



**MYMBN BERHAD**

Registration No. 202201011844 (1457541-U)  
(Incorporated in Malaysia)



ANNUAL REPORT

**2024**

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## CORPORATE PROFILE

### The Pioneer RUCEBN Company in Malaysia

MBN Enterprise Sdn. Bhd. is a primary processing establishment for Raw UnClean Edible Bird's Nest ("**RUCEBN**") based in Melaka, our processed RUCEBN are sold either to downstream bird's nest product manufacturers or to traders of bird's nest.

MBN developed our own traceability system from farmers to customers. The system allowed us to trace from our sources and track all our products.

MBN was renamed in 2016 along with the welcoming of the two other founders (Mr. Lee and Mr. Lavernt Chen) as shareholders and directors. The Company took a significant change in its business direction by venturing into the processing of RUCEBN.

All operations of MBN are chiefly managed by Chief Executive Officer (CEO), Mr. Lavernt Chen, one of the three founders. He has over 20 years of experience in the bird's nest industry having been involved in his family's bird's nest farming business in the early years of his career before embarking on his own entrepreneurial journey.

In 2019, after much hard work and effort, MBN achieved its most critical milestone to date by becoming the first company in Malaysia approved by the General Administration of Customs China ("**GACC**") to export RUCEBN to China.

Following that, MBN exported RUCEBN directly to China instead of selling to traders or agents. By meeting all the regulatory compliance and product quality requirements necessary for such an exporter, MBN's products are deemed premium and thus gaining advantageous position of being able to demand for higher selling prices.

### VISION

To be the No.1 Bird's Nest company in Malaysia with high quality products and competitive prices



### MISSION

Highest Quality for our customers, Best Value to our suppliers, a Lasting Career for our Employees and a Rewarding Return to our shareholders

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**LIW CHONG LIONG**

Non-Independent Non-Executive Chairman

**LAVERNT CHEN VUN WO**

 Non-Independent Executive Director/  
Chief Executive Officer

**CHIN CHEE CHEAH**

 Non-Independent Executive Director/ Chief  
Operating Officer

**LEE WEI KONG**

Non-Independent Non-Executive Director

**DATO' DR. ROSINI BINTI ALIAS**

Independent Non-Executive Director

**DATO' NAZIPAH BINTI JAMALUDIN**

Independent Non-Executive Director

**CHIN PECK LI**

Independent Non-Executive Director

**GOH WEN LING**

Independent Non-Executive Director

### AUDIT AND RISK MANAGEMENT COMMITTEE

**Chairperson**
**Chin Peck Li**

Independent Non-Executive Director

**Member**
**Dato' Dr. Rosini Binti Alias**

Independent Non-Executive Director

**Dato' Nazipah Binti Jamaludin**

Independent Non-Executive Director

**Goh Wen Ling**

Independent Non-Executive Director

### REMUNERATION COMMITTEE

**Chairperson**
**Goh Wen Ling**

Independent Non-Executive Director

**Member**
**Dato' Dr. Rosini Binti Alias**

Independent Non-Executive Director

**Dato' Nazipah Binti Jamaludin**

Independent Non-Executive Director

**Chin Peck Li**

Independent Non-Executive Director

### NOMINATION COMMITTEE

**Chairperson**
**Dato' Dr. Rosini Binti Alias**

Independent Non-Executive Director

**Member**
**Dato' Nazipah Binti Jamaludin**

Independent Non-Executive Director

**Chin Peck Li**

Independent Non-Executive Director

**Goh Wen Ling**

Independent Non-Executive Director

### COMPANY SECRETARY

**Lim Li Heong** (MAICSA 7054716)

 SSM Practicing Certificate No.:  
202008001981

**Wong Mee Kiat** (MAICSA 7058813)

 SSM Practicing Certificate No.:  
202008001958

### REGISTERED OFFICE

 Level 5, Tower 8, Avenue 5,  
Horizon 2,  
Bangsar South City,  
59200 Kuala Lumpur,  
Malaysia  
Tel no.: +(603) 2280 6388  
Fax no.: +(603) 2280 6399  
E-mail: listcomalaysia@acclimate.com

### SPONSOR

 Mercury Securities Sdn Bhd  
Registration No. 198401000672  
(113193-W)  
L-7-2, No. 2 Jalan Solaris Solaris  
Mont' Kiara  
50480 Kuala Lumpur  
Tel No.: +(603) 6203 7227  
Fax No.: +(603) 6203 7117

### HEAD/MANAGEMENT OFFICE

 Nos. 17, 19, 21, 23 and 25  
Jalan Melaka Raya 26  
Taman Melaka Raya  
75000 Melaka, Malaysia  
Tel No.: +(606) 292 2628  
Fax No.: +(606) 292 2628  
Email: info@mymbn.com.my  
Website: www.mymbn.com.my

### AUDITOR

 Crowe Malaysia PLT  
Registration No. 201906000005  
Firm No. LLP0018817-LCA  
(AF 1018)  
52, Jalan Kota Laksamana 2/15  
Taman Kota Laksamana  
Seksyen 2  
75200 Melaka, Malaysia  
Tel No.: +(606) 282 5995  
Fax No.: +(606) 283 6449

### SHARE REGISTRAR

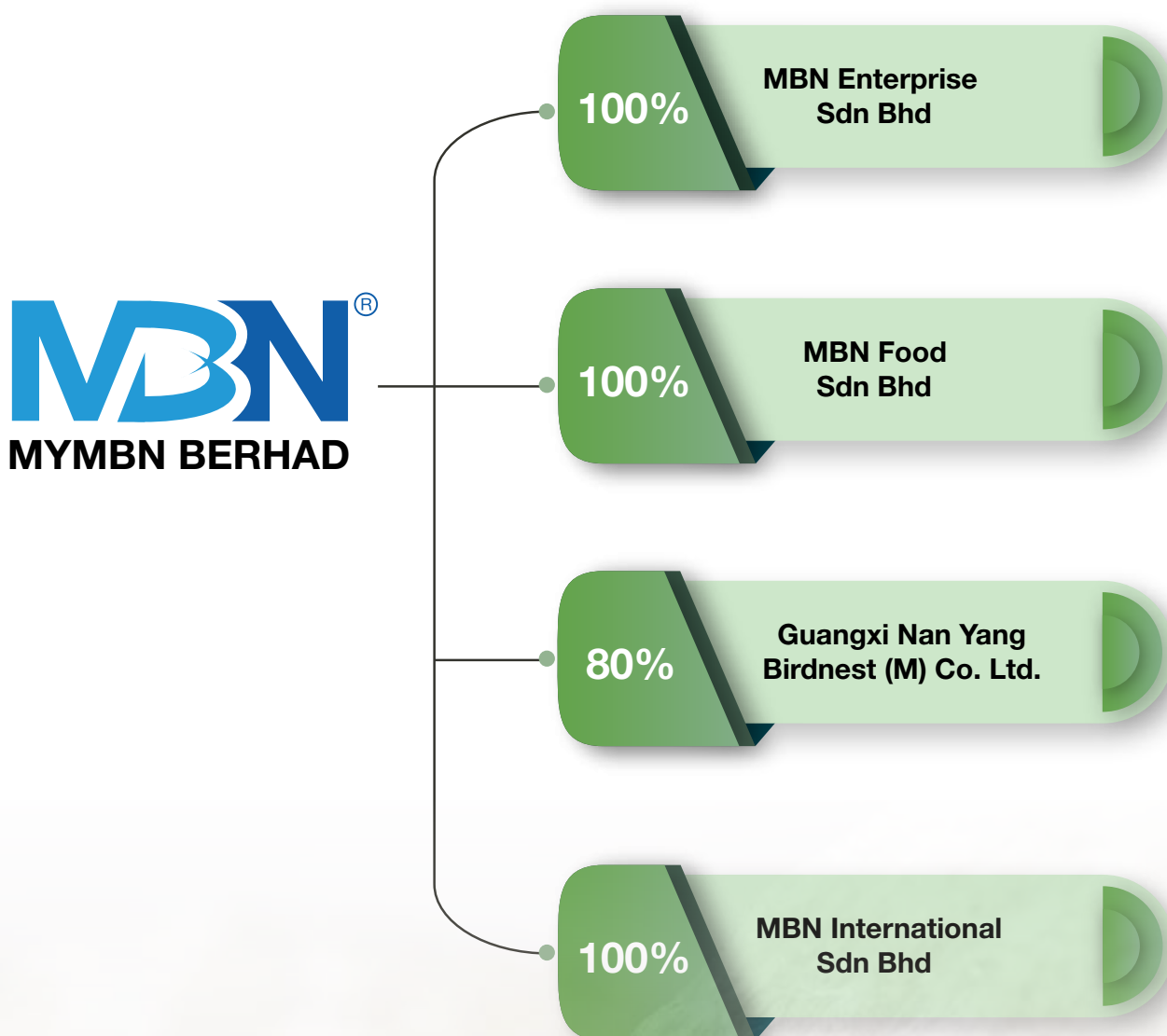
 Boardroom Share Registrars  
Sdn Bhd Registration No.  
199601006647 (378993-D)  
11th Floor, Menara Symphony  
No.5 Jalan Prof Khoo Kay Kim,  
Seksyen 13  
46200 Petaling Jaya  
Selangor, Malaysia  
Tel No.: +(603) 7890 4700  
Fax No.: +(603) 7890 4670

### STOCK EXCHANGE LISTING

 Ace Market of Bursa Malaysia  
Securities Berhad  
Stock Name: MBN  
Stock Code: 0280




## CORPORATE STRUCTURE



## FIVE-YEAR FINANCIAL HIGHLIGHTS

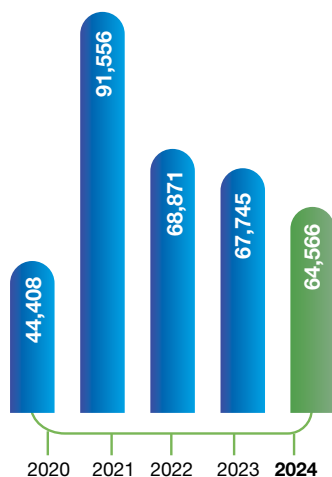
Financial Year Ended 31 December	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
<b>FINANCIAL RESULTS</b>					
Revenue	44,408	91,556	68,871	67,745	64,566
Gross Profit ("GP")	5,509	10,981	9,924	6,632	1,833
Profit/(Loss) Before Taxation ("PBT/(LBT)")	4,313	8,955	6,047	1,867	(3,588)
Profit/(Loss) After Taxation ("PAT/(LAT)")	3,206	6,732	4,322	952	(3,513)
Net Profit/(Loss) attributable to Owners of the Company	3,206	6,732	4,322	975	(3,379)
<b>KEY FINANCIAL POSITION DATA</b>					
Total Assets	13,650	16,204	21,224	45,412	38,375
Total Borrowings	1,956	3,522	4,405	6,633	3,884
Total Equity	4,055	10,787	15,109	35,864	32,554
<b>FINANCIAL RATIOS</b>					
GP Margin (%)	12.41	11.99	14.41	9.79	2.84
PAT Margin (%)	7.22	7.35	6.28	1.41	N/A
Basic Earnings/(Loss) Per Share (sen)	1.11 <sup>(1)</sup>	2.34 <sup>(1)</sup>	1.50 <sup>(1)</sup>	0.29 <sup>(2)</sup>	(0.88) <sup>(4)</sup>
Gearing Ratio (times)	0.48	0.33	0.29	0.18	0.12
Net Assets Per Share (sen)	1.41 <sup>(3)</sup>	3.75 <sup>(3)</sup>	5.25 <sup>(3)</sup>	9.29 <sup>(4)</sup>	8.43 <sup>(4)</sup>

### Notes

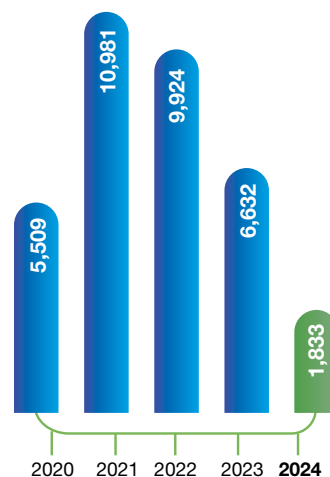
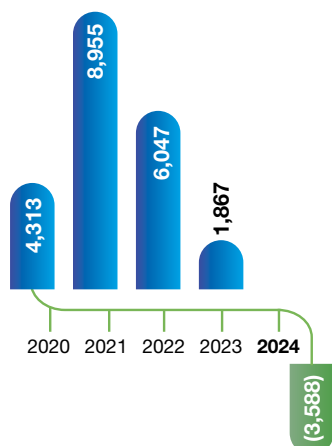
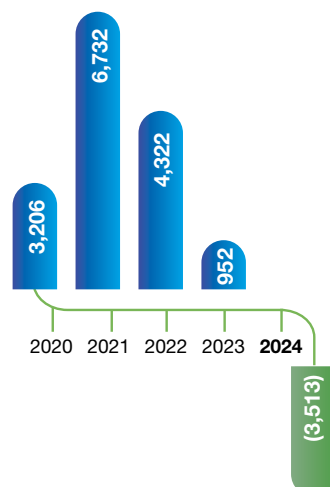
- <sup>(1)</sup> Calculated based on the 288,000,000 ordinary shares assumed to be in issue after the acquisition of subsidiary but before public issue in conjunction with the Company's listing on ACE Market of Bursa Malaysia Securities Berhad ("the Public Issue").
- <sup>(2)</sup> Computed based on the weighted average number of issued share capital of 330,690,411 ordinary shares after the Public Issue.
- <sup>(3)</sup> Calculated based on Total Equity over the 288,000,000 ordinary shares assumed to be in issue after the acquisition of subsidiary but before the public issue.
- <sup>(4)</sup> Computed based on number of issued share capital of 386,000,000 ordinary shares.

## FINANCIAL HIGHLIGHTS (CONT'D)

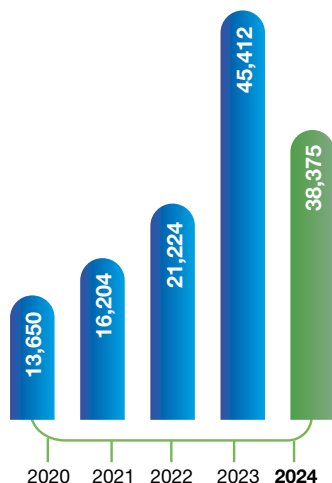
REVENUE (RM'000)



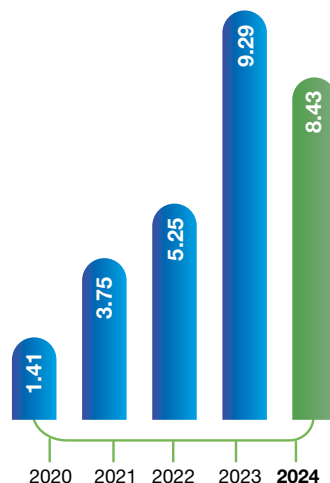
GP (RM'000)

PROFIT/(LOSS) BEFORE  
TAXATION ("PBT/(LBT)") (RM'000)PROFIT/(LOSS) AFTER  
TAXATION ("PAT/(LAT)") (RM'000)

TOTAL ASSETS (RM'000)



NET ASSETS PER SHARE (SEN)



## PROFILE OF DIRECTORS



### LIW CHONG LIONG

*Non-Independent Non-Executive Chairman*



**Age**  
64



**Nationality**  
Malaysian



**Gender**  
Male

Liw Chong Liong, a Malaysian male aged 64 is the Non-Independent Non-Executive Chairman of our Company. He was appointed to our Board on 1 July 2022. He is also a director of MBN Enterprise, which is our wholly-owned subsidiary company.

Liw Chong Liong graduated with a Diploma in Technology (Building) in 1984 from Tunku Abdul Rahman College, Kuala Lumpur Main Campus (now known as Tunku Abdul Rahman University College).

After his graduation, he commenced his career in 1984 by joining a construction company known as Yusoff and Saw (Partnership) as a site coordinator.

Subsequently he left his first job and joined Modular-Puolimatka Sdn Bhd, in 1986, another construction company as a site coordinator. He was mainly responsible for coordinating of construction project until its completion in 1987.

From 1987 to 1990, he worked at Alpine Development Sdn Bhd as project manager and he is responsible to manage construction projects.

From 1990 onward, Liw Chong Liong decided to venture into construction industry by setting up his first partnership company known as Finecon Building Construction which was subsequently ceased operation in 2011. He also started his other partnership company known as L C L Construction in 1994 to undertake the construction work. Such partnership was subsequently terminated in 1999 after he incorporated MLCL Construction Sdn. Bhd. in 1997 with principal activities as general contractors.

In 2005, he ventured into swiftlet farming business through a company known as Little Concord (M) Sdn Bhd until present.

In 2006 he joined Melaka Bird's Nest Merchants Association (Persatuan Pedagang Sarang Burung Melaka) as a member until present.

In 2013, Liw Chong Liong saw the opportunity of venturing into exporting of RUCEBN to the PRC directly and thus, MBN Enterprise was used as the vehicle to explore such business.

In year 2015, he together with Lavernt Chen participated as a committee member to draw up the CoVP on RUCEBN established by SIRIM Berhad among others, to provide guidelines on compliance in respect of the edible bird's nest harvested from caves and ranches. The CoVP was adopted in the same year.

In 2021, he was appointed as an honorary President to Melaka Bird's Nest Merchants Association (Persatuan Pedagang Sarang Burung Melaka) where he involved in advising the association on matters relating to the bird's nest industry.

Save for MLCL Construction Sdn. Bhd., Liw Chong Liong does not have any family relationship with any of our Directors and/or major shareholders.



## PROFILE OF DIRECTORS (CONT'D)



### LAVERNT CHEN

*Non-Independent Executive Director / CEO*



**Age**  
45



**Nationality**  
Malaysian



**Gender**  
Male

Lavernt Chen, a Malaysian male aged 45, is the Non-Independent Executive Director / CEO of our Company. He was appointed to our Board on 1 July 2022. He is also an Executive Director of MBN Enterprise, MBN International and MBN Food, our wholly-owned subsidiary company.

Lavernt Chen brings to the Group over 20 years of experience in the bird's nest industry. As our Non-Independent Executive Director / CEO, he is spearheading the Group's daily operation and developing strategic directions of the Group.

Lavernt Chen completed his studies in Foundation Studies at the Science in Royal Melbourne Institute of Technology ("RMIT") in 1998. He was then admitted to RMIT to continue with Aerospace Engineering and Business Administration programme from 1998 to 2003. In 2003 he was posted for internship in Siemens AG for engineering course. Upon completion of his internship in Siemens AG in 2004, he decided to return to Malaysia to pursue his family business.

Lavernt Chen's experience in the bird's nest industry could be traced back to 2004 where he was exposed to the bird's nest industry and activities under his family business where he was tasked with managing bird's nest houses including maintaining the bird's nest houses, trading of the bird's nest and processing and packaging the bird's nest product.

In 2012, he left his family business to focus on his own business involving in trading of bird's nest through CVW Ventures Sdn Bhd, which he was a director and shareholder of the company from 2005 until December 2021. In December 2021, he resigned as the director of CVW Ventures Sdn Bhd and disposed of his entire shareholdings in CVW Ventures Sdn Bhd to a non-related party.

During this period, he gained vast experience in trading of bird's nest in Vietnam, Indonesia, Singapore and Hong Kong.

In 2015, together with Liw Chong Liong, he participated as a project committee member to draw up the CoVP, on RUCBN established by SIRIM Berhad among others, to provide guidelines on compliance in respect of the edible bird's nest harvested from caves and ranches. The CoVP was adopted in the same year.

In December 2016, Lavernt Chen was appointed as director in MBN Enterprise.

In 2017, he (through CVW Ventures Sdn Bhd) together with other Promoters, subscribed MBN Enterprise shares and subsequently took it under his wing to commence the RUCBN trading business in Malaysia.

In same year, together with other Promoters, he set up a RUCBN processing establishment in accordance with CoVP, to commence RUCBN trading business and export of RUCBN.

Presently, he is the President of Melaka Bird's Nest Merchants Association (Persatuan Pedagang Sarang Burung Melaka), which he holds such position since 2018. He is also the Vice President of Federation of Malaysia Bird's Nest Merchants Association (Persekutuan Persatuan Pedagang Sarang Burung Malaysia) from 2017 to 2018, thereafter he holds the position as the Secretary of the association until June 2022. He was then re-elected as the Vice President of the association and holding such position until present.

Save for his relationship with Hew Hong Thee, who is a substantial shareholder of Gentle Rainbow Sdn Bhd and the mother of Lavernt Chen, he does not have any family relationships with any of our Directors, major shareholders and/or key senior management. Gentle Rainbow Sdn Bhd is a substantial shareholder of the Company.

## PROFILE OF DIRECTORS (CONT'D)



### CHIN CHEE CHEAH

*Non-Independent Executive Director / ("COO")*



**Age**  
41



**Nationality**  
Malaysian



**Gender**  
Female

Chin Chee Cheah is our Non-Independent Executive Director / Chief Operating Officer ("COO"). She was appointed to our Board on 1 July 2022. She is also an Executive Director of MBN Enterprise, MBN International and MBN Food, our wholly-owned subsidiary company.

Her role in our Group is to manage the overall operations and is responsible for the management of sales, productivity, quality control and food safety measures which is set for our Group's operations department.

Chin Chee Cheah completed her high school study from Pay Fong High School in 2001 for Unified Examination Certificate (UEC) and in the same year obtained London Chambers of Commerce and Industry ("LCCI") (Level 2). She then continued and completed with Level 3 Group Diploma in Accounting certified by LCCI in 2003 from Systematic College.

She began her career in 2003 as a clerk in Percetakan Jobe Sdn Bhd where she was responsible for general administrative work. She left her position as a clerk and joined Nian Foon Construction Sdn Bhd in 2004, as a clerk in the Administration and Accounting Department.

