, a Malaysian, aged 50, is our Promoter, substantial shareholder and Managing Director. He was appointed to our Board on 10 August 2023.

He is responsible for overseeing our Group's business operations, planning, and executing strategic directions to drive the business development, growth and expansion of our Group. He is also involved in managing our Group's sales and marketing strategies by identifying potential customers to penetrate into new markets and seize business opportunities.

Upon the completion of his Sijil Am Pelajaran at Jit Sin High School, Pulau Pinang in 1992, he began his career as a freelance sales agent in building materials.

In 1995, he joined Johnson Shoes Berhad (now known as Johnson Shoes Sdn Bhd), a footwear manufacturing company, as a Sales Representative where he was responsible for the sales and marketing of footwear products to supermarkets, retailers and factories.

He subsequently left Johnson Shoes Berhad in 1996 to join Thye Huat Chan Sdn Bhd, a company involved in the trading and supply of food and agricultural products, as a Sales Representative where he was responsible for the sales and marketing of starch and beans in the northern region of Malaysia. In 1999, he was promoted to Sales Executive and his job scope was extended to cover the east coast of Malaysia. Subsequently in 2005, he was promoted to Assistant Sales Manager where he managed the sales team as well as the logistics and transportation matters for the company.

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

After departing from Thye Huat Chan Sdn Bhd in February 2009, based on mutual decision with his spouse, Ng Pei Jin, he co-founded ACS through her. At the inception of the company, he was instrumental in the establishment and development of ACS and assumed the position of General Manager in March 2009. On 19 July 2011, Ng Pei Jin disposed her 0.02% interest in ACS to Oon Boon Khong and ceased to be a shareholder. He was responsible for identifying and establishing relationships with customers and suppliers, managing sales and marketing, developing ACS's branding as well as overseeing the logistics and warehouse operations of ACS. In May 2009, he was appointed as Director of ACS where he was responsible for overseeing the entire operations and growth of ACS. In 2023, he was re-designated as Managing Director and Chief Executive Officer of ACS.

In 2015, he became an indirect shareholder of Bapas through his shareholdings in ACS. In 2020, he was appointed as Director of Bapas where he was responsible for overseeing the operations of Bapas and driving the growth of Bapas' fried shallots manufacturing business. He also expanded Bapas' portfolio by establishing a new division, specialising in food additives.

Kindly refer to Section 5.2.3(c) for his involvement in other business activities outside our Group.

### (e) Aromi

Aromi was incorporated in Malaysia on 20 February 2020 under the Act as a private limited company. Aromi is principally involved in activities of holding our Shares. Aromi was incorporated as the investment holding company of our Shares to consolidate the investment of our employees and investors for purposes of acquisition from a previous shareholder, Leung Sook Mee, as described in Section 7.1. As at LPD, Aromi had no intended business activities and the issued capital of Aromi is RM9,000 comprising 9,000 ordinary shares.

As at LPD, the details of the directors and/or shareholders of Aromi are as follows:

Name	Designation	Nationality	Direct		Indirect	
			No. of shares	%	No. of shares	%
Wong Pak Zen <sup>(1)</sup>	Director and shareholder	Malaysian	6,000	66.8	-	-
Voon Kooi Wong <sup>(2)</sup>	Director and shareholder	Malaysian	1,200	13.4	-	-
Ng Wen Ying <sup>(3)</sup>	Director and shareholder	Malaysian	400	4.4	-	-
Cheng Boon Kai <sup>(4)</sup>	Shareholder	Malaysian	200	2.2	-	-
Tan Cheah Haw <sup>(3)</sup>	Shareholder	Malaysian	400	4.4	-	-
Tan Hong Sheng <sup>(4)</sup>	Shareholder	Malaysian	400	4.4	-	-
Wong Kam Tong <sup>(4)</sup>	Shareholder	Malaysian	200	2.2	-	-
Yong Chew Yuong <sup>(3)</sup>	Shareholder	Malaysian	200	2.2	-	-
			<b>9,000</b>	<b>100.0</b>	-	-

#### Notes:

- (1) Wong Pak Zen is a director and substantial shareholder of Starch Trade Sdn Bhd, a supplier of our Group. He has no familial relationships with the Promoters, substantial shareholders, Directors and key senior management of our Group. Please refer to Section 11.1 for further details.

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

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- (2) Voon Kooi Wong is an acquaintance of Oon Boon Khong, our Managing Director. He has no familial relationships with the Promoters, substantial shareholders, Directors and key senior management of our Group.
- (3) Ng Wen Ying, Tan Cheah Haw and Yong Chew Yuong are the employees of our Group, namely our Human Resources Manager, Product Manager for ACS and Account Manager respectively. They have no familial relationships with the Promoters, substantial shareholders, Directors and key senior management of our Group.
- (4) Cheng Boon Kai, Tan Hong Sheng and Wong Kam Tong are our Group's key senior management, namely our Procurement Manager, Marketing Manager and Chief Operating Officer respectively. They have no familial relationships with each other, the Promoters, substantial shareholders, Directors and other key senior management of our Group. Please refer to Section 5.3.3 for their profiles.

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

### 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:

Name	As at incorporation				<sup>(1)</sup> Before IPO				<sup>(2)</sup> After IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lew Pui Lean	1	50.0	-	-	-	-	-	-	-	-	-	-
Tan Yi Ning	1	50.0	-	-	-	-	-	-	-	-	-	-
<b>Promoters and substantial shareholders</b>												
Frazel <sup>(3)</sup>	-	-	-	-	66,996,100	44.3	-	-	66,996,100	33.0	-	-
Datuk Keh Chuan Seng	-	-	-	-	8,611,900	5.7	<sup>(4)</sup> 66,996,100	44.3	8,611,900	4.3	<sup>(4)</sup> 66,996,100	33.0
Datin Cheong Kai Meng	-	-	-	-	86,100	0.1	<sup>(4)</sup> 66,996,100	44.3	86,100	<0.1	<sup>(4)</sup> 66,996,100	33.0
Oon Boon Khong	-	-	-	-	60,434,400	40.0	-	-	60,434,400	29.8	<sup>(5)</sup> 470,000	0.2
<b>Substantial shareholders</b>												
Aromi <sup>(3)</sup>	-	-	-	-	13,597,700	9.0	-	-	13,597,700	6.7	-	-
Wong Pak Zen	-	-	-	-	-	-	<sup>(6)</sup> 13,597,700	9.0	-	-	<sup>(6)</sup> 13,597,700	6.7

#### Notes:

- (1) Based on our share capital of 151,086,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 202,800,000 Shares after our IPO.
- (3) Please refer to Section 5.1.2(a) for details of shareholdings of Frazel and Section 5.1.2(e) for details of shareholdings of Aromi.
- (4) Deemed interested by virtue of their shareholdings in Frazel pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his spouse's (Ng Pei Jin) shareholding (assuming she will fully subscribe for the Pink Form Allocations). Ng Pei Jin is the Logistics Manager of ACS.
- (6) Deemed interested by virtue of his shareholding in Aromi pursuant to Section 8(4) of the Act.



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

### 5.1.4 Persons exercising control over the corporation

Save for our Promoters 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 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.

### 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 Acquisition, dividends paid or intended to be paid to our Promoters and/or substantial shareholders as disclosed below, and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4, 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 and paid				1 January 2024 up to LPD
	FYE 2020	FYE 2021	FYE 2022	FYE 2023	
Promoters and/or substantial shareholders	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Promoters and substantial shareholders</b>					
Frazel	-	-	-	631	-
Datuk Keh Chuan Seng	-	-	-	81	-
Datin Cheong Kai Meng	-	-	-	1	-
Oon Boon Khong	480	449	-	569	-
<b>Substantial shareholder</b>					
Aromi	66	79	-	128	-
<b>Total</b>	<b>546</b>	<b>528</b>	<b>-</b>	<b>1,410</b>	<b>-</b>

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

### 5.2 DIRECTORS

#### 5.2.1 Directors' shareholdings

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

Name	Designation/ Nationality	<sup>(1)</sup> Before IPO				<sup>(2)</sup> After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Fu Yew Sun	Independent Non-Executive Chairman/ Malaysian	-	-	-	-	100,000	<0.1	-	-
Datuk Keh Chuan Seng	Non-Independent Non- Executive Deputy Chairman/ Malaysian	8,611,900	5.7	<sup>(3)</sup> 66,996,100	44.3	8,611,900	4.3	<sup>(3)</sup> 66,996,100	33.0
Oon Boon Khong	Managing Director/ Malaysian	60,434,400	40.0	-	-	60,434,400	29.8	<sup>(4)</sup> 470,000	0.2
Koay Hooi Lynn	Independent Non-Executive Director/ Malaysian	-	-	-	-	100,000	<0.1	-	-
Teh Boon Beng	Independent Non-Executive Director/ Malaysian	-	-	-	-	100,000	<0.1	-	-
Lee Seow Ling	Independent Non-Executive Director/ Malaysian	-	-	-	-	-	-	-	-

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

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**Notes:**

- (1) Based on our share capital of 151,086,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 202,800,000 Shares after our IPO.
- (3) Deemed interested by virtue of his shareholding in Frazel pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of his spouse's (Ng Pei Jin) shareholding (assuming she will fully subscribe for the Pink Form Allocations). Ng Pei Jin is the Logistics Manager of ACS.

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

### 5.2.2 Profiles of Directors

The profiles of Datuk Keh Chuan Seng, our Non-Independent Non-Executive Deputy Chairman and Oon Boon Khong, our Managing Director are set out in Section 5.1.2. The profiles of our Directors are as follows:

#### (a) Fu Yew Sun

Fu Yew Sun, a Malaysian, aged 50, is our Independent Non-Executive Chairman. He was appointed to our Board on 10 August 2023.

In 1997, he graduated with a Bachelor of Science (Cum Laude Honours) in Mechanical Engineering from the University of Southern California, Los Angeles, California. He is a Chartered Financial Analyst (CFA) and has been a member of the Association and Investment Management and Research (now known as CFA Institute) since 2002.

He started his career in 1997, as a Mechanical Engineer at TNB Generation Sdn Bhd. During his stint in TNB Generation Sdn Bhd, he was stationed at the Serdang Power Station where he oversaw the maintenance programme of gas turbines. He subsequently left TNB Generation Sdn Bhd in 2000 to join SG Research (Malaysia) Sdn Bhd as a Research Executive, where he was engaged in research coverage of the construction and infrastructure sectors.

In 2001, he left SG Research (Malaysia) Sdn Bhd and had a brief tenure with Standard Chartered Bank Malaysia Berhad from February 2002 to December 2002, as an Associate in the Debt Capital Markets department where he was involved in origination of corporate bond transactions.

In 2003, he joined UTSB Management Sdn Bhd as an Assistant Manager in the Treasury department where he was responsible for managing the group's fund raising and treasury transactions. Subsequently in 2005, he was promoted to Manager of Group Treasury with an expanded scope of managing the group's surplus funds.

In 2007, he left UTSB Management Sdn Bhd and joined AmBank (M) Berhad, initially as Director of Credit Research and was later promoted to Director/ Head of Trading (Global Markets) where he was responsible for leading a team of dealers who engaged in trading, underwriting, position-taking activities for AmBank Group in credits, interest-rates and foreign exchange instruments.

In 2014, he rejoined UTSB Management Sdn Bhd, assuming the role of General Manager where he founded and led a Project Management and Trading team in managing a portfolio of global assets in multiple asset classes.

After his departure from UTSB Management Sdn Bhd in 2017, he joined AmFunds Management Berhad as the Chief Investment Officer where he led a team of investment professionals in managing portfolios for institutional and retail clients.

In 2019, he left AmFunds Management Berhad to establish a family office in Singapore. In 2021, he officially founded JRT Capital Management Pte Ltd, a family office with the principal business in investment management, which was approved by the Monetary Authority of Singapore. Aside from being the founder of JRT Capital Management Pte Ltd, he also plays the role of Chief Investment Officer, where he manages the portfolio of the company in multi-asset classes.

Kindly refer to Section 5.2.3(a) for his involvement in other business activities outside our Group.

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

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**(b) Koay Hooi Lynn**

Koay Hooi Lynn, a Malaysian, aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 10 August 2023. She is the Chairperson of our Audit and Risk Management Committee and a member of our Nominating Committee and Remuneration Committee.

In 1994, she graduated with a Bachelor of Commerce from La Trobe University, Melbourne, Australia. In 2005, she joined CPA Australia as a Certified Practising Accountant, and in the same year, she was also certified as a Chartered Accountant by MIA. She is an Affiliate of the MAICSA and an Associate Member of the Chartered Tax Institute of Malaysia (CTIM) since 2009. She has been an ASEAN Chartered Professional Accountant under the ASEAN Chartered Professional Accountants Coordinating Committee (ACPACC) since 2018.

In 1994, she began her career at Koay Seng Leong & Co as an Audit Assistant where she was involved with audit assurance work for subsidiaries of public listed companies and small and medium enterprises from different industries such as palm oil plantations, manufacturing, trading and property developers. In 1998, she was promoted to Audit Senior where her responsibilities were extended to tax compliance matters and subsequently in 2009, she was promoted to Manager.

In 2013, she became Partner of the firm, a position she presently assumes, where her responsibilities include audit compliance and staff adherence to auditing standards and accounting regulations, as well as providing tax compliance and advisory services to her clients.

In August 2023 and September 2023, she was appointed as the Independent and Non-Executive Director of Farlim Group (Malaysia) Berhad and SWS Capital Berhad respectively, both listed companies on the Main Market of Bursa Securities.

Kindly refer to Section 5.2.3(d) for her involvement in other business activities outside our Group.

**(c) Teh Boon Beng**

Teh Boon Beng, a Malaysian, aged 63, is our Independent Non-Executive Director. He was appointed to our Board on 24 January 2024. He is the Chairperson of our Nominating Committee and a member of our Audit and Risk Management Committee and Remuneration Committee.

In August 1984, he graduated with a Bachelor of Economics in Business Administration from University of Malaya.

Upon completion of his degree, he commenced his career in Malayan Banking Berhad's ("**Maybank**") main branch at Bishop Street, Georgetown, Pulau Pinang as a Trainee Officer in July 1984 and was subsequently transferred to its Bukit Mertajam branch, Pulau Pinang in March 1985. During that period, he was responsible for sourcing commercial loans and deposits. In September 1985, he assumed the role of Credit Officer of the Bukit Mertajam branch, Pulau Pinang where his scope of responsibilities extended to include portfolio management as well as credit analysis.

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

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In 1992, he was promoted to Assistant Branch Manager, where he oversaw the overall operations of the Campbell Street branch in Georgetown, Pulau Pinang. In 1996, he was promoted to the Head of Customer Service of Maybank's main branch in Alor Setar, Kedah where he was in charge of the overall branch's customer service operations. In 1998, he was promoted to Branch Manager of the Pengkalan Weld branch, Georgetown, Pulau Pinang where his responsibilities included obtaining deposit loans and overseeing the performance of the branch. In 2000, he took on the role of Branch Manager of the Nibong Tebal branch in Seberang Perai Selatan, Pulau Pinang where his responsibilities expanded to include overseeing larger branch operations and spearheading initiatives to achieve higher performance targets.

In 2001, he was redesignated as the Account Manager of the then newly established Maybank Penang Business Centre where he was responsible for obtaining new commercial deposits and loans, as well as cultivating and managing relationships with commercial clients. In 2002, he was promoted to Senior Account Manager where his scope of responsibilities expanded to also include leading and overseeing the performance of the account management team.

In 2004, he was promoted to Head of Maybank Alor Setar Business Centre where he oversaw the overall operations and performance of the said business centre. In 2008, he was transferred back to Pulau Pinang where he assumed the role of Head of Maybank Prai Business Centre. In 2015, he reassumed the role of Head of the Maybank Alor Setar Business Centre until his retirement in 2021.

In July 2022 and December 2022, he was appointed as the Independent Non-Executive Director of Ajiya Berhad and K. Seng Seng Corporation Berhad respectively, both listed on the Main Market of Bursa Securities.

Kindly refer to Section 5.2.3(e) for his involvement in other directorships outside our Group.

**(d) Lee Seow Ling**

Lee Seow Ling, a Malaysian aged 54 years old, is our Independent Non-Executive Director. She was appointed to our Board on 18 September 2023. She is the Chairperson of our Remuneration Committee and a member of our Nominating Committee and Audit and Risk Management Committee.

In 1993, she graduated with a Bachelor of Business in Accountancy from Charles Sturt University, New South Wales, Australia. She has been a member of the Australian Society of Certified Practising Accountant (CPA Australia) since 1993 and has been a Certified Practising Accountant since 1996. In 2024, she is certified as a Chartered Accountant by MIA.

In 1993, she started her career in the audit firm, Kiat & Associates as an Audit Assistant. Her responsibilities included assisting clients in setting up their accounting and financial information systems as well as computerised accounting systems. She also provided accounting and auditing advisory services to her clients.

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

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In 1995, she departed from the audit firm and joined THB Industries Sdn Bhd (now known as Kobay Technology Berhad) as an Account and Admin Officer where she was responsible for preparing monthly financial reports. Subsequently in 1997, she was promoted to Accountant, where her role was further expanded to include group consolidation review. She also took part in the listing exercise of Kobay Technology Berhad on the Main Board of Kuala Lumpur Stock Exchange (now known as Main Market of Bursa Securities) in the same year. In 2004, she was further promoted to Group Accountant, where she was responsible for overseeing the financial reporting of the group.

In 2021, she was relocated to Kobay Management Services Sdn Bhd (a wholly-owned subsidiary of Kobay Technology Berhad) as Group Accountant, where she assumed the same scope of responsibilities. In 2023, she was promoted to Senior Group Accountant, a role she presently assumes, with extended managerial responsibilities.

She does not have any involvement in any business activities or directorships outside our Group.