In 2005, she left to join Srikota Awana Sdn Bhd, a company involving in the business of maintenance of swiftlet houses and harvesting of bird's nest as an Account and Administrative Clerk. She was subsequently promoted on 1 October 2010 to hold the position as an Operation Executive where she was tasked with the grading, sales and marketing of RUCEBN until 2015.

In 2015, she joined Multiform Food Supply Co. Sdn Bhd, a company principally involved in processing of RCEBN and trading in swiftlet bird's nests, as an Operation Executive where she oversaw all operational matters including sourcing, processing, quality control, logistics, sales and regulatory compliances and subsequently she resigned in April 2019.

After her break, she joined MBN Enterprise as a Marketing Executive in July 2019.

Subsequently, she was promoted to Operation Manager on 1 September 2019. On 1 May 2022, she was promoted to COO.

She does not have any family relationship with any of our Directors and/or major shareholders.

## PROFILE OF DIRECTORS (CONT'D)



### LEE WEI KONG

*Non-Independent Non-Executive Director*



**Age**  
58



**Nationality**  
Malaysian



**Gender**  
Male

Lee Wei Kong is the Non-Independent Non-Executive Director of our Company. He was appointed to our Board on 1 July 2022. He is also a director of MBN Enterprise, which is our wholly-owned subsidiary company.

Lee Wei Kong brings to our Board approximately 15 years in the bird's nest industry. He is a graduate with a Bachelor of Science in Business Administration majoring in Finance from the Southeast Missouri State University in 1989.

In 1990, Lee Wei Kong returned to Malaysia from the United States of America for a short break and soon after commenced his career as a remisier in Syarikat Tan Chow & Loh in 1991 until his resignation in July 2006. Immediately after his resignation, he joined CIMB Bank Berhad as a remisier in the same month July 2006 until he resignation in 2019.

In 2007, he together with his friends explored in swiftlet farming which he continued until present.

Lee Wei Kong is currently the Vice President of Melaka Bird's Nest Merchants Association (Persatuan Pedagang Sarang Burung Melaka), which he holds since 2015.

After his resignation as a remisier from CIMB Bank Berhad in 2019, he decided to focus on his own business involving in swiftlet farming until present. He is primarily involved in managing and monitoring the swiftlet houses.

Lee Wei Kong does not have any family relationship with any of our Directors and/or major shareholders.

## PROFILE OF DIRECTORS (CONT'D)



### DATO' DR. ROSINI BINTI ALIAS

*Independent Non-Executive Director*



**Age**  
66



**Nationality**  
Malaysian



**Gender**  
Female

Dato' Dr. Rosini Binti Alias is the Independent Non-Executive Director of our Company. She was appointed to our Board on 7 July 2022. She is also the Chairperson of the Nomination Committee and the member of Audit and Risk Management Committee and Remuneration Committee of the Company.

Dato' Dr. Rosini Binti Alias was the Deputy Director General of DVS prior to her retirement in 2018. Her career in the veterinary and agricultural sector spans over 30 years, and her contribution and service to the veterinary sector have been recognised through state honours and by industry patrons in 2015 and 2017.

Dato' Dr. Rosini Binti Alias graduated with Doctor of Veterinary Medicine from University Pertanian Malaysia (now known as Universiti Putra Malaysia) in 1983. She commenced her career with DVS, as an officer and helmed different positions during her tenure of service with DVS.

Noteworthy experience was in 1995, she was promoted to be the head of Quarantine and Import and Export section where she was in charge of drawing up approvals of import and export protocols of livestock. In year 2015, she was promoted as a Senior Director, Livestock Commodity Development Division where she was responsible for matters related to livestock industries namely ruminant and non-ruminant industry where she was in charge of drawing up policies on production, farming techniques, and all issues related to livestock production.

As a Senior Director in the Livestock Commodity Development Division, she was responsible to oversee the growth of the Bird's Nest Industries where she also advises on issues pertaining to regulations to export RUCEBN to the PRC. As a Deputy Director General of DVS, her main task was to ensure, that among others, the Bird's Nest Industries grew and RUCEBN became one of the main export of Malaysia, prior to her retirement in 2018.

Since her retirement in 2018, she has been providing on an ad-hoc basis as a consultant on matters relating to Livestock Insurance on issues relating to Livestock certification under a company known as ABIC Fides PLT, a limited liability partnership company, until present.

She is currently holding a position in Dutch Lady Milk Industries Berhad, a company listed on the Main Market of Bursa Securities as a Non-Independent Non-Executive Director since 16 March 2018. She sits as a member of the Audit and Risk Committee in Dutch Lady Milk Industries Berhad.

She does not have any family relationship with any of our Directors and/or major shareholders.

## PROFILE OF DIRECTORS (CONT'D)



### DATO' NAZIPAH BINTI JAMALUDIN

*Independent Non-Executive Director*



**Age**  
65



**Nationality**  
Malaysian



**Gender**  
Female

Dato' Nazipah binti Jamaludin is the Independent Non-Executive Director of our Company. She was appointed to our Board on 7 July 2022. She is also the member of Audit and Risk Management Committee, Remuneration Committee and Nomination Committee of the Company.

Dato' Nazipah binti Jamaludin was the Deputy Director General (Operations) of the Federal Agricultural Marketing Authority ("FAMA"), Ministry of Agriculture & Food Industry prior to her retirement in 2019. Her career in the agricultural and food sector spans over 36 years.

Dato' Nazipah binti Jamaludin is a graduate with Bachelor of Sciences in Agribusiness from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) in 1983.

Upon her graduation in 1983, she commenced her career with FAMA as a Marketing Officer under the Cocoa Department, Planning Department, and Market Information Department which she hold such position until 1994.

Subsequently in 1994, she was promoted as a State Director of FAMA Pahang where she hold such position for 10 years. During her tenure as the State Director of FAMA Pahang, she initiated promotion and branding of "Temerloh Bandar Ikan Patin" with Integrated Agricultural Development Project Pahang Barat and Department of Fisheries in Pahang to increase consumption and local demand for fresh water fish as part of marketing and promoting fresh water fish project for Government of Pahang and Ministry of Agriculture.

She also led FAMA Pahang's collaboration with Lembaga Muzium Negeri Pahang in promoting the usage of local fresh produce from farmers via a traditional cookbook project.

From 2004 to 2006, she then was promoted as a Director of Market Promotion (Domestic) and then as a Senior Director of International Promotion from 2006 to 2018. During her 14 years under these positions held, she led strategic planning and execution of domestic and overseas market promotion programmes for horticulture sector and small medium enterprise food manufacturers with the objective to create awareness, introduce and widen export market for Malaysian products in Gulf Countries, the PRC, ASEAN Countries, Europe, South Korea, Japan, Australia & The United States. She was also involved in developing and executing pre-export programmes for small medium enterprise food manufacturers or exporters to enhance technical knowledge on logistics, food export procedures and requirements by importing countries.

In 2018, she was then promoted to Deputy Director General (Operations) of FAMA where she holds said position prior to her retirement in 2019.

She does not have any family relationship with any of our Directors and/or major shareholders.



## PROFILE OF DIRECTORS (CONT'D)



### CHIN PECK LI

*Independent Non-Executive Director*



**Age**  
53



**Nationality**  
Malaysian



**Gender**  
Female

Chin Peck Li is the Independent Non-Executive Director of our Company. She was appointed to our Board on 7 July 2022. She is also the Chairperson of the Audit and Risk Management Committee and the member of Remuneration Committee and Nomination Committee of the Company. She brings to the Board of her experience in accountancy, financial, tax and governance.

Chin Peck Li is a graduate with a Bachelor of Business (Accountancy) in 1993 from the RMIT. In the same year she became a member of Certified Practising Accountant, Australia ("**CPA Australia**").

She began her career by joining PriceWaterhouse (now known as Pricewaterhouse Coopers) as a Tax Associate in 1993, where she was involved in tax planning, accountancy research and supervision of junior tax assistants until 1996.

In 1995, she was promoted to be an Associate Consultant which involved in tax advisory work. She was responsible for a portfolio of local and foreign clients which she was tasked for reviewing financial statements, capital expenditure budgets and advising companies' strategic and long-term plans regarding tax matters.

In 1997, she was certified as a Chartered Accountant by the Malaysian Institute of Accountants and took on a sabbatical and returned to academia.

In 1998, she obtained a Master of Finance from RMIT and started her career as a lecturer in accountancy in Multimedia University, Melaka in the same year until 2001.

In 2001, she left her position as a lecturer in Multimedia University, Melaka and she joined Huat Lai Resources Berhad, a company which was previously listed on the Main Market of Bursa Securities, as an Independent Non-Executive Director. She subsequently resigned in 2017.

In 2003, she set up her own accounting firm namely, CPL & Co to provide bookkeeping and payroll services and general accounting advisory.

In 2006, she was certified as a Chartered Tax Practitioner by the Chartered Tax Institute of Malaysia. Later in 2010, she set up her own companies known as CPL Secretarial Services Sdn Bhd and CPL Taxation Services Sdn Bhd which these companies are principally involved in the business of company secretarial services and tax advisory services, respectively.

Later in 2012 she was appointed as an Independent Non-Executive Director of TPC Plus Berhad and sat as members Audit Committee and Nomination and Remuneration Committee which she subsequently resigned in 2015.

Followed with her resignation in 2015 in TPC Plus Berhad, she has been actively focusing on her own business consultancy business and accounting related training through her company known as CPL Consultancy Services Sdn Bhd which was incorporated in 2015.

In January 2020, she was awarded with fellow membership of CPA Australia. She currently sits as an Independent Non-Executive Director of VisDynamics Holdings Berhad, a company listed on the ACE Market of Bursa Securities, since 1 June 2022.

She does not have any family relationship with any of our Directors and/or major shareholders

## PROFILE OF DIRECTORS (CONT'D)



### GOH WEN LING

*Independent Non-Executive Director*



**Age**  
45



**Nationality**  
Malaysian



**Gender**  
Female

Goh Wen Ling is the Independent Non-Executive Director of our Company. She was appointed to our Board on 7 July 2022. She is also the Chairperson of the Remuneration Committee and the member of Audit and Risk Management Committee and Nomination Committee of the Company.

She has over 16 years of experience in the legal profession. Her specialisation includes advising public listed and private companies on direct real estate acquisition and divestments, retail banking and various aspects of financing, corporate and commercial legal practice.

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

Goh Wen Ling commenced her legal career with Messrs Shook Lin & Bok in 2002 as a legal associate in the intellectual property department where she gained experience in intellectual property laws. In 2003, she left the legal profession and started her own event management company, Aldrea Dream Media Sdn Bhd until September 2004.

In October 2004, Goh Wen Ling returned to legal practice and joined Messrs Andrew T.S. Goh & Khairil as a junior partner where she is now the Head of Conveyancing, Corporate and Banking department until present. She is appointed as an Independent Non-Executive Director of Leong Hup International Berhad, a company listed on the Main Market of Bursa Securities on 1 August 2018. She sits as a Chairperson of the Remuneration Committee and a member of the Audit and Risk Committee of Leong Hup International Berhad.

She also sits in Teo Seng Capital Berhad, a company listed on the Main Market of Bursa Securities as an Independent Non-Executive Director since 26 May 2022 and she is a Chairperson of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

On 1 September 2022, she was appointed as an independent Non-Executive Director of PCCS Group Berhad, a company listed on the Main Market of Bursa Securities. She is the Chairperson of the Remuneration Committee and a member of the Nomination Committee and Audit Committee in PCCS Group Berhad.

She does not have any family relationship with any of our Directors, major shareholders and/or key senior management.

## PROFILE OF KEY SENIOR MANAGEMENT

### WANG HEONG YING

*Financial Controller*



**Age**  
41



**Nationality**  
Malaysian



**Gender**  
Female

Wang Heong Ying, a Malaysian female aged 41, is our Financial Controller. She is responsible for our Group's financial reporting, treasury and all other finance related matters.

In 2006, she graduated from Multimedia University in Bachelor of Accounting (Hons). She is a member of Association of Chartered Certified Accountants since October 2012 and Chartered Accountant of the Malaysian Institute of Accountant since July 2013. In 2007, Wang Heong Ying began her career as an Associate in the Assurance Services Department in Ernst & Young. In 2008, she was promoted as a Senior Associate. During her tenure in Ernst & Young, she gained experience in conducting and leading fieldworks for audit engagement for international and local private and public listed companies. In February 2010, she left Ernst & Young as a Senior Associate and took a break before she joined Perfect Food Manufacturing (M) Sdn Bhd in June 2010 as an accountant where she was responsible for financial reporting and product costing by reporting to the senior finance manager of Perfect Food Manufacturing (M) Sdn Bhd.

In September 2013, she left Perfect Food Manufacturing (M) Sdn Bhd and joined Hatten Asset Management Sdn Bhd in October 2013 as an Account Manager where she was responsible for the financial reporting, treasury and corporate finance of Gold Mart Sdn Bhd, a company within Hatten Land Limited Group.

In September 2020, she left Gold Mart Sdn Bhd and joined Selia Selenggara Selatan Sdn Bhd in the same month as a Senior Finance Manager where she was responsible for financial reporting until March 2021.

In April 2021, she joined MBN Enterprise as a Finance Manager and was subsequently promoted to Financial Controller on 1 May 2022.

### KIEW PEI FANG

*Head of Production*



**Age**  
37



**Nationality**  
Malaysian



**Gender**  
Female

Kiew Pei Fang, a Malaysian female aged 37, is our Head of Production. She is responsible for overseeing and monitoring the daily operations of the sorting and grading department. She also helped in ensuring the quality of the sorted RUCEBN in compliance with our product specifications. She is responsible for providing training to the team members on the procedure for sorting and grading of the RUCEBN.

In 2005, Kiew Pei Fang obtained her Sijil Pelajaran Malaysia qualification and completed her secondary school at Sekolah Menengah Kebangsaan Tun Haji Abdul Malek (Melaka).

In September 2006, she began her career as a course instructor in a kindergarten school and continued to be a teacher for a period of 9 years until November 2015. In December 2015, she decided to join CVW Ventures as an operation executive to explore the bird's nest industry. During her tenure with CVW Ventures, she was involved in the process of sourcing, sorting, grading and packing of the RUCEBN, as well as dealing with the customers.

In April 2017, she left CVW Ventures and joined MBN Enterprise in May 2017, as an operation executive. On 2 January 2022, she was redesignated to Head of Production and she currently leads the production team that involves in the process of sorting and grading of RUCEBN.

## PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

### YONG WOON LING

*Compliance & Corporate Affairs Manager*



**Age**  
43



**Nationality**  
Malaysian



**Gender**  
Female

Yong Woon Ling, a Malaysian female aged 43, is our Compliance & Corporate Affairs Manager. She is responsible for our Group's Compliance and Corporate Affairs matters.

She holds Bachelor of Business Administration (Hons) and graduated from INTI College University in 2003.

Yong Woon Ling has more than 20 years experiences in administrative works including Personal Assistant ("PA"), Human Resource and Sales & Marketing. She has more than 8 years experiences as PA in Multinational Companies. She then changed her career path to join a reputable medical equipment distributor as Sales Executive and follow by Sales & Marketing Executive in a cable manufacturer.

After that she joined a property development company as Investment Assistant Manager prior to join MBN as Administrative Assistant Manager in July 2021. She was promoted to Compliance & Corporate Affairs Manager on 2 October 2023.

### Notes to Directors' and Key Senior Managements' Profile

#### 1. Family Relationships

Save for Liw Chong Liong and Lavernt Chen, none of the Directors and Key Senior Management have any family relationship with any Director and/or major shareholder of the Company.

#### 2. Conflict of Interest

None of the Directors and Key Senior Management have any personal interest/ conflict of interest/ potential conflict of interest, including interest in any competent business with the Company and the subsidiaries.

#### 3. Conviction of Offences

None of the Directors and Key Senior Management have been convicted for offences within the past five (5) years other than traffic offences or any public sanction or penalty imposed on him/ her by the relevant regulatory bodies during the financial year ended 31 December 2024.

#### 4. Attendance at Board Meetings

The details of attendance of the Directors at the Board Meeting are set out on page 39 of this Annual Report.

#### 5. Directors' shareholdings

The details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings on page 124 of this Annual Report.

#### 6. Directorships in Public Companies and Listed Issuers

Save for Dato' Dr. Rosini Binti Alias, Chin Peck Li and Goh Wen Ling, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.



# CHAIRMAN'S STATEMENT

*Dear Valued Shareholders,*



"On behalf of the Board of Directors ("**Board**"), I am pleased to present to you the Annual Report and Audited Financial Statements of MYMBN Berhad ("**MYMBN**" or "**Group**") for the financial year ended 31 December 2024 ("**FY2024**"). This year has been a transformational year for MYMBN Berhad, as we completed our first full year as a publicly listed company on the ACE Market of Bursa Malaysia. This pivotal transition period laid a strong foundation for future growth, with a focus on strategic expansion, market diversification, and operational enhancements to solidify our position as a leader in the edible bird's nest ("**EBN**") industry. While we faced short-term challenges, including regulatory shifts, economic uncertainties, and a temporary halt in exports to China, our resilience and strategic execution enabled us to weather these disruptions and emerge stronger. The resumption of exports to China, coupled with expansion into new regional markets and product segments, positions MYMBN for long-term, sustainable growth."

**Liw Chong Liong**

Non-Independent Non-Executive Chairman



## CHAIRMAN'S STATEMENT (CONT'D)

### ECONOMIC OVERVIEW

In 2024, both China and Malaysia recorded steady economic growth, with China's Gross Domestic Product ("GDP") expanding by 5.0% and Malaysia outpacing it at 5.1%. Despite this economic expansion, global market conditions remained challenging, with businesses across industries grappling with inflationary pressures, higher interest rates, and currency volatility. In addition, weaker global trade, geopolitical tensions, and regulatory uncertainties added to the complexity of the operating environment.

China's domestic consumption remained sluggish, with a slower-than-expected recovery in consumer spending. The Chinese economy faced structural challenges, including a weakened property sector and cautious consumer sentiment, which weighed on overall demand. However, government stimulus measures, industrial output, and strategic investments in technology and sustainability sectors helped sustain growth. Trade remained a key driver, with China continuing to rely on imports from Malaysia, particularly in semiconductors, palm oil, and health products.

Meanwhile, Southeast Asia saw moderate economic expansion, supported by rising demand, stronger regional trade, and a focus on economic diversification. Malaysia, in particular, outperformed expectations, with its stronger GDP growth driven by private consumption, export resilience, and investment in high-growth sectors such as electrical and electronics ("E&E"), digital economy, and green technology. The country's business-friendly policies, skilled workforce, and infrastructure development positioned it as a preferred investment destination, attracting significant foreign direct investment ("FDI").

For the EBN industry, these economic conditions presented a mixed landscape. China remains the world's largest EBN consumer, but softer demand, shifting consumer preferences, and regulatory challenges posed headwinds. In contrast, Malaysia and the broader ASEAN region provided opportunities for growth, diversification, and new product innovations.

### BUSINESS OVERVIEW

Despite external challenges, MYMBN remained resilient, focusing on strategic expansion, product diversification, and operational efficiency. While China continued to be MYMBN's largest revenue contributor, the weaker consumer sentiment, regulatory uncertainties, and temporary suspension of bird's nest exports has impacted our sales performance. These market conditions reinforced the importance of diversifying revenue streams and expanding into new markets and product categories.

### 1. Strengthening Regional Market Presence

MYMBN actively pursued a regional growth strategy, expanding its footprint in Southeast Asia to reduce dependency on China and capture emerging market demand. Malaysia's domestic consumption of health foods, including bird's nest, has been on an upward trend, fueled by greater awareness of its health benefits and a rising middle class willing to invest in premium wellness products.

Furthermore, the Halal-certified segment presented a new avenue for growth, particularly in Malaysia, Indonesia, and other Muslim-majority markets. MYMBN took proactive steps to tap into this segment, developing Halal-certified ready-to-drink ("RTD") bird's nest products in collaboration with a local contract manufacturer. This move aligns with the global shift towards convenient, high-quality health supplements and provides MYMBN with access to a broader consumer base beyond its traditional Chinese market.

Beyond Malaysia and Vietnam, other ASEAN nations also showed increasing demand for premium health products, offering MYMBN an opportunity to expand its international customer base. The Group remains focused on leveraging its supply chain efficiencies, regulatory compliance, and brand positioning to strengthen its competitive edge in these fast-growing markets.

### 2. Diversification into Raw Cleaned Edible Bird's Nest ("RCEBN") and High-Value Product Segments

To further strengthen its market position, MYMBN expanded its product portfolio beyond Raw Uncleaned Edible Bird's Nest ("RUCEBN") by venturing into the RCEBN segment. The acquisition of a 70% stake in Swallows House Enterprise Sdn. Bhd. ("SHESB"), following the signing of a share sale and purchase agreement on 24 January 2025, and completion on 19 March 2025, is a strategic move that enhances MYMBN's supply chain integration, allowing for greater control over processing capabilities and improved efficiency. This acquisition is expected to unlock new revenue opportunities, particularly in China and other international markets, where demand for high-quality RCEBN remains strong.

Additionally, MYMBN is expanding into Ready-to-Drink ("RTD") bird's nest products, aligning with evolving consumer preferences for convenience and premium health-focused nutrition. These value-added product offerings will help MYMBN capture higher margins, expand its retail presence, and cater to a younger, modern consumer demographic that prioritizes functional and easy-to-consume health supplements.

## CHAIRMAN'S STATEMENT (CONT'D)



### 3. Strengthening Operational and Supply Chain Capabilities

Throughout FYE2024, MYMBN continued to optimize its supply chain, enhance operational efficiencies, and implement cost management strategies. The Group focused on improving raw material sourcing, ensuring compliance with stringent food safety regulations, and maintaining its reputation for premium-quality products.