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

**5.2.3 Principal business performed outside our Group**

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

**(a) Fu Yew Sun**

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b>Present involvement</b>						
Arete Capital Sdn Bhd	Provision of management consultancy services	Director / Shareholder	30 June 2020	-	33.3	-
Lionstar Holdings Pte Ltd	Investment holding in equities, bonds, structured products, private equities, private credits, real estates, hedge funds, foreign exchange	Director / Shareholder	28 July 2021	-	25.0	-
JRT Capital Management Pte Ltd	<ul style="list-style-type: none"> <li>Management consultancy services</li> <li>Management of investments in equities, bonds, structured products, private equities, private credits, real estates, hedge funds, foreign exchange</li> </ul>	Director / Shareholder	28 July 2021	-	25.0	-
Arete Capital Pte Ltd	Investment holding in equities, bonds, structured products, private equities, private credits, real estates, hedge funds, foreign exchange	Shareholder	28 February 2023	-	50.0	-



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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b>Past involvement</b>						
Gekko Dining Sdn Bhd	Provision of F&B services	Shareholder	-	Date of cessation of shares: 18 August 2023	10.0	-
Region Homes Sdn Bhd	<ul style="list-style-type: none"> <li>Property investment holding</li> <li>Dissolved on 30 December 2021</li> </ul>	Director / Shareholder	23 August 2011	-	50.0	-

**(b) Datuk Keh Chuan Seng**

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b>Present involvement</b>						
ES Sunlogy Berhad	Construction of engineering projects, engineering services, other architectural and engineering activities and related technical consultancy	Non-Independent Non-Executive Director / Shareholder	23 November 2023	-	33.3	-
Ge-Shen Plastic (M) Sdn Bhd	Manufacturing and trading of all kinds of plastic moulded products, any type of components, tools and die any related products and assembly services	Director	6 June 2023	-	-	-
Demand Options Sdn Bhd	Metal stamping, tool and die fabrication, prototyping and production by laser technology, assembly, spray painting and secondary process	Director	6 June 2023	-	-	-
Eztec Technology (M) Sdn Bhd	Manufacturing of plastic mould, tools and die	Director	6 June 2023	-	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Polyplas Sdn Bhd	Manufacturing and trading of plastic moulded products, components, tools and other related products and assembly services	Director	6 June 2023	-	-	-
GS Assembly (PP) Sdn Bhd	Property investment holding	Director	6 June 2023	-	-	-
Ge-Shen Corporation Berhad (listed on the Main Market of Bursa Securities)	Investment holding company in shares and provision of management services, with its subsidiaries involved in various sectors including automotive, medical devices & consumables, industrial applications, consumer electronics, office automation, home appliances and aerospace	Executive Chairman / Indirect Shareholder	6 June 2023	-	-	<sup>(3)</sup> 27.9
Tex Cycle Technology (M) Berhad (listed on the ACE Market)	Investment holding company in shares with its subsidiaries primarily engaged in the waste management business, supply specialised products for the defence industry and further endow chemical products for related industries, renewable energy sector ranging from biomass to solid waste to energy project	Executive Chairman / Indirect Shareholder	3 May 2023	-	-	<sup>(3)</sup> 26.2
K. Seng Seng Corporation Berhad (listed on the Main Market of Bursa Securities)	Investment holding company in shares with its subsidiaries involved in manufacturing and processing of secondary stainless steel products, and trading of industrial hardware including marine hardware and consumables	Executive Chairman / Indirect Shareholder	16 January 2023	-	-	<sup>(3)</sup> 26.5

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Grand Uptown Sdn Bhd	Redevelopment of sewerage treatment plants at Taman Connaught, Kuala Lumpur under a privatisation agreement with the Government	Director	12 December 2022	-	-	-
Savelite Engineering Sdn Bhd	Electrical contractor	Director / Shareholder	1 December 2022	-	40.0	-
HB Global Venture Berhad	Dormant, with no intended activity	Director / Shareholder	23 March 2022	-	50.0	-
Bakar Arang Development Sdn Bhd	Commercial and residential property development	Director / Shareholder	1 October 2021	-	52.0	-
HB Global Capital Sdn Bhd	Dormant, with no intended activity	Director	11 March 2021	-	-	-
HB Global Limited (listed on the Main Market of Bursa Securities)	Singapore investment holding company with its subsidiaries involved in telecommunication services, food manufacturing and processing, research and development in wellness technology	Shareholder	10 February 2021	22 February 2024	16.7	-
Frazel Centre Sdn Bhd	Property investment holding	Shareholder	13 January 2021	13 September 2022	51.0	-
Frazel Access Sdn Bhd	Property investment holding	Shareholder	13 January 2021	13 September 2022	51.0	-
Frazel Land Sdn Bhd	Property investment holding	Shareholder	13 January 2021	13 September 2022	51.0	-
Frazel Construction Sdn Bhd	Property investment holding and building construction	Shareholder	7 January 2021	13 September 2022	60.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Eco Standard Berhad	Dormant with the intended activity of construction of engineering projects, engineering services, other architectural and engineering activities and related technical consultancy	Director / Shareholder	24 December 2020	-	33.3	-
Frazel Interiors PLT	Provision of interior decoration services	Partner	28 July 2020	-	-	-
Yansnest Sdn Bhd	Property investment holding	Director / Shareholder	30 January 2020	-	50.0	-
Frazel Yansnest Sdn Bhd	Property investment holding	Shareholder	30 January 2020	13 September 2022	50.0	-
Frazel Urban Sdn Bhd	Property investment holding	Shareholder	15 September 2019	13 September 2022	30.0	-
Frazel Luxe Sdn Bhd	Property investment holding	Shareholder	20 August 2019	13 September 2022	30.0	-
Frazel Zouk Sdn Bhd	Property investment holding	Shareholder	18 July 2019	13 September 2022	70.0	-
APU Capital Sdn Bhd	Provision of licensed money lending services	Director / Shareholder	5 July 2019	-	50.0	-
PSJ Transport Sdn Bhd	Provision of warehouse services	Director / Shareholder	26 May 2019	-	100.0	-
TKG Setia Sdn Bhd	Property development	Director	18 April 2019	-	25.0	-
Frazel Heritage Hotel Sdn Bhd	<ul style="list-style-type: none"> <li>• Therapeutic reflexology</li> <li>• Hotel operations</li> </ul>	Director / Shareholder	3 December 2018	-	51.0	-
Frazel China Sdn Bhd	<ul style="list-style-type: none"> <li>• Property investment holding</li> <li>• Online commerce</li> </ul>	Shareholder	28 November 2018	13 September 2022	50.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
KCK Realty Sdn Bhd	Provision of information communication technology system security and other business support services	Director / Shareholder	3 September 2018	-	40.0	-
Frazel Teguh Sdn Bhd	Property investment holding	Director / Shareholder	3 August 2017	-	50.0	-
CH Teguh Development Sdn Bhd	Property development	Director / Shareholder	22 May 2017	-	30.0	-
Nice Premier Sdn Bhd	Property investment holding	Director / Shareholder	16 March 2017	-	35.0	-
Nice Vision Property Sdn Bhd	Property investment holding	Director / Shareholder	28 February 2017	-	35.0	-
Frazel Trading Sdn Bhd	<ul style="list-style-type: none"> <li>• Property investment holdings</li> <li>• Wholesale of birdnest</li> <li>• Business management consultancy</li> </ul>	Director / Shareholder	28 February 2017	-	50.0	-
Frazel Inn Sdn Bhd	Hotel business	Director / Shareholder	22 January 2017	-	70.0	-
SK Grand Sdn Bhd	Property investment holding	Director / Shareholder	20 January 2017	-	38.0	-
SK Grand Property Sdn Bhd	Property investment holding	Shareholder	20 January 2017	4 September 2022	38.0	-
Nice Paradise Sdn Bhd	Hotel operations and property investment holding	Director / Shareholder	26 September 2016	-	55.0	-
Frazel Link Sdn Bhd	Property investment holding	Shareholder	13 September 2016	13 September 2022	22.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Frazel Point Sdn Bhd	Property investment holding	Shareholder	13 September 2016	13 September 2022	32.0	-
Frazel United Sdn Bhd	Property development	Director / Shareholder	29 June 2016	-	51.0	-
Frazel Realty Sdn Bhd	Property development	Director / Shareholder	23 June 2016	-	51.0	-
Frazel	<ul style="list-style-type: none"> <li>Investment holding of our Shares and shares in K. Seng Seng Corporation Berhad, Ge-Shen Corporation Berhad and Tex Cycle Technology (M) Berhad</li> <li>Provision of management services</li> </ul>	Director / Shareholder	20 June 2016	-	60.0	-
Frazel Sunrise Sdn Bhd	Property development	Director	19 May 2016	-	80.0	-
Tititama Sdn Bhd	Property investment holding	Shareholder	1 July 2007	13 September 2022	35.0	-
Frazel Property Sdn Bhd	Property development	Director / Shareholder	5 January 2016	-	90.0	-
Keat Poh Sdn Bhd	Swiftlet bird nest farming and property investment holding	Shareholder	13 August 2015	13 September 2022	35.0	-
Asia World Property Management Sdn Bhd	Property development	Director / Shareholder	25 June 2015	-	90.0	-
Asia Golden Property Management Sdn Bhd	Property investment holding	Director / Shareholder	25 June 2015	-	54.0	-
Asia Property Unity Sdn Bhd	Property development and property investment holding	Shareholder	25 June 2015	13 September 2022	40.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Frazel Global Sdn Bhd	Property development	Director / Shareholder	30 April 2015	-	78.0	-
SK Grand Development Sdn Bhd	Property development	Director / Shareholder	1 February 2015	-	80.0	-
Berlian Mewah Sdn Bhd	Property investment holding	Director / Shareholder	29 December 2014	-	70.0	-
Sunrise Islands Sdn Bhd	Property development	Shareholder	16 June 2013	13 September 2022	80.0	-
JSY Development Sdn Bhd	Property development	Director / Indirect shareholder	21 May 2013	-	-	<sup>(1)</sup> 100.0
Ramen Seng Sdn Bhd	Swiftlet bird nest farming and property investment holding	Shareholder	19 October 2010	13 September 2022	35.0	-
Mega Goldyear Sdn Bhd	Swiftlet bird nest farming	Shareholder	10 October 2010	13 September 2022	62.5	-
Ramen Swiftlets Enterprise	Farming and sales of birdnests	Business Owner	21 January 2010	-	-	-
Johan Erasama Sdn Bhd	Property development	Director / Shareholder	28 May 2009	-	80.0	-
Shanghai JM Development Sdn Bhd	Property investment holding, general trading and trading of bird nest and swiftlet bird nest farming	Director / Shareholder	14 December 2005	-	53.3	-
Seng Sheng Enterprise Sdn Bhd	Provision of licensed money lending services	Shareholder	14 April 2005	16 June 2022	87.5	-
DKT Grand Properties Sdn Bhd	Property development	Shareholder	1 February 2015	13 September 2022	80.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Wisma Jernih Sdn Bhd	Property investment holding and cultivation of fruit trees	Director / Shareholder	1 November 2023	-	35.0	-
LGT Grand Construction Sdn Bhd	General construction and property development	Shareholder	-	-	20.0	-
<b><u>Past involvement</u></b>						
ES Kinetic Sdn Bhd	Installation of non-electric solar energy collectors	Director	10 August 2021	9 December 2023	-	-
Kibaru Manufacturing Sdn Bhd	Manufacturing of rubber products	Director	1 September 2023	29 November 2023	-	-
Frazel World Sdn Bhd	<ul style="list-style-type: none"> <li>Property development</li> <li>Dissolved on 4 September 2023</li> </ul>	Indirect shareholder	18 May 2014	13 September 2022	-	<sup>(2)</sup> 80.0
DK Galaxy Sdn Bhd	<ul style="list-style-type: none"> <li>Provision of event organising</li> <li>Tourism agency</li> <li>Dissolved on 5 January 2024</li> </ul>	Director / Shareholder	25 February 2020	-	30.0	-
HB Infrastructures & Technologies Sdn Bhd	Installation of telecommunication cables	Director	29 October 2021	10 February 2023	-	-
QYH Capital Sdn Bhd	<ul style="list-style-type: none"> <li>Human resource consultancy services</li> <li>Repair and maintenance of industrial machinery and equipment</li> </ul>	Director / Shareholder	8 December 2020	31 May 2023 / Date of cessation of direct shares: 19 June 2023	49.0	-



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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
EG Industries Berhad (listed on the Main Market of Bursa Securities)	Investment holding company in shares with subsidiaries involved in printed board assembly which entails high and low-mix printed circuit board and box build, that encompasses total design, manufacturing, testing and shipping of completed product to customers' end users	Non-Independent Non-Executive Chairman / Shareholder	27 November 2020	31 May 2023 / Date of cessation of direct shares: 11 March 2022 and 15 March 2022	1.0	<sup>(4)</sup> 6.8
Sunrise Teguh Sdn Bhd	Property investment holding	Director	3 August 2017	11 August 2020	-	-
Nice Galaxy Sdn Bhd	Property investment holding	Director	16 March 2017	20 August 2019	-	-
Frazel Icon Sdn Bhd	<ul style="list-style-type: none"> <li>Property investment holding</li> <li>Dissolved on 10 August 2023</li> </ul>	Director	26 September 2016	13 September 2022	-	-
Arah Cerah Sdn Bhd	Trading of birdnest	Director	7 March 2011	28 September 2019	-	-
Nice International Sdn Bhd	Property investment holding	Director	20 June 2016	20 August 2019	-	-
SK Grand Group Sdn Bhd	Property investment holding and general trading	Director	4 June 2015	17 September 2020	-	-
Wisma Teguh Sdn Bhd	<ul style="list-style-type: none"> <li>Property investment holding and building construction</li> <li>Dissolved on 4 December 2020</li> </ul>	Director / Shareholder	3 August 2017	-	50.0	-
Frasers Blockchain Sdn Bhd	<ul style="list-style-type: none"> <li>Dormant</li> <li>Dissolved on 4 December 2020</li> </ul>	Director / Shareholder	3 September 2018	-	50.0	-
Frazel Development Sdn Bhd	Property development	Director	30 November 2020	1 May 2022	-	-

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

**Notes:**

- (1) Deemed interested by virtue of his shareholding in Shanghai JM Company Development Sdn Bhd pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of his shareholding in Shanghai JM Company Development Sdn Bhd and Berlian Mewah Sdn Bhd pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of his shareholding in Frazel pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his past shareholding in QYH Capital Sdn Bhd pursuant to Section 8 of the Act.

**(c) Oon Boon Khong**

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b><u>Present involvement</u></b>						
Nil						
<b><u>Past involvement</u></b>						
Aromi	Investment holding in our Shares	Director	20 February 2020	28 December 2022	-	-

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

**(d) Koay Hooi Lynn**

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b>Present involvement</b>						
YMHS Consulting Sdn Bhd	Enterprise (Malaysia) Provision of tax-related advisory and consultancy services	Director	24 April 2024	-	-	-
Farlim Group (M) Berhad (listed on the Main Market of Bursa Securities)	Property development and investment holding company in shares with subsidiaries involved in various sectors including property development, investment holding, building construction and trading in building materials	Independent Non-Executive Director	24 August 2023	-	-	-
SWS Capital Berhad (listed on the Main Market of Bursa Securities)	Investment holding company in shares with subsidiaries involved in various sectors including the manufacturing and trading of plastic wares, utensils and goods; manufacturing and sale of bedroom sets, dining furniture, occasional furniture and buffet and hutch; lamination of veneer and paper; trading of various types of boards, polyethene, pneumatic fasteners, nails and others; and marketing and distribution of plastic household and industrial products	Independent Non-Executive Director	1 September 2023	-	-	-
Sinopont Everthriving (Malaysia) Sdn Bhd	Sales and production of solar photovoltaic modules, encapsulation, ethylene-vinyl, and polymer materials	Director	27 April 2023	-	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
Tak Leong Development Sdn Bhd	Property investment holding	Director / Shareholder	13 April 1994	-	25.0	-
Lynndrew Enterprises (Malaysia) Sdn Bhd	Investment in quoted shares of listed companies in Malaysia and property investment holdings	Director / Shareholder	2 August 1993	-	30.0	-
Ulearnmoney (M) Sdn Bhd	Operation of an online financial education platform	Shareholder	-	-	0.1	-
Koay Seng Leong & Co	Audit firm	Partner	2 January 2013	-	-	-
<b>Past involvement</b>						
Risen Solar Technology Sdn Bhd	<ul style="list-style-type: none"> <li>• Manufacture of electronic components and electric lighting equipment</li> <li>• Installation of non-electric solar energy collectors</li> </ul>	Director	4 September 2020	11 October 2022	-	-
Eve Energy Malaysia Sdn Bhd	Manufacture of batteries and accumulators	Director	30 August 2020	26 July 2023	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<b><u>Present involvement</u></b>						
Ajiya Berhad (listed on the Main Market of Bursa Securities)	Investment holding in shares with subsidiaries involved in the manufacturing and trading of roofing materials, various kinds of glass and trading of building materials	Independent Non-Executive Director	1 July 2022	Date of cessation of shares: 8 December 2022 and 9 December 2022	0.3	-
K. Seng Seng Corporation Berhad (listed on the Main Market of Bursa Securities)	Investment holding in shares with its subsidiaries involved in manufacturing and processing of secondary stainless steel products, and trading of industrial hardware including marine hardware and consumables	Independent Non-Executive Director	22 December 2022	Date of cessation of shares: 4 January 2023	0.2	-

**Past involvement**

Nil

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

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. The involvement of our Executive Directors in the business outside our Group does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the day-to-day operations of the companies. Therefore, their involvement in the companies do not require a significant amount of time, and hence does not affect their ability to fulfil their executive roles and responsibilities to our Group.