- **Resumption of Exports to China:** Following a temporary suspension on 25 December 2024, MYMBN worked closely with regulatory authorities to ensure full compliance with export requirements. The successful resumption of exports within one month from the temporary suspension on 17 January 2025 restored a critical revenue stream and reaffirmed MYMBN's commitment to regulatory excellence.
- **Enhanced Production Capabilities:** The integration of RCEBN processing facilities through SHESB and the expansion of in-house RTD production position MYMBN to scale operations and meet rising market demand.
- **Sustainability and Quality Assurance:** MYMBN maintained its HALAL, Good Manufacturing Practice ("GMP"), and Malaysian Food Safety and Quality System ("MeSTI") certifications, reinforcing consumer confidence and market competitiveness.

Despite these challenges, the long-term outlook for functional foods and health supplements remains strong, driven by growing consumer awareness of health and wellness. Demand in China and ASEAN is expected to continue rising, supported by an expanding middle class, increased disposable incomes, and a shift toward premium nutritional products. As health-conscious consumption trends gain momentum, MYMBN is well-positioned to capitalize on this trend, leveraging:

- New product innovations to cater to changing consumer preferences,
- Expansion into Halal-certified products, opening doors to new Muslim-majority markets,
- A diversified revenue base across ASEAN, reducing dependency on a single market, and
- Operational efficiencies and supply chain enhancements, improving cost structures and profitability.

With these strategies in place, MYMBN remains optimistic about its growth trajectory, ensuring sustainable long-term value for our stakeholders.

### APPRECIATION AND COMMITMENT

I would like to extend my deepest gratitude to our Board of Directors, management team, and employees for their dedication and commitment in navigating this transition year. Their unwavering efforts have been instrumental in executing our strategic initiatives and positioning MYMBN for future success.

To our shareholders, customers, and business partners, we appreciate your continued trust and support as we embark on this next phase of growth. With a solid foundation in place, clear strategic direction, and commitment to excellence, MYMBN is poised for continued expansion, innovation, and long-term value creation. We look forward to another year of progress and success together.

**Liw Chong Liong**  
Non-Independent Non-Executive Chairman

### ECONOMIC OUTLOOK

Looking ahead, global economic conditions remain uncertain, with ongoing inflationary pressures, fluctuating interest rate policies, and geopolitical tensions shaping the business landscape. The escalating trade tensions between the U.S. and China pose risks of a broader economic slowdown, which could temporarily dampen demand in the near term.

## MANAGEMENT DISCUSSION & ANALYSIS



The financial year ended 31 December 2024 (“FYE2024”) marked MYMBN Berhad’s (“MYMBN” or “Group”) first full year as a listed entity on the ACE Market of Bursa Malaysia Securities Berhad (“ACE Market”) following our initial public offering (“IPO”) in July 2023. As a pivotal transition phase, we focused on establishing a strong foundation for sustainable growth, leveraging our position to unlock new market opportunities. Despite temporary financial setbacks amid industry challenges, the Group remained steadfast in executing strategic initiatives to strengthen our supply chain, expand market reach, and enhance product diversification. Key investments, including the proposed acquisition of Swallows House Enterprise Sdn Bhd, the resumption of exports to China, and our expansion into local and ASEAN markets, are expected to drive long-term resilience. As we navigate an evolving economic landscape, these proactive measures position MYMBN for a stronger, more diversified, and future-ready business.”

### BUSINESS OVERVIEW

MYMBN is a leading player in the edible bird’s nest (“EBN”) industry, specializing in the processing and sale of Raw Uncleaned Edible Bird’s Nest (“RUCEBN”). EBN formed from the hardened saliva of swiftlets, has been prized for centuries, particularly in the Chinese community, for its health and medicinal benefits. It is widely consumed in soups, desserts, beverages, and even incorporated into skincare products due to its perceived ability to enhance immunity, vitality, and skin health.

Our end-to-end processing operations are conducted at our state-of-the-art facility in Taman Melaka Raya, Melaka, Malaysia. This in-house approach ensures strict quality control, traceability, and adherence to international food safety standards. MYMBN’s operations are backed by a comprehensive suite of industry-recognized certifications, reinforcing our commitment to delivering premium-quality products.

We source our raw bird’s nests exclusively from a network of approved suppliers across Malaysia, including swiftlet farmers, traders, and agents. Each supplier undergoes a rigorous evaluation process, assessing key criteria such as swiftlet house registration, product quality consistency, and adherence to sustainable farming practices. This stringent sourcing strategy not only guarantees the highest product integrity but also strengthens our position as a trusted supplier in the global bird’s nest market.

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### Strategic Expansion into New Product Categories

As part of our long-term growth strategy, MYMBN is expanding beyond traditional RUCBN processing to capture new market opportunities in higher-value product segments.

- **Expansion into Raw Cleaned Edible Bird's Nest ("RCEBN"):** We are investing in new processing capabilities to expand into RCEBN, catering to premium buyers and high-end consumer markets seeking ready-to-drink EBN products with minimal additional processing. This move enhances our value chain integration and positions MYMBN as a comprehensive EBN supplier. In line with this initiative, we have entered into a Sale and Purchase Agreement ("SPA") on 24 January 2025 to acquire Swallows House Enterprise Sdn Bhd ("SHESB"). The acquisition was completed on 19 March 2025, marking a significant step in our vertical integration strategy.
- **Entry into the Halal Ready-to-Drink ("RTD") Segments:** To broaden consumer appeal, MYMBN is developing RTD bird's nest products, targeting the growing health-conscious consumer base. These convenient, on-the-go solutions meet the demands of modern lifestyles and enable MYMBN to diversify its revenue streams beyond raw bird's nest sales.

Through continuous investment in quality, innovation, and product diversification, MYMBN remains committed to expanding its market reach and strengthening its position in the evolving edible bird's nest industry.

### Geographical Presence & Market Expansion

China remains MYMBN's primary market, driven by strong demand and its position as the world's largest consumer of edible bird's nest ("EBN"). Limited local production due to unsuitable farming conditions further reinforces the country's reliance on imports. Meanwhile, Malaysia and Vietnam serve as growing secondary markets, driven by rising demand from health-conscious consumers and an expanding middle class.

To diversify beyond China, MYMBN is expanding into ASEAN markets, where strong cultural ties to EBN consumption and rising affluence present significant growth opportunities. By leveraging export capabilities, regional partnerships, and ready-to-consume product expansion, MYMBN aims to strengthen its position as a leading EBN supplier across ASEAN and beyond.

### Challenges and Risks

As MYMBN continues to expand within the dynamic and competitive EBN industry, the Group faces several challenges and risks that could impact our operations, growth trajectory, and financial performance. Proactive risk management and strategic planning remain key to safeguarding our market leadership and ensuring long-term sustainability.

1. **Market Dependency and Concentration Risk:** China remains MYMBN's primary revenue driver, as the world's largest consumer of EBN. However, over-reliance on a single market poses significant risks. Economic downturns, regulatory shifts, changing consumer preferences, or geopolitical trade restrictions could disrupt market access and impact revenue streams. For example, on 25 December 2024, the Malaysian government temporarily halted bird's nest exports to China. While exports have since resumed on 17 January 2025, this event highlighted the vulnerability of single-market reliance. To mitigate this risk, MYMBN is accelerating diversification efforts by expanding into ASEAN markets, while also developing a new product segment such as RTD EBN to capture a broader consumer base.
2. **Supply Chain Vulnerabilities:** MYMBN relies on a network of approved suppliers for the RUCBN. Challenges such as fluctuations in supply due to environmental factors affecting swiftlet populations, changes in regulatory standards, or disruptions from political instability could pose risks. Additionally, any compromise in the quality of raw materials can affect product standards and company reputation. This risk could be managed through a multi-source supply chain strategy that ensure steady supply and quality control in its raw materials.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

3. **Regulatory and Compliance Risks:** As a player in the food industry, particularly in a niche and highly regulated sector like EBN, MYMBN is subject to strict regulatory requirements across different markets. Changes in health and safety standards, import-export regulations, or new certifications could impose additional operational costs and compliance burdens. Failing to meet these standards could lead to fines, restrictions, or a loss of crucial certifications like the HALAL certificate or the Good Manufacturing Practice (“**GMP**”) Certificate. In order to manage this risk, MYMBN regularly update compliance protocols and engage in proactive dialogue with regulatory bodies to stay ahead of changing regulations.
4. **Economic and Currency Fluctuations:** Being significantly reliant on exports, MYMBN is vulnerable to exchange rate volatility and economic conditions in its primary markets. Economic slowdowns, particularly in China and Vietnam, or adverse currency movements could negatively impact profitability and overall financial performance. Going forward, MYMBN will explore financial hedging strategies to buffer against foreign exchange volatility.

In conclusion, while MYMBN faces inherent challenges and risks in its pursuit of growth within the EBN industry, the management is actively implementing measures to mitigate these concerns. By diversifying market dependencies, strengthening supply chains, adhering to strict compliance measures, and safeguarding against economic shifts, MYMBN is positioning itself to maintain its resilience and secure its future success.

### Competitive Strengths

As MYMBN transitions into its first full year as a listed entity, the Group is leveraging its core strengths to build a strong foundation for long-term growth. This strategic transformation phase positions MYMBN to diversify its market reach, expand its product portfolio, and strengthen its operational resilience, ensuring that it remains a leading player in the global EBN industry.

#### 1. Experienced Leadership and Industry Expertise

MYMBN benefits from a highly experienced leadership team with deep expertise in the EBN industry, enabling the Group to:

- Navigate regulatory complexities and adapt to evolving trade policies,
- Identify emerging market opportunities and drive strategic expansion, and
- Enhance operational efficiencies and implement product innovations.

With a clear vision and strong governance, MYMBN is well-positioned to capture new growth opportunities and expand beyond its traditional markets.

#### 2. Commitment to Quality and Regulatory Compliance

MYMBN’s success is built on a strong reputation for product quality, underpinned by strict quality control measures and adherence to international food safety standards. Our processing facility in Taman Melaka Raya, Melaka, operates with industry-leading certifications, including:

- Veterinary Health Mark (“**VHM**”) Certificate from the Department of Veterinary Services (“**DVS**”),
- Good Manufacturing Practice (“**GMP**”) Certificate, and
- Malaysian Food Safety and Quality System (“**MeSTI**”) Certification from the Ministry of Health (“**MOH**”).

These certifications reinforce consumer confidence and provide a competitive advantage in highly regulated export markets, including China and ASEAN.

#### 3. Market Diversification and Expansion for Sustainable Growth

While China remains MYMBN’s primary market, the Group is actively pursuing market diversification to strengthen its revenue base. Key initiatives include:

- Expanding into broader ASEAN markets, tapping into the growing demand for premium health and wellness products.
- Enhancing domestic market penetration, capitalizing on increasing consumer awareness and demand for high-quality edible bird’s nest.
- Strengthening global trade partnerships, such as the Memorandum of Understanding (“**MoU**”) with Yan An Ju (Xiamen) Group on 12 September 2024, to secure new cross-border sales opportunities.

By reducing dependency on a single market, MYMBN is mitigating risks and positioning itself for sustainable, long-term revenue growth.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### 4. Expansion into HALAL Ready-to-Drink (RTD) and Value-Added Products

As part of its transition phase, MYMBN is broadening its product portfolio beyond traditional RUCBN. Investments in value-added product segments, such as RTD bird's nest products, mark a strategic shift toward capturing a wider consumer base.

- RTD products cater to the modern health-conscious consumer looking for convenience without compromising on nutrition.
- This move aligns with global wellness trends and enables MYMBN to penetrate new retail distribution channels, including supermarkets, pharmacies, and e-commerce platforms.
- The higher-margin, consumer-ready products enhances profitability and brand visibility in both domestic and international markets.

### 5. Strategic Supply Chain and Sustainable Sourcing

To support its growth initiatives, MYMBN is strengthening its supply chain resilience through:

- The proposed acquisition of a 70% stake in Swallows House Enterprise Sdn Bhd (“**SHESB**”) (“**70% Stake in SHESB**”) on 24 January 2025 (which was completed on 19 March 2025), reinforcing our sourcing capabilities and increasing processing efficiency.
- Sustainable and ethical sourcing practices, ensuring quality, consistency, and environmental responsibility.
- Multi-supplier strategies, mitigating risks associated with raw material shortages and regulatory disruptions.

### 6. Market Leadership and Strong Customer Relationships

MYMBN's approval from the General Administration of Customs of China (“**GACC**”) to export RUCBN to China in 2019 cemented its position as a pioneer in the Malaysian bird's nest industry. This first-mover advantage, coupled with strong customer relationships in key markets, reinforces MYMBN's competitive positioning.

Through strategic investments, market expansion, and product innovation, MYMBN is transforming itself from a traditional bird's nest supplier into a diversified, consumer-driven brand, ensuring long-term resilience and sustained growth.

## FINANCIAL PERFORMANCE ANALYSIS

FYE2024 marked a pivotal transition year for MYMBN, as the Group laid a strong foundation in its first full year as a listed entity. While navigating industry-wide challenges, MYMBN remained committed to strategic expansion, market diversification, and operational resilience. Despite short-term financial headwinds, the Group continues to reinforce its fundamentals, broaden revenue streams, and position itself for sustainable long-term growth.

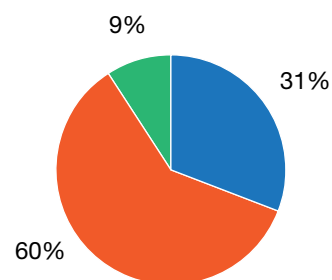
### Revenue Performance

For the FYE2024, MYMBN recorded a total revenue of RM64.57 million, compared to RM67.74 million in FYE2023. The slight decline was primarily due to:

- Lower demand from Vietnam and China, contributing to a decline in RUCBN sales. This was mitigated by the improve sales in the local market in Malaysia.
- Fluctuations in average selling prices, impacting gross margins.

Despite these challenges, China remains the Group's largest revenue contributor, followed by Malaysia and Vietnam.

The Group remains optimistic with the plan of regional expansion for both RUCBN and RUCBN segments as the bird nest industry across Asia remains active with China being the major market.



■ Malaysia ■ China ■ Vietnam

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### Profitability and Cost Management

MYMBN recorded a loss before tax ("**LBT**") of RM3.59 million in FYE2024, compared to a profit before tax ("**PBT**") of RM1.87 million in FYE2023. This was mainly attributed to:

- Lower gross profit margins due to market-driven price adjustments.
- Inventory write-downs amounting to RM1.26 million as part of prudent stock management.
- Impairment of an intangible asset valued at RM0.54 million.
- Increased administrative and operating costs, reflecting ongoing business expansion and regulatory compliance efforts.

While short-term profitability was impacted, the Group's cost-control measures and operational efficiencies remain a key focus. MYMBN is optimizing its supply chain, adjusting pricing strategies, and expanding into higher-margin products to enhance long-term financial performance.

### Balance Sheet and Liquidity

As of 31 December 2024, MYMBN maintained a solid financial position, with total assets amounting to RM38.37 million and total equity of RM32.55 million. The Group's cash and bank balances stood at RM6.57 million, complemented by fixed deposits of RM8.74 million, ensuring adequate liquidity for working capital requirements and expansion plans.

### Positioning for Sustainable Growth

Despite the near-term challenges, MYMBN's strategic transition phase has laid the groundwork for future growth. Key initiatives include:

- Diversification beyond China market, with expansion into ASEAN markets to mitigate market dependency risks.
- Entry into higher-value product segments, including RCEBN and RTD bird's nest products, tapping into premium consumer demand.
- The proposed acquisition of a 70% Stake in SHESB, strengthening supply chain control and processing capabilities.

Looking ahead, MYMBN remains optimistic about its growth trajectory, leveraging its market leadership, regulatory expertise, and product innovation to drive long-term value creation.

## OPERATIONAL OVERVIEW

During FYE2024, MYMBN undertook significant operational initiatives to strengthen its position in the EBN industry. The Group focused on expanding its product portfolio and geographic reach while navigating regulatory challenges and optimizing internal processes for greater efficiency.

Below is an overview of these operational highlights and how they position MYMBN for future growth.

### Strategic Acquisition for RCEBN Expansion

To diversify its product portfolio, MYMBN pursued a major acquisition during the year. In January 2025 (post-FYE2024), the Group entered into a Share Sale Agreement to acquire a 70% Stake in SHESB for a cash consideration of RM2.59 million on 24 January 2025. The acquisition was completed on 19 March 2025. SHESB is based in East Malaysia, and this strategic purchase will give MYMBN direct access to local raw cleaned edible bird's nest ("**RCEBN**") production in that region. By integrating in-house RCEBN processing capabilities, the company aims to broaden its offerings beyond raw unclean nests and unlock new revenue streams, further diversifying its business and reducing reliance on third-party processors.

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### Export Developments: Suspension & Resumption of Exports to China

Exports to China form a major part of MYMBN's business, so regulatory changes in this market had significant operational implications in FYE2024. On 25 December 2024, Malaysia's DVS imposed an industry-wide temporary suspension on exports of edible bird's nest products to China due to an outbreak of Newcastle Disease Virus in the country ("**Temporary Suspension**"). This suspension briefly disrupted MYMBN's supply chain and revenue from its largest market, although the Board assessed that the immediate financial impact was not material at that juncture. By 17 January 2025, the DVS announced the resumption of exports for both RCEBN and RUCEBN to China within 1 month from the Temporary Suspension, allowing MYMBN to promptly restore its export operations. The quick lifting of the ban limited the interruption and underscored the importance of regulatory compliance and agility in managing export continuity.

### Supply Chain & Production Enhancements

Throughout 2024, MYMBN strengthened its supply chain and internal production capabilities to support growth. The company emphasizes sustainable and ethical sourcing: it procures raw nests from approved swiftlet house operators who meet strict criteria (including Malaysian Good Agricultural Practice certification), ensuring traceable and safe raw materials. MYMBN has also built an extensive supplier network of farmers, traders, and agents across Malaysia, which secures a consistent supply of raw unclean edible bird's nests and minimizes disruption risks. Among some of the initiative undertaken during the financial year include the MoU entered into with Yan An Ju (Xiamen) Group in China on 12 September 2024, as part of the Group's long-term trade partnerships.

On the production side, the Group expanded its in-house processing capacity for RCEBN through strategic acquisitions. In 2023, it acquired an 80% stake in Guangxi Nan Yang Birdnest (M) Co. Ltd., enabling MYMBN to process raw-cleaned nests internally; integration of this RCEBN capability began in the first half of 2024 as a new manufacturing stream. These moves reduce reliance on third-party processors and improve operational control over product quality. Additionally, management implemented cost-control measures and process optimizations to boost efficiency, which helped offset rising input costs amid inflationary pressures. Collectively, these enhancements in sourcing and production have improved MYMBN's operational efficiency and readiness to meet demand growth.

### Market Expansion & Diversification in Malaysia, Vietnam, and ASEAN

MYMBN actively diversified its markets and product range in FYE2024, reducing reliance on any single region. In Malaysia, the Group prepared to launch value-added consumer products to broaden its local and regional appeal. It ventured into Halal-certified RTD bird's nest products – an innovative step aligned with evolving consumer demand for convenient health foods. These new RTD offerings, produced via local contract manufacturer under MYMBN's in-house brand, aim to attract younger and health-conscious consumers while tapping into the growing functional beverage market. This move into branded consumer products not only creates a new revenue segment but also leverages MYMBN's strong quality reputation (with Halal certification) to capture a broader customer base.

Beyond Malaysia, MYMBN continues to explore opportunities in other Southeast Asian markets, as the EBN industry remains active and robust across the region. These regional growth initiatives position the Group to capture emerging demand in ASEAN and reduce its exposure to any single country's market fluctuations.

By strengthening its supply chain, spreading market exposure, and maintaining strict compliance, the Group has reinforced its operational resilience. These efforts position MYMBN to withstand economic uncertainties and regulatory shifts, securing its future growth trajectory in the dynamic edible bird's nest industry.

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PROSPECTS AND FUTURE OUTLOOK

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MYMBN is positioned for long-term growth, supported by product diversification, regional expansion, and rising demand for health-conscious products. While the Chinese market remains challenging, it continues to be the Group's major revenue contributor, and the broader bird's nest industry across Asia remains active. The Group is closely monitoring interest rates, foreign exchange fluctuations, global developments in the bird's nest industry, and economic trends to mitigate risks and adapt to market changes.

As part of its regional expansion strategy, MYMBN is strengthening its RCEBN and RUCBN segments, with a key focus on gaining direct access to RCEBN production in East Malaysia and other international markets. This initiative is expected to commence in the first half of 2025, unlocking new revenue opportunities and enhancing the Group's market position. The proposed acquisition of a 70% Stake in SHESB on 24 January 2025 (acquisition was completed on 19 March 2025) further supports this strategy, reinforcing supply chain resilience and processing capabilities.

The rising demand for natural health products, particularly among health-conscious Chinese consumers, presents strong growth opportunities for MYMBN's RTD bird's nest products. Consumers are increasingly seeking convenient, high-quality nutritional solutions, and MYMBN is well-positioned to capture this trend through its in-house brand.

At the same time, MYMBN is expanding its market reach by tapping into the Halal-certified segment, creating new opportunities in Muslim-majority markets. The Group has engaged with a local contract manufacturer to launch Halal RTD bird's nest products, improving brand awareness and positioning among a wider consumer base. With increased awareness of Halal certification as a mark of quality, this initiative provides a strategic avenue for new market penetration.

With strategic diversification, operational efficiency, and proactive market monitoring, MYMBN is well-positioned to capture emerging opportunities, mitigate risks, and drive long-term sustainable growth in the global edible bird's nest industry.

### ACKNOWLEDGEMENTS

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At this juncture, I would like to express my deepest appreciation to the dedicated management team and Board of Directors at MYMBN. Their unwavering commitment, strategic foresight, and tireless efforts have been instrumental in navigating the challenges and opportunities of the past year. I also extend my sincere gratitude to our shareholders, clients, and business partners, whose continued trust and support have been the driving force behind our progress.