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

### 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 Director's fees and any benefits payable to 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 2021 to 2024 are as follows:

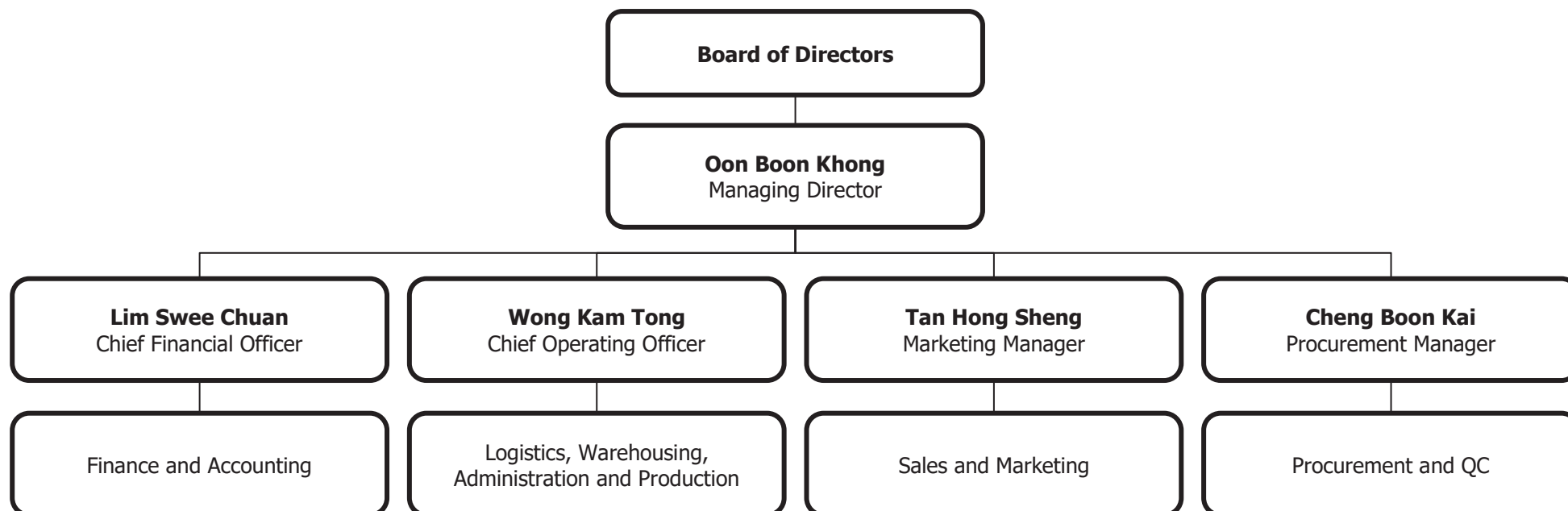
	<u>Directors' fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>Other emoluments</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	<u>RM'000</u>					
<b>FYE 2021 (Paid)</b>						
Oon Boon Khong	-	271	35	37	-	343
<b>FYE 2022 (Paid)</b>						
Datuk Keh Chuan Seng	-	-	-	-	-	-
Oon Boon Khong	-	272	63	41	-	376
<b>FYE 2023 (Paid)</b>						
Fu Yew Sun	14	-	-	-	-	14
Datuk Keh Chuan Seng	56	70	-	9	-	135
Oon Boon Khong	-	414	5	46	-	465
Koay Hooi Lynn	13	-	-	-	-	13
Lee Seow Ling	10	-	-	-	-	10
<b>FYE 2024 (Proposed)</b>						
Fu Yew Sun	35	-	-	2	-	37
Datuk Keh Chuan Seng	168	-	-	2	-	170
Oon Boon Khong	-	420	77	87	28	612
Koay Hooi Lynn	30	-	-	1	-	31
Teh Boon Beng	30	-	-	1	-	31
Lee Seow Ling	30	-	-	1	-	31

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

**5.3 KEY SENIOR MANAGEMENT**

**5.3.1 Management structure**

The management reporting structure of our Group is as follows:



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

### 5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Group before and after our IPO (assuming they fully subscribe for their Pink Form Allocations), save for Oon Boon Khong (our Promoter, substantial shareholder and Managing Director) which is disclosed in Sections 5.1.1. and 5.2.1, are set out below:

Name	Designation/ Nationality	<sup>(1)</sup> Before IPO				<sup>(2)</sup> After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lim Swee Chuan	Chief Financial Officer/ Malaysian	1,359,800	0.9	-	-	1,909,800	0.9	-	-
Wong Kam Tong	Chief Operating Officer/ Malaysian	-	-	-	-	635,000	0.3	-	-
Tan Hong Sheng	Marketing Manager/ Malaysian	-	-	-	-	283,000	0.1	-	-
Cheng Boon Kai	Procurement Manager/ Malaysian	-	-	-	-	435,000	0.2	-	-

#### Notes:

- (1) Based on our share capital of 151,086,000 Shares before our IPO.
- (2) Based on our enlarged share capital of 202,800,000 Shares after our IPO.



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

### 5.3.3 Profiles of key senior management

Save for the profile of Oon Boon Khong (our Managing Director), which are set out in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

#### (a) Lim Swee Chuan

Lim Swee Chuan, a Malaysian, aged 58, is our Chief Financial Officer, responsible for our Group's accounting and finance functions and internal control systems as well as implementation of our Group's strategic planning activities.

In 1991, he graduated with a Bachelor of Accountancy (Honours) Degree from Universiti Utara Malaysia. In 1995, he was certified as a Public Accountant and subsequently in 2001, as a Chartered Accountant by MIA. He is a Fellow of the Malaysian Institute of Taxation (presently known as the Chartered Tax Institute of Malaysia) since 2006.

In 1991, he began his career in Cycle & Carriage (M) Sdn Bhd as an Audit Assistant where he assisted in the review process of the group's internal systems and control procedures of Cold Storage (M) Bhd, an associate company of Cycle & Carriage Bintang Berhad to ensure compliance with their business objectives, policies and standards.

In 1992, he left Cycle & Carriage (M) Sdn Bhd to join PriceWaterhouse (now known as PwC Malaysia) as an Audit Assistant where was involved in the conduct of statutory audits for the firm's clients. In 1994, he was promoted to Audit Senior where he led the audit process and was responsible for audit fieldwork, system review and providing guidance to audit assistants.

In 1995, he left Pricewaterhouse and joined Mecoprise Sdn Bhd (now known as Kobay Technology Berhad) as an Accountant where his scope of responsibilities involved reviewing daily finance and accounting functions of the company including preparing and maintaining financial and management reports. Subsequently in the same year, he was promoted to Finance Manager where he was responsible for overseeing the company's accounting and financing functions.

In 1997, he was further promoted to Group Finance Manager where he was responsible for overseeing Kobay Technology Berhad and its subsidiaries' financial operations and reporting, tax compliance and treasury matters. He also took part in the listing exercise of Kobay Technology Berhad on the Main Board of Kuala Lumpur Stock Exchange (now known as Main Market of Bursa Securities) in 1997. In 2000, he was promoted to Group General Manager (Finance) and in 2001, appointed as Executive Director cum Chief Financial Officer to oversee and manage the corporate finance, tax and accounting matters of Kobay Technology Berhad and its subsidiaries.

Separately, in March 2000, he was also appointed as the Executive Director cum Chief Financial Officer of Lipo Corporation Berhad (now known as Kobay Industries Sdn Bhd) which was a subsidiary of Kobay Technology Berhad. He held the position of Executive Director cum Chief Financial Officer of Kobay Technology Berhad and Kobay Industries Sdn Bhd (which was privatised in 2012) until his resignation in June 2020.

In December 2020, he joined ACS as the Finance Director and he was subsequently promoted to Chief Financial Officer in 2023, a position he presently assumes.

Kindly refer to Section 5.3.4(a) for his involvement in other business activities outside our Group.

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

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**(b) Wong Kam Tong**

Wong Kam Tong, a Malaysian, aged 49, is our Chief Operating Officer, responsible for overseeing our Group's production, logistics, warehousing and administration operations.

In 2001, he graduated with a Bachelor of Social Science (Honours) (Economics) from Universiti Sains Malaysia.

Prior to his graduation, in 2001, he started his career in Thye Huat Chan Sdn Bhd as a Marketing Executive where he was responsible for the sales of starches and beans to factories and wholesalers, as well as the collection process. He left Thye Huat Chan Sdn Bhd in 2004 and founded Redsun Worldwide Trading, a sole proprietor involved in the trading of groceries and tobacco products, which became dormant since 2015.

After he left his trading business, he co-founded Bapas in 2014 and was eventually appointed as the Factory Manager of Bapas in 2015, where he was in charge of its production operations and played an instrumental role in setting up our Group's fried shallot manufacturing business.

In 2020, he was transferred to ACS as Senior Operation Manager to oversee the day-to-day operations of both ACS and Bapas. He was subsequently promoted to Chief Operating Officer of ACS in 2023, a position he presently assumes.

Kindly refer to Section 5.3.4(b) for his involvement in other business activities outside our Group.

**(c) Tan Hong Sheng**

Tan Hong Sheng, a Malaysian, aged 30, is our Marketing Manager, responsible for overseeing our Group's overall sales and marketing operations as well as our Group's business development and customers' affairs.

In 2017, he graduated with a Bachelor of Science (Food Technology and Nutrition) from the Royal Melbourne Institute of Technology, Melbourne, Australia.

Upon graduation, he joined Markaids (Malaysia) Sdn Bhd in 2017 as a Management Graduate Trainee where he gained exposure and technical knowledge in various functional food ingredients properties and applications. In 2018, he was promoted to Business Development Executive where he was responsible for servicing and developing new business for the company in the processed meat, processed seafood and vegetarian business segments. In 2019, he was promoted to Senior Business Development Executive where he led the sales team in the business divisions of processed meat and seafood, and managed suppliers as well as sales forecasts for key accounts in the said business divisions.

In June 2020, he left Markaids (Malaysia) Sdn Bhd and joined ITS Nutriscience Sdn Bhd in July 2020 as Product Manager to spearhead the company's new business division in relation to functional food ingredients.

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

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In August 2020, he left ITS Nutriscience Sdn Bhd to join ACS as our Product Manager. Since joining our Group, he played an instrumental role in setting up our Group's food additive and export division. In January 2024, he was promoted as our Marketing Manager where his scope of responsibilities expanded to include evaluating and identifying new business opportunities, as well as the supervision of our Group's Sales and Marketing Team. He presently assumes the said position.

Kindly refer to Section 5.3.4(c) for his involvement in other business activities outside our Group.

**(d) Cheng Boon Kai**

Cheng Boon Kai, a Malaysian, aged 34, is our Procurement Manager, responsible for overseeing our Group's overall procurement and QC activities which include amongst others, developing procurement strategies, identifying and evaluating new suppliers, managing supplier relationships, pricing and contract negotiations as well as the supervision of the procurement team.

In 2011, he graduated with a Diploma in Business Studies (International Business) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology). Whilst pending the completion of the aforementioned diploma with Tunku Abdul Rahman College, he took on the role of Sales Executive at JM Motor Venture Sdn Bhd between March 2011 to August 2011 where he was responsible for identifying potential clients for sales of motor cars.

Upon his graduation, he joined ACS as a Sales Executive in September 2011 where he was responsible for promoting sales and collections and taking care of customers' needs in relation to the company's products. In 2012, he was transferred to the role of Purchasing Executive where he was responsible for sourcing, planning and purchasing raw materials, controlling and monitoring inventories and logistic arrangements for the raw materials received. In 2019, he was subsequently promoted to Procurement Manager, a position he presently assumes.

Kindly refer to Section 5.3.4(d) for his involvement in other business activities outside our Group.

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

**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.

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities does not require a significant amount of time, and hence does not affect their ability to fulfil their roles and responsibilities to our Group.

**(a) Lim Swee Chuan**

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholding held	
					Direct	Indirect
<b>Present involvement</b>						
Thai Long Heng (M) Sdn Bhd	Property investment holding	Shareholder	-	-	8.3	-
FA Angel PLT <sup>(1)</sup>	Investment holding in shares of Fuchiphagus Agritech Sdn Bhd, an edible bird nest producer	Partner	8 September 2021	-	-	-
Medicap Angel PLT <sup>(2)</sup>	Investment holding in shares of Medicap Sdn Bhd, a medical healthcare service provider	Partner	4 October 2021	-	-	-
<b>Past involvement</b>						
Lavanya Resorts Sdn Bhd	Hotel operations and property management	Director	30 July 2018	30 June 2020	-	-
Paradigm Aerospace Sdn Bhd	Manufacturing of components and sub-assemblies for aerospace parts	Director	4 December 2017	30 June 2020	-	-
KT Microhandling Sdn Bhd	Manufacture of semiconductor assembly and test equipment	Director	19 July 2016	30 June 2020	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholding held	
					Direct	Indirect
Kobay G Sdn Bhd	Marketing and project management services for property developers	Director	27 August 2015	30 June 2020	-	-
Innospec Sdn Bhd	Electronic manufacturing services, product development and manufacturing services for printed circuit board assembly, cable assembly, electromechanical assembly and test	Director	8 July 2015	30 June 2020	-	-
Ultimate Sanctuary Sdn Bhd	Property development	Director	13 May 2015	30 June 2020	-	-
Masset Capital Sdn Bhd	Investment holding in shares of listed companies in Malaysia and USA	Director	13 May 2015	30 June 2020	-	-
Ice Holidays Sdn Bhd	Tour operator	Director	3 February 2012	10 March 2020	-	-
Polytool Technologies Sdn Bhd	Manufacturing of industrial equipment, machinery parts and tooling, encapsulation molds, trim and form dies and progressive tooling for lead frames	Director	18 May 2010	30 June 2020	-	-
Kobay Land Sdn Bhd	Property development	Director	18 May 2010	30 June 2020	-	-
Premierview Property Sdn Bhd	Property development	Director	18 May 2010	30 June 2020	-	-
Super Tropica Development Sdn Bhd	Property development	Director	4 November 2009	30 June 2020	-	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholding held	
					Direct	Indirect
Maker Technologies Sdn Bhd	Manufacture of precision molds and parts	Director	4 December 2008	30 June 2020	-	-
Kobay SB Sdn Bhd	Property development	Director	31 March 2003	30 June 2020	-	-
Kobay Management Services Sdn Bhd	Provision of management services	Director	2 February 2004	30 June 2020	-	-
Paradigm Metal Industries Sdn Bhd	Manufacturing of precision metal stamping, sheet metal and die-casting parts	Director	2 February 2004	30 June 2020	-	-
Paradigm Precision Components Sdn Bhd	Manufacturing of precision machined components	Director	2 February 2004	30 June 2020	-	-
LD Global Sdn Bhd	Property development	Director	2 February 2004	30 June 2020	-	-
Micro Surface Treatment Sdn Bhd	Precision plating and surface treatment	Director	2 February 2004	30 June 2020	-	-
Bend Weld Engineering Sdn Bhd	Manufacture of metal works and structures, modules and parts for oil and gas production and extraction equipment	Director	11 July 2003	30 June 2020	-	-
Kual Technologies Sdn Bhd	Manufacture of aluminum extrusion, formation and surface treatment for parts manufactured for all industries	Director	11 July 2003	30 June 2020	-	-
Golden Destinations Sdn Bhd	<ul style="list-style-type: none"> <li>Wholesale of household furniture</li> <li>Dissolved on 27 December 2019</li> </ul>	Director	16 April 2012	-	-	-

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

<b>Company</b>	<b>Principal activities</b>	<b>Position held</b>	<b>Date of appointment</b>	<b>Date of resignation/cessation</b>	<b>% of shareholding held</b>	
					<b>Direct</b>	<b>Indirect</b>
Kobay Assets Sdn Bhd	Letting of properties	Director	11 July 2003	30 June 2020	-	-
Lodge 18 Sdn Bhd	Operation of dormitory	Director	8 August 2002	30 June 2020	-	-
Kewjaya Sdn Bhd	Provision of money lending services	Director	16 May 2002	30 June 2020	-	-
Kobay Technology Berhad (listed on the Main Market of Bursa Securities)	Investment holding and provision of management services, with subsidiaries involved in various sectors including sales of pharmaceutical, medicine and healthcare products, manufacture of semiconductor, metal structures and components, machinery parts and tooling for various industries, property development, property letting, operation of hotels and dormitory	Director	29 November 2001	30 June 2020	-	-
Kobay Project Venture Sdn Bhd	Property development	Director	17 September 2001	30 June 2020	-	-
Kobay Industries Sdn Bhd	Investment holding in shares of companies involved in the precision and industrial manufacturing	Director	29 March 2000	30 June 2020	-	-
SC M&A Consulting	Provision of merger and acquisition consultancy, management and accounting services	Sole proprietor	3 September 2020	3 September 2021	-	-

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

**Notes:**

- (1) He invested in the shares of Fuchiphagus Agritech Sdn Bhd through FA Angel PLT.
- (2) He invested in the shares of Medicap Sdn Bhd through Medicap Angel PLT.

The involvement of Lim Swee Chuan in the business outside our Group does not require a significant amount of time and does not preclude him from allocating or committing his time and effort to our Group as he is not involved in the day-to-day operations of the companies / partnerships.

**(b) Wong Kam Tong**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation/cessation</u>	<u>% of shareholding held</u>	
					<u>Direct</u>	<u>Indirect</u>
<b><u>Present involvement</u></b>						
Aromi	Investment holding in our Shares	Shareholder	-	-	2.2	-
<b><u>Past involvement</u></b>						
Redsun World Trading	Wholesale packaging and supplying of electrical goods, cigarettes, tobacco, plastic goods, retail, processing dry and wet junk food	Sole proprietor	10 May 2004	9 May 2021	-	-



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

**(c) Tan Hong Sheng**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation/cessation</u>	<u>% of shareholding held</u>	
					<u>Direct</u>	<u>Indirect</u>
<b><u>Present involvement</u></b>						
Aromi	Investment holding in our Shares	Shareholder	-	-	4.4	-
<b><u>Past involvement</u></b>						
Orione Group (M) Sdn Bhd	Export and import of perfumeries, cosmetics, soap and toiletries	Director / Shareholder	29 May 2019	28 March 2023 / Date of cessation of shares: 28 March 2023	100.0	-

**(d) Cheng Boon Kai**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation/cessation</u>	<u>% of shareholding held</u>	
					<u>Direct</u>	<u>Indirect</u>
<b><u>Present involvement</u></b>						
Aromi	Investment holding in our Shares	Shareholder	-	-	2.2	-
<b><u>Past involvement</u></b>						
Nil						

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

### 5.3.5 Key senior management remuneration and benefits

The remuneration of our key senior management including 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 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 5.2.4) for services rendered in all capacities to our Group for FYE 2021 to 2024 are as follows:

	<sup>(1)</sup> Remuneration band			<sup>(2)</sup> FYE 2024
	FYE 2021 (Paid)	FYE 2022 (Paid)	FYE 2023 (Paid)	(Proposed)
	RM'000			
Lim Swee Chuan	200 – 250	250 – 300	300 – 350	300 – 350
Wong Kam Tong	150 – 200	150 – 200	150 – 200	200 – 250
Tan Hong Sheng	100 – 150	100 – 150	100 – 150	150 – 200
Cheng Boon Kai	50 – 100	50 – 100	100 – 150	100 – 150

#### Notes:

- (1) The remuneration for key senior management includes salaries, bonuses (except for FYE 2024), allowances and other emoluments.
- (2) The bonuses for FYE 2024 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance as well as our Group's performance, and in relation to our Chief Operating Officer and Chief Financial Officer will be subject to recommendation of our Remuneration Committee and approval by our Board.

## 5.4 BOARD PRACTICE

### 5.4.1 Board

Our Board has adopted the following responsibilities for effective discharge of its functions:

- (a) to provide leadership and oversee the overall conduct of our Group's businesses to ensure that our businesses are being properly managed;
- (b) to review and adopt strategic plans for our Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced;
- (c) to review and adopt corporate governance best practices throughout our Group in all its business dealings in respect of our shareholders and other stakeholders and to ensure compliance with applicable laws and regulations;
- (d) to ensure that our Company has effective Board committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by the MCGG;
- (e) to review and approve our annual budget, financial statements and annual reports;

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

- (f) to monitor the relationship between our Group and our management, shareholders and stakeholders, and to develop and implement an investor relations programme or effective shareholders' communications policy for our Group;
- (g) to ensure that our 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;
- (h) to ensure the integrity of our Group's financial and non-financial reporting; and
- (i) to appoint our Board committees, to delegate powers to such committees, to review the composition, performance and effectiveness of such committees, and to review the reports prepared by our Board committees and deliberate on the recommendations thereon.

In accordance with our Constitution, an election of Directors shall take place each year. At the first Annual General Meeting ("**AGM**") of the Company, all the Directors shall retire from office, and at the AGM in every subsequent year, 1/3<sup>rd</sup> of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3<sup>rd</sup> shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires whether adjourned or not.