FYE2024 marked a pivotal transition year for MYMBN, as we laid the foundation for the Group's next phase of growth and market diversification. Our first full year as a listed entity on the ACE Market of Bursa Securities has reinforced our position in the industry, allowing us to accelerate regional expansion, enhance our product portfolio, and strengthen our supply chain capabilities. Key milestones such as the resumption of exports to China, and the expansion into RTD, have positioned MYMBN for long-term sustainability and market leadership.

Looking ahead, we are entering an exciting phase of growth, supported by a diversified product strategy, regional market penetration, and a commitment to operational excellence. With rising demand for premium health and wellness products, MYMBN is well-equipped to capitalize on emerging opportunities while maintaining the highest standards of quality and compliance.

As we embark on this journey, I remain confident in our shared vision and collective ambition to propel MYMBN forward. With a strong foundation now in place, we are poised for sustained expansion, innovation, and value creation for all our stakeholders.

# SUSTAINABILITY STATEMENT

In our first full year as a public-listed company, MYMBN Berhad (“**MYMBN**” or “**Group**”) is pleased to present our Sustainability Statement (“**Statement**”) for the financial year ended 31 December 2024 (“**FYE2024**”). This statement underscores our ongoing journey towards integrating Environmental, Social, and Governance (“**ESG**”) principles into our business operations.

## Our Commitment to Sustainability

Guided by our core principles — **Mindfulness, Yield, Management, Balance, and Nurturance** — we continue to embed sustainability into our strategic growth. These principles steer our actions, ensuring responsible decision-making and long-term value creation.

As we strive to become the **No. 1 Bird’s Nest company in Malaysia**, offering high-quality products at competitive prices, sustainability remains a key pillar in our growth strategy. We are dedicated to further enhancing the transparency and depth of our sustainability disclosures, reinforcing our commitment to all stakeholders.

This report highlights our progress in sustainability for FYE2024, demonstrating our efforts to refine our ESG strategies and strengthen governance. While this statement provides an overview of our achievements, we remain steadfast in our commitment to continuous improvement and meaningful engagement with our stakeholders.

## Reporting Standards

Our Sustainability Statement is prepared in accordance with:

- Global Reporting Initiative (“**GRI**”) Standards
- The Sustainability Reporting Guide issued by Bursa Malaysia
- The United Nations Sustainable Development Goals (“**UN SDGs**”)
- MYMBN’s Sustainability Framework

Our framework serves as a structured approach to guiding sustainability initiatives, ensuring alignment with international best practices and regulatory expectations. This sustainability framework and governance will outline a clear roadmap that leads to our sustainability objectives.

## Report Scope and Boundary

This Sustainability Statement covers MYMBN’s sustainability efforts for FYE2024, focusing on our economic, environmental, and social impact. Our report is based on internal reporting mechanisms, data systems, and recorded documentation, reflecting our commitment to responsible business practices.

Building on our initial sustainability foundation, we aim to broaden and deepen our ESG integration across our operations and extended value chain. Moving forward, MYMBN will enhance its sustainability disclosures, including greater engagement with business partners, suppliers, and contractors, to foster an ecosystem of shared responsibility. Future reports will also highlight the ESG contributions of our value chain partners, reinforcing a collective commitment to sustainability.

We remain committed to advancing our sustainability journey, ensuring that our business remains resilient, responsible, and aligned with the expectations of our stakeholders.

## OUR SUSTAINABILITY APPROACH

### Sustainability Governance





## SUSTAINABILITY STATEMENT (CONT'D)

### OUR SUSTAINABILITY APPROACH (CONT'D)

#### Sustainability Governance (Cont'd)

Strong governance is the foundation of MYMBN sustainability strategy. We are committed to upholding the highest ethical standards, ensuring full compliance with all relevant laws and regulations, and maintaining accountability in every aspect of our operations.

Our governance framework is designed to proactively identify, assess, and manage ESG-related risks and opportunities, driving sustainable growth and long-term value creation.

#### Governance Structure and Oversight

The **Board of Directors ("the Board")** plays a pivotal role in overseeing and shaping MYMBN's sustainability strategy. Recognising the critical importance of ESG integration, the Board has established a governance structure tailored to the Group's unique culture, operational requirements, and sustainability maturity level. This framework empowers both the Board and Management to effectively monitor, manage, and drive progress on key sustainability issues.

To strengthen our sustainability governance, we have implemented a Sustainability Policy that:

- **Integrates sustainability principles** into daily business operations
- **Enhances long-term stakeholder value** through responsible business practices
- **Mitigates environmental and social risks** while maximising positive impacts
- **Promotes ethical and transparent decision-making** across the organisation

The **Senior Management team, led by the Chief Executive Officer (CEO)**, is responsible for implementing sustainability strategies and overseeing ESG-related initiatives. This team, which includes Executive Directors and senior managers, is tasked with:

- Identifying and mitigating ESG risks and opportunities
- Engaging with stakeholders to ensure alignment with their expectations and concerns
- Conducting materiality assessments to prioritise significant sustainability issues
- Executing sustainability initiatives that align with MYMBN's long-term business objectives

#### Sustainability Reporting and Transparency

We are committed to transparent and comprehensive sustainability reporting. The Management team prepares and presents detailed sustainability reports to the Board for evaluation and endorsement, ensuring compliance with regulatory requirements and international best practices.

By continually refining our governance processes and strengthening ESG oversight, MYMBN remains dedicated to cultivating a sustainable, responsible, and resilient business that benefits stakeholders, communities, and the environment.

#### Sustainability Development Framework

As MYMBN embarks on its next phase of growth as a public-listed entity, we are committed to embedding sustainability at the core of our business. Our Sustainability Development Framework outlines our strategic approach, guiding our initiatives across economic, environmental, social, and governance aspects.

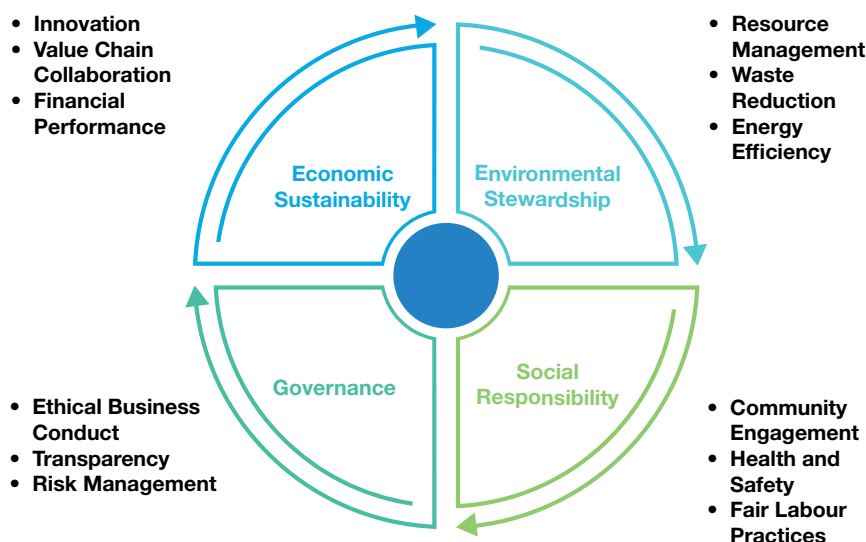
**Vision:** To be the leading producer of high-quality bird's nest products in Malaysia, recognized for our commitment to sustainability in every aspect of our business.

**Mission:** To deliver the highest quality products to our customers, offer the best value to our suppliers, provide a rewarding and sustainable career for our employees, and ensure a profitable return for our shareholders, all while maintaining a firm commitment to environmental stewardship and social responsibility.

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR SUSTAINABILITY APPROACH (CONT'D)

#### Sustainability Development Framework (Cont'd)



#### Sustainability Pillars

##### 1. Economic Sustainability:

- **Innovation:** To innovate and improve our products, processes, and services continually.
- **Value Chain Collaboration:** Work collaboratively with suppliers and partners to enhance the sustainability of the entire value chain.
- **Financial Performance:** Focus on achieving strong financial performance as the foundation for sustainable growth and stakeholder returns.

##### 2. Environmental Stewardship:

- **Resource Management:** Develop and implement efficient use of natural resources, focusing on sustainable practices within our Group's operations.
- **Waste Reduction:** Strive for minimal waste production through innovative recycling and upcycling initiatives.
- **Energy Efficiency:** Invest in energy-efficient technologies and processes to reduce our carbon footprint.

##### 3. Social Responsibility:

- **Community Engagement:** Engage with local communities to ensure that our business operations contribute positively to their wellbeing.
- **Health and Safety:** Provide a safe and healthy working environment for all employees, with regular training and awareness programs.
- **Fair Labor Practices:** Adhere to fair labor practices, ensuring that all employees are treated with respect and provided with fair wages and opportunities for advancement.

##### 4. Governance:

- **Ethical Business Conduct:** Maintain high ethical standards in all business dealings and ensure compliance with all relevant laws and regulations.
- **Transparency:** Uphold transparency in our operations and communications with stakeholders.
- **Risk Management:** Identify, assess, and manage potential risks related to ESG factors, ensuring the resilience and longevity of our business.

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR SUSTAINABILITY APPROACH (CONT'D)

#### Alignment with United Nations Sustainable Development Goals (UN SDGs)

MYMBN actively supports national and global sustainability initiatives, aligning our business practices with the UN SDGs.

For FYE2024, we remain committed to contributing to the following key UN SDGs relevant to our industry:

#### Goal 3 – Good Health and Well-being

MYMBN ensures a safe and healthy work environment through workplace safety training and audits.

#### Goal 5 – Gender Equality

We advocate for gender equality and empower women and girls by ensuring equal opportunities for leadership, employment, and growth within our organisation.

#### Goal 7 – Affordable and Clean Energy

Investing in renewable energy and enhancing energy efficiency across our operations, we support the transition towards affordable, reliable, and clean energy solutions.

#### Goal 8 - Decent Work and Economic Growth

MYMBN adopts UN SDG 8 by promoting inclusive economic growth through job creation, fair compensation, and empowering marginalized communities including women and persons with disabilities.

#### Goal 9 – Industry, Innovation and Infrastructure

MYMBN drives product innovation to enhance quality, efficiency, and competitiveness.

#### Goal 11 – Sustainable Cities and Communities

Our community engagement programs and sustainable development projects aim to improve urban living conditions, promoting inclusive, safe, resilient, and sustainable cities and communities.

#### Goal 12 – Responsible Consumption and Production

Our operations prioritize sustainable harvesting and ethical sourcing to minimize environmental impacts, championing responsible consumption and production throughout our business model.

#### Goal 13 – Climate Action

We are committed to reducing our carbon footprint through energy-efficient processes, sustainable resource management, and initiatives aimed at combating climate change.

#### Goal 16 – Peace, Justice, and Strong Institutions

Our commitment to ethical business practices, transparency, and accountability underpins our support for peaceful societies, justice for all, and the development of strong, inclusive institutions.

#### Goal 17 – Partnerships for the Goals

Recognizing the power of collaboration, we engage in partnerships across sectors to achieve the Sustainable Development Goals, leveraging collective action for broader impact.

In aligning with these goals, MYMBN demonstrates its dedication to integrating sustainable practices across all facets of our business, contributing positively to the broader goals of the UN SDGs and ensuring a healthier planet for future generations.

SUSTAINABILITY STATEMENT  
(CONT'D)

IMPLEMENTATION OF SUSTAINABILITY INITIATIVES

To actualize the sustainability practices outlined in our Sustainability Development Framework, MYMBN has established a structured implementation strategy. This approach ensures that ESG principles are deeply embedded into our corporate ethos, operations, and decision-making processes.

At the heart of this strategy is a dedicated Sustainability Committee, responsible for steering MYMBN’s sustainability agenda, tracking progress, and ensuring alignment with our long-term ESG goals. This, combined with continuous employee engagement and transparent stakeholder communication, reinforces our commitment to sustainability as a core business driver.

Key Implementation Pillars

Implementation Pillar	Key Responsibilities
Employee Training and Engagement	Educates employees on sustainability principles, ESG risks, and best practices to foster a sustainability-driven culture.
Transparent and Regular Sustainability Reporting	Provides regular sustainability reports to stakeholders, ensures compliance with global reporting standards, and maintains transparency.
Continuous Improvement & Best Practices	Seeks stakeholder feedback, benchmarks against best practices, and adapts to emerging ESG trends and regulatory shifts.
Commitment to Sustainable Growth	Balances economic growth with environmental and social responsibility, ensuring governance integrity and ethical business practices.

1. Employee Training and Engagement

Sustainability is a collective responsibility, and MYMBN is committed to cultivating a culture where every employee understands their role in driving positive impact. Our comprehensive training programs aim to:

- Educate employees on sustainability principles, ESG risks, and best practices.
- Equip teams with the knowledge and skills needed to implement sustainability initiatives.
- Foster a sense of ownership and responsibility for MYMBN’s sustainability goals.

2. Transparent and Regular Sustainability Reporting

MYMBN believes that transparency and accountability are crucial in achieving sustainability excellence. We are committed to:

- Providing regular sustainability reports to stakeholders, detailing progress, challenges, and key achievements.
- Aligning our disclosures with global sustainability reporting standards, ensuring credibility and comparability.
- Engaging in open dialogue with investors, regulators, customers, and suppliers to enhance trust and collaboration.

3. Continuous Improvement & Best Practices

Our sustainability journey is one of constant evolution and refinement. To ensure we remain at the forefront of industry sustainability standards, we actively:

- Seek stakeholder feedback to refine and improve our sustainability approach.
- Benchmark against global best practices to drive continuous performance enhancements.
- Adapt to emerging ESG trends, regulatory shifts, and technological advancements to strengthen long-term resilience.

## SUSTAINABILITY STATEMENT (CONT'D)

### IMPLEMENTATION OF SUSTAINABILITY INITIATIVES (CONT'D)

#### Key Implementation Pillars (Cont'd)

#### 4. Commitment to Sustainable Growth

Sustainability is not just a goal—it's an integral part of MYMBN's business strategy. Through our structured implementation approach, we strive to:

- Balance economic growth with environmental and social responsibility.
- Maintain governance integrity and ethical business practices.
- Ensure that sustainability remains a key pillar of our long-term strategic direction.

### STAKEHOLDER ENGAGEMENT

At MYMBN, we recognize that stakeholder engagement is fundamental to the success of our sustainability initiatives. Proactive dialogue and collaboration enable us to identify key sustainability priorities, address concerns, and develop strategies that create long-term shared value.

Our engagement process is designed to enhance transparency, foster mutual understanding, and drive collective action towards sustainability objectives. Given the unique sensitivities of the edible bird's nest ("**EBN**") industry—which involves product integrity, environmental impact, and cultural considerations—meaningful engagement with stakeholders is particularly vital.

#### Stakeholder Engagement Strategy

#### 1. Purposeful Engagement

We actively engage with stakeholders through both formal and informal channels to:

- Understand emerging sustainability concerns and expectations.
- Co-develop solutions that align with ESG priorities and business needs.
- Strengthen relationships and trust across the value chain.

#### 2. Ongoing Stakeholder Dialogue

During FYE2024, MYMBN continued to engage with key stakeholders to address sustainability challenges and opportunities. These interactions reinforced our commitment to responsible business practices, product quality, and long-term sustainability.

Below is a structured summary of stakeholder engagement activities, the key focus areas identified, and the actions taken in response to stakeholder interests:

Stakeholder Group	Focus Areas	Engagement Channels	Frequency
<b>Customers</b>	Product quality, nutritional value, ethical sourcing, sustainable packaging	Customer feedback surveys, focus groups, product transparency reports	Ongoing feedback, semi-annual surveys
<b>Employees</b>	Career growth, workplace safety, ESG training, diversity and inclusion	Performance reviews, ESG training programs, workplace culture surveys	Annual reviews
<b>Suppliers</b>	Sustainable sourcing, fair trade, ethical labor practices, supply chain resilience	Supplier sustainability audits, partnership evaluations, compliance reviews	Annual supplier evaluations



SUSTAINABILITY STATEMENT  
(CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Engagement Strategy (Cont'd)

2. Ongoing Stakeholder Dialogue (Cont'd)

Below is a structured summary of stakeholder engagement activities, the key focus areas identified, and the actions taken in response to stakeholder interests: (cont'd)

Stakeholder Group	Focus Areas	Engagement Channels	Frequency
Regulatory Bodies	Food safety standards, export compliance, ESG regulatory reporting	Regulatory consultations, industry compliance reports, policy discussions	As required by law, minimum annually
Community	Environmental impact, social contribution, economic empowerment, cultural sensitivity	Community engagement initiatives, educational workshops, CSR programs	Bi-annual community programs, continuous engagement
Investors	Financial health, governance best practices, sustainability-linked investments	Annual General Meetings (AGMs), investor roadshows, sustainability reports	Annual AGMs, quarterly investor updates
Industry Associations	Market trends, sustainability innovation, collective impact, regulatory advocacy	Industry conferences, collaborative sustainability projects, association forums	Annual conferences, strategic project-based meetings

3. Strengthening Stakeholder Collaboration

Moving forward, MYMBN will continue to:

- **Enhance communication and engagement** with stakeholders across the value chain.
- **Address stakeholder concerns proactively**, ensuring alignment with ESG objectives.
- **Integrate stakeholder insights** into our sustainability strategies, fostering shared value creation.



## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY PERFORMANCE, TARGETS AND INITIATIVES

Here is a detailed sustainability performance table for MYMBN, breaking down the performance across the specific areas of focus within the four pillars of Economic Sustainability, Environmental Stewardship, Social Responsibility, and Governance:

Sustainability Pillar	Focus Area	Performance	Targets	Initiatives	Linked UN SDG
<b>Economic Sustainability</b>	Innovation	Advanced product innovation achieved	Enhance product quality and efficiency	Innovative product development	Goal 9: Industry, Innovation, and Infrastructure
	Value Chain Collaboration	Strengthened value chain sustainability	Improve sustainability practices among suppliers	Sustainable supplier selection; Collaborative sustainability projects	Goal 12: Responsible Consumption and Production
	Financial Performance	Consistent financial growth	Increase profitability and market share	Market expansion; Diversification strategies	Goal 8: Decent Work and Economic Growth
<b>Environmental Stewardship</b>	Resource Management	Effective resource use and conservation	Reduce resource consumption	Resource efficiency programs	Goal 12: Responsible Consumption and Production
	Waste Reduction	Significant waste reduction achieved	Minimize waste generation	Recycling and upcycling initiatives; Waste management policies	Goal 13: Climate Action
	Energy Efficiency	Improved energy efficiency	Lower energy consumption and carbon footprint	Energy-efficient technologies; Process optimization	Goal 7: Affordable and Clean Energy
<b>Social Responsibility</b>	Community Engagement	Positive impact on local communities	Enhance community well-being and support	Community health programs; Educational outreach	Goal 11: Sustainable Cities and Communities
	Health and Safety	High standards of workplace health and safety	Ensure a safe and healthy work environment	Health and safety training; Regular safety audits	Goal 3: Good Health and Well-being
	Fair Labor Practices	Strong adherence to fair labor practices	Promote fairness and equality in the workplace	Fair compensation policies; Career advancement opportunities	Goal 5: Gender Equality
<b>Governance</b>	Ethical Business Conduct	High level of ethical integrity maintained	Zero tolerance for unethical behavior	Ethics training programs; Compliance monitoring	Goal 16: Peace, Justice, and Strong Institutions
	Transparency	Enhanced transparency with stakeholders	Improve stakeholder communication and reporting	Regular sustainability reporting; Stakeholder engagement sessions	Goal 17: Partnerships for the Goals
	Risk Management	Effective ESG risk management	Identify and mitigate ESG-related risks	Risk assessment processes; Mitigation strategies	Goal 13: Climate Action

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY PERFORMANCE, TARGETS AND INITIATIVES (CONT'D)

#### Economic Sustainability

##### 1) Innovation (Goal 9 – Industry, Innovation, and Infrastructure)

MYMBN continues to drive innovation in the bird's nest industry, focusing on enhancing product quality, efficiency, and sustainability. The Group is expanding into HALAL ready-to-drink ("RTD") bird's nest products, catering to evolving consumer preferences while maintaining high nutritional and environmental standards.

##### 2) Value Chain Collaboration (Goal 12 – Responsible Consumption and Production)

To strengthen supply chain resilience, MYMBN is diversifying its supplier base across Malaysia, ensuring ethical sourcing and responsible production. While sustainability initiatives within the value chain are still in progress, the focus remains on mitigating risks, minimizing environmental impact, and promoting responsible supplier practices. These steps lay the foundation for a more sustainable and transparent supply chain.

##### 3) Financial Performance (Goal 8 – Decent Work and Economic Growth)

MYMBN's strategic market expansion, including ventures into Vietnam and other ASEAN markets, has strengthened its revenue base while creating new employment opportunities. The Group's exclusive export rights to China further reinforce financial stability. By balancing market diversification, ethical sourcing, and innovation, MYMBN is ensuring long-term business resilience and sustainable economic growth.

#### Environmental Stewardship

##### 1) Resource Management (Goal 12 – Responsible Consumption and Production)

MYMBN is committed to sustainable farming practices for bird's nest harvesting, optimizing resource efficiency and conservation. The implementation of a traceability system ensures supply chain transparency, allowing for responsible management of raw materials while reducing environmental impact.

##### 2) Waste Reduction (Goal 13 – Climate Action)

The Group has intensified efforts to minimize waste through recycling, upcycling, and sustainable processing. MYMBN's subsidiary, MBN Enterprise Sdn. Bhd., utilizes advanced processing techniques to ensure efficient use of raw materials while reducing waste throughout the supply chain.

##### 3) Energy Efficiency (Goal 7 – Affordable and Clean Energy)

MYMBN also reduces energy consumption by integrating energy-efficient technologies and optimizing production processes. The adoption of low-energy processing equipment and renewable energy sources further aligns with the Group's commitment to environmental sustainability.

#### Social Responsibility

##### 1) Community Engagement (Goal 11 – Sustainable Cities and Communities)

At MYMBN, our commitment to community development goes beyond business. We actively support a wide range of initiatives aimed at enhancing public health, promoting nutritional education, and raising awareness on sustainability. Through strategic collaborations with local institutions and community centers, we strive to cultivate a culture of responsible production, environmental stewardship, and long-term sustainability.

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY PERFORMANCE, TARGETS AND INITIATIVES (CONT'D)

#### Social Responsibility (Cont'd)

##### 1) Community Engagement (Goal 11 – Sustainable Cities and Communities) (Cont'd)

In line with our values, MYMBN organized and participated in several impactful community outreach programs during the year, including:

###### 1. Bubur Lambuk Distribution – Ramadan 2024

In the spirit of giving during the holy month of Ramadan, MYMBN distributed *Bubur Lambuk*, a traditional porridge, to the local community. This annual event not only celebrates cultural heritage but also fosters togetherness and compassion among our employees and the community.

###### 2. CSR Visit and Donation to The National Autism Society of Malaysia (NASOM)

As part of our efforts to support inclusivity and awareness for individuals with autism, MYMBN visited NASOM and made a meaningful contribution to support their ongoing programs. The visit provided an opportunity to better understand the needs of the center and reaffirm our commitment to inclusive community support.

###### 3. Blood Donation Drive

In collaboration with local healthcare providers, MYMBN organized a blood donation campaign to encourage employees and the public to contribute to this life-saving cause. The initiative helped bolster national blood bank supplies while promoting the value of health and community service.

###### 4. Turtle Conservation & Information Center, Melaka

Our team visited the Turtle Conservation and Information Center in Melaka to support marine conservation efforts. The program included educational sessions on turtle protection and beach clean-up activities to support the center's ongoing conservation work.

###### 5. Recycling Campaign 2024

In promoting sustainability within and beyond the workplace, MYMBN launched a Recycling Campaign to encourage proper waste segregation and recycling habits. The initiative included awareness talks, internal recycling drives, and collaboration with recycling partners to ensure responsible waste disposal.

###### 6. Donation to Pusat Pemulihan Dalam Komuniti (PPDK) Bukit Baru

MYMBN extended support to PPDK Bukit Baru, a community-based rehabilitation center that provides essential services to individuals with disabilities. Our donation aimed to enhance the center's resources and facilities, helping improve the quality of life for its beneficiaries.

###### 7. Donation to UOB Heartbeat Run Fundraiser

As part of our broader support for health-related causes, MYMBN contributed to the UOB Heartbeat Run, a fundraising event aimed at supporting underprivileged children and communities in need.

###### 8. Visit and Contribution to Pusat Jagaan Kasih Sayang Suryaa

MYMBN employees visited Pusat Jagaan Kasih Sayang Suryaa, a home that provides care for the elderly and individuals with special needs. In addition to donations, our team spent time interacting with residents, reflecting our belief in compassion and personal engagement.

Through these initiatives, MYMBN continues to strengthen its role as a responsible corporate citizen, fostering meaningful relationships and making a positive difference in the communities where we operate.

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY PERFORMANCE, TARGETS AND INITIATIVES (CONT'D)

#### Social Responsibility (Cont'd)

##### 2) Health and Safety (Goal 3 – Good Health and Well-being)

Employee safety and well-being are top priorities. MYMBN has implemented a comprehensive health and safety program, including regular training, safety audits, and risk mitigation strategies. Industry-leading safety standards ensure a safe and productive work environment. Notably, for FYE2024, MYMBN recorded zero accidents on the production floor—a testament to the effectiveness of its safety measures.

##### 3) Fair Labor Practices (Goal 5 – Gender Equality)

MYMBN upholds fair compensation policies and equal career advancement opportunities to foster an inclusive and diverse workplace. By ensuring equal treatment and opportunities, the Group is committed to building a motivated and empowered workforce. As of FYE2024, over 80% of MYMBN's employees are women, and the company achieved 9.6% representation of Persons with Disabilities (OKU), close to its 10% target. Female representation is also strong at the leadership level, with over 60% of the Board comprising female directors and 80% of the senior management team made up of women.

#### Governance

##### 1) Ethical Business Conduct (Goal 16 – Peace, Justice, and Strong Institutions)

MYMBN enforces a zero-tolerance policy on unethical behavior, ensuring strict compliance with governance standards. Regular ethics training and monitoring programs reinforce a culture of integrity and accountability across the organization.

##### 2) Transparency (Goal 17 – Partnerships for the Goals)

The Group prioritizes open communication and stakeholder engagement, publishing sustainability disclosures and ESG reports to enhance corporate transparency and trust.

##### 3) Risk Management (Goal 13 – Climate Action)

MYMBN has adopted proactive ESG risk management strategies, incorporating detailed risk assessments and mitigation frameworks to ensure business continuity and environmental responsibility.

#### MYMBN's Sustainable Journey Forward

As MYMBN progresses into FYE2024, we are strengthening our commitment to sustainability, taking bold steps to further embed ESG principles into every aspect of our operations. This year represents a pivotal moment as we transition from setting ESG targets to actively implementing and refining our sustainability strategies.

Building on the insights gained from our ESG performance data, we have identified key focus areas for improvement, ensuring that our efforts are both impactful and measurable. Our approach is not just about compliance—it is about creating meaningful change, fostering resilience in our business model, and positioning MYMBN as a leader in sustainable and responsible business practices.

Looking ahead, FYE2024 marks a period of action and progress. We are deepening our engagement with stakeholders, enhancing sustainable sourcing, reducing our environmental footprint, and reinforcing corporate governance. By aligning our business with global sustainability goals, we are not only elevating operational performance but also reinforcing our position as a trusted industry leader in ethical, responsible, and sustainable practices.

At MYMBN, sustainability is not just a goal—it is a core business philosophy that guides our growth. As we move forward, we remain committed to driving positive impact, ensuring that our legacy is one of integrity, innovation, and environmental stewardship.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**the Board**”) recognises the importance of adopting the Principles and Recommendations as set out in the Malaysian Code on Corporate Governance (“**MCCG**”), 4th Edition of Corporate Governance Guide issued by Bursa Malaysia Securities Berhad (“**Bursa Securities**”), and the ACE Market Listing Requirements (“**AMLR**”) of Bursa Securities and is fully committed in ensuring that the highest standards of corporate governance is observed and practised throughout the organisation to build sustainable business growth, safeguard the interest of shareholders, enhance shareholders’ value and protect stakeholders’ interest.

In the attainment of this purpose, the Board is pleased to outline how the Principles of the MCCG have been applied in MYMBN Berhad and its subsidiaries (“**the Group**”) during the financial year and the extent of compliance with the Recommendations of the MCCG and clear and meaningful disclosure on why certain practices were not applied and how the alternative practices achieve the intended outcome.

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

The Group acknowledges the vital role played by the Board in the stewardship of the direction and business operations of the Group and ultimately the enhancement of long-term shareholders’ value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for management and monitoring the achievement of these goals, consideration of significant financial matters, review of the financial and operating performance of the Group and undertaking of major investments and capital expenditures.

#### I. Board Responsibilities

MYMBN Berhad (“**the Company**”) has an experienced Board that is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The Board also ensures the implementation of appropriate risk management and internal control systems, including financial, operational and compliance to safeguard the shareholders’ interest and the Group’s assets. The Board has adopted certain responsibilities for effective discharge of its functions through formalising its Board Charter (available at the Company’s website: [www.mymbn.com.my](http://www.mymbn.com.my)) which, inter alia, sets a list of specific functions that are reserved for the Board and Chairman; and the authorisation limit which defines relevant matters and applicable limits reserved for Chairman and Executive Directors that are further cascaded to senior management team within the Company.

The Board have established Board Committees namely the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, which are entrusted with specific oversight responsibilities for MYMBN Group’s affairs. The Board Committees are granted the authorities to act on each Board’s behalf in accordance with their respective Terms of Reference (“**TOR**”) and to report to the Board with the necessary recommendation. The TOR of the Board Committees are available at the Company’s website. Further, as part of the Boards’ responsibilities in ensuring compliance by the Company and the Group with the AMLR, the Companies Act 2016 and rules of other relevant authorities.

The Group aims to ensure a balance of power and authority between the Chairman and Executive Directors with a clear division of responsibility between the running of the Board and the Company’s business respectively. The Group also emphasises and practices a division of responsibility between the Executive and Non-Executive Directors. The distinct and separate roles of the Chairman and Executive Directors, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board, acts as facilitator at the meetings and ensure that Board proceedings is in compliance with good conduct and best practices. Whilst the Executive Directors are responsible for making and implementing operational and corporate decision as well as developing, coordinating and implementing business and corporate strategies. The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (Cont'd)

All Directors have unrestricted access to all information pertaining to the Group's business and affair and has full access to management, Company Secretary and the External Auditors for information needed to carry out their duties and responsibilities. This is to enable them to carry out their duties effectively and diligently. As and when necessary, the Board may obtain independent professional advice, in furtherance of their duties, at the Company's expenses.

The Board had adopted the Anti-Bribery and Corruption Policy, Whistleblowing Policy, Sustainability Policy and Fit & Proper Policy which are available on the Company's website.

#### II. Board Composition

As at the date of this report, the Board comprises eight (8) Directors i.e. one (1) Non-Independent Non-Executive Chairman, four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors. This is in compliance with the AMLR which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. All Independent Non-Executive Directors are independent of management and have no family or business relationships with the Executive Directors and major shareholders which would interfere with the exercise of their independent judgment.

The Board acknowledges the call by the Government and MCCG for Boards to comprise at least 30% women on board. The Company currently have five (5) women Directors to the Board, which represent 62.5% of the total number of board members.

The Board is satisfied that its current size and composition is adequate to provide for a diversity of views, to facilitate effective decision making and to reflect an appropriate balance of Executive and Non-Executive Directors for the scope and nature of the Group's business and operations.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the AMLR. The Board met on five (5) occasions during the financial year ended 31 December 2024 and the details of attendance at Board Meetings is set out below: -

Name of Directors	Attendance	Percentage of attendance (%)
Liw Chong Liong (Chairman)	5/5	100%
Lavernt Chen Vun Wo	5/5	100%
Chin Chee Cheah	5/5	100%
Lee Wei Kong	5/5	100%
Dato' Dr. Rosini Binti Alias	5/5	100%
Dato' Nazipah Binti Jamaludin	5/5	100%
Chin Peck Li	5/5	100%
Goh Wen Ling	5/5	100%

Prior to each meeting, a reasonable notice of meetings and agenda were circulated to all Directors together with the draft minutes of the previous meeting together with the respective reports/papers and other board meeting reference materials such as management reports and financial reports to be discussed were furnished to the Directors at least seven (7) days prior to the Board meeting via e-mail so that each Director had ample time to review the papers to enable informed decision making. The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes.

All Directors are encouraged to participate in relevant training programmes for continuous professional development and to further enhance their skills and knowledge. The Directors are aware that they shall receive appropriate training which may be required from time to time to keep them abreast with the current developments in the industry as well as new statutory and regulatory developments including changes in accounting standards.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

Training programmes and seminars attended by the Directors of the Company during the financial year ended 31 December 2024 are as follows: -

Name of Directors	Training Programmes/ Seminars/ Workshops/ Conferences Attended
Liw Chong Liong	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> </ul>
Lavernt Chen Yun Wo	<ul style="list-style-type: none"> <li>17th World Chinese Entrepreneur Convention</li> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> <li>Bengkel Pembangunan Garis Panduan (“GP”) Pensijilan myGAP Sarang Burung Walit Gua dan GP Pensijilan dan Standard Piawaian myOrganic Walit dalam Perternakan Burung Walit dan Loji Pemprosesan Sarang Burung Walit</li> <li>Bird Nest Processing And Cosmetic Development Class</li> </ul>
Chin Chee Cheah	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> <li>Bird Nest Processing And Cosmetic Development Class</li> <li>E-invoicing Seminar: Navigating the Future of Tax Digitalisation</li> </ul>
Lee Wei Kong	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> </ul>
Dato’ Dr. Rosini Binti Alias	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> <li>Conflict of Interest (“COI”) and Governance of COI</li> <li>Project Converse: Fireside chat with Nominee Directors of PNB – Board and Top Team Effectiveness</li> <li>Board Conversation on Sustainability: Farms</li> <li>Professionalism in Service</li> <li>Project Converse: Fireside chat with Nominee Directors of PNB – Purposeful Leadership and Sustainability</li> </ul>
Dato’ Nazipah Binti Jamaludin	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> </ul>
Chin Peck Li	<ul style="list-style-type: none"> <li>A comprehensive guide to prepare for SST Audit and SST Compliance Risk Management</li> <li>Essential Tax Updates in 2023/2024</li> <li>Register of Charges</li> <li>Digital Signature- Understand its principles &amp; applications</li> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> <li>Regulatory Forum 2024- Evolving Regulatory Landscape</li> <li>Updates and Progress in e-invoicing Implementations</li> <li>SSM National Conference 2024</li> <li>Sem Percukaian Kebangsaan 2024</li> <li>2025 Budget Seminar</li> <li>e-invoicing Implementation</li> <li>Joint ventures, shareholders agreement and COI situations</li> </ul>
Goh Wen Ling	<ul style="list-style-type: none"> <li>In-house Training: Talks on Indonesian Taxation</li> <li>Bursa Academy: COI and Government of COI</li> <li>Mandatory Accreditation Programme Part II: Leading For Impact</li> <li>Incident and Crisis Management for Social Media</li> <li>Effective Risk Management by ISO 31000</li> <li>Recent Amendments to Listing Requirement-Enhanced COI Framework</li> <li>In-house Training: Talks on Vietnam Taxation</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

##### Company Secretary

For upholding Board's effectiveness, the Board is supported by the qualified and competent Company Secretaries. Presently, the Board is assisted by two (2) qualified and competent Company Secretaries who are the members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as Company Secretaries under the Companies Act, 2016. As the practicing Company Secretaries, they have also attended continuous professional development programmes as required by MAICSA and Companies Commission of Malaysia.

All Directors have unrestricted access to the advice and services of the Company Secretaries for the purposes of the Board's affairs and the business of the Group. The appointment and removal of Company Secretaries or Secretaries of Board Committees shall be the prerogative of the Board as a whole.

Further information on the roles and responsibilities carried out by the Company Secretaries during the financial year ended 31 December 2024 are set out in Practice 1.5 of the Company's Corporate Governance Report 2024.

They are also responsible for ensuring that the Company's Constitution, procedures, policies and regulations are complied with. Also ensuring that, all obligations required by the regulatory and under the AMLR are fulfilled in a timely manner. The Board is regularly updated and advised by the Company Secretaries on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretaries are suitably qualified and capable of carrying out the duties as required. The Board is satisfied with the service and support rendered by the Company Secretaries in discharging their functions.

##### Nomination Committee

The Board has established a Nomination Committee ("NC") to assist the Board in their responsibilities in nominating new candidates to the Board and to assess the performance of the Board, the Board Committees and the Directors of the Company on an on-going basis. Full details of the NC duties and responsibilities are stated in its TOR which is available on the Company's website.

The NC current comprises exclusively Independent Non-Executive Directors as follows: -

1. Dato' Dr. Rosini Binti Alias (Chairperson)
2. Dato' Nazipah Binti Jamaludin
3. Chin Peck Li
4. Goh Wen Ling

The NC is responsible for the Board evaluation process covering the Board, the Board Committees and individual Director. The NC, upon conclusion of the evaluation exercise performed for the financial year ended 31 December 2024, was satisfied that the composition of the Board and its Board Committees possess the right blend of knowledge, expertise and experience and the appropriate mix of skills. In addition, there was mutual respect amongst individual Director which contributed to a healthy environment for constructive deliberation and decision-making process.

The Company's Constitution provides that one third (1/3) or nearest to one-third (1/3) of the Directors for the time being shall retire from office and be eligible for re-election provided always that all the Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election. All the retiring Directors will abstain from deliberations and decisions on their own eligibility to stand for re-election at the Board Meeting.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

##### Nomination Committee (Cont'd)

In considering whether to recommend a Director who is eligible to stand for re-election, the NC would consider a variety of factors, including:

- the Director's contributions to the Board and ability to continue to contribute productively;
- the Director's attendance at Board and committee meetings;
- the Director's compliance with the Code;
- whether the Director continues to possess the attributes, capabilities and qualifications considered necessary or desirable for Board service; and
- the independence of the Director.

The NC had reviewed and assessed the size, mix of skill and experience, performance and contribution of the Board and Individual Director and satisfied with the current composition and performance of the Board for the financial year ended 31 December 2024.

The NC met once during the financial year ended 31 December 2024. The details of the members' attendance were as follows: -

Name of NC Members	Attendance	Percentage of attendance (%)
Dato' Dr. Rosini Binti Alias (Chairperson)	1/1	100%
Dato' Nazipah Binti Jamaludin	1/1	100%
Chin Peck Li	1/1	100%
Goh Wen Ling	1/1	100%

#### III. Directors' Remuneration

The Remuneration Committee ("RC") comprises of four (4) Members, all of whom are Independent Non-Executive Directors. The members of the RC are as follows: -

1. Goh Wen Ling (Chairperson)
2. Dato' Dr. Rosini Binti Alias
3. Dato' Nazipah Binti Jamaludin
4. Chin Peck Li

The RC is responsible for evaluating, deliberating and recommending to the Board the compensation and benefits that are fairly guided by market norms and industry practices for the business the company is in. The RC is also responsible for evaluating the Executive Directors' remuneration which is linked to the performance of the Executive Director and performance of the Group. Individual Director do not participate in the discussion and decision making of his own remuneration to avoid conflict of interest.

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors and Senior Management needed to run the Company successfully, taking into consideration all relevant factors including the skill function, workload and responsibilities involved, and after giving due consideration to the Group's performance.

Pursuant to Section 230(1) of the Companies Act, 2016, fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The annual review during the financial year ended 31 December 2024 was conducted by the RC on 21 February 2025.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### III. Directors' Remuneration (Cont'd)

The remuneration of individual Directors of the Company, including the remuneration for services rendered to the Group and the Company for the financial year ended 31 December 2024 are as follows: -

Details of the Directors' remuneration of the Company and the Group which includes fees, salary, bonus and other emoluments for the financial year ended 31 December 2024 are disclosed in the Corporate Governance Report of the Company.

The details of the remuneration of the top Senior Management (including salary, bonus, benefit in kind and other emoluments) in each successive bands of RM50,000.00 during the financial year ended 31 December 2024 are as follows: -:

Range of Remuneration (RM)	Number of Top Senior Management
50,000 – 100,000	2
100,001 – 150,000	1
150,001 – 200,000	1
300,001 – 350,000	1

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit and Risk Management Committee

The Board is assisted by the Audit and Risk Management Committee (“**ARMC**”) which comprises wholly of four (4) Independent Non-Executive Directors, to oversee the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls.

The members of the ARMC are as follows: -

1. Chin Peck Li (Chairperson)
2. Dato' Dr. Rosini Binti Alias
3. Dato' Nazipah Binti Jamaludin
4. Goh Wen Ling

The ARMC is chaired by Ms. Chin Peck Li who is an Independent Non-Executive Director and is not the Chairman of the Board. Members of the ARMC are Independent Non-Executive Directors. The authority and responsibilities of the ARMC are set out in its TOR. The ARMC has direct access to the Management as well as the internal and External Auditors, and are required to attend ARMC meetings on invitation. The authority, duties and responsibilities of the ARMC and the summary of work carried out to discharge its duties for financial year ended 31 December 2024 are detailed in the Report of the ARMC in this Annual Report 2024.

Prior to its listing on the ACE Market of Bursa Securities, the ARMC has already adopted in its TOR that a former key audit partner is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC.

The composition of the ARMC is reviewed annually with the view to maintain an independent and effective ARMC, and in line with the principles of the MCCG, all members of the ARMC have continuously improved their financial literacy by attending trainings on the developments and changes in the Malaysian Financial Reporting Standards in order for them to discharge their duties effectively.

The independence, suitability and appointment/re-appointment of the External Auditors is reviewed by the ARMC annually based on the External Auditors Assessment.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### II. Risk Management and Internal Control Framework (Cont'd)

The ARMC has been formed to assist the Board on the ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This process is regularly reviewed and is in accordance with the Statement on Risk Management and Internal Control in the Annual Report.

The Board is responsible to ensure that the Group complies with all applicable provisions of law and regulations and ensures that appropriate risk management systems are in place throughout the Group. The ARMC assists the Board to oversee and review the effectiveness of the Group's risk management and internal control systems.

To facilitate effective monitoring, the Board through ARMC regularly receives reports from the Internal Auditors on any business risks related to its business activities that have impacted or likely to impact the Group from achieving its objectives and strategies.

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### I. Engagement with Stakeholders

The Company aims to ensure that the shareholders and investors are kept informed of all major corporate developments, financial performance, Annual General Meeting ("**AGM**") and other relevant information by promptly disseminating such information to shareholders and investors via announcements to Bursa Securities and the Company's website at [www.mymbn.com.my](http://www.mymbn.com.my)

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders or stakeholders. The Board is accountable to shareholders as well as other stakeholders of the Company for the performances and operations of the Company. As such, the Board endeavours to provide timely and accurate disclosure of all material information of the Group to the shareholders and investors.

#### II. Conduct of General Meetings

The Board recognises general meeting is an ideal opportunity to communicate with shareholders and other stakeholders. The Board understand its roles and responsibilities with regards to the AGM and is aware that AGM serves as a forum for the Company to engage with its shareholders and to facilitate two-way communication between shareholders and the Board.