As at the date of this Prospectus, 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:

<b>Name</b>	<b>Date of appointment</b>	<b>Date of expiration of the current term in office</b>	<b>Approximate no. of months in office as at the date of Prospectus</b>
Fu Yew Sun	10 August 2023	At the 2024 AGM of our Company	9
Datuk Keh Chuan Seng	10 August 2023	At the 2024 AGM of our Company	9
Oon Boon Khong	10 August 2023	At the 2024 AGM of our Company	9
Koay Hooi Lynn	10 August 2023	At the 2024 AGM of our Company	9
Teh Boon Beng	24 January 2024	At the 2024 AGM of our Company	3
Lee Seow Ling	18 September 2023	At the 2024 AGM of our Company	8

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

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

### 5.4.2 Audit and Risk Management Committee

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

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Koay Hooi Lynn	Chairperson	Independent Non-Executive Director
Teh Boon Beng	Member	Independent Non-Executive Director
Lee Seow Ling	Member	Independent Non-Executive Director

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its oversight responsibilities. Our Audit and Risk Management Committee has full access to internal and external auditors who in turn have access at all times to the Chairperson of our Audit and Risk Management Committee.

The key duties and responsibilities of our Audit and Risk Management Committee include, amongst others, the following:

- (a) to review the engagement, compensation, performance, qualification and independence of our external auditors, its conduct of the annual statutory audit of our financial statements, and the engagement of external auditors for all other services;
- (b) to review and recommend our quarterly and annual financial statements for approval by our Board before announcement to regulatory bodies, focusing in particular on any changes in or implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from our audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements;
- (c) to review and monitor any related party transaction/business dealings entered into by our Group and any conflict of interest situation that arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
- (d) to oversee and recommend the risk management framework of our Group;
- (e) to review and recommend changes as needed to ensure that our Group has in place at all times a risk management policy which address the strategies, operational, financial and compliance risk;
- (f) to implement and maintain a sound risk management framework which identifies, assesses, manages and monitors our Group's business risks;
- (g) to review the risk profile of our Group and to evaluate the measure taken to mitigate the business risks;
- (h) to review the adequacy of our management's response to issues identified to risk registers, ensuring that our risks are managed within our Group's risk appetite;
- (i) to perform the oversight function over the administration of whistleblowing policy that is approved and adopted by our Board and to protect the values of transparency, integrity, impartiality and accountability where our Group conducts its business and affairs;
- (j) to discuss and review the major findings of internal investigations and our management's response;

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

- (k) to do the following:
- (i) consider and approve the appointment of internal auditors and any question of resignation;
  - (ii) review the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - (iii) review the internal audit plan and results of the internal audit assessments and investigation undertaken, and ensure that the appropriate action is taken on the recommendation of the internal auditors;
  - (iv) consider the internal audit reports and findings by the internal auditors, fraud investigation and actions and steps taken by our management in response to audit findings;
  - (v) appraise or assess the performance of members of the internal audit function; and
  - (vi) monitor the overall performance of our Company's internal audit function.
- (l) to consider other areas as defined by our Board or as may be prescribed by Bursa Securities or any other relevant authority from time to time; and
- (m) to perform such other functions that may be mutually agreed upon by our Audit and Risk Management Committee and our Board.

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

### **5.4.3 Nominating Committee**

The members of our Nominating Committee are as follows:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Teh Boon Beng	Chairperson	Independent Non-Executive Director
Koay Hooi Lynn	Member	Independent Non-Executive Director
Lee Seow Ling	Member	Independent Non-Executive Director

Our Nominating Committee undertakes, among others, the following functions:

- (a) to assist our Board in ensuring that our Board is of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (b) to ensure appropriate selection criteria and processes and to identify and recommend to our Board, candidates for directorships of our Company and members of the relevant Board committees;
- (c) to evaluate the effectiveness of our Board and our Board committees;
- (d) to undertake formal assessment on the effectiveness of our Board as a whole and the effectiveness of each Director;
- (e) to ensure that all Directors receive appropriate continuous training in order to broaden their perspectives and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements;

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

- (f) to ensure an appropriate framework and succession planning for our Board, including our Executive Directors; and
- (g) to consider and examine such other matters as our Nominating Committee considers appropriate.

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

### 5.4.4 Remuneration Committee

The members of our Remuneration Committee are as follows:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lee Seow Ling	Chairperson	Independent Non-Executive Director
Koay Hooi Lynn	Member	Independent Non-Executive Director
Teh Boon Beng	Member	Independent Non-Executive Director

The main function of our Remuneration Committee is to assist our Board in fulfilling its responsibility on matters relating to our Group's compensation, bonuses, incentives and benefits. The Remuneration Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

- (a) to recommend a remuneration framework for our Executive Directors and key senior management<sup>(1)</sup> for our Board's approval to ensure corporate accountability and governance with respect to our Board's remuneration and compensation. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefits-in-kind;
- (b) to recommend specific remuneration packages for our Executive Directors and key senior management<sup>(1)</sup>. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking. As for independent directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of our Board;
- (c) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of our Executive Directors and key senior management<sup>(1)</sup>;
- (d) to implement the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of our Board and key senior management<sup>(1)</sup>; and
- (e) to perform any other functions as defined by our Board.

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

#### **Note:**

- <sup>(1)</sup> Limited to Chief Executive Officer, Chief Operating Officer and Chief Financial Officer (where applicable).

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

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**5.5 RELATIONSHIPS AND/OR ASSOCIATIONS**

Datuk Keh Chuan Seng and Datin Cheong Kai Meng, both of whom are our Promoters and substantial shareholders are spouses. Datuk Keh Chuan Seng is also our Non-Independent Non-Executive Deputy Chairman.

Save for the above, there are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD.

**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 events (whether within or outside Malaysia):

- (a) in the last 10 years, a petition under any bankruptcy or insolvency law filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he 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 and/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, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his 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 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 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.

## 6. INFORMATION ON OUR GROUP

### 6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 16 May 2023 as a private limited company under the name of Agricore CS Holdings Sdn Bhd. On 11 September 2023, our Company was converted into a public limited company and adopted our present name.

Our Company is principally an investment holding company. There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Through our subsidiaries, we are principally involved in the sourcing, distribution and production of food ingredients. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our share capital is RM23,357,897 comprising 151,086,000 Shares, which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

<b>Date of allotment</b>	<b>No. of Shares allotted</b>	<b>Consideration/ Types of issue</b>	<b>Cumulative share capital RM</b>
16 May 2023	2	RM2/ Subscribers' share	2
7 March 2024	151,085,998	RM23,357,895/ Consideration for the Acquisition	23,357,897

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 RM49.2 million comprising 202,800,000 Shares.

### 6.2 DETAILS OF THE ACQUISITION

In preparation for our Listing, we have undertaken the Acquisition. On 8 August 2023, we entered into a conditional share sale agreement with Frazel, Datuk Keh Chuan Seng, Datin Cheong Kai Meng, Oon Boon Khong, Aromi and Lim Swee Chuan to acquire a total of 10,000,000 ordinary shares in ACS representing the entire equity interest for a total purchase consideration of RM23.4 million which was satisfied by the issuance of 151,085,998 new Shares to the vendors at an issue price of RM0.1546 each.

Details of the Acquisition and the number of Shares issued to the vendors under the Acquisition are set out below:

<b>Vendors of ACS</b>	<b>Shareholdings in ACS</b>		<b>Purchase consideration RM'000</b>	<b>No. of Shares issued</b>
	<b>No. of shares acquired</b>	<b>% of share capital</b>		
Frazel	4,434,300	44.3	10,358	66,996,098
Datuk Keh Chuan Seng	570,000	5.7	1,331	8,611,900
Datin Cheong Kai Meng	5,700	0.1	13	86,100
Oon Boon Khong	4,000,000	40.0	9,343	60,434,400
Aromi	900,000	9.0	2,102	13,597,700
Lim Swee Chuan	90,000	0.9	210	1,359,800
	<b>10,000,000</b>	<b>100.0</b>	<b>23,357</b>	<b>151,085,998</b>



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

The purchase consideration for the Acquisition of RM23.4 million was arrived at a "willing-buyer willing-seller" basis after taking into consideration the adjusted NA of ACS as at 31 December 2022 of RM23.4 million and the declaration and payment of final dividend in respect of FYE 2022, details of which are as follows:

	<b>RM'000</b>
Audited NA of ACS as at 31 December 2022	24,776
Less: Dividend paid on 31 July 2023	(1,423)
<b>Adjusted NA of ACS</b>	<b>23,353</b>

The Acquisition was completed on 7 March 2024. Thereafter, ACS became our wholly-owned subsidiary, as set out in our group structure in Section 6.3.

The new Shares issued under the Acquisition 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 issuance of the new Shares.

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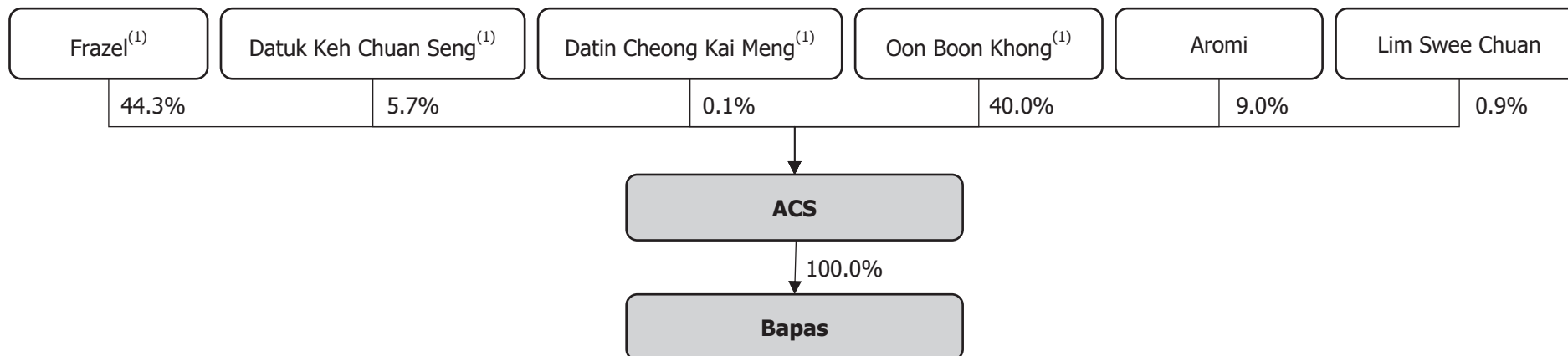
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**6. INFORMATION ON OUR GROUP (Cont'd)**

**6.3 GROUP STRUCTURE**

**Before the Acquisition**



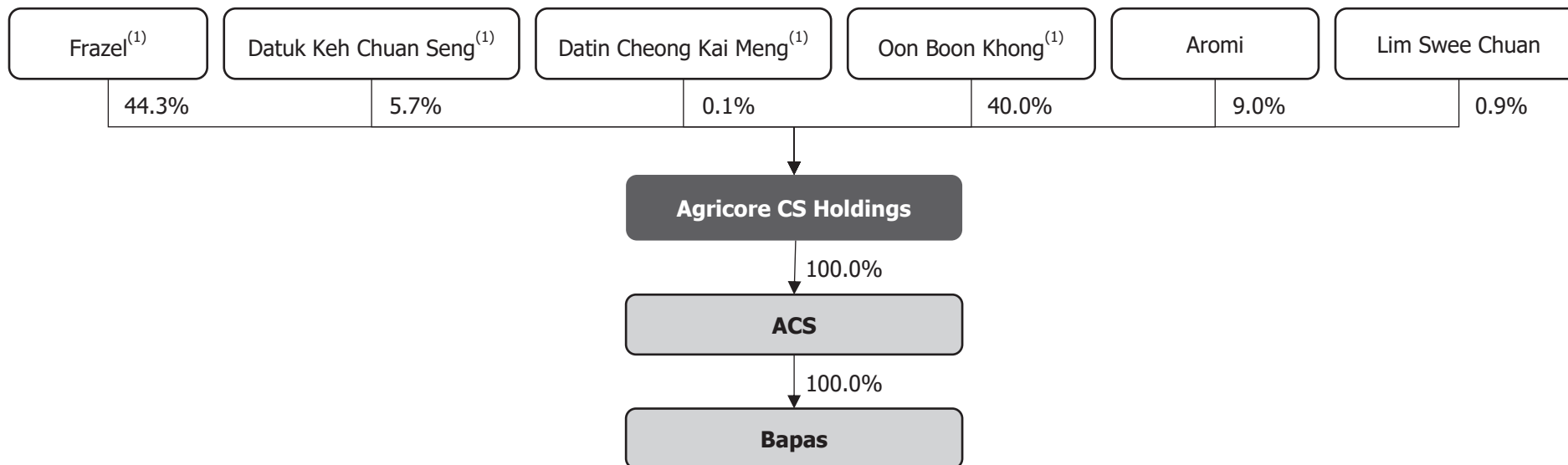
**Note:**

<sup>(1)</sup> Refers to the Promoters.

Please refer to Section 5.1.2(a) for details of shareholdings of Fazel and Section 5.1.2(e) for details of shareholdings of Aromi.

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

**After Acquisition but before our IPO**

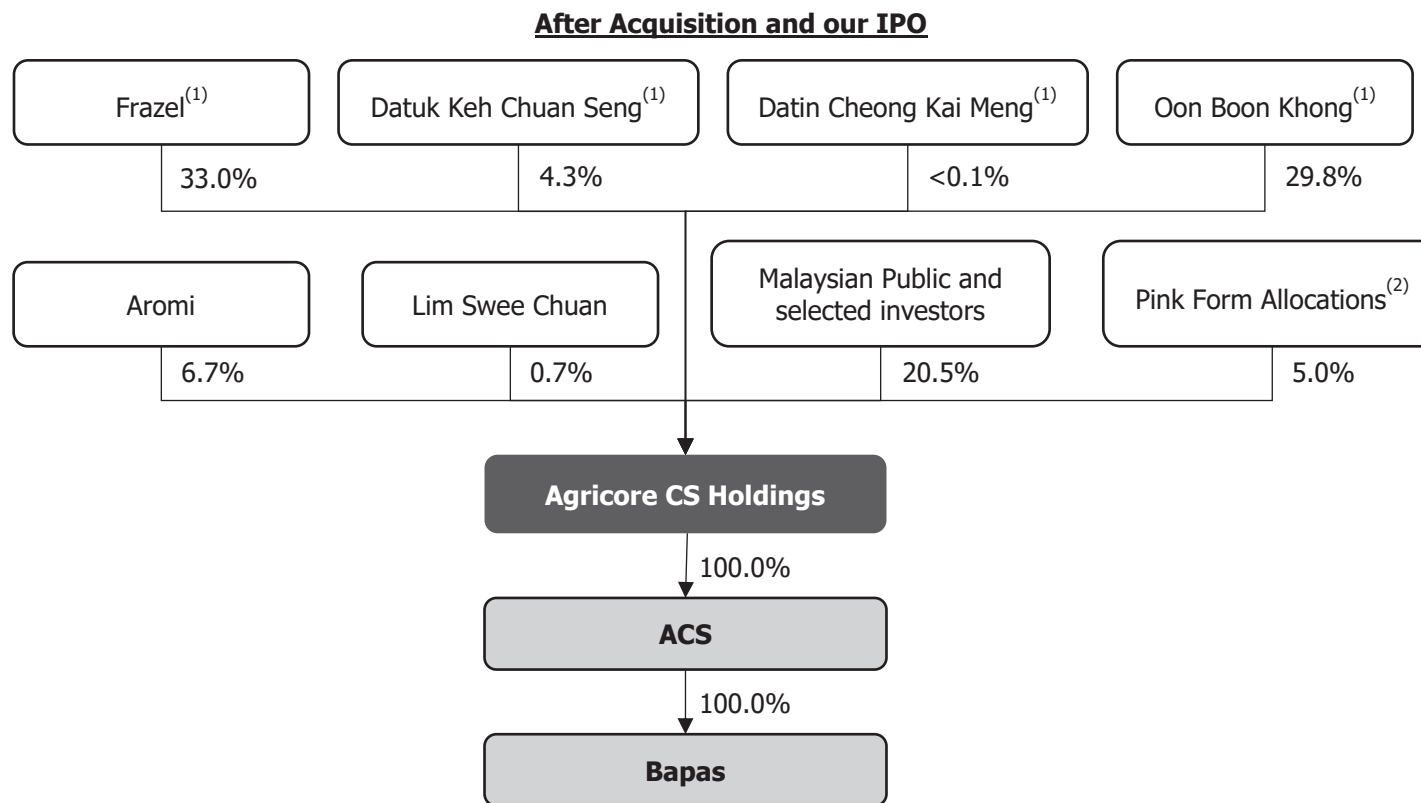


**Note:**

<sup>(1)</sup> Refers to the Promoters.

Please refer to Section 5.1.2(a) for details of shareholdings of Fazel and Section 5.1.2(e) for details of shareholdings of Aromi.

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



**Notes:**

(1) Refers to the Promoters.

(2) Assuming that all Eligible Persons will subscribe for the Pink Form Allocations.

Please refer to Section 5.1.2(a) for details of shareholdings of Frazel and Section 5.1.2(e) for details of shareholdings of Aromi.

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

### 6.4 SUBSIDIARIES AND ASSOCIATED COMPANIES

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

<b>Company/ Registration No.</b>	<b>Date/ Place of incorporation</b>	<b>Issued share capital</b>	<b>Effective equity interest %</b>	<b>Principal activities/ Principal place of business</b>
ACS/ 200901002764 (845691-H)	3 February 2009/ Malaysia	10,000,000	100.0	Sourcing and distribution of plant-based agricultural food ingredients/ Malaysia
<b>Held through ACS</b>				
Bapas/ 201401048709 (1124898-K)	30 December 2014/ Malaysia	3,000,000	100.0	Production and sale of food additives and fried shallots/ Malaysia

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

As at LPD, we do not have any 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 2020 to 2023 and up to LPD:

- (a) conditional share sale agreement dated 8 August 2023 with Frazel, Datuk Keh Chuan Seng, Datin Cheong Kai Meng, Oon Boon Khong, Aromi and Lim Swee Chuan for the Acquisition, which was completed on 7 March 2024;
- (b) novation and debt settlement agreement dated 24 September 2021 made between ACS, Bourne Commercial Ltd ("**Bourne**") and the shareholders of ACS at the material time, namely Aromi, BBN Network Sdn Bhd, Oon Boon Khong and Leong Yeok Wah ("**Shareholders**") for the settlement of the debt owed by ACS to Bourne in cash amounting to RM5,443,876.17 ("**Debt**") in respect of various purchases of supplies including beans and pulses as well as starch products by ACS from Bourne between March 2020 to May 2020 in the following manner:
  - (i) novation of all rights, liabilities and obligations in, to and towards part of the Debt amounting to RM3,250,000 by ACS to the Shareholders in the exact proportion of their shareholdings in ACS which are to be settled within 15 years from the date of the agreement ("**Assumed Debt**"); and
  - (ii) settlement of outstanding difference of RM2,193,876.17 by ACS within 2 years from the date of the agreement.