The Company complied with Practice 13.1 of MCCG 2021 to send the Notice of the AGM at least 28 days prior to the AGM. The Company believes that shareholders will have sufficient time to go through the Annual Report and make the necessary arrangement to submit the proxy forms or to participate the AGM. The 2nd AGM of the Company was held on 29 May 2024 at DoubleTree by Hilton Melaka, Level 13, Ballroom B, Hatten City, Jalan Melaka Raya 23, 75000 Melaka. The outcome of the AGM was announced via Bursa LINK on the same meeting day.

The Minutes of the 2nd AGM (including all the Questions raised at the meeting and the Answers thereto) was also made available on the Company's website.

### COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the Malaysian Code on Corporate Governance throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

This Corporate Governance Overview Statement was approved by the Board on 10 April 2025.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

The Board of Directors (“**Board**”) of MYMBN Berhad (“**Company**”), together with its subsidiaries (“**Group**”), is pleased to present the Statement on Risk Management and Internal Control (“**SORMIC**”) for the financial year ended 31 December 2024 (“**FYE2024**”). This Statement has been prepared in accordance with Rule 15.26(b) of the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), and incorporates the principles and recommendations outlined in the Malaysian Code on Corporate Governance (“**MCCG**”). It also adheres to the guidelines set out in the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“**Guideline**”) to ensure transparency, accountability, and good corporate governance.

### RESPONSIBILITY AND ACCOUNTABILITY

The Board holds the ultimate responsibility for establishing and maintaining a robust risk management framework and internal control system, ensuring the protection of shareholder interests, the safeguarding of assets, and the continuity of business operations. Recognising the importance of a strong risk culture, the Board is committed to continuously assessing and refining these frameworks to align with evolving business conditions, regulatory requirements, and emerging risks.

To enhance oversight and governance, the Board has delegated the responsibility of reviewing the adequacy and effectiveness of risk management and internal controls to the Audit and Risk Management Committee (“**ARMC**”), in line with its Terms of Reference (“**TOR**”). The ARMC plays a critical role in identifying, evaluating, and mitigating key risks that may impact the Group’s operations, financial performance, and strategic objectives.

It is important to note that while risk management and internal control systems serve to manage and mitigate risks to an acceptable level, they cannot completely eliminate all risks. These systems are designed to provide reasonable, rather than absolute assurance against material misstatements, financial losses, fraud, or operational disruptions. The dynamic nature of business risks necessitates a continuous review and enhancement of our risk management processes to ensure they remain relevant and effective in an ever-changing environment.

The Board remains diligent in fostering a proactive risk management culture, ensuring that the Group’s risk framework evolves alongside business expansion and market conditions. This includes ongoing assessments, internal audits, and the implementation of best practices to strengthen operational resilience and sustain long-term value creation for stakeholders.

### Enterprise Risk Management Framework

The Group is committed in embedding strong risk management practices across all business operations, ensuring informed decision-making and accountable management actions. To achieve this, the Group has adopted a structured Enterprise Risk Management (“**ERM**”) framework, which recognises risk as any event that could potentially hinder the achievement of business objectives. The ERM framework provides a systematic approach to identifying, assessing, mitigating, and monitoring risks, ensuring a resilient and adaptable risk management culture across the organization.

The ERM framework is structured around the following key components:

#### Enterprise Risk Management Framework



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Enterprise Risk Management Framework (Cont'd)

#### 1. Risk Identification

The Group systematically identifies risks associated with the bird's nest industry, including:

- Environmental challenges that may threaten swiftlet habitats and nesting conditions, potentially reducing supply.
- Disruptions in the supply chain, including shortages of raw materials and changes in export regulations.
- Volatility in market demand, pricing, and competition, especially in major export destinations like China and Southeast Asia.
- Regulatory compliance risks, ensuring adherence to food safety, import-export regulations, and Halal certification requirements.

By proactively identifying potential risks, the Group ensures it remains agile and prepared to mitigate any negative impact.

#### 2. Risk Assessment

Once risks are identified, the Group evaluates their likelihood and potential impact on business operations. This involves:

- Prioritising risks based on their severity and probability, ensuring resources are allocated effectively to high-impact threats.
- Assessing financial, operational, and reputational consequences to safeguard long-term sustainability.
- Utilising risk assessment tools and data analytics to provide actionable insights and improve decision-making.

This structured assessment ensures the Group can anticipate and address challenges before they escalate.

#### 3. Risk Mitigation

To minimise or eliminate identified risks, the Group implements targeted mitigation strategies, including:

- Diversifying swiftlet farming locations and supplier networks to reduce reliance on any single source.
- Adapting to evolving market trends, such as the expansion into HALAL Ready-to-Drink ("RTD") products to mitigate dependence on traditional revenue streams.
- Ensuring regulatory compliance through rigorous internal controls, certifications, and adherence to international food safety standards.

By continuously refining mitigation strategies, the Group enhances its ability to manage industry-specific risks effectively.

#### 4. Risk Monitoring

A proactive monitoring system enables the Group to track emerging risks and evaluate the effectiveness of mitigation strategies. This includes:

- Regular risk audits and scenario planning to assess business continuity readiness while leveraging technology and data analytics to improve overall efficiency.
- Conducting internal reviews to ensure compliance with regulatory frameworks in all operating markets.

Ongoing monitoring ensures the Group remains responsive to changing business conditions and maintains operational resilience.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Enterprise Risk Management Framework (Cont'd)

#### 5. Feedback and Review

The Group has established a feedback loop that enables:

- Continuous reassessment of risks and mitigation strategies, ensuring alignment with industry trends and regulatory changes.
- Integration of lessons learned from past experiences to enhance the effectiveness of the ERM framework.
- Engagement with stakeholders, including regulators, business partners, and industry experts, to gain external perspectives on emerging risks.

This iterative process ensures the ERM framework remains dynamic, adaptable, and forward-looking.

#### 6. Communication and Reporting

Effective risk management relies on clear, transparent communication and prompt reporting across all levels of the organisation. The Group ensures that:

1. Regular risk reports are presented to the Board and the ARMC for informed decision-making.
2. Key risk indicators (“**KRIs**”) are monitored and shared across departments to foster a risk-aware culture.
3. External stakeholders, including investors and regulatory authorities, are kept informed of relevant risk-related developments.

By maintaining open communication, the Group fosters stakeholder confidence and trust in its risk management approach.

#### 7. Continual Improvement

The Group will constantly seek to improve its risk management processes through ongoing learning, adapting to best practices, and leveraging insights gained from risk management activities.

By prioritising ongoing learning and adaptation, the Group ensures its risk management framework remains robust, future-ready, and capable of supporting long-term business sustainability.

This ERM framework aims to embed a proactive and comprehensive approach to risk management within the Group, ensuring the Group can achieve its strategic objectives while mitigating potential risks that could hinder its progress.

### Internal Control Systems

The Group’s internal control system is designed with the overarching goal of enhancing the effectiveness and efficiency of its operations, ensuring the reliability of financial reporting, and guaranteeing compliance with all applicable laws and regulations.

This comprehensive system encompasses a series of checks and balances, procedures, and practices tailored to meet the unique demands of the edible bird’s nest industry.

#### Objectives of the Internal Control System:

- **Effectiveness and Efficiency of Operations:**

The Group’s internal control system includes process controls that streamline operations, optimise resource utilisation, and improve decision-making. By regularly reviewing operational processes, the Group aims to maximise productivity in every aspect of the operation, from sourcing to processing and distribution.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Internal Control Systems (Cont'd)

#### Objectives of the Internal Control System: (Cont'd)

- **Reliability of Financial Reporting:**

The Group places a high priority on the accuracy and reliability of its financial statements. Controls over financial reporting include thorough documentation practices, detailed record-keeping, and stringent accounting procedures that align with International Financial Reporting Standards (“IFRS”) and Malaysian Financial Reporting Standards (“MFRS”). Regular internal audits and independent external audits are conducted to ensure the integrity of the financial data.

- **Compliance with Laws and Regulations:**

Compliance controls are integrated into all levels of the Group’s operations. The Group closely monitors changes in legislation and regulatory guidance relevant to its business, including food safety standards, international trade laws, and corporate governance requirements. Training programs are conducted to ensure that staff are informed and compliant with these laws and regulations. This is vital to ensure that the Group continues to retain the relevant licenses for export to its key market like People’s Republic of China (“PRC”).

- **Risk Management and Business Continuity**

A robust risk management framework is embedded within the internal control system to identify, assess, and mitigate risks that could impact business continuity. The Group continuously monitors internal and external risks, including economic uncertainties, supply chain disruptions, regulatory changes, and cybersecurity threats. A structured business continuity plan (“BCP”) ensures the Group is well-prepared to respond to unforeseen disruptions while maintaining operational stability.

### Main Features of the Risk Management and Internal Control Systems

The Group has established a comprehensive risk management and internal control system to ensure operational effectiveness, financial integrity, and regulatory compliance. These key features are designed to enhance governance, accountability, and resilience across the organisation.

- **Board Committees and Oversight Functions**

The Board has established ARMC, Nomination Committee and Remuneration Committee to assist in discharging its duties. These Committees are delegated with specific authority to perform their scope of duties as defined in their respective terms of reference.

- **Organisation Structure and Reporting**

The Group has a clear organisation structure which formally defines the lines of reporting, as well as the accountabilities and responsibilities of the respective functions within the Group. In addition, the Board and its Board Committees are all governed by clearly defined terms of reference.

- **Limits of Authority / Delegation of Authority**

The Group has defined limits of authority which outlines the required approving authority within the Group for a specific transaction or resolution. The limit of authority is reviewed periodically and updated along with the changes in organisation.

- **Standard Operating Policies and Procedures (“SOPs”)**

SOPs consist of elements of internal control in day-to-day operations. It allows accountability and responsibility for processes within the Group. The SOPs are reviewed periodically and updated along with the changes in organisation.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Main Features of the Risk Management and Internal Control Systems (Cont'd)

- **Talent Management**

The Group provides on-the-job training programmes as well as sending employees to external training programmes. This is to ensure that they are well-equipped with the latest skills and knowledge to carry out their duties and responsibilities.

- **Anti-Bribery and Corruption Policy and Procedures**

The Group adopts a zero-tolerance towards bribery and corruption practices. The Group is committed to uphold the highest standards of ethics, integrity and operating in an environment free from bribery and corruption. The Group has established a policy which prohibits all forms of bribery and corruption practices, which are made available on the Company's website, to provide guidance to the Directors, employees and business associates on standard of behaviour to which they must adhere to and know how to recognise and deal with bribery and corruption issues.

- **Whistle-Blowing Policy**

The Group has established a Whistle Blowing Policy to allow its employees to have a channel to report and disclose any non-compliance or illegal activities within the Group. The policy is made available on the Company's website.

- **Safety, Health and Environment Management**

The Group puts great importance on the safety and health of employees and stakeholders. The Group enforces strict precautionary measures and guidelines in the workplace at all times as stipulated by relevant authorities.

### Key Internal Control Processes

The Group has established a comprehensive internal control framework to ensure effective governance, financial integrity, and operational efficiency. These processes are designed to enhance oversight, improve decision-making, and mitigate risks in alignment with the Group's strategic objectives.

#### 1. Quarterly Reviews

- o The ARMC and the Board conduct quarterly reviews of the Group's financial performance, operational progress, and risk management measures.
- o These evaluations ensure alignment with strategic goals, enable the identification of potential risks or inefficiencies, and facilitate proactive decision-making to enhance business resilience.

#### 2. Operational Review Meetings

- o Weekly operational meetings are held to assess business performance, address operational challenges, and implement corrective actions as needed.
- o These meetings promote cross-functional collaboration, enabling management to stay agile in responding to market and operational developments.

#### 3. Operational Guidelines and Compliance Standards

- o The Group maintains well-documented operational guidelines and compliance standards for its various business units.
- o These structured policies and procedures ensure consistency, regulatory compliance, and adherence to industry best practices.
- o Regular reviews and updates are conducted to ensure ongoing relevance and effectiveness in a dynamic business environment.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Key Internal Control Processes (Cont'd)

#### 4. Financial Oversight and Treasury Management

- o The Group exercises centralized financial oversight, ensuring strict control over financial management, cash flow, and treasury functions.
- o Regular financial monitoring and analysis enable timely insights, proactive risk management, and strong financial stewardship to support long-term sustainability and profitability.

#### 5. Performance Monitoring and Reporting

- o Each subsidiary within the Group prepares detailed monthly performance reports, covering key operational and financial metrics.
- o These reports are analyzed by management to assess business efficiency, profitability, and strategic alignment.
- o Insights derived from performance monitoring inform data-driven decision-making and continuous operational improvements.

These internal control mechanisms form the foundation of the Group's corporate governance structure, ensuring accountability, operational transparency, and the achievement of long-term strategic goals.

### Internal Audit Function ("IAF")

The IAF plays a critical role in providing independent assurance on the adequacy, efficiency, and effectiveness of the Group's risk management and internal control systems. This function is essential in ensuring compliance with corporate governance requirements, identifying operational risks, and recommending corrective measures to strengthen internal controls.

For FYE2024, the ARMC continued to outsource the internal audit function to NeedsBridge Advisory Sdn Bhd ("**NeedsBridge**"), similar to FYE2023.

NeedsBridge operates independently, ensuring an objective evaluation of internal controls while maintaining freedom from conflicts of interest or operational influence.

### Scope and Methodology

The internal audit function adopts a risk-based approach, with its strategy and audit plan approved by the ARMC on **(date "17 November 2023")** for FYE2024. The purpose of the internal audit is to provide the Board, through the ARMC, with reasonable assurance on the effectiveness and reliability of the Group's internal controls.

The internal audit function is guided by:

- The Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations ("**COSO**") of the Treadway Commission.
- The International Professional Practices Framework ("**IPPF**") issued by the Institute of Internal Auditors ("**IIA**") Inc.

These globally recognised frameworks ensure that the audit function aligns with international best practices and adheres to high professional standards.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Key Responsibilities of the IAF

The IAF is responsible for:

- o **Evaluating Internal Control Systems** – Conducting comprehensive assessments of the Group's internal controls and recommending enhancements to the ARMC.
- o **Assessing Control Adequacy and Effectiveness** – Providing reasonable assurance that the Group's internal control environment effectively supports operational efficiency, financial reliability, and regulatory compliance.
- o **Addressing ARMC's Concerns** – Responding to specific audit-related concerns raised by the ARMC, ensuring that all critical issues are promptly reviewed and resolved.
- o **Reviewing Newly Implemented Internal Controls** – Examining the effectiveness of newly introduced risk management and internal control measures to ensure they function as intended.
- o **Monitoring Corrective Actions** – Conducting follow-up reviews on management's response to previous audit findings, ensuring that all recommended corrective actions are effectively implemented.

### Internal Audit Fieldwork and Findings

The internal auditor conducted two cycles of internal audit reviews during FY2024 on RUCBN. The first cycle, which focused on production management, was presented to the Audit and Risk Management Committee ("**ARMC**") on 26 February 2024. The second cycle, which focused on inventory management, was presented to the ARMC on 23 August 2024.

The scope of the internal audit was determined in consultation with management and took into consideration inputs from the ARMC. The reviews assessed the adequacy of governance, risk management, and internal control practices across key operational areas, with reference to established standards and industry best practices.

During the respective ARMC meetings, the Committee deliberated on the internal audit findings and the recommendations for improvement. The ARMC expressed satisfaction with the adequacy and effectiveness of the Group's risk management and internal control systems, as well as the appropriateness of the proposed corrective action plans to address the identified gaps.

The Board was subsequently briefed on the outcomes of the internal audit reviews, and action items were assigned for further implementation where necessary. The minutes of the ARMC meetings were tabled to the Board for notation and follow-up action, where applicable.

An amount of RM40,046 were incurred for the outsourcing of the internal audit function during the FY2024.

### Review of the Internal Audit Statement by External Auditors

In compliance with Rule 15.23 of the AMLR of Bursa Securities, the Group's external auditors have conducted a review of this Statement. Their review was carried out in line with the standards set out in Audit and Assurance Practice Guide 3 ("**AAPG 3**") and Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report as issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Directors and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy those problems.

Based on the review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this SORMIC is neither prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC) (CONT'D)

### Assurance to the Board Members

The Board finds the adequacy and effectiveness of the risk management and internal control system to be satisfactory. The Board is of the view that it is able to effectively protect the shareholders' interest and the Group's assets. Additionally, the Board has received assurance from the Chief Executive Officer ("CEO") and Financial Controller that the Group's risk management and internal control system are operating adequately and effectively in all material aspects. The Board is of the view that the system of risk management and internal control in place for the financial year under review and up to the date of approval of this statement for inclusion in the Annual Report of the Company is sound and adequate to safeguard shareholders' investment and the Group's assets. There is no internal control failure nor any significant weaknesses in the system that has resulted in any loss to the Group during the financial year under review. The Board will continue to monitor all the major risks affecting the Group and take appropriate action plans to further improve the existing risk management framework and internal control systems.

### Conclusion

In conclusion, the FYE2024 SORMIC for the Group underscores the Group's unwavering commitment to uphold a sound and effective risk management and internal control system. It highlights the comprehensive measures implemented to safeguard operations, assets, and shareholders' interests, aligning with regulatory requirements and international best practices. The detailed frameworks, along with the active involvement of various committees and adherence to policies, demonstrate the Group's proactive approach to managing risks and enhancing operational integrity. The Group's dedication to continuous improvement in governance practices ensures its preparedness to navigate future challenges, maintaining a balance between achieving strategic objectives and mitigating potential risks.

This Statement is made in accordance with the resolution of the Board dated 10 April 2025.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“**the Board**”) of MYMBN Berhad (“**MYMBN**” or “**the Company**”) is pleased to present the Report of the Audit and Risk Management Committee (“**the ARMC Report**”) for the financial year ended 31 December 2024 (“**FY2024**”). The ARMC Report provides insights into the manner the Audit and Risk Management Committee (“**ARMC**” or “**the Committee**”) discharged its duties and responsibilities in accordance with its Terms of Reference (“**TOR**”) for FY2024.

The ARMC was established to assist our Board in fulfilling its oversight responsibilities relating to accounting and reporting practices as well as risk management policies and strategies and sustainability initiatives of MYMBN and its subsidiary combined entities companies (“**MYMBN Group**” or “**the Group**”), as well as other areas of responsibilities that may be promulgated by the ACE Market Listing Requirements (“**AMLR**”) and the Malaysian Code on Corporate Governance 2021 (“**MCCG**”) from time to time. The duties, responsibilities and authority of the ARMC are set out in its TOR which has been approved by the Board.

## COMPOSITION & MEETING

Members of the ARMC are appointed from amongst the Board. The ARMC comprising four (4) members, all of whom are Independent Non-Executive Directors (“**INEDs**”), complies with the requirements of AMLR. Composition of the ARMC and the meeting attendance of each member for FY2024 are provided as below:

Name	Designation	Meeting Attendance
Ms. Chin Peck Li	Chairperson	5/5
Dato’ Dr. Rosini Binti Alias	Member	5/5
Dato’ Nazipah Binti Jamaludin	Member	5/5
Ms. Goh Wen Ling	Member	5/5

Chairperson of the ARMC is a Chartered Accountant by the Malaysian Institute of Accountants (“**MIA**”) and is a fellow membership of Certified Practising Accountant, Australia (“**CPA Australia**”) and a Chartered Tax Practitioner by the Chartered Tax Institute of Malaysia. Profiles of the ARMC members are set out in Directors’ Profile Section of this Annual Report.

Notice pertaining to ARMC meeting and relevant meeting papers are distributed in advance to each ARMC member so as to ensure they are able to discharge their duties and responsibilities effectively. The quorum for a meeting shall be two (2) members, provided that the majority of members present at the meeting are independent. All decisions at ARMC meeting shall be decided on a show of hands on a majority of votes.

The Company Secretary shall be the Secretary of the ARMC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting. The Company Secretary shall also be responsible for keeping the minutes of ARMC meetings and for circulating them to the ARMC members after the conclusion of each ARMC meeting.

The Committee may call for a meeting as and when required with reasonable notice as the ARMC members deem fit. ARMC members may participate in a meeting by means of tele-conference video-conference, videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

The Managing Director, Executive Director, Chief Operating Officer (“**COO**”) and Financial Controller are invited to ARMC meetings to facilitate direct reporting by Executive Management and to enable the provision of updates on the Group’s operations, activities and financial performances. Representatives of the internal audit function, external auditors and relevant members of management are invited to attend the ARMC meetings, where appropriate, to brief the ARMC on the findings and results of their work.



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES CARRIED BY AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC reports regularly to the Board on its activities, deliberations and recommendations in discharging its duties and responsibilities. The following are activities undertaken by the ARMC during FY2024:

#### 1. Financial Reporting

- Reviewed the quarterly and annual unaudited financial statements of the Company and the Group together with the accompanying notes relating thereto, before recommending to the Board for approval and release to Bursa Securities and the public;
- Assessed the significant accounting policies proposed by the Company and the Group and ensure compliance with generally accepted accounting standards and other regulatory requirements prior to recommending the adoption to the Board for approval;
- Evaluated the disclosure of related party transactions and, any conflict-of-interest situation and transactions which may have an impact on financial reporting and management's integrity; and
- Reported to and updated the Board on significant matters discussed during the ARMC's meetings and where appropriate, made the necessary recommendations to the Board. Minutes of the Committee's meetings were made available to all Board members.

#### 2. External Audit

- Reviewed the external auditors' audit planning memorandum, which outlined the audit scope, areas of audit emphasis and the auditors' independence, for the FY2024.

#### 3. Risk Management and Internal Control

- Assessed and approved the policies and guidelines for managing risk within the Group as well as for determining the risk appetite and tolerance of the Group;
- Reviewed the risk assessment results to ascertain the significant risks of the Group and ensure implementation of appropriate risk management processes that can effectively identify, analyse, evaluate, monitor, and mitigate the significant risks impacting the Group;
- Reviewed and discussed Internal Audit Plan presented by Internal Auditors and recommended the same for the Board's approval; and
- Reviewed the adequacy and effectiveness of governance, risk management and compliance processes.