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

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In view of the high capital outlay for the construction of Phase 3 expansion comprising a double-storey factory to the existing storage facility on the Bukit Minyak Premises (detailed in Section 6.5(c)) as well as to cushion the uncertainties caused by COVID-19, ACS negotiated with Bourne to restructure the Debt to avoid constraint to ACS' cashflow. As a result, ACS, Bourne and Shareholders entered into the aforementioned novation and debt settlement agreement. The amount in (i) above was subsequently capitalised into 3,250,000 new shares of ACS on 30 November 2021 whereby such shares were allotted to the Shareholders for settling the Assumed Debt owed by ACS to Bourne, and the amount in (ii) above was fully settled in cash by ACS on 28 October 2022;

- (c) letter of award dated 26 December 2020 from Perunding LW on behalf of Bapas to S.H. Butterworth Engineering Sdn Bhd for the proposed construction of an additional double-storey factory to the existing storage facility on Bukit Minyak Premises for an aggregate contract value of RM2,233,750 which was completed on 8 April 2022; and
- (d) Underwriting agreement dated 2 May 2024 between our Company and M&A Securities for the underwriting of 20,280,000 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.

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

### 6.7 MAJOR APPROVALS AND LICENCES

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
(a)	Bapas	MITI	From December 2022 onwards (valid until and unless revoked or surrendered)	Manufacturing licence for manufacturing of food additives and seasoning	<ol style="list-style-type: none"> <li>1. MITI and MIDA must be notified of any sale of the shares in the company</li> <li>2. The company shall train Malaysian citizens in order to transfer technology and expertise to every level/position</li> <li>3. The company must comply with the Capital Investment Per Employee (CIPE) requirement of at least RM140,000</li> <li>4. The company's total full-time workforce must consist of at least 80% Malaysians. The employment of foreign nationals including employees obtained through outsourcing is subject to the current policy</li> </ol>	Complied
(b)	Bapas	MITI	From 27 January 2023 onwards (valid until and unless revoked or surrendered)	Manufacturing licence for manufacturing of fried shallots	<ol style="list-style-type: none"> <li>1. MITI and MIDA must be notified of any sale of the shares in the company</li> <li>2. The company shall train Malaysian citizens in order to transfer technology and expertise to every level/position</li> <li>3. The company must comply with the Capital Investment Per Employee (CIPE) requirement of at least RM140,000</li> </ol>	Complied

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
					4. The company's total full-time workforce must consist of at least 80% Malaysians. The employment of foreign nationals including employees obtained through outsourcing is subject to the current policy	Complied
(c)	ACS	MOH	8 December 2021 / 7 December 2024 <sup>(1)</sup>	MeSTI Certificate that ACS has fulfilled the terms and conditions for certification of MeSTI (Makanan Selamat Tanggungjawab Industri)	1. The MeSTI Certificate and logo shall not be transferred nor shall its content be altered  2. Any changes to the name or address of the factory or premise, certification scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premise ceased operation	Noted  Noted
					3. The use of the logo is only allowed for food product that is being produced in the premise as stated in the certificate	Complied
(d)	Bapas	MOH	10 May 2023 / 9 May 2026 <sup>(1)</sup>	MeSTI Certificate that Bapas (Simpang Empat Factory) has fulfilled the terms and conditions for certification of MeSTI (Makanan Selamat Tanggungjawab Industri)	1. The MeSTI Certificate and logo shall not be transferred nor shall its content be altered  2. Any changes to the name or address of the factory or premise, certification scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premise ceased operation	Noted  Noted



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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
					3. The use of the logo is only allowed for food product that is being produced in the premise as stated in the certificate	Complied
(e)	Bapas	MOH	10 June 2022 / 9 June 2025 <sup>(1)</sup>	MeSTI Certificate that Bapas (Bukit Minyak Premises) has fulfilled the terms and conditions for certification of MeSTI (Makanan Selamat Tanggungjawab Industri)	1. The MeSTI Certificate and logo shall not be transferred nor shall its content be altered  2. Any changes to the name or address of the factory or premise, certification scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premise ceased operation	Noted  Noted
					3. The use of the logo is only allowed for food product that is being produced in the premise as stated in the certificate	Complied
(f)	ACS	Ministry of Agriculture and Agro-based Industry	19 January 2022 / 18 January 2025 <sup>(2)</sup>	Wholesale licence to sell rice by wholesale and to store rice	1. To sell rice by wholesale at Bukit Minyak Premises  2. An application to renew the licence has to be made no later than 30 days before the date of expiry	Complied  Noted
(g)	ACS	Ministry of Agriculture and Agro-based Industry	15 August 2023 / 14 August 2026	Import licence to import rice into Malaysia and store rice	1. To import rice into Malaysia and to store rice at Bukit Minyak Premises  2. An application to renew the licence has to be made no later than 30 days before the date of expiry	Complied  Noted

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

<u>No.</u>	<u>Licencee</u>	<u>Issuing authority</u>	<u>Date of issue or commencement/ Date of expiry</u>	<u>Nature of approval/licences</u>	<u>Equity and/or major conditions imposed</u>	<u>Status of compliance</u>
(h)	ACS	Ministry of Agriculture and Agro-based Industry	15 August 2021 / 14 August 2024	Export licence to export rice out of Malaysia and to store rice	<ol style="list-style-type: none"> <li>To export rice out of Malaysia and to store rice at Bukit Minyak Premises</li> <li>An application to renew the licence has to be made no later than 30 days before the date of expiry</li> <li>This licence only permits the exporting of glutinous rice flour, vermicelli, bran and downstream products only. Every export made is subject to the approval of the Director General of control of paddy and rice via e_Permit (AP) on the online system of the Royal Customs of Malaysia</li> </ol>	Complied   Noted  Complied
(i)	ACS	Ministry of Domestic Trade and Cost of Living	22 June 2021 / 21 June 2024 <sup>(3)</sup>  <u>Date of commencement</u> 21 June 2024  <u>Date of expiry</u> 20 June 2027	Wholesale licence to deal by wholesale for sugar, cooking oil and wheat flour	<ol style="list-style-type: none"> <li>This licence is valid for wholesale dealing of sugar, cooking oil and wheat flour only at Bukit Minyak Premises</li> <li>The licence holder has to keep the sugar, cooking oil and wheat flour only at Bukit Minyak Premises</li> <li>The licence cannot be transferred</li> <li>The licence holder shall not have in its possession or under its custody or control and shall not allow anyone to have in its possession or under its custody or control on behalf of the licence holder more than the quantity stated below of the scheduled articles to which this license applies:               <ul style="list-style-type: none"> <li>- Sugar – 50 MT</li> <li>- Cooking Oil – 100 MT</li> <li>- Wheat Flour – 50 MT</li> </ul> </li> </ol>	Complied  Complied  Noted  Complied

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
					5. The licence holder must consult and obtain approval from the Ministry of Domestic Trade and Cost of Living before raising the price of sugar, wheat flour, or cooking oil	Noted
(j)	Bapas	Ministry of Domestic Trade and Cost of Living	9 May 2024 / 8 May 2026 <sup>(4)</sup>	Scheduled controlled articles permit to store up to 12,000 kg of cooking oil	1. The licence holder shall store controlled scheduled article at Simpang Empat Factory 2. The licence holder shall store or have in possession of controlled scheduled article not exceeding the quantity permitted in this permit 3. The licence holder shall purchase specified controlled scheduled article for personal use and not for resale purposes 4. The licence holder shall maintain a purchase record book containing the supplier's name and address, date of purchase, quantity and price and keep invoices, receipts or any purchase documents 5. This permit is not transferrable 6. Renewal of permit must be submitted 30 days before expiration 7. The scheduled controlled article purchased and stored are not subsidised controlled article	Complied Complied Complied Complied Noted Noted Noted
(k)	ACS	MOH	15 October 2021 / 15 October 2024 <sup>(5)</sup>	Certificate of registration of food premises involved in manufacturing of food at Bukit Minyak Premises	This certificate cannot be transferred	Noted

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>								
(l)	Bapas	MOH	28 October 2023 / 28 October 2026 <sup>(5)</sup>	Certificate of registration of food premises involved in manufacturing of food at Bukit Minyak Premises	This certificate cannot be transferred	Noted								
(m)	Bapas	MOH	19 January 2023 / 19 January 2026 <sup>(5)</sup>	Certificate of registration of food premises involved in manufacturing of food at Simpang Empat Factory	This certificate cannot be transferred	Noted								
(n)	Bapas	Ministry of Domestic Trade and Cost of Living	27 July 2023 / 26 July 2026  (Application for renewal will be submitted at least 30 days prior to its expiry)	Certificate of Recognition that the products manufactured by Bapas fulfils the terms and conditions for certification of Malaysian Goods Logo:	Nil	N/A								
				<table border="1"> <thead> <tr> <th><b>No.</b></th> <th><b>Brand</b></th> <th><b>Product Name</b></th> <th><b>Details of SKU</b></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>CAP POKOK</td> <td>Fried shallots</td> <td>Ranging from 60g to 1kg of fried shallots</td> </tr> </tbody> </table>	<b>No.</b>	<b>Brand</b>	<b>Product Name</b>	<b>Details of SKU</b>	1	CAP POKOK	Fried shallots	Ranging from 60g to 1kg of fried shallots		
<b>No.</b>	<b>Brand</b>	<b>Product Name</b>	<b>Details of SKU</b>											
1	CAP POKOK	Fried shallots	Ranging from 60g to 1kg of fried shallots											
(o)	ACS	JAKIM	16 July 2023 / 15 July 2025	Halal Certificate of Authentication certifying that the following products manufactured / distributed / managed by ACS has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Majlis Agama Islam Negeri Pulau Pinang:	<ol style="list-style-type: none"> <li>1. This Halal Certificate of Authentication (The Certificate) and the Malaysian Halal Logo (the Logo) shall not be traded, transferred nor shall its contents be altered</li> <li>2. Any changes to the name or address of the company, factory or premise, name of product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM and/or the State Islamic Religious Affairs Council (MAIN)/State Department of Islamic Religious Affairs (JAIN) for further action</li> </ol>	<p>Noted</p> <p>Noted</p> <p>Complied</p>								
				<ol style="list-style-type: none"> <li>1. Antifoam</li> <li>2. Corn Starch</li> <li>3. Finest Glutinous Rice Flour</li> <li>4. Modified Tapioca Starch</li> <li>5. Potato Starch</li> </ol>										

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
				6. Sago Starch 7. Tapioca Starch 8. Wheat Starch	3. The use of the logo on the approved product/ premise/ service shall be accompanied by the reference number and standard number as stated in the certificate for such product/premise/services  4. A renewal application shall be submitted at the earliest 6 months or no later than 3 months before the expiry of the certificate	Noted
(p)	ACS	JAKIM	1 December 2022 / 30 November 2024 <sup>(6)</sup>	Halal Certificate of Authentication certifying that the following products manufactured / distributed / managed by ACS has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Hal Ehwal Agama Islam Pulau Pinang:  1. Barley 2. Black Bean with Green Kernel 3. Black Eyed Bean 4. Black Matpe 5. Brown Bean 6. Chickpeas 7. Dun Peas 8. Green Mung Bean 9. Green Peas 10. Groundnut 11. Maisu 12. Marrowfat Peas 13. Mung Dhall 14. Red Bamboo Bean 15. Red Bean	1. This Halal Certificate of Authentication (The Certificate) and the Malaysian Halal Logo (the Logo) shall not be traded, transferred nor shall its contents be altered  2. Any changes to the name or address of the company, factory or premise, name of product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM for further action  3. The use of the logo on the approved product/ premise/ service shall be accompanied by the reference number and standard number as stated in the certificate for such product premise  4. A renewal application shall be submitted 3 months before the expiry of the certificate	Noted  Noted  Complied  Noted

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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
				16. Red Kidney Bean 17. Sago Seed 18. Sesame Seeds 19. Soybeans 20. Urid Dhall 21. Urid Gota 22. Yellow Bamboo Bean 23. Yellow Split Peas		
(q)	ACS	JAKIM	16 September 2022 / 15 September 2024 <sup>(6)</sup>	Halal Certificate of Authentication that the following products manufactured / distributed / managed by ACS and manufactured by Kilang Beras Mihoda Sdn Bhd (our supplier) has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Hal Ehwal Agama Islam Pulau Pinang:  1. Beras Hancur 2. Beras Super Special Tempatan 5%	1. This Halal Certificate of Authentication (The Certificate) and the Malaysian Halal Logo (the Logo) shall not be traded, transferred nor shall its contents be altered  2. Any changes to the name or address of the company, factory or premise, name of product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM for further action  3. The use of the logo on the approved product/ premise/ service shall be accompanied by the reference number and standard number as stated in the certificate for such product premise  4. A renewal application shall be submitted 3 months before the expiry of the certificate	Noted  Noted  Complied  Noted



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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
				7. Agriphos P80 Sequestrant; 8. Agriphos P80CM Sequestrant; 9. Agriphos S20 Sequestrant; 10. Agripro E10 Preservative; 11. Agripro E5 Preservative; 12. Agripro E8 Preservative; 13. Agristar OSC 55 Modified Starch; 14. Agristar OV 01 Modified Starch; 15. Agristar SA 64 Modified Starch; 16. Agristar SA 99 Modified Starch; 17. Agristar SC01 Modified Starch; 18. Agristar SCH 01 Modified Starch; 19. Agristar SCH 01M Modified Starch; 20. Agristar SCH 02 Modified Starch; 21. Agristar SCH 02M Modified Starch; 22. Agristar SCH 03 Modified Starch; 23. Agristar SCH 03M Modified Starch; 24. Agristar SCH 04 Modified Starch; 25. Agristar SCH 04M Modified Starch; 26. Agristar SD 99 Modified Starch; 27. Agristar SE 01 Modified Starch; 28. Agristar SGH 919 Modified Starch; 29. Agristar SIP 01 Emulsifier; 30. Agristar SO 99 Modified Starch; 31. Agristar SP 01 Emulsifier; 32. Agristar SV 64 Modified Starch; 33. Agristar SV 99 Modified Starch; 34. Agristar SX 72 Modified Starch; 35. Agristar SX 99 Modified Starch; 36. Agristar SZ 919 Modified Starch; and 37. Agritex S01 Stabilizer	4. A renewal application shall be submitted 3 months before the expiry of the certificate	Noted



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

<b>No.</b>	<b>Licencee</b>	<b>Issuing authority</b>	<b>Date of issue or commencement/ Date of expiry</b>	<b>Nature of approval/licences</b>	<b>Equity and/or major conditions imposed</b>	<b>Status of compliance</b>
(t)	ACS	Seberang Perai City Council	28 December 2023 / 31 December 2024 <sup>(7)</sup>	Business Licence for factory for processing and packaging of nuts, flour, oil and other raw foodstuffs: - Packing soybeans, peanuts and other grain food - Warehouse/ Place to store stuff - Office  Signboard Licence	Nil	N/A
(u)	Bapas	Seberang Perai City Council	28 December 2023 / 31 December 2024 <sup>(7)</sup>	Business Licence for: - Factory to manufacture other raw foodstuffs not included in the schedule - Trading firm/ Office - Warehouse/ Place to store stuff  Signboard Licence	Nil	N/A
(v)	Bapas	Seberang Perai City Council	28 December 2023 / 31 December 2024 <sup>(7)</sup>	Business Licence for manufacturing of food additives & seasoning: - Laksa, instant noodles, noodle, koay teow and food made from flour - Warehouse/ Place to store stuff - Office  Signboard Licence	Nil	N/A

**Notes:**

- <sup>(1)</sup> In the event of the non-renewal of the MeSTI Certificate, our Group will not satisfy the requirement of providing a food safety assurance programme and our Group will be punishable with a fine not exceeding RM10,000 or to imprisonment for a term not exceeding two years. Our Group will submit the application for renewal of the MeSTI Certificate at least 3 months prior to its expiry.

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

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- (2) In the event of the non-renewal of the wholesale licence and export licence, our Group will not be permitted to sell rice by wholesale or to export rice out of Malaysia. If our Group continues to do so in the absence of such licences, our Group may be liable on conviction, to a fine not exceeding RM25,000 and for a second or subsequent offence, to a fine not exceeding RM50,000. Our Group will submit the application for renewal of the wholesale and export licence at least 30 days prior to its expiry.
- (3) In the event of the non-renewal of the wholesale licence, our Group will not be permitted to deal by wholesale for sugar, cooking oil and wheat flour. If our Group continues such dealings in the absence of the wholesale licence, our Group may be liable on conviction, to a fine not exceeding RM2,000,000 and for a second or subsequent offence, to a fine not exceeding RM5,000,000. Our Group will submit the application for renewal of the wholesale licence at least 30 days prior to its expiry.
- (4) In the event of the non-renewal of the scheduled controlled articles permit, our Group will not be permitted to store the relevant controlled goods at the premises of our Group. If our Group stores the relevant controlled goods, our Group may be liable on conviction, to a fine not exceeding RM2,000,000 and for a second or subsequent offence, to a fine not exceeding RM5,000,000. Our Group will submit the application for renewal of the scheduled controlled articles permit at least 30 days prior to its expiry.
- (5) In the event of the non-renewal of the certificate of registration of food premises, our Group will not be permitted to use the premises 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. If our Group continues to use the premises for the aforesaid purposes without a certificate of registration, our Group may be liable on conviction to a fine not exceeding RM10,000. Our Group will submit the application to renew the certificate of registration of food premises at least 30 days prior to its expiry.
- (6) In the event of the non-renewal of the Halal certificate of authentication, our Group will not be permitted to describe the relevant food and goods as Halal or indicate that the food or goods can be consumed or used by a Muslim. Where our Group supplies or offers to supply any such food or goods, our Group may be liable on conviction, to a fine not exceeding RM200,000, and for a second or subsequent offence, to a fine not exceeding RM500,000. Our Group will submit the application to renew the Halal certificate of authentication at least 3 months prior to its expiry.
- (7) In the event of the non-renewal of the business licence or signboard licence, our Group will not be permitted to use the relevant premise for any business activities specified in the respective business licences and will not be permitted to exhibit any signboards on the premises. If our Group continues to carry on the business activities without a business licence and signboard licence, our Group may be liable on conviction, to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year or both. Our Group will submit the application for renewal of the business and signboard licence at least 30 days prior to its expiry.

As at LPD, our Group has obtained all the requisite approvals, licences and permits for our business operations and our Group has not faced any issues in relation to renewal of our approvals, licences and permits.



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

**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:

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	ACS/ 2010021053	MyIPO/ Malaysia	29/ Baked beans; bean curd; beans; beans in tomato sauce; canned beans; canned foods; dried soya beans; edible oils; fermented bean curd; milk powders (other than foodstuff for babies); nuts (prepared); processed beans; red bean (raw adzuki beans); soya bean milk; soya bean milk in liquid and solid form; soya bean oil for food; tofu; all included in class 29	Registered	3 November 2020 to 3 November 2030
	ACS/ 2010021054	MyIPO/ Malaysia	30/ Baking powder; coffee; corn starch flour; curry powder; flour for food; food starch; molasses for food; noodles; powder for making cakes; rice starch flour; soya flour; spices; sugar; tapioca flour; tea; vermicelli (noodles); wheat starch flour; all included in class 30	Registered	3 November 2020 to 3 November 2030
	ACS/ 2010021055	MyIPO/ Malaysia	35/ Advisory services for business management; computerized on-line retail store services in the field of grocery; franchising services (group purchasing, group advertising); import-export agencies; organisation of exhibitions for commercial or advertising purposes; retail grocery stores; retail services or wholesale services for foods and beverages; wholesale and retail store services and on-line retail and wholesale store services featuring grocery; all included in class 35	Registered	3 November 2020 to 3 November 2030



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

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	ACS/ 2014051841	MyIPO/ Malaysia	29/ Cooking oil, processed onion (fried onions, onion flakes, onion paste), processed shallots (fried shallot, shallot flakes, shallot paste) , preserved shallots, preserved onion, processed garlic (fried garlic, garlic flakes, garlic paste), garlic (preserved), sesame oil, colza oil for food, corn oil, palm oil for food, nut oil, sunflower oil, anchovy, dates, eggs, edible birds' nests, coconut oil and fats (for food), potato chips, condensed milk, milk products, preserved mushrooms, prepared mushrooms, preserved peas, tuna fish, sea cucumbers (not live), salted fish, sardines, salmon, shrimp (not live), processed peanuts, raisins, dried vegetables, preserved vegetables, canned fruits, pickles, sausages; all included in class 29	Registered	11 February 2014 to 11 February 2034
	ACS/ 2014051843	MyIPO/ Malaysia	30/ Cooking salt; processed shallot for use as seasoning; processed garlic for use as seasoning; processes onion for use as seasoning; cracker; chips (cereal products); biscuits; edible ices; curry (spices); flavouring - other than essential oils; turmeric for food; husked barley; maize flour; popcorn; pepper; potato flour; rice; glutinous rice; glutinous rice flour; rice noodles (chinese rice noodles - bihun, uncooked); instant noodles; bean starch noodles (glass noodles, uncooked); sago; sago starch; sauce (condiments); curry paste; tomato sauce; chili sauce; seasoning; soya sauce; semolina; star aniseed; flour – milling products; salt, seasoning, flavouring & condiments; vinegar; herbs & spices mixes; nutmeg; sauce powder; spices extracts; seasoning mixes; curry powder; dry condiments; chocolate based drink; instant tea; instant coffee; processed corn; all included in class 30	Registered	11 February 2014 to 11 February 2034




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

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	ACS/ 2013059904	MyIPO/ Malaysia	30/ Starch; corn starch; tapioca starch; wheat starch; sago starch; potato starch; rice; glutinous rice flour; processed grains; rice flour and goods made thereof; noodle; asian noodles; chinese noodles (uncooked); all included in class 30	Registered	19 September 2023 to 19 September 2033
	ACS/ 2013059913	MyIPO/ Malaysia	31/ Unprocessed beans; fresh soybean; raw beans; fresh beans; sesame; all included in class 31	Registered	19 September 2023 to 19 September 2033
	ACS/ TM2019002858	MyIPO/ Malaysia	29/ Cooking oil; processed onions; processed shallots; preserved shallots; onions, preserved; processed garlic; garlic, preserved; sesame oil; colza oil for food; corn oil; palm oil for food; nut oils; sunflower oil for food; anchovy, not live; dates; eggs; edible birds' nests; coconut oil and fat (for food); potato chips; condensed milk; milk products; mushrooms, preserved; prepared mushrooms; preserved peas; tuna fish; sea-cucumbers, not live; salted fish; sardines, not live; salmon, not live; shrimps, not live; processed peanuts; raisins; dried vegetables; preserved vegetables; canned fruits; pickles; sausages; all included in class 29	Registered	25 January 2019 to 25 January 2029


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

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	ACS/ TM2019002860	MyIPO/ Malaysia	30/ Cooking salt; processed shallot for use as seasoning; processed garlic for use as seasoning; processed onion for use as seasoning; crackers; chips (cereal products); biscuits; edible ices; curry (spice); food flavourings, other than essential oils; turmeric for food; husked barley; maize flour; popcorn; pepper; potato flour; rice; glutinous rice; glutinous rice flour; chinese rice noodles (bifun, uncooked); instant noodles; bean-starch noodles; sago; sago starch; sauce (condiments); curry paste; tomato sauce; chili sauce; seasonings; soya sauce; semolina; star aniseed; flour; salts, seasonings, flavourings & condiments; vinegar; herbs & spice mixes; nutmegs; sauce powder; spice extracts; seasoning mixes; curry powder; dry condiments; chocolate-based drink; instant tea; instant coffee; processed corn; all included in class 30	Registered	25 January 2019 to 25 January 2029
<b>POKOK AGRICORE</b>	ACS/ 44083655	China National Intellectual Property Administration/ China	30/ Rice noodles (powder), sago, rice dumpling powder, raw glutinous rice flour, rice noodles (in strips), thickener for cooking food, edible starch, tapioca, fans (piece) and lotus root powder	Registered	14 November 2020 to 13 November 2030
	ACS/ 44088203	China National Intellectual Property Administration/ China	30/ Rice noodles (powder), sago, rice dumpling powder, raw glutinous rice flour, rice noodles (in strips), thickener for cooking food, edible starch, tapioca, fans (piece) and lotus root powder	Registered	14 November 2020 to 13 November 2030

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


<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	ACS/ IDM000413020	Directorate General of Intellectual Property (Ministry of Law and Human Rights of the Republic of Indonesia)/ Indonesia	30/ Corn starch, curry seasoning, flour for food, starch for food, rice starch, tapioca flour and vermicelli	Registered	7 December 2021 to 7 December 2031
	ACS/ IDM000438830	Directorate General of Intellectual Property (Ministry of Law and Human Rights of the Republic of Indonesia)/ Indonesia	29/ Curd beans, nuts, canned food (fruit), soy milk and tofu	Registered	28 December 2021 to 28 December 2031
	Bapas/ TM2020018523	MyIPO/ Malaysia	40/ Processing of foodstuffs for use in manufacture; processing of raw materials for the manufacture of food and beverages	Registered	26 August 2020 to 26 August 2030

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


<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	Bapas/ TM2020032423	MyIPO/ Malaysia	30/ Sauces (condiments); All-purpose flour; Peppers (seasonings); Processed shallots for use as seasoning; Processed herbs (seasonings); Seasoning granules; Seasoning powder; Spices; Condiment; Food flavour; Food flavourings, other than essential oils; Flavour enhancer (other than essential oils); Meat powder; Seafood powder; Bean powder; Rice powder; Mixes for preparing sauces; Pastry mixes; Spice mixes; Dry seasoning mixes for stews; Tempura batter mix; Stew seasoning mixes; Instant noodles; Instant rice; Instant porridge; Instant coffee; Instant tea; Cereal-based beverages (liquid meal replacements); Rice-based prepared meals; Noodle-based prepared meals; Coffee substitutes; Sugar substitutes; Tea substitutes; Starces for food industry; Corn starch; Tapioca starch; Wheat starch; Potato starch for food; Sago starch; Modified starch for food (not medical); Modified corn starch; Modified tapioca starch; Modified sago starch; Glutinous rice flour, rice flour; Bean starch noodles; Herb and spices mix; Curry powder; Pepper powder; Food preparation; Soy flour; Soy bean paste (seasoning); Soy sauce; Tomato sauce; Cili sauce; Brown sauce; Canned sauce; Concentrated sauces; Fish sauce; Garlice-based sauces; Pasta sauce; Satay sauces; Spicy sauces; Sweet and sour sauce; Vinegar; Salt	Registered	31 December 2020 to 31 December 2030



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

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	Bapas/ TM2024008134	MyIPO/ Malaysia	1/ Defoaming agents; Alginates for use in the manufacture of food products; Antioxidants for use in the manufacture of food and beverages; Acids; Artificial sweeteners for the food industry; Aspartame for the food industry; Bacteria for use in the manufacture of food; Brominated vegetable oil for use as an emulsifier in the manufacture of food; Calcium ascorbate for the food industry; Carboxymethyl cellulose used as chemical additives for use in the manufacture of food; Cellulose gums for the food industry; Chemical additives for food; Chemical and organic compounds for use in the manufacture of food and beverages; Chemical compositions for preserving foodstuffs; Chemical preparations for use as reference materials for food and water microbiological testing; Chemical substances absorbed on carriers for use as food preservatives; Chemical substances in absorbent media for use as food preservatives; Dough conditioners for the food industry; Emulsifiers for food preparations; Food preservatives; Glucose for the food industry; Gluten for the food industry; Herbal extracts, other than essential oils, to be used in the manufacture of food; Lactose for use in the manufacture of foodstuffs; Proteins for the food industry; Saccharin for the food industry; Salt for preserving, other than for foodstuffs; Sodium ascorbate for the food industry; Soya lecithin for use in the manufacture of foodstuffs; Soya protein concentrate for the food industry; Soybean meal (proteins) for the food industry; Starch for the food industry; Sulphites for preserving foodstuffs; Synbiotic additives for use in the manufacture of food and beverages; Wetting agents for food products; Whey proteins for use in the food industry; Chemical stabilizers for preserving foodstuffs; Lactic acid bacteria for the food industry; Spirits of vinegar (dilute acetic acid); Tartaric acid; Flour and starch for industrial use	Under Substantive Examination <sup>(1)</sup>	-

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

<b>Design</b>	<b>Registered owner/ Trademark no.</b>	<b>Approving authority/ Place of application or registration</b>	<b>Class/ Description</b>	<b>Status</b>	<b>Validity period</b>
	Bapas/ TM2024008138	MyIPO/ Malaysia	1/ Defoaming agents; Alginates for use in the manufacture of food products; Antioxidants for use in the manufacture of food and beverages; Acids; Artificial sweeteners for the food industry; Aspartame for the food industry; Bacteria for use in the manufacture of food; Brominated vegetable oil for use as an emulsifier in the manufacture of food; Calcium ascorbate for the food industry; Carboxymethyl cellulose used as chemical additives for use in the manufacture of food; Cellulose gums for the food industry; Chemical additives for food; Chemical and organic compounds for use in the manufacture of food and beverages; Chemical compositions for preserving foodstuffs; Chemical preparations for use as reference materials for food and water microbiological testing; Chemical substances absorbed on carriers for use as food preservatives; Chemical substances in absorbent media for use as food preservatives; Dough conditioners for the food industry; Emulsifiers for food preparations; Food preservatives; Glucose for the food industry; Gluten for the food industry; Herbal extracts, other than essential oils, to be used in the manufacture of food; Lactose for use in the manufacture of foodstuffs; Proteins for the food industry; Saccharin for the food industry; Salt for preserving, other than for foodstuffs; Sodium ascorbate for the food industry; Soya lecithin for use in the manufacture of foodstuffs; Soya protein concentrate for the food industry; Soybean meal (proteins) for the food industry; Starch for the food industry; Sulphites for preserving foodstuffs; Synbiotic additives for use in the manufacture of food and beverages; Wetting agents for food products; Whey proteins for use in the food industry; Chemical stabilizers for preserving foodstuffs; Lactic acid bacteria for the food industry; Spirits of vinegar (dilute acetic acid); Tartaric acid; Flour and starch for industrial use	Under Substantive Examination <sup>(1)</sup>	-

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

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**Note:**

- <sup>(1)</sup> The application is under substantive examination which entails examination by MyIPO on whether the trademark fulfils the requirements for registration under the Trademarks Act 2019 such as the distinctiveness and whether there exist potential conflicts with existing trademarks.

For avoidance of doubt, in the event that the trademarks are not successfully registered, our business and profitability will not be materially affected as our Group's business and profitability are not materially dependent on the trademarks listed above.

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

### 6.9 PROPERTY, PLANT AND EQUIPMENT

#### 6.9.1 Properties owned by our Group

The summary of the material property owned by our Group as at LPD is set out below:

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 December 2023 RM'000
(a)	ACS/ 1173, Jalan Perindustrian Bukit Minyak 2, Kawasan Perindustrian Bukit Minyak, 14100 Bukit Mertajam, Pulau Pinang/ Pajakan Negeri No. Hakmilik 10910, Lot 20172, Mukim 13, Daerah Seberang Perai Tengah, Negeri Pulau Pinang	Double storey office, 3 units of single storey factory and one double storey factory/ Office, warehouse and factory/ Leasehold for 60 years expiring on 5 July 2072/ Industrial	115,852 / 77,514	11 August 2011 / 22 September 2015 <sup>(1)</sup> , 18 December 2018 <sup>(2)</sup> and 8 April 2022 <sup>(3)</sup>	(i) Charge in favour of Alliance Bank Malaysia Berhad registered on 13 February 2018  (ii) Charge in favour of Alliance Bank Malaysia Berhad registered on 18 November 2021	9,492

#### Notes:

- (1) The CCC is issued in relation to the construction of 2 units of single storey factory. Our Group had occupied the property since April 2014 after the completion of construction in September 2013 in anticipation of the issuance of the CCC. As at LPD, our Group has not been issued with any compounds or penalties in relation to the aforementioned non-compliance.
- (2) The CCC is issued in relation to the construction of 1 additional unit of single storey factory with double storey office.
- (3) The CCC is issued in relation to the alteration to the existing property and the construction of 1 additional unit of double storey factory.

The property owned by our Group is 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 as at LPD. Our property has obtained all the necessary licenses and certificates.

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

### 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/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of CCC	Period of tenancy/ Rental per annum
(a)	No. 46, Lengkok IKS Simpang Empat 1, Taman IKS Simpang Empat, 14100, Simpang Ampat, Pulau Pinang	SHL Capital Sdn Bhd/ Bapas	Single storey detached factory together with a 3-storey office premises/ Factory (for fried shallots) and office/ Freehold/ None	14,090/ 6,240	23 January 2017	2 years commencing 1 November 2022 to 30 October 2024/ RM114,000  <u>Renewal period</u> 2 years commencing from 1 November 2024 until 31 October 2026

Our property is rented from non-related party. The property rented by our Group is not in breach of any other land use conditions, 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

Our Group has not acquired nor entered into any agreements to acquire any properties during FYE 2020 to 2023 and up to LPD.

**6. INFORMATION ON OUR GROUP (Cont'd)****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 2020 to 2023 and up to LPD:

<b>Capital expenditures</b>	<b>At cost</b>				
	<b>FYE 2020</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>1 January 2024 up to LPD</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Furniture, fittings and equipment	43	61	295	118	2
Motor vehicles	155	97	279	178	139
Plant and machinery <sup>(1)</sup>	522	71	790	1,358	26
Capital work-in-progress <sup>(2)</sup>	51	1,435	1,307	-	-
Buildings	-	-	-	7	-
	<b>771</b>	<b>1,664</b>	<b>2,671</b>	<b>1,661</b>	<b>167</b>

**Notes:**

(1) For FYE 2020, relates mainly to 1 unit of packing machine, 3 units of forklifts, 1 unit of moisture analyser and 59 units of steel pallets.

For FYE 2022, relates mainly to the expanded plant and machinery for the production of food additives and fried shallots, such as valve bag weighing machine, big bang powder packing machine, ribbon mixer, metal detector, air press conveyor, onion cutting machine, spin oil machine, onion washing machine and platform and stainless steel buckets.

For FYE 2023 and up to LPD, relates mainly to the expanded plant and machinery for the production of food additives and fried shallots, such as analytical equipment, metal detector, lifting bin blender, lifting bin mixer, dumping station machine, discharge platform, ducting hood and dust collector.

(2) Relates mainly to the construction of Phase 3 comprising a double-storey factory to the existing warehouse on Bukit Minyak Premises as detailed in Section 6.5(c).

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures are mainly driven by our business growth as well as for replacement purposes.

**(b) Material capital divestitures**

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2020 to 2023 and up to LPD:

<b>Capital divestitures</b>	<b>At cost</b>				
	<b>FYE 2020</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>1 January 2024 up to LPD</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Motor vehicles <sup>(1)</sup>	-	273	570	100	70
Plant and machinery	-	-	5	7	-
	<b>-</b>	<b>273</b>	<b>575</b>	<b>107</b>	<b>70</b>

**Note:**

(1) Relates to disposal of motor vehicles and forklifts that are no longer in good condition or in use.

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

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.

As at LPD, other than the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.9, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

**6.9.5 Key machinery and equipment**

Details of our Group's key machinery and equipment are as follows:

<b>Machinery and equipment</b>	<b>Remaining economic useful life</b>	<b>No. of units</b>	<b>No. of units fully depreciated</b>	<b>Audited NBV as at 31 December 2023</b>
	<b>Years</b>			<b>RM'000</b>
Packing machine	4 to 9	5	-	437
Cold room	5 to 9	2	-	448
Solar photovoltaic system	6 to 8	2	-	338
Analytical equipment	10	1	-	291
Mixer machine	6 to 10	2	-	304
Fryer machine	2 to 3	3	-	18
Forklift	2 to 10	9	1	448
Weighing machine	9	1	-	37
Ribbon mixer	9	2	-	120
Metal detector	9	1	-	56
Dock leveler	9	1	-	46
Compressor	9	1	-	77
				<b>2,640</b>

We conduct periodic inspection and maintenance of our machinery and equipment and undertake certain repair works when necessary. Our maintenance procedures including oiling, corrosion prevention and cleaning. Machinery which is fully depreciated may not have surpassed its useful life. Although certain machinery and equipment are fully depreciated, they may still operate effectively. If the machinery is well maintained and can operate effectively and efficiently, it will not be disposed. Fully depreciated machinery are disposed when they cannot operate effectively, or are functionally obsolete.

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

### **6.9.6 Material plans to construct, expand or improve our property, plant and equipment**

Save for the proposed utilisation of proceeds from our Public Issue to finance the capital expenditure as set out in Section 4.9, our Group does not have any other immediate plans to construct, expand or improve our property, plant and equipment as at LPD.

### **6.10 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS**

The following is an overview of the major laws, regulations, rules and requirements governing the conduct of our Group's business and environmental issue which may materially affect our business operations:

#### **(a) Industrial Co-ordination Act 1975 ("ICA 1975")**

The ICA 1975 provides for the co-ordination and orderly development of manufacturing activities in Malaysia, for the establishment of an Industrial Advisory Council and for other matters connected therewith or incidental thereto.

Pursuant to Section 3(1) of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Any person engaging in any manufacturing activity with a shareholders' fund of RM2.5 million and above or employing 75 or more full-time paid employees are required to apply for a manufacturing licence.

Failure to comply constitutes an offence and such person shall, on conviction, be liable to 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 for every day during which such default continues.

As at LPD, our Group has obtained 2 manufacturing licences at the Bukit Minyak Premises and Simpang Empat Factory respectively, all of which are valid and subsisting.

#### **(b) Control of Padi and Rice Act 1994 ("CPRA 1994")**

The CPRA 1994 is an act which makes provisions in law relating to padi and rice and for other matters connected therewith. The Control of Padi and Rice (Licensing of Wholesalers and Retailers) Regulations 1996 ("**CPRA WR Licensing Regulations**") and Control of Padi and Rice (Licensing of Importers and Exporters) Regulations 1994 ("**CPRA IE Licensing Regulations**") are regulations made pursuant to the CPRA 1994.

Pursuant to Regulation 3 of the CPRA WR Licensing Regulations, no person shall sell rice by wholesale or retail except under a licence issued in accordance with regulation 4. Regulation 12 of the CPRA WR Licensing Regulations provides that any person who contravenes these Regulations or any of the conditions specified in the licence shall be guilty of an offence under Section 22 of the CPRA Act 1994.

Pursuant to Regulation 3 of the CPRA IE Licensing Regulations, no person shall import or export rice unless he is licensed to do so by the Director General for the control of padi and rice. Regulation 10 of the CPRA IE Licensing Regulations provides that a person who fails to comply with any of the provisions of these Regulations or any of the conditions specified in the licence shall be guilty of an offence under Section 22 of the CPRA Act 1994.



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

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Section 22 of the CPRA 1994 states that:

- (i) A person, other than a body corporate, but including a director or officer of a body corporate, who commits an offence under, or who fails to comply with, any of the provisions of the CPRA 1994 or any regulation made thereunder in respect of which no penalty is expressly provided for, shall, on conviction, be liable to a fine not exceeding RM15,000 or to imprisonment for a term not exceeding 2 years or to both, and for a second or subsequent offence, to a fine not exceeding RM25,000 or to imprisonment for a term not exceeding 5 years or to both; and
- (ii) A body corporate which commits an offence under, or fails to comply with, any of the provisions of the CPRA 1994 or any regulation made thereunder shall, on conviction, be liable to a fine not exceeding RM25,000 and, for a second or subsequent offence, to a fine not exceeding RM50,000.

As at LPD, our Group has obtained a wholesale licence, an import licence and an export licence pursuant to the CPRA 1994 and the relevant regulations, all of which are valid and subsisting.

### (c) Control of Supplies Act 1961 ("CSA 1961")

The CSA 1961 is an act to provide for the control and rationing of supplies. The Control of Supplies Regulations 1961 ("**CS Regulations**") is a regulation made pursuant to the CSA 1961.

Pursuant to Regulation 3 of the CS Regulations, 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. The scheduled article includes sugar, cooking oil and wheat flour.

Pursuant to Regulation 18 of the CS Regulations, any person who carries on any trade or business, which in the course of the trade or business he uses or consumes cooking oil shall not have in his possession the quantity of cooking oil exceeding 12kg unless he has been authorized by way of a permit issued by the Controller of Supplies.

Section 22 of the CSA 1961 provides that:

- (i) Any person, other than a body corporate, but including a director or officer of a body corporate, who commits an offence against the CSA 1961 shall, on conviction, be liable to a fine not exceeding RM1,000,000 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 RM3,000,000 or to imprisonment for a term not exceeding 5 years or to both; and
- (ii) Any body corporate which commits an offence against the CSA 1961 shall, on conviction, be liable to a fine not exceeding RM2,000,000 and, for a second or subsequent offence, to a fine not exceeding RM5,000,000.

As at LPD, our Group has obtained a wholesale licence to deal by wholesale for sugar, cooking oil and wheat flour and a permit to store more than 12kg of cooking oil, all of which are valid and subsisting.

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


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**(d) Food Act 1983 ("FA 1983")**

The FA 1983 and Food Regulations 1985 ("**Food Regulations**") are laws governing food safety and quality control. The objective is to protect the public against health hazards and fraud in the preparation, sale and use of food, and for matters incidental thereto or connected therewith.

Section 15 of the FA 1983 provides that where a standard has been prescribed for any food, any person who prepares, packages, labels or advertises any food which does not comply with that standard, in such a manner that it is likely to be mistaken for food of the prescribed standard, commits an offence and is liable on conviction to imprisonment for a term not exceeding 3 years or to fine or to both.

Regulations 9 to 18E of the Food Regulations set out the regulations on labelling of food packaging that has to be adhered to. Regulation 397 of the Food Regulations provides that any person who contravenes or fails to comply with any provisions of the Food Regulations commits an offence and any person who commits an offence against the Food Regulations for which no penalty is provided by the FA 1983 shall, on conviction, be liable to a fine not exceeding RM10,000 or imprisonment for a term not exceeding 2 years.

Regulation 3 of the Food Hygiene Regulations 2009 requires all the following food premises to be registered, the non-compliance of which shall be an offence punishable with a fine not exceeding RM10,000 or imprisonment not exceeding 2 years:

- (i) All food premises involved in manufacturing of food;
- (ii) All food premises involved in food catering;
- (iii) All premises where food is prepared, processed, kept and served for sale; and
- (iv) All vehicles where food ready for consumption is sold.

As at LPD, our Group is in compliance with the relevant provisions under the FA 1983 and the regulations thereunder and our Group has obtained certificates of registration of food premises for the Bukit Minyak Premises and the Simpang Empat Factory, all of which are valid and subsisting.

**(e) Trade Descriptions Act 2011 ("TDA 2011")**

The TDA 2011 is an act for the purpose of promoting good trade practices by prohibiting false trade descriptions and false or misleading statements, conduct and practices in relation to the supply of goods and services, and by prohibiting, restricting or otherwise regulating or controlling the use of any statement, expression or indication which is likely to discriminate or boycott any product or goods or to discourage, forbid, hinder or influence any person from using or consuming any product or goods in the course of trade or business, and to provide for matters connected therewith or incidental thereto.

Section 16 of the TDA 2011 provides that no person shall make any false representation by any means, whether direct or indirect, that any goods or services supplied by him or any methods adopted by him are of a kind supplied to or approved by any person including any government or government department or agency or any international body or agency whether in Malaysia or abroad. Any person who contravenes Section 16 commits an offence and shall on conviction, be liable:

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

- (i) if such person is a body corporate, to a fine not exceeding RM500,000 and for a second or subsequent offence, to a fine not exceeding RM1,000,000; or
- (ii) if such person is not a body corporate, to a fine not exceeding RM250,000 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 RM500,000 or to imprisonment for a term not exceeding 5 years or to both.

Pursuant to Regulation 4(1) of the Trade Descriptions (Certification and Marking of Halal) Order 2011 ("**Trade Halal Cert Order**"), 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 certified as Halal by the competent authority and marked with the logo as specified in the First Schedule of the Trade Halal Cert Order.

Pursuant to Regulation 8 of the Trade Halal Cert Order, any person who supplies or offers to supply any food, goods or services in relation to the food or goods, in contravention of this 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, our Group is in compliance with the relevant provisions under the TDA 2011 and the regulations thereunder and our Group has obtained Halal certifications for its products which are described as Halal.

### (f) Biosafety Act 2007 ("**BSA 2007**")

The BSA 2007 regulates the release, importation, exportation and contained use of living modified organisms, and the release of products of such organisms.

Section 12(1) of the BSA 2007 provides that no person shall undertake any release activity, or any importation of living modified organisms, or both (known as an "**event**") without the prior approval of the National Biosafety Board. In this regard, the events undertaken by our Group fall within the list of approved events by the National Biosafety Board.

"Release activity" is defined to mean any intentional introduction of living modified organisms or products of such organisms into the environment through the activities or for the purposes specified in the Second Schedule, one of which is the supply or offer to supply for sale or placing on the market. "Living modified organisms" is defined to mean any living organism that possesses a novel combination of genetic material obtained through the use of modern biotechnology.

Section 12(2) of the BSA 2007 provides that any person who contravenes subsection (1) commits an offence and shall, on conviction, be liable:

- (i) where such person is an individual, to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 5 years or to both and, in the case of a continuing offence, to a further fine not exceeding RM10,000 for each day during which the offence continues after conviction;

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

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- (ii) where such person is a body corporate, to a fine not exceeding RM500,000 and, in the case of a continuing offence, to a further fine not exceeding RM20,000 for each day during which the offence continues after conviction.

As at LPD, our Group is in compliance with the relevant provisions under the BSA 2007.

### **(g) Local Government Act 1976 ("LGA 1976")**

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor.

Our Group's business falls under the jurisdiction of the Seberang Perai City Council ("**MBSP**"). The relevant by-laws governing the conduct of our Group's business would be the Licensing Payment (Seberang Perai City Council) By-Laws 1980 ("**By-Laws 1980**") and the Licensing of Advertisements (Seberang Perai City Council) By-Laws 2001 ("**By-Laws 2001**").

By-Laws 1980 provides that it is an offence for a person to operate any business activity falling under Schedule 1 without a valid licence issued by MBSP. Any person who contravenes any provision of the By-Laws 1980 commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or to both such fine and imprisonment.

By-Laws 2001 establishes that no person shall exhibit or cause or permit to be exhibited any advertisement without a license issued by the MBSP. Any person who contravenes any of the provision of the By-Laws 2001 shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or to both such fine and imprisonment.

As at LPD, our Group holds and maintains valid business premises licences for all our operating business premises in Malaysia as well as signboard licences for all premises with external signboards.

### **(h) Employment Act 1955 ("EA 1955")**

The EA 1955 regulates all labour related matters including contracts of service, payment of wages, employment of women, maternity protection, rest days, hours of work, holidays, termination, lay-off and retirement benefits, employment of foreign employees and keeping of registers of employees.

Any person who commits any offence under, or contravenes any provision of the EA 1955, or any regulations, order or other subsidiary legislation whatsoever made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

As at LPD, our Group complies with the relevant requirements under the EA 1955.

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

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**(i) Factories and Machineries Act 1967 ("FMA 1967")**

The FMA 1967 and the relevant regulations made thereunder, including the Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations 1970 provide for the control of factories with respect to matters relating to the safety, health and welfare of persons in the factories, the registration and inspection of machinery and other matters connected therewith.

Section 19 of the FMA 1967 states that no person shall operate or cause or permit to be operated any machinery in respect of which a certificate of fitness is prescribed, unless there is a valid certificate of fitness issued under the FMA 1967 in relation to the operation of the machinery. Any person who contravenes this provision shall be served with a notice in writing prohibiting the operation of such machinery or may render such machinery inoperative until such time as a valid certificate of fitness is issued. In addition, such person shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding 3 years or to both.

As at LPD, our Group is in compliance with the relevant provisions under the FMA 1967 and we have obtained valid certificates of fitness for the operation of our machineries that require certifications under the FMA 1967.

**(j) Occupational Safety and Health Act 1994 ("OSHA 1994")**

The OSHA 1994 regulates the safety, health and welfare of persons at work, to protect others against risks to safety or health in connection with the activities of persons at work, as well as to promote an occupational environment for persons at work.

Pursuant to Section 16 of the OSHA 1994, it is the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees and the organization and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision of it to the notice of all of his employees. An employer who contravenes this provision 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 2 years or to both.

Section 29 of the OSHA 1994 requires an occupier of a place of work to which this section applies to employ a competent person to act as a safety and health officer at the place of work. An occupier who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to a term of imprisonment not exceeding 6 months or to both. The employer of the class or description of industries that shall employ a safety and health officer can be found under Order 3 of the Occupational Safety and Health (Safety and Health Officer) Order 1997, which include any boiler and pressure vessel manufacturing activity employing more than a hundred employees.

In addition, Section 30 of the OSHA 1994 provides that every employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of DOSH directs the establishment of such a committee at the place of work. A person who contravenes this provision shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment for a term not exceeding 6 months or to both.

As at LPD, our Group is in compliance with the relevant provisions under the OSHA 1994.

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

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**(k) Environmental Quality Act 1974 ("EQA 1974")**

The EQA 1974 sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment.

Under the EQA 1974, no person shall, unless licensed:

- (i) emit or discharge any environmentally hazardous substances, pollutants or wastes into the atmosphere;
- (ii) pollute or cause or permit to be polluted any soil or surface of any land; or
- (iii) emit, discharge or deposit any environmentally hazardous substances, pollutants or wastes into any inland waters;

in contravention of the acceptable conditions specified under the EQA 1974.

Any person who contravenes the above shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a period not exceeding 5 years or to both and to a further fine not exceeding RM500 a day for every day that the offence is continued after a notice by the Director General of Environmental Quality requiring him to cease the act specified therein has been served upon him.

Notwithstanding the above provisions of the EQA 1974, Schedule 1 of the Environmental Quality (Industrial Effluent) Regulations ("**EQIER 2009**") provides a list of discharges which is exempted from the said provisions which include, amongst others, processing, manufacturing, washing or servicing of any other products or goods that produce effluent of less than 60 cubic metres (13,000 imperial gallons) per day. As the water used by our Group for cleaning purposes produces effluent of less than 60 cubic metres (13,000 imperial gallons) per day, our Group is in compliance with the EQIER 2009.

The Environmental Quality (Clean Air) Regulations 2014 ("**EQCAR 2014**") imposes an obligation on the owner or occupier of premises to give prior written notification to the Director General no less than thirty days before commencement of work on any premises that may result in a source of emission. The EQCAR 2014 also states that every premises shall be equipped with an air pollution control system in accordance with the specifications as determined by the Director General. Any person who fails to comply shall be guilty of an offence and shall be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 2 years or to both.

As at LPD, our Group complies with the relevant provisions of the EQA 1974 and the regulations thereunder.

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

### (l) Fire Services Act 1988 ("FSA")

The FSA provides for the effective and efficient functioning of the Fire and Rescue Department of Malaysia, for the protection of persons and property from fire risks or emergencies and for purposes connected therewith.

Pursuant to Sections 28 of the FSA, every designated premises shall require a fire certificate and a fire certificate shall be renewable annually. The premises of which the use, size and location as set out in the schedule of the Fire Services (Designated Premises) Order 1998 shall be designated premises for the purpose of issuance of a fire certificate under the FSA. Such designated premises include:

- Offices : 30 metres and above in height or 10,000 square metres and over (total floor area)
- Factories : (i) Single storey and above – 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed
- (ii) 2 storeys and above – 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed
- (iii) Special structure – Hazardous processes

Under the FSA, 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.

As at LPD, our Group has obtained a fire certificate for our Bukit Minyak Premises which remains valid and subsisting. The Simpang Empat Factory does not require a fire certificate as it does not fall within the definition of "designated premise" under the FSA.

### (m) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSH 1990")

The EMSH 1990 prescribes the minimum standards of housing, nurseries and accommodation for employees (and their dependents, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

Pursuant to the EMSH Regulations, employers are required to provide accommodation to foreign employees with a Visit Pass (Temporary Employment) issued under Regulation 11 of the Immigration Regulations 1963.

Section 24D of the EMSH 1990 states that no accommodation shall be provided to an employee unless certified with a Certificate for Accommodation ("CFA"). An employer who contravenes this provision commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 per unit of workers' accommodation.

As at LPD, our Group has entered into a service agreement with Kellie Ooi Enterprise dated 12 February 2023 for a period of 3 years to provide accommodation to our foreign employees at 31, Jalan Perwira, Taman Perwira, 14100, Simpang Ampat, Pulau Pinang. The CFA was issued to ACS on 14 March 2023 and is valid and subsisting.

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


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**(n) Street, Drainage and Building Act 1974 ("SDBA")**

The SDBA is implemented by the local authorities of Peninsular Malaysia and it stipulates that every building or part of a building must have a CCC or Certificate of Fitness for Occupation ("CFO") before it may be occupied.

Under the Uniform Building By-Laws 1984 ("UBBL") which was issued pursuant to the SDBA, a CCC will only be issued by the local authority upon receipt of certification in relevant forms by a qualified person i.e. an architect, registered building draughtsman or engineer. To the best of their knowledge, a qualified person must be satisfied that: (i) the relevant building has been constructed in accordance with 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.

Pursuant to the SDBA, a person who occupies a premise without a CCC or CFO is subject to a fine of up to RM250,000, imprisonment for a term of up to 10 years, or both.

Our Group occupied the Bukit Minyak property since April 2014 (after the completion of the construction of 2 units of single storey factory in September 2013) prior to the issuance of its first CCC on 22 September 2015 as detailed in Section 6.9.1. Upon issuance of the first CCC, such non-compliance was rectified. Our Group has also obtained CCCs for subsequent extensions on 18 December 2018 and 8 April 2022 respectively. Furthermore, our Group has not been issued with any compounds or penalties in relation to the non-compliance.

As at LPD, our Group's owned and rented properties have a record of validly obtained CCC.

**(o) Malaysian Quarantine and Inspection Services Act 2011 ("MAQIS")**

The MAQIS is an act for the purpose of providing integrated services relating to quarantine, inspection and enforcement at the entry points, quarantine stations and quarantine premises and certification for import and export of plants, animals, carcasses, fish, agricultural produce, soils and microorganisms and includes inspection of and enforcement relating to food and for matters connected to it.

Section 11 of MAQIS provides amongst others that no person shall import or export any agricultural produce (any product from plant, animal, carcass or fish, whether processed or otherwise) without a permit, licence or certificate issued under this Act. The agricultural produce which require an import or export permit (as the case may be) under MAQIS is set out in the Customs (Prohibition of Import) Order 2023 (previously Customs (Prohibition of Import) Order 2017 which has since been revoked) and the Customs (Prohibition of Export) Order 2023 (previously Customs (Prohibition of Export) Order 2017 which has since been revoked).

Pursuant to MAQIS, any person who is involved in the importation and exportation of any agricultural produce who contravenes this section commits an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 6 years or to both and, for a second or subsequent offence to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding 7 years or to both.

Our Group complies with the provisions of MAQIS and has obtained the relevant permits under MAQIS for the import and export of the relevant products.



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

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### **6.11 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES**

Our Group has implemented, and is in the midst of implementing, the following practices:

#### **(a) Environmental**

Our Group believes in preserving and caring for the environment by adopting sustainable practices in our business activities. The measures that we have taken or plan to take (as the case may be) include the following:

##### **(i) Carbon footprint**

We have installed solar panels to generate electricity from sunlight, at the Bukit Minyak Premises, recognising that solar power is a renewal energy source which reduces carbon footprint from our operations. The installed power capacity is 268 kilowatt peak. The power generated is used in our operations, and the surplus is fed into the grid of Tenaga Nasional Berhad.

Further, we proactively addressed carbon footprint reduction by using electric-powered forklifts (previously gas-powered) in our warehousing activities. As at LPD, 10 units of our forklifts are electric-powered. This switch not only contributes to a safer work environment for our employees but also eliminates on-site emissions, demonstrating our commitment to sustainability.

We encourage our employees to adopt energy-saving practices in our workplace, such as turning off light switches and equipment when not in use. We also set our air conditioners to a comfortable and optimal temperature range of 24 degree Celcius to 26 degree Celcius. This helps us to avoid wasting electricity and reduce the impact to environment.

##### **(ii) Water management**

Bapas had switched from "water peeling" to "dry peeling" for our shallot peeling process. This helps us to save water and minimise water wastage as dry peeling machines use air pressure instead of water to peel the shallots.

##### **(iii) Air quality management**

Our factory buildings are built in compliance with the standards from the Department of Environment Malaysia. Air pollution control systems are installed in the production facilities to comply with the regulations of the Department of Environment Malaysia.

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

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**(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. Our Group's efforts in fulfilling our social sustainability are as follows:

**(i) Occupational health and safety**

Our Group observes the requirements of Jabatan Keselamatan dan Kesihatan Pekerjaan Malaysia. Our employees have completed the Occupational of Safety and Health Awareness training. The training is important in helping our employees to familiarise themselves with the safety and health practices of our Group and preparing them to handle emergency situations. We provide personal protective equipment to employees based on their roles and task assigned.

**(ii) Labour practices and standards**

Our Group values the contribution of all our employees and takes every step to comply with the EA 1955 and other relevant statutory obligations. Our Group's human resource policy covers every facet of employment-related statutes and provides guidance for the human resource practices of our Group. Some of the policies that we have implemented include flexible working arrangements and gender diversity.

**(iii) Halal certifications**

Our products as well as production facilities and processes have also been inspected and certified to be in compliant with the Halal standards, which allow us to manufacture and distribute Halal-certified products to cater to the Halal market. To ensure full compliance with the terms and conditions, all our employees have undergone Halal awareness training. Employees involved in the production areas must observe the Halal sanitary procedures and attend food handling courses.

**(iv) Food safety and quality**

Our production facilities and processes for food additives in our Bukit Minyak Premises have also been certified compliant with the internationally recognised HACCP System and GMP System.

We obtain Certificates of Analysis from our suppliers prior to product shipment to ensure the products are in accordance with our specifications and quality standards.

We ensure that our product labels are accurate, clear and in compliance with the relevant regulatory requirements. Proper product labels provide important information on a product such as ingredients and product safety information, and they serve to build consumer trust in our products. Our Group values feedback from consumers and stakeholders and continues to improve and innovate our products to meet their needs.

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

### (c) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws, regulations, rules and requirements as disclosed in Section 6.10. In maintaining high standards of corporate governance, our Board has progressively adopted all the applicable principles and practices as promulgated in the MCGG particularly on embracing board gender diversity.

In addition, our Group has adopted a zero-tolerance policy towards bribery where we have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009. In relation to our Group's risk management, our Group has put in place a risk management framework to monitor closely on the risk associated with our Group's business as well as the Whistleblowing Policy and Personal Data Protection Policy to ensure and promote fairness in business dealings.

Our Group will continue to innovate in the way we conduct our business and offer new products. We are progressively introducing information technology in our operations, one of which is the sales management system. The system allows our sales and marketing team to respond to customers' enquiry expeditiously. In the area of product development, we have invested in and will continue to invest in our R&D function. We believe that our strength in R&D will be one of the key drivers for our business success and sustainability.

### 6.12 EMPLOYEES

As at LPD, we have a total workforce of 94 employees. Save for foreign employees, all of whom carry valid working permits, all our employees are hired on a permanent basis.

The breakdown of our employees as at 31 December 2023 and LPD are as follows:

	No. of employees			
	As at 31 December 2023		LPD	
	Local	Foreign	Local	Foreign
<b>As at 31 December 2023</b>				
Executive Directors <sup>(1)</sup>	1	-	1	-
Key senior management	4	-	4	-
Accounting and finance	6	-	5	-
Human resource and administrative	6	-	5	-
Logistics	8	-	7	-
Procurement	2	-	2	-
Sales and marketing	7	-	8	-
Warehouse and production	29	23	30	22
QA&QC	4	-	4	-
R&D	4	-	4	-
Production planner	2	-	2	-
<b>Total</b>	<b>73</b>	<b>23</b>	<b>72</b>	<b>22</b>

#### Note:

<sup>(1)</sup> Includes the executive director of our subsidiaries.

There were no significant changes in the number of employees of our Group from 31 December 2023 up to LPD.

None of our employees belong to any labour union and over FYE 2020 to 2023 and up to LPD, there has been no labour dispute between our management and our employees. Additionally, over FYE 2020 to 2023 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

## 7. BUSINESS OVERVIEW

### 7.1 OUR HISTORY

Our Company was incorporated in Malaysia under the Act on 16 May 2023 as a private limited company under the name Agricore CS Holdings Sdn Bhd. On 11 September 2023, we converted into a public limited company and assumed our present name. We were incorporated as a special purpose vehicle to facilitate the Listing.

The history of our Group can be traced back to 3 February 2009 with the incorporation of ACS. The incorporation of our subsidiaries and changes in shareholdings, as well as the history and development of our Group and business operations since 2009 are as follows:

#### **Incorporation of our subsidiaries and changes in shareholdings**

##### ACS

ACS was incorporated on 3 February 2009 by 3 founding shareholders, namely Siew Boon Shem (33.33%), Ng Pei Jin (spouse of Oon Boon Khong) (33.33%) and Leung Sook Mee (33.33%) to undertake trading of plant-based agricultural food ingredients.

On 24 April 2009, by way of issuance of new shares of ACS to Siew Boon Shem, Ng Pei Jin and Leung Sook Mee for a total cash consideration of RM97.00 or RM1.00 per share, their equity interest held in ACS changed to Siew Boon Shem (9.00%), Ng Pei Jin (40.00%) and Leung Sook Mee (51.00%). On 25 May 2009, new shares of ACS were allotted to Siew Boon Shem, Oon Boon Khong, our Managing Director and Leung Sook Mee for a total cash consideration of RM99,900.00 or RM1.00 per share. Their equity interest held in ACS changed to Siew Boon Shem (9.00%), Ng Pei Jin (0.04%), Oon Boon Khong (39.96%) and Leung Sook Mee (51.00%).

On 26 May 2010, Siew Boon Shem, Leung Sook Mee and Oon Boon Khong subscribed for new shares in ACS at a cash consideration of RM0.15 million or RM1.00 per share. The shareholdings in ACS changed to Siew Boon Shem (9.00%), Ng Pei Jin (0.02%), Leung Sook Mee (51.00%) and Oon Boon Khong (39.98%).

On 31 March 2011, Siew Boon Shem disposed his 9.00% equity interest in ACS for a cash consideration of RM22,500 or RM1.00 per share to his spouse, Leong Yeok Wah and ceased to be a shareholder. On 19 July 2011, Ng Pei Jin disposed her 0.02% interest in ACS for a cash consideration of RM40.00 or RM1.00 per share to Oon Boon Khong and ceased to be a shareholder. On 29 August 2011, Leung Sook Mee transferred 34.00% of her equity interest to her sibling, Leung Yow Tuck (17.00%) and her nephew, Leong Huck Khan (17.00%) at a cash consideration of RM85,000 or RM1.00 per share. The shareholdings of ACS changed to Leung Sook Mee (17.00%), Leong Yeok Wah (9.00%), Leung Yow Tuck (17.00%), Leong Huck Khan (17.00%) and Oon Boon Khong (40.00%).

On 29 December 2012, by way of issuance of new shares of ACS to Leung Sook Mee, Leong Yeok Wah, Leung Yow Tuck, Leong Huck Khan and Oon Boon Khong at a total cash consideration of RM2.15 million or RM1.00 per share, their equity interest held in ACS remained at Leung Sook Mee (17.00%), Leong Yeok Wah (9.00%), Leung Yow Tuck (17.00%), Leong Huck Khan (17.00%) and Oon Boon Khong (40.00%).

**7. BUSINESS OVERVIEW (Cont'd)**

On 29 June 2020, Oon Boon Khong acquired 8.00% and 3.00% equity interests in ACS at a cash consideration of RM2.75 million or approximately RM10.42 per share from Leung Sook Mee and Leong Yeok Wah respectively. On even date, Aromi acquired 9.00% equity interests in ACS at a cash consideration of RM2.25 million or approximately RM10.42 per share from Leung Sook Mee and became a shareholder. Leung Yow Tuck and Leong Huck Khan also transferred all of their equity interests in ACS to BBN Network Sdn Bhd (held by Leung Sook Mee (90.00%) and her child, Sim Jun Kai (10.00%)) at a total cash consideration of RM2.00 and ceased to be shareholders. The shareholdings in ACS changed to Leong Yeok Wah (6.00%), BBN Network Sdn Bhd (34.00%), Oon Boon Khong (51.00%) and Aromi (9.00%).

On 9 July 2020, new Ordinary B shares of ACS were allotted to Leong Yeok Wah and BBN Network Sdn Bhd for a total cash consideration of RM20,000 or RM1.00 per share. The voting rights for Ordinary B shares of ACS was 25.5 votes per share. On even date, new Ordinary A shares of ACS were allotted to Oon Boon Khong and Aromi for a total cash consideration of RM30,000 or RM1 per share. The voting rights for Ordinary A shares of ACS is similar to the voting rights attached to a share, being 1 vote per share. For avoidance of doubt, the issuance of Ordinary B shares was to give Leong Yeok Wah the equivalent number of voting rights as Aromi, and BBN Network Sdn Bhd the equivalent number of voting rights as Oon Boon Khong.

Thereafter, effective from 29 November 2021, the voting rights of Ordinary B shares of ACS were varied to 58 votes per share.

On 30 November 2021, 3,250,000 new shares of ACS were allotted to Leong Yeok Wah, BBN Network Sdn Bhd, Oon Boon Khong and Aromi for a consideration of RM3,250,000 or RM1.00 per share, by capitalising an amount owing by ACS to them. Such amount was novated to them pursuant to the novation and debt settlement agreement dated 24 September 2021. Please refer to Section 6.5(b) for further details of the said agreement.

On 15 September 2022, Leong Yeok Wah and BBN Network Sdn Bhd entered into an agreement to dispose all of their equity interests in ACS to Frazel (40.00%) at a total cash consideration of RM15.50 million or approximately RM6.80 per share, and concurrently ceased to be shareholders. On 15 September 2022, Oon Boon Khong also entered into a share sale agreement to dispose 11.00% of his equity interest in ACS to Datuk Keh Chuan Seng (10.00%), Lim Swee Chuan (0.90%) and Datin Cheong Kai Meng (0.10%) respectively at a total cash consideration of approximately RM4.26 million or approximately RM6.80 per share. Thereafter, the shareholdings in ACS changed to Oon Boon Khong (40.00%), Aromi (9.00%), Frazel (40.00%), Datuk Keh Chuan Seng (10.00%), Datin Cheong Kai Meng (0.10%) and Lim Swee Chuan (0.90%).

On 20 December 2022, while the shareholdings of the parties remained the same, the voting rights of Ordinary A shares and Ordinary B shares of ACS were varied to 1 vote per share whereupon the shares became a single class of ordinary shares.

On 30 December 2022, new shares in ACS were allotted for a cash consideration of RM4.30 million or RM1.00 per share, and the shareholdings in ACS changed to Oon Boon Khong (40.00%), Aromi (9.00%), Frazel (44.34%), Datuk Keh Chuan Seng (5.70%), Datin Cheong Kai Meng (0.06%) and Lim Swee Chuan (0.90%).

Oon Boon Khong and Lim Swee Chuan are our Group's Managing Director and Chief Financial Officer respectively whereas Frazel, Datuk Keh Chuan Seng (our Group's Non-Independent Non-Executive Deputy Chairman) and Datin Cheong Kai Meng are strategic investors of our Group.

## **7. BUSINESS OVERVIEW (Cont'd)**

Aromi's shareholders includes the key senior management of ACS, namely Wong Kam Tong (our Group's Chief Operating Officer), Tan Hong Sheng (our Group's Marketing Manager) and Cheng Boon Kai (our Group's Procurement Manager). Our Group's employees, namely Ng Wen Ying, Tan Cheah Haw and Yong Chew Yuong who are our Human Resources Manager, Product Manager for ACS and Account Manager respectively, are also shareholders of Aromi. On the other hand, Wong Pak Zen and Voon Kooi Wong, substantial shareholders of Aromi are passive investors of our Group and they do not hold any roles in our Group.

### Bapas

Bapas was incorporated on 30 December 2014 by 3 founding shareholders, namely Wong Kam Tong, Ooi Su Heng and Leung Hak Kong. Bapas was incorporated to undertake the production and sale of fried shallots, and subsequently the production and sale of food additives in 2021.

On 2 January 2015, new shares were allotted at cash consideration of RM97.00 or RM1.00 per share and the shareholdings of Bapas changed to Wong Kam Tong (5.00%), Ooi Su Heng (5.00%), Leung Hak Kong (5.00%), Simon Thoo Ching Hau (5.00%), Cheng Boon Kai (5.00%) and ACS (75.00%). The investment by such parties in Bapas took place as a strategic decision to diversify into production of fried shallots in 2015, which brings an extensive supply chain network with the retailers as well as to capitalise on our Group's expertise in the food ingredients industry.

On 22 June 2015, by way of issuance of new shares of Bapas to ACS, Wong Kam Tong, Ooi Su Heng, Simon Thoo Ching Hau, Leung Hak Kong and Cheng Boon Kai for a total cash consideration of RM199,900.00 or RM1.00 per share, their equity interest held in Bapas maintained at Wong Kam Tong (5.00%), Ooi Su Heng (5.00%), Leung Hak Kong (5.00%), Simon Thoo Ching Hau (5.00%), Cheng Boon Kai (5.00%) and ACS (75.00%).

On 11 May 2016, Simon Thoo Ching Hau disposed all of his equity interest in Bapas to Wong Kam Tong (2.50%) and Ooi Su Heng (2.50%) for a cash consideration of RM10,000.00 or RM1.00 per share. The shareholdings in Bapas changed to Wong Kam Tong (7.50%), Ooi Su Heng (7.50%), Leung Hak Kong (5.00%), Cheng Boon Kai (5.00%) and ACS (75.00%).

On 28 October 2020, Wong Kam Tong, Ooi Su Heng, Leung Hak Kong and Cheng Boon Kai disposed all of their equity interest in Bapas to ACS for a total cash consideration of approximately RM83,777.00 or approximately RM1.68 per share, resulting in Bapas becoming a wholly-owned subsidiary of ACS.

On 24 December 2020, new shares of Bapas were allotted to ACS for a cash consideration of RM0.30 million at RM1.00 per share. On 30 November 2021, new shares of Bapas were allotted to ACS for a cash consideration of RM1.90 million at RM1.00 per share. On 8 December 2022, new shares of Bapas were allotted to ACS for a non-cash consideration of RM0.60 million at RM1.00 per share, being the capitalisation of amount owing by Bapas to ACS. As at LPD, Bapas remains a wholly-owned subsidiary of ACS.

## **7.2 KEY ACHIEVEMENTS AND MILESTONES**

### **(a) Expansion of our product offerings**

We commenced our business in 2009 in the sourcing and distribution of plant-based agricultural food ingredients including starch products, beans and pulses and grain products under our house brands '*POKOK AGRICORE*' and '*SunRise*' as well as third party brands. In 2015, we expanded our product offerings to include fried shallots under our third house brand '*CAP POKOK*'.

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**7. BUSINESS OVERVIEW (Cont'd)**

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As we saw the growing demand for food additives amongst our customers through the distribution of modified starches, which were amongst the starch products we were selling, we commenced our R&D activities with 1 R&D Executive in 2020 by developing formulations for food additives in preparation to venture into the production of food additives.

In 2021, we expanded our R&D team to 2 R&D Executives. In the same year, we successfully developed 18 food additive formulations, of which 3 food additive formulations were developed through R&D activities and 15 food additive formulations were developed based on formulations that are commonly used in the industry. We began selling these food additives under our house brand '*BAPAS*', which further expanded our product portfolio. In 2022, we developed a total of 3 food additive formulations for sale. In 2023, we successfully developed 13 food additive formulations, of which 7 food additive formulations were developed through R&D activities and 6 food additive formulations were developed based on formulations that are commonly used in the industry. As at LPD, we have commercialised 37 out of our 50 food additive formulations. Out of the 37 commercialised food additive formulations, 14 were developed through R&D activities and 23 were developed based on formulations that are commonly used in the industry. Please refer to Section 7.15 for the 14 developed and commercialised food additive formulations.

**(b) Expansion of our sourcing network**

In 2009, we started to source beans and pulses such as black matpe and green mung beans from Myanmar. In 2010, we expanded our sourcing network and started to source green mung beans from Australia. In 2011, we started to source soybeans from Canada and USA, and corn starch from South Korea. In 2012, we further expanded our sourcing network by sourcing such as glutinous rice flour from Thailand, potato starch from Germany and corn starch from China. In 2013, we expanded our sourcing network further and started sourcing plant-based agricultural food ingredients from Denmark, Turkey and Ukraine. From 2015 to 2020, we continued to expand our sourcing network by sourcing various plant-based agricultural food ingredients from Vietnam, Poland and Indonesia. As at LPD, our plant-based agricultural food ingredients are sourced from 15 countries including Malaysia.

**(c) Expansion of our storage and production facilities**

We commenced our business operations in 2009 by renting a combined space of 5,000 sq ft as office and storage located within a third party factory premises in Kawasan Perindustrian Bukit Minyak, Pulau Pinang. In 2010, we relocated to a rented industrial lot measuring approximately 5,400 sq ft at Kawasan Perusahaan Bukit Tengah, Pulau Pinang. In 2011, as our business expanded, we acquired our Bukit Minyak Premises, a land measuring 115,852 sq ft to construct Phase 1 of our office and storage building measuring approximately 18,590 sq ft. We commenced the operations of our Bukit Minyak Premises in 2014 upon completion of the construction.

In 2015, as we expanded our business into the production of fried shallots, we rented a factory measuring 2,820 sq ft in Sungai Jawi, Pulau Pinang to carry out the production activities of fried shallots with 1 production line.

In 2018, we completed the construction of Phase 2 of our Bukit Minyak Premises. We expanded our Bukit Minyak Premises by 39,316 sq ft, which comprised a dry storage space, 2 cold rooms and an ante-room, as well as a double-storey office building.