#### 4. Other Activities

- Conducted private sessions with the external auditors and the internal audit function without the presence of Executive Management in conjunction with ARMC meetings;
- Reviewed the Anti-Bribery and Corruption Policy and Whistleblowing Policy; and
- Reviewed other significant matters that relates the Company and the Group before recommending the proposed action to the Board for decision or approval.

### RELATED PARTY TRANSACTION AND CONFLICT OF INTEREST

At each quarterly meeting, the ARMC reviewed the related party transactions ("**RPT**") and conflict of interest situation that may arise within the Company and the Group including any transaction, procedure or course of conduct that raises questions on Management integrity.

The ARMC reviewed the RPT and conflict of interest situation presented by the Management prior to the Group entering into such transaction. The ARMC also ensures that adequate oversight over the controls are in place on the identification of the interested parties and possible conflict of interest situation before entering into the transaction.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

### INTERNAL AUDIT FUNCTION

ARMC has outsourced its internal audit function to an independent professional firm, namely NeedsBridge Advisory Sdn Bhd (“**NeedsBridge Advisory**”), to assist the Board and ARMC in undertaking systematic and independent assessment on the adequacy, efficiency and effectiveness of the Group’s internal control system. The outsourced internal audit function reports directly to the ARMC. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review and approval by the ARMC.

The audit engagement of the outsourced internal audit function is governed by the engagement letter and Internal Audit Charter approved by the ARMC. Key terms of the engagement letter include the purpose and scope of work, accountability, independence, responsibilities of each party, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team. On the other hand, the Internal Audit Charter governs the internal audit function by specifying the purpose and mission of internal audit function, its roles, professionalism required (including adherence to The Institute of Internal Auditors’ mandatory guidance including the Core Principles for the Professional Practice of Internal Auditing, Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (hereinafter referred to as “**Standards**”, its authorities, the reporting structure, independence and objectivity required, its responsibilities, purpose of internal audit plan, reporting and monitoring and quality assurance and improvement programme.

NeedsBridge Advisory is adequately resourced with 19 personnel having the appropriate qualification and experience. The outsourced internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence. The engagement director, Ms. Law Su Peng (“**Ms. Law**”), is a Chartered Accountant certified by the Malaysian Institute of Accountants (“**MIA**”). She is also an associate member of the Institute of Internal Auditors Malaysia.

The scope of review by the outsourced internal audit function is determined by the internal audit plan, reviewed and approved by the ARMC with feedback from Key Senior Management. In assisting the ARMC in discharging its oversight role for the internal audit function, the ARMC, through the reports tabled by the outsourced internal audit function, is able to assess and review the outsourced internal audit function in terms of the qualification, experience, exposure and continuous professional development during the financial year under review.

To preserve independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow-up on the progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee. The outsourced internal audit function shall be accorded unrestricted access to all functions, records, property, personnel, ARMC and other specialised services from within or outside the Group and necessary assistance of personnel in units of the Group where they perform audits.

During the financial year, the outsourced internal audit function conducted scheduled internal audits in accordance with the internal audit plan approved by the ARMC. The outsourced internal audit function has conducted reviews on Production Management (Raw Unclean Edible Bird’s Nest (“**RUCEBN**”)) and Inventory Management RUCEBN for MBN Enterprise Sdn Bhd. Internal control observations identified together with the recommendations and management action plans were presented during the ARMC meetings. Follow-up reviews were carried out to ascertain the status of implementation of agreed management action plans. The results of the follow-up reviews were reported to the ARMC.

### TERMS OF REFERENCE OF ARMC

The Terms of Reference of ARMC is made available on the Company’s website at [www.mymbn.com.my](http://www.mymbn.com.my)

## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (“IPO”)

#### Listing exercise

In conjunction with the Company’s listing on the ACE Market of Bursa Securities, on 25 July 2023, the Company issued its Prospectus for its IPO entailing the following:

- (a) 19,300,000 new Ordinary Shares available for application by the Malaysian public by way of balloting;
- (b) 18,678,000 new Ordinary Shares available for application by the eligible directors, employees and persons who have contributed to the success of the Group; and
- (c) 60,022,000 new Ordinary Shares available for private placement to selected investors. at an IPO price of RM0.21 per Share.

Our Company was admitted to the Official List of Bursa Securities and the Company’s entire enlarged issued share capital of 98,000,000 Ordinary Shares was listed and quoted on the ACE Market of Bursa Securities on 25 July 2023.

As at 2 April 2025, the utilisation of gross proceeds from the IPO, amounting to RM20.580 million, is outlined as follows:

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Re-allocation (RM'000)	Balance Utilisation (RM'000)	Intended Timeframe for Utilisation
Business expansion					
• Purchase of the New Facility to expand processing capacity	2,804	(2,772)	(32) <sup>(1)</sup>	-	Within 24 months
• Renovation and fit out works of the New Facility	3,200	(429)	-	2,771	Within 24 months
• Setting up of three (3) bird’s nests collection centres in East Malaysia	1,680	(37)	-	1,643	Within 24 months
• Expansion into the processing and sale of RCEBN	1,250	(337)	(913) <sup>(1)</sup>	-	Within 24 months
Purchase of raw bird’s nests for RUCBN	6,600	(6,600)	-	-	Within 6 months
Working capital	2,046	(2,957)	945 <sup>(1)</sup>	34	Within 12 months
Estimated listing expenses	3,000	(3,000)	-	-	Within 3 months
<b>TOTAL</b>	<b>20,580</b>	<b>(16,132)</b>	<b>-</b>	<b>4,448</b>	

#### Note:

- <sup>(1)</sup> Surplus of RM0.95 million (of the purchase of the New Facility to expand processing capacity and the acquisition cost for the expansion into the processing and sale of RCEBN in PRC) was re-allocated to the working capital requirements of the Group, in accordance with the Company’s Prospectus dated 30 June 2023.

The utilisation of proceeds as disclosed above should be read in conjunction with the Company’s Prospectus dated 30 June 2023.

## ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

### 2. AUDIT AND NON-AUDIT FEE

The amount of audit and non-audit fees paid and payable to the external auditors and its affiliate corporations for the audit and non-audit services rendered to the Group for the financial year ended 31 December 2024 ("FY2024") are as follows: -

Type of Services/ External Auditors		Fees (RM'000)	
		Company	Group
Audit fees:	• Crowe Malaysia PLT	25	100
	• Member firm of Crowe Global of which Crowe Malaysia PLT is a member	-	27
	Total Audit Fees	25	127
Non-audit fees:	• Crowe Malaysia PLT	5	5
	• Local affiliates of Crowe Malaysia PLT	18	48
	Total Non-Audit Fees	23	53

Non-audit services include the following:

- i) Tax compliance and advisory services
- ii) Transfer pricing documentation services
- iii) Review of statement on risk management and internal control services

### 3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The Company and its subsidiaries have not entered any material contracts (not being contracts entered into the ordinary course of business) involving the interest of the Directors and major shareholders, either still subsisting at the end of the FY2024 and entered since the end of previous financial year.

### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

The Company and its subsidiaries did not have any significant RRPT during FY2024.

### 5. EMPLOYEE SHARE OPTION SCHEME ("ESOS")

The Company does not have any ESOS.

## DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 2016 the applicable approved accounting standards and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group at the end of financial year and of the results and cash flows of the Company and of the Group for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Company and of the Group for the financial year ended 31 December 2024. The Company and the Group have used the appropriate accounting policies and applied them consistently and prudently. The Directors also consider that all relevant approved accounting standards have been followed in the preparation of these financial statements.

The Directors have responsibility for taking reasonable steps to safeguard the assets of the Group, to prevent and detect frauds and other irregularities.

The above statement was reviewed and approved by the Board of Directors on 10 April 2025.

# FINANCIAL STATEMENT



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## DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

There have been no significant changes in the nature of these principal activities during the financial year.

### RESULTS

	THE GROUP RM	THE COMPANY RM
Loss after taxation for the financial year	(3,513,187)	(1,984,135)
Attributable to:-		
Owners of the Company	(3,378,864)	(1,984,135)
Non-controlling interests	(134,323)	-
	(3,513,187)	(1,984,135)

### DIVIDENDS

No dividend was recommended by the directors for the financial year.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

### ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

### OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

## DIRECTORS' REPORT (CONT'D)

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

### VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

### CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

### ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

## DIRECTORS' REPORT (CONT'D)

### DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Lavernt Chen Vun Wo\*  
Chin Chee Cheah\*  
Liw Chong Liong\*  
Lee Wei Kong\*  
Dato' Dr. Rosini Binti Alias  
Dato' Nazipah Binti Jamaludin  
Chin Peck Li  
Goh Wen Ling

\* These directors are also directors of the Company's subsidiaries.

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

THE COMPANY	NUMBER OF ORDINARY SHARES			
	AT 1.1.2024	BOUGHT	SOLD	AT 31.12.2024
<i>Direct Interests</i>				
Lavernt Chen Vun Wo	129,600,000	-	-	129,600,000
Liw Chong Liong	43,200,000	-	-	43,200,000
Lee Wei Kong	43,200,000	-	-	43,200,000
Chin Chee Cheah	200,000	-	-	200,000
Dato' Dr. Rosini Binti Alias	200,000	-	-	200,000
Dato' Nazipah Binti Jamaludin	200,000	-	-	200,000
Chin Peck Li	200,000	-	-	200,000
Goh Wen Ling	200,000	-	-	200,000
<i>Indirect Interests</i>				
Liw Chong Liong #	43,200,000	-	-	43,200,000
Chin Peck Li *	-	500,000	-	500,000

# Deemed interested through his direct substantial shareholding in MLCL Construction Sdn. Bhd.

\* Deemed interested of shares held by spouse pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of his shareholdings in the Company, Lavernt Chen Vun Wo is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from the following transactions:-

	THE GROUP RM	THE COMPANY RM
Rental of office paid/payable to a subsidiary	-	4,000

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	THE GROUP RM	THE COMPANY RM
Fees	420,000	420,000
Salaries, bonuses and other benefits	430,564	20,000
Defined contribution benefits	48,768	-
	899,332	440,000

### INDEMNITY AND INSURANCE COST

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM5,000,000 and RM7,800 respectively.

There was no indemnity given to or professional indemnity insurance effected for the auditors of the Company.

## DIRECTORS' REPORT (CONT'D)

### SUBSIDIARIES

(a) The details of the Company's subsidiaries are as follows:-

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
<i>Subsidiaries of the Company</i>			
MBN Enterprise Sdn. Bhd.	Malaysia	100%	Processing and sale of edible bird's nest
MBN International Sdn. Bhd	Malaysia	100%	Processing and sale of edible bird's nest
MBN Food Sdn. Bhd.	Malaysia	100%	Manufacturing of food and beverages
Guangxi Nan Yang Birdnest (M) Co., Ltd	People's Republic of China (excludes Special Administration Region of Hong Kong and Macao) (" <b>PRC</b> ")	80%	Processing and sale of edible bird's nest

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

### SIGNIFICANT EVENTS OCCURRED DURING AND AFTER THE FINANCIAL YEAR

- (i) On 25 December 2024, the Company received a notice from the Department of Veterinary Services ("**DVS**"), in Malaysia for the temporary suspension ("**Temporary Suspension**") of exportation of bird's nest products to China effective from 25 December 2024. This is due to the occurrence of Newcastle Disease Virus in Malaysia reported to World Organisation for Animal Health. This Temporary Suspension applies to the whole industry for both Raw-Cleaned Edible Bird's Nest ("**RCEBN**") and Raw-Uncleaned Edible Bird's Nest ("**RUCEBN**") Products.

The Temporary Suspension has caused a temporary disruption to the Group's operations and affected the Group's supply chain and revenue streams tied to the China market as exportation to China is one of the major markets for the Group.

On 17 January 2025, DVS had issued a press notice for the resumption of exports for both RCEBN and RUCBN Products to China.

- (ii) On 24 January 2025, the Company entered into a Share Sale and Purchase Agreement ("**SSA**") with Goh Tiong Sheng ("**Vendor**") to acquire 70 ordinary shares representing 70% of the enlarged issued share capital of Swallows House Enterprise Sdn Bhd ("**SHESB**") to be fully satisfied via cash consideration of RM2,588,000. The Company had paid RM517,600 during the financial year and the balance purchase price has been paid on 19 March 2025 and the acquisition of SHESB is completed on that date.

DIRECTORS’ REPORT  
(CONT’D)

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors’ remuneration for the financial year are as follows:-

	THE GROUP RM	THE COMPANY RM
Audit fees	127,470	25,000
Non-audit fees	5,000	5,000
	132,470	30,000

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS  
DATED 10 APRIL 2025

Lavernt Chen Vun Wo

Chin Chee Cheah



## STATEMENT BY **DIRECTORS**

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Lavernt Chen Vun Wo and Chin Chee Cheah, being two of the directors of MYMBN Berhad, state that, in the opinion of the directors, the financial statements set out on pages 71 to 121 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS  
DATED 10 APRIL 2025**

**Lavernt Chen Vun Wo**

**Chin Chee Cheah**

## STATUTORY **DECLARATION**

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Wang Heong Ying, MIA Membership Number: 36452, being the officer primarily responsible for the financial management of MYMBN Berhad, do solemnly and sincerely declare that the financial statements set out on pages 71 to 121 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Wang Heong Ying,  
at Melaka  
in the State of Melaka  
on this 10 April 2025

Before me

**Wang Heong Ying**

**Shahrizah Binti Yahya  
Commissioner for Oaths  
No. M084**

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MYMBN BERHAD

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201011844 (1457541-U)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of MYMBN Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 71 to 121.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("**By-Laws**") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("**IESBA Code**"), and we have fulfilled our other ethical responsibilities in accordance with the *By-Laws* and the *IESBA Code*.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition Refer to Note 23 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
Consolidated revenue recorded by the Group during the year amounted to approximately RM64.6 million. We consider revenue recognition for sale of goods to be a potential cause for higher risk of material misstatement from the perspective of timing of recognition and the amount of revenue recognised. Accordingly, we regarded revenue recognition to be a key audit matter.	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Testing the operating effectiveness of internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements on a sample basis;</li> <li>• Reviewing the terms of sales contract to determine the point of transfer of risk and rewards on a sample basis;</li> <li>• Testing the recording of sales transactions, revenue cut-off and review of credit notes after year end; and</li> <li>• Obtaining confirmations and reviewing collections relating to material trade receivables as at financial year end.</li> </ul>

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MYMBN BERHAD (CONT'D)  
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201011844 (1457541-U)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

**Key Audit Matters (Cont'd)**

<b>Adequacy of inventory written down</b> Refer to Notes 4.8 and 10 in the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>As at 31 December 2024, the carrying amount of inventories was RM5.3 million, representing 13.8% of total assets of the Group, stated at the lower of cost or net realisable value.</p> <p>The abovementioned is also disclosed in Note 4.1(b) to the financial statements as one of the key assumptions used by management under the section of Key Sources of Estimation Uncertainty.</p> <p>The Group has assessed the adequacy of inventories written down. The accumulated write-down of inventory as at 31 December 2024 of the Group is RM1.3 million.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Performing tests on inventories ageing report by selecting samples and checking to the date of stock-in (purchase date) to the appropriate age band;</li> <li>• Assessing the adequacy of inventories written down and whether the write-down policy is adhered to; and</li> <li>• Performing net realisable value test on the inventories and assessing the basis used by management in estimating the selling price, less estimated costs necessary to make the sale of these inventories by comparing to recently transacted prices on a sample basis.</li> </ul>

**Information Other than the Financial Statements and Auditors' Report Thereon**

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MYMBN BERHAD (CONT'D)  
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201011844 (1457541-U)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MYMBN BERHAD (CONT'D)  
(INCORPORATED IN MALAYSIA) REGISTRATION NO: 202201011844 (1457541-U)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

**Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)**

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditor, is disclosed in Note 5 to the financial statements.

**OTHER MATTERS**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Melaka

10 April 2025

**Chin Siew Choo**  
03720/03/2027 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		THE GROUP		THE COMPANY	
	Note	2024 RM	2023 RM (Restated)	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	-	-	21,709,539	21,326,400
Property, plant and equipment	6	6,064,207	5,569,440	6,358	7,106
Intangible asset	7	-	538,765	-	345,496
Right-of-use assets	8	3,691,349	3,627,917	-	-
Deposit placed for life insurance policy	9	80,202	80,202	-	-
		9,835,758	9,816,324	21,715,897	21,679,002
CURRENT ASSETS					
Inventories	10	5,292,189	7,791,821	-	-
Trade and other receivables	9	6,119,760	4,255,720	522,817	7,140
Fixed deposits with licensed banks	11	8,742,517	1,509,250	5,028,422	1,000,000
Cash and bank balances		6,572,482	21,424,261	270,258	7,028,019
Current tax assets		1,811,796	614,342	-	-
Amount owing by a subsidiary	12	-	-	159,289	-
		28,538,744	35,595,394	5,980,786	8,035,159
TOTAL ASSETS		38,374,502	45,411,718	27,696,683	29,714,161
EQUITY AND LIABILITIES					
EQUITY					
Share capital	13	30,319,644	30,319,644	30,319,644	30,319,644
Merger deficit	14	(10,300,000)	(10,300,000)	-	-
Retained profits/(Accumulated losses)		12,205,117	15,583,981	(2,656,118)	(671,983)
Foreign exchange translation reserve	15	(70,703)	13,953	-	-
Equity attributable to owners of the Company		32,154,058	35,617,578	27,663,526	29,647,661
Non-controlling interests		399,940	246,776	-	-
TOTAL EQUITY		32,553,998	35,864,354	27,663,526	29,647,661
NON-CURRENT LIABILITIES					
Lease liabilities	16	48,919	-	-	-
Long-term borrowings	17	2,811,592	2,873,186	-	-
Deferred tax liabilities	18	6,834	144,000	-	-
		2,867,345	3,017,186	-	-
CURRENT LIABILITIES					
Trade and other payables	19	1,835,133	2,770,075	33,157	66,500
Lease liabilities	16	45,767	-	-	-
Short-term borrowings	20	1,072,259	3,760,103	-	-
		2,953,159	6,530,178	33,157	66,500
TOTAL LIABILITIES		5,820,504	9,547,364	33,157	66,500
TOTAL EQUITY AND LIABILITIES		38,374,502	45,411,718	27,696,683	29,714,161

The annexed notes form an integral part of these financial statement.



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	THE GROUP		THE COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	23	64,566,307	67,744,754	-	-
COST OF SALES		(62,732,929)	(61,112,891)	-	-
GROSS PROFIT		1,833,378	6,631,863	-	-
OTHER INCOME		613,249	345,227	219,177	129,832
ADMINISTRATIVE EXPENSES		(5,479,276)	(4,642,628)	(2,203,312)	(703,992)
SELLING AND DISTRIBUTION EXPENSES		(315,556)	(230,905)	-	-
FINANCE COSTS		(240,259)	(236,987)	-	-
(LOSS)/PROFIT BEFORE TAXATION	24	(3,588,464)	1,866,570	(1,984,135)	(574,160)
TAX INCOME/(EXPENSE)	25	75,277	(914,194)	-	-
(LOSS)/PROFIT AFTER TAXATION		(3,513,187)	952,376	(1,984,135)	(574,160)
OTHER COMPREHENSIVE (EXPENSES)/INCOME					
<u>Item that Will be Reclassified</u> <u>Subsequently to Profit or Loss</u>					
Foreign currency translation differences		(105,820)	17,441	-	-
TOTAL COMPREHENSIVE (EXPENSES)/ INCOME FOR THE FINANCIAL YEAR		(3,619,007)	969,817	(1,984,135)	(574,160)
<b>(LOSS)/PROFIT AFTER TAXATION ATTRIBUTABLE TO:-</b>					
- Owners of the Company		(3,378,864)	975,121	(1,984,135)	(574,160)
- Non-controlling interests		(134,323)	(22,745)	-	-
		(3,513,187)	952,376	(1,984,135)	(574,160)
<b>TOTAL COMPREHENSIVE (EXPENSES)/ INCOME ATTRIBUTABLE TO:-</b>					
- Owners of the Company		(3,463,520)	989,074	(1,984,135)	(574,160)
- Non-controlling interests		(155,487)	(19,257)	-	-
		(3,619,007)	969,817	(1,984,135)	(574,160)
(LOSS)/EARNINGS PER SHARE (SEN)					
Basic/Diluted	26	(0.88)	0.29		

The annexed notes form an integral part of these financial statement.

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Non-Distributable			Distributable		Attributable to owners of the Company RM	Non-controlling Interest RM	Total Equity RM
		Share Capital RM	Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM				
<b>The Group</b>									
Balance at 1.1.2023		10,800,001	(10,300,000)	-	14,608,860		15,108,861	-	15,108,861
Profit after taxation for the financial year		-	-	-	975,121		975,121	(22,745)	952,376
Other comprehensive income for the financial year:-									
- Foreign currency translation differences		-	-	13,953	-		13,953	3,488	17,441
Total comprehensive income for the financial year		-	-	13,953	975,121		989,074	(19,257)	969,817
Contributions by and distributions to owners of the Company:-									
- Issuance of shares for public issue	13	20,580,000	-	-	-		20,580,000	-	20,580,000
- Listing expenses	13	(1,060,357)	-	-	-		(1,060,357)	-	(1,060,357)
- Acquisition of subsidiary		-	-	-	-		-	(48,317)	(48,317)
- Issuance of shares by subsidiary to non-controlling interests		-	-	-	-		-	314,350	314,350
Total transactions with owners		19,519,643	-	-	-		19,519,643	266,033	19,785,676
Balance at 31.12.2023		30,319,644	(10,300,000)	13,953	15,583,981		35,617,578	246,776	35,864,354

The annexed notes form an integral part of these financial statement.

STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Non-Distributable			Distributable			Total Equity RM
	Share Capital RM	Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable to owners of the Company RM	Non- controlling Interest RM	
<b>The Group</b>							
Balance at 1.1.2024	30,319,644	(10,300,000)	13,953	15,583,981	35,617,578	246,776	35,864,354
Loss after taxation for the financial year	-	-	-	(3,378,864)	(3,378,864)	(134,323)	(3,513,187)
Other comprehensive expenses for the financial year:-							
- Foreign currency translation differences	-	-	(84,656)	-	(84,656)	(21,164)	(105,820)
Total comprehensive expenses for the financial year	-	-	(84,656)	(3,378,864)	(3,463,520)	(155,487)	(3,619,007)
Contributions by owners of the Company:-							
- Issuance of shares by subsidiary to non-controlling interests	-	-	-	-	-	308,651	308,651
Total transactions with owners	-	-	-	-	-	308,651	308,651
Balance at 31.12.2024	30,319,644	(10,300,000)	(70,703)	12,205,117	32,154,058	399,940	32,553,998

The annexed notes form an integral part of these financial statement.

# STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

THE COMPANY	Note	Share Capital RM	Accumulated Losses RM	Total Equity RM
Balance at 1.1.2023		10,800,001	(97,823)	10,702,178
Loss after taxation/Total comprehensive expenses for the financial year		-	(574,160)	(574,160)
Contributions by and distributions to owners of the Company:-				
- Issuance of shares for public issue	13	20,580,000	-	20,580,000
- Listing expenses	13	(1,060,357)	-	(1,060,357)
Total transactions with owners		19,519,643	-	19,519,643
Balance at 31.12.2023/1.1.2024		30,319,644	(671,983)	29,647,661
Loss after taxation/Total comprehensive expenses for the financial year		-	(1,984,135)	(1,984,135)
Balance at 31.12.2024		30,319,644	(2,656,118)	27,663,526

The annexed notes form an integral part of these financial statement.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note	THE GROUP		THE COMPANY	
	2024 RM	2023 RM (Restated)	2024 RM	2023 RM
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>				
(Loss)/Profit before taxation	(3,588,464)	1,866,570	(1,984,135)	(574,160)
Adjustments for:-				
Depreciation of property, plant and equipment	554,641	355,045	748	374
Depreciation of right-of-use assets	64,924	18,042	-	-
Impairment loss on investment in subsidiary	-	-	907,161	-
Impairment loss of intangible assets	538,765	-	345,496	-
Inventories written down	1,265,247	-	-	-
Gain on disposal of property, plant and equipment	(12,000)	-	-	-
Property, plant and equipment written off	1,347	-	-	-
Interest expenses	240,259	222,001	-	-
(Gain)/Loss on foreign exchange-unrealised	(86,334)	48,534	-	-
Interest income	(446,672)	(210,023)	(219,177)	(129,832)
Operating (loss)/profit before working capital changes	(1,468,287)	2,300,169	(949,907)	(703,618)
Decrease/(Increase) in inventories	1,234,676	(1,778,244)	-	-
Increase in trade and other receivables	(1,711,178)	(1,066,115)	(515,677)	(7,140)
(Decrease)/Increase in trade and other payables	(934,942)	(1,080,388)	(33,343)	14,500
<b>CASH FOR OPERATIONS</b>	<b>(2,879,731)</b>	<b>(1,624,578)</b>	<b>(1,498,927)</b>	<b>(696,258)</b>
Income tax paid	(1,259,606)	(1,791,389)	-	-
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<b>(4,139,337)</b>	<b>(3,415,967)</b>	<b>(1,498,927)</b>	<b>(696,258)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>				
Investment in subsidiaries	-	-	(100)	(1,276,400)
Additional investments in existing subsidiaries	-	-	(1,290,200)	(9,249,900)
Advances to a subsidiary	-	-	(159,289)	-
Deposit paid for purchase of property	(145,000)	-	-	-
Interest received	446,672	210,023	219,177	129,832
Purchase of property, plant and equipment	28(a) (925,384)	(2,255,566)	-	(7,480)
Proceeds from disposal of property, plant and equipment	40,500	-	-	-
Acquisition of intangible asset	-	(345,496)	-	(345,496)
Acquisition of subsidiary, net of cash and cash equivalents acquired	27(c) -	101,842	-	-
Purchase of right-of-use assets	28(a) -	(2,292,945)	-	-
Addition of fixed deposits pledged with licensed banks	(1,199,238)	(9,250)	-	-
Addition of fixed deposits with tenure more than 3 months	(1,000,000)	-	-	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(2,782,450)</b>	<b>(4,591,392)</b>	<b>(1,230,412)</b>	<b>(10,749,444)</b>

The annexed notes form an integral part of these financial statement.

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	THE GROUP		THE COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares		-	20,580,000	-	20,580,000
Payment of share issue expenses		-	(1,060,357)	-	(1,060,357)
Proceeds from issuance of shares by subsidiary to non-controlling interest		308,651	314,350	-	-
Repayment of hire purchase payables	28(c)	(115,958)	(51,415)	-	-
Drawdown of term loans	28(c)	-	754,200	-	-
Repayment of lease liabilities	28(c)	(33,296)	-	-	-
Repayment of term loans	28(c)	(85,480)	(66,217)	-	-
Interest paid	28(c)	(240,259)	(222,001)	-	-
(Repayment)/drawdown of bankers' acceptance	28(c)	(2,734,000)	1,167,000	-	-
Repayment to a subsidiary	28(c)	-	-	-	(58,727)
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(2,900,342)	21,415,560	-	19,460,916
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(9,822,129)	13,408,201	(2,729,339)	8,015,214
EFFECT OF FOREIGN EXCHANGE TRANSLATION		4,379	17,441	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		22,424,261	8,998,619	8,028,019	12,805
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	28(d)	12,606,511	22,424,261	5,298,680	8,028,019

The annexed notes form an integral part of these financial statement.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office : Level 5, Tower 8, Avenue 5  
Horizon 2, Bangsar South City  
59200 Kuala Lumpur

Principal place of business : No. 17, 19, 21, 23 & 25  
Jalan Melaka Raya 26  
Taman Melaka Raya  
75000 Melaka

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“**RM**”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 10 April 2025.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“**MFRSs**”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback  
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current  
Amendments to MFRS 101: Non-current Liabilities with Covenants  
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

##### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

##### **(a) Depreciation of Property, Plant and Equipment and Right-of-use Assets**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment and right-of-use assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment and right-of-use assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

##### **(b) Write-down of Inventories**

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

##### **(c) Impairment of Trade Receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

##### *Key Sources of Estimation Uncertainty (Cont'd)*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below (Cont'd):-

##### **(d) Impairment of Intangible Asset**

The assessment of whether intangible asset is impaired requires an estimation of the value in use of the cash-generating unit to which the intangible asset is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

##### **(e) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

##### **(f) Purchase Price Allocation**

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets and liabilities, future net earnings due to the impact on future depreciation and amortisation expense and impairment tests.

##### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

##### **(a) Lease Terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.2 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

#### 4.3 FINANCIAL INSTRUMENTS

##### (a) Financial Assets

###### Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

##### (b) Financial Liabilities

###### Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

##### (c) Equity

###### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

##### (d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### (CONT'D)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

##### 4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:

Buildings	2%
Computer and office equipment	10% - 25%
Furniture and fittings	10%
Renovation	10%
Cold room, machinery and equipment	10%
Motor vehicles	20%
Signboard	10%

Capital work-in-progress represent renovation-in-progress. They are not depreciated until such time when the asset is available for use.

##### 4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

###### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

###### (b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

###### (c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.7 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

##### Intangible Asset with Indefinite Useful Life

The intangible asset is related to an approval license to import and export goods in PRC. The useful life of the intangible asset is estimated to be indefinite. Therefore, the intangible asset is carried at cost without amortisation but is tested for impairment annually and whenever there is an indication that it may be impaired.

#### 4.8 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

#### 4.9 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discount.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

##### (a) Sale of goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2024 RM	2023 RM
Unquoted shares, at cost	22,616,700	21,326,400
Accumulated impairment losses	(907,161)	-
	<u>21,709,539</u>	<u>21,326,400</u>
Accumulated impairment losses:-		
At 1 January	-	-
Addition during the year	907,161	-
At 31 December	<u>907,161</u>	<u>-</u>

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
Subsidiaries of the Company				
MBN Enterprise Sdn. Bhd. ("MBN Enterprise")	Malaysia	100%	100%	Processing and sale of edible bird's nest
MBN International Sdn. Bhd. ("MBN International")	Malaysia	100%	100%	Processing and sale of edible bird's nest
MBN Food Sdn. Bhd. ("MBN Food")	Malaysia	100%	-	Manufacturing of food and beverages
Guangxi Nan Yang Birdnest (M) Co., Ltd ("Guangxi Nan Yang") *	People's Republic of China (excludes Special Administration Region of Hong Kong and Macao) ("PRC")	80%	80%	Processing and sale of edible bird's nest

\* This subsidiary was audited by member firm of Crowe Global of which Crowe Malaysia PLT is a member.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**5. INVESTMENT IN SUBSIDIARIES (CONT'D)**

(i) During the financial year:-

- (a) On 18 January 2024, the Company subscribed 2,000,000 ordinary shares in Guangxi Nan Yang for cash consideration of RMB2,000,000 (equivalent to RM1,290,200) in total. The subscription did not change the percentage of shareholding effectively held by the Company.
- (b) On 11 July 2024, the Company subscribed 100 new ordinary shares in MBN Food for a total cash consideration of RM100.

(ii) In the previous financial year:-

- (a) On 28 July 2023, the Company has acquired 80% equity interests in Guangxi Nan Yang. The details of the acquisition are disclosed in Note 27 to the financial statements.
- (b) On 1 August 2023 and 1 December 2023, the Company subscribed 2,000,000 ordinary shares in Guangxi Nan Yang for cash consideration of RMB2,000,000 (equivalent to RM1,276,400) in total. The subscription did not change the percentage of shareholding effectively held by the Company.
- (c) On 10 August 2023, MBN International increased its issued and paid-up share capital from RM100 to RM100,000. The Company has subscribed additional 99,900 ordinary shares for a total cash consideration of RM99,900.
- (d) On 31 December 2023, the Company has subscribed additional ordinary shares in MBN Enterprise for a total consideration of RM3,900,000, satisfied by settlement of amount owing by MBN Enterprise. The subscription did not change the percentage of shareholding effectively held by the Company.
- (e) On 31 December 2023, the Company has subscribed additional ordinary shares in MBN International for a total consideration of RM5,250,000, satisfied by settlement of amount owing by MBN International. The subscription did not change the percentage of shareholding effectively held by the Company.

(iii) The non-controlling interests at the end of the reporting period comprise the following:-

	EFFECTIVE EQUITY INTEREST		THE GROUP	
	2024	2023	2024 RM	2023 RM
Guangxi Nan Yang	20%	20%	399,940	246,776

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (iv) The summarised financial information (before intra-group elimination) for the subsidiary that has non-controlling interests that are material to the Group is as follows:-

	<b>Guangxi Nan Yang</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
<u>At 31 December</u>		
Non-current assets	669,729	679,000
Current assets	2,590,535	2,282,207
Non-current liabilities	(41,753)	-
Current liabilities	(1,144,212)	(1,708,324)
Net assets	2,074,299	1,252,883
<u>Financial Year Ended 31 December</u>		
Revenue	4,737,164	2,267,794
Loss for the financial year/Total comprehensive expenses	(671,614)	(113,723)
Total comprehensive expenses attributable to non-controlling interests	(134,323)	(22,745)
Net cash flows for operating activities	(1,303,445)	(1,292,530)
Net cash flows for investing activities	(5,895)	(22,262)
Net cash flows from financing activities	1,232,443	1,448,317

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.1.2024 RM	Additions (Note 28(a)) RM	Reclassification RM	Written Off RM	Disposal RM	Exchange Difference RM	Depreciation Charges (Note 24) RM	At 31.12.2024 RM
<b>2024</b>								
<i>Carrying Amount</i>								
Buildings	2,952,325	-	-	-	-	-	(30,002)	2,922,323
Computer and office equipment	224,845	37,801	-	(1,347)	-	26	(84,087)	177,238
Furniture and fittings	99,543	-	-	-	-	-	(18,481)	81,062
Renovation	1,296,615	406,532	18,000	-	-	(31,414)	(177,533)	1,512,200
Cold room, machinery and equipment	374,063	2,860	-	-	-	(741)	(66,521)	309,661
Motor vehicles	582,943	243,016	-	-	(28,500)	-	(176,444)	621,015
Signboard	7,106	9,000	-	-	-	-	(1,573)	14,533
Capital work-in- progress	32,000	412,175	(18,000)	-	-	-	-	426,175
	5,569,440	1,111,384	-	(1,347)	(28,500)	(32,129)	(554,641)	6,064,207

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	At 1.1.2023 RM	Additions (Note 28(a)) RM	Depreciation Charges (Note 24) RM	Acquisition of a Subsidiary (Note 27) RM	At 31.12.2023 RM
<b>2023 (Restated)</b>					
<i>Carrying Amount</i>					
Buildings	1,362,126	1,618,161	(27,962)	-	2,952,325
Computer and office equipment	242,861	67,185	(85,201)	-	224,845
Furniture and fittings	116,828	1,096	(18,381)	-	99,543
Renovation	723,532	421,450	(94,615)	246,248	1,296,615
Cold room, machinery and equipment	418,205	26,484	(70,626)	-	374,063
Motor vehicles	134,119	506,710	(57,886)	-	582,943
Signboard	-	7,480	(374)	-	7,106
Capital work-in-progress	-	32,000	-	-	32,000
	2,997,671	2,680,566	(355,045)	246,248	5,569,440

THE GROUP	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>2024</b>			
Buildings	3,051,444	(129,121)	2,922,323
Computer and office equipment	666,682	(489,444)	177,238
Furniture and fittings	184,812	(103,750)	81,062
Renovation	2,004,640	(492,440)	1,512,200
Cold room, machinery and equipment	703,482	(393,821)	309,661
Motor vehicles	896,325	(275,310)	621,015
Signboard	16,480	(1,947)	14,533
Capital work-in-progress	426,175	-	426,175
	7,950,040	(1,885,833)	6,064,207

**2023 (Restated)**

Buildings	3,051,444	(99,119)	2,952,325
Computer and office equipment	632,731	(407,886)	224,845
Furniture and fittings	184,812	(85,269)	99,543
Renovation	1,613,850	(317,235)	1,296,615
Cold room, machinery and equipment	701,402	(327,339)	374,063
Motor vehicles	683,309	(100,366)	582,943
Signboard	7,480	(374)	7,106
Capital work-in-progress	32,000	-	32,000
	6,907,028	(1,337,588)	5,569,440

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At 1.1.2024 RM	Depreciation Charges (Note 24) RM	At 31.12.2024 RM
<b>THE COMPANY</b>			
<b>2024</b>			
<i>Carrying Amount</i>			
Signboard	7,106	(748)	6,358

	At 1.1.2023 RM	Additions (Note 28(a)) RM	Depreciation Charges (Note 24) RM	At 31.12.2023 RM
<b>THE COMPANY</b>				
<b>2023</b>				
<i>Carrying Amount</i>				
Signboard	-	7,480	(374)	7,106

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>THE COMPANY</b>			
<b>2024</b>			
Signboard	7,480	(1,122)	6,358
<b>2023</b>			
Signboard	7,480	(374)	7,106

- (a) Included in the property, plant and equipment of the Group were motor vehicles held under hire purchase arrangements with a total carrying amount of RM528,051 (2023 – RM421,859). These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 21 to the financial statements.
- (b) The buildings are pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 20 and 22 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

7. INTANGIBLE ASSET

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Cost:-				
At 1 January	538,765	-	345,496	-
Additions	-	345,496	-	345,496
Acquisition of a subsidiary (Note 27)	-	193,269	-	-
At 31 December	538,765	538,765	345,496	345,496
Accumulated impairment losses:-				
At 1 January	-	-	-	-
Impairment during the financial year	(538,765)	-	(345,496)	-
At 31 December	(538,765)	-	(345,496)	-
	-	538,765	-	345,496

- (a) The intangible asset is related to an approval license to import and export goods in PRC (“**Approval License**”). The Group had determined that the intangible asset has indefinite useful lives.
- (b) The Group has assessed the recoverable amount of approval license and determined that impairment is required because the business had been persistently making losses. Its recoverable amount is determined using the value in use approach, and this is derived from the present value of the future cash flows from cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amount are as follows:-

	Gross Margin		Revenue Growth Rate		Discount Rate	
	2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Guangxi Nan Yang	3.59	6.00	3.29	3.38	13.52	6.53

- (i) Budgeted gross margin      Gross margins are estimated based on forecasted gross margin after considering local requirement and operating costs.
- (ii) Revenue growth rate      Based on expected revenue growth relevant to the industry.
- (iii) Discount rate (pre-tax)      The rate reflects specific risks relating to the relevant cash-generating unit.

The values assigned to the key assumptions represent management’s assessment of future trends in the cash-generating units and are based on best estimation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**8. RIGHT-OF-USE ASSETS**

The Group	At 1.1.2024 RM	Additions (Note 28(a)) RM	Exchange Difference RM	Depreciation Charges (Note 24) RM	At 31.12.2024 RM
<b>2024</b>					
<i>Carrying Amount</i>					
Leasehold lands	3,627,917	-	-	(21,104)	3,606,813
Building	-	131,460	(3,104)	(43,820)	84,536
	3,627,917	131,460	(3,104)	(64,924)	3,691,349

	At 1.1.2023 RM	Additions (Note 28(a)) RM	Depreciation Charges (Note 24) RM	At 31.12.2023 RM
The Group				
2023 (Restated)				
Carrying Amount				
Leasehold lands	1,353,014	2,292,945	(18,042)	3,627,917

- (a) The Group leases few pieces of leasehold lands and building of which the leasing activities are summarised below:-

Leasehold lands	The Group has entered into few non-cancellable operating lease agreements for the use of lands. The leases are for a period of 71 to 77 years.
Building	The Group has leased a building for a period of 3 years, with an option to renew the lease after that date.

- (b) The leasehold lands are pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 20 and 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

9. TRADE AND OTHER RECEIVABLES

		THE GROUP		THE COMPANY	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>Other receivables</b>					
<u>Non-current</u>					
Deposit placed for life insurance policy:- At 1 January/31 December	(a)	80,202	80,202	-	-
<b>Trade receivables</b>					
<u>Current</u>					
Third parties	(b)	5,001,294	3,771,054	-	-
Less: Allowance for impairment loss		(262,547)	(262,547)	-	-
Net trade receivables		4,738,747	3,508,507	-	-
<b>Other receivables</b>					
<u>Current</u>					
Other receivables:-					
- Third parties		607,881	268,777	-	-
Advanced payment to suppliers		-	327,711	-	-
Deposits		55,644	62,397	1,000	7,000
Deposit paid for purchase of equity interest in Swallows House Enterprise Sdn Bhd		517,600	-	517,600	-
Deposit paid for purchase of property		145,000	-	-	-
Prepayments		54,888	88,328	4,217	140
		1,381,013	747,213	522,817	7,140
Total trade and other receivables – current		6,119,760	4,255,720	522,817	7,140
<b>Allowance for impairment loss:-</b>					
At 1 January/31 December		262,547	262,547	-	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 9. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) A life insurance policy (the “**Policy**”) was taken to insure the chief executive officer of the Group (the “**Insured Person**”). Under the Policy, the beneficiary is a bank (the “**Bank**”) and the total insured sum is RM350,000. At the inception of the Policy, the Group paid an upfront payment of RM80,202. For any insured events happened to the Insured Person, the insured sum will first be used to settle the outstanding bank loan of the Group from the Bank and thereafter any excess amount will be payable to the Group. The Policy can be withdrawn at any time with surrender charges if such withdrawal occurs before the 10th anniversary from the date of inception and a cash refund will be based on the cash surrender value of the Policy at the date of withdrawal.

As at 31 December 2024, the directors of the Group expect that the Policy will be terminated at the 10th anniversary from the date of inception and there will be no specific surrender charges in accordance with the terms of the Policy. The directors of the Group consider that the expected life of the Policy will remain unchanged from initial recognition.

In the event of death of the Insured Person, the deposit will be derecognised and any resulting gains or losses will be recognised in profit or loss.

- (b) The Group’s trade credit term range from 14 to 60 (2023 – 14) days. Other credit terms are assessed and approved on a case-by-case basis.

### 10. INVENTORIES

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Raw materials	142,582	4,498,407
Finished goods	5,149,607	3,277,241
Work in progress	-	16,173
	5,292,189	7,791,821
Recognised in profit or loss:-		
Inventories recognised as cost of sales	61,467,682	61,112,891
Amount written down to net realisable value	1,265,247	-

### 11. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.25% to 3.80% (2023 – 3.10% to 3.25%) per annum and 3.20% to 3.80% (2023 – 3.10%) per annum respectively. The fixed deposits have maturity periods ranging from 1 to 12 months (2023 – 1 to 12 months) and 1 to 3 months (2023 – 1 month) for the Group and the Company respectively.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of reporting period was an amount of RM1,708,488 (2023 – RM509,250) which has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 20 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
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**12. AMOUNT OWING BY A SUBSIDIARY**

	<b>THE COMPANY</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<u>Current</u>		
Non-trade balances	159,289	-

The non-trade balances represent unsecured payments made on behalf. The amount owing is to be settled in cash and repayable on demand.

**13. SHARE CAPITAL**

	<b>THE GROUP/THE COMPANY</b>			
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Number of Shares</b>		<b>RM</b>	<b>RM</b>
<b>Issued and Fully Paid-Up</b>				
Ordinary shares:-				
At 1 January	386,000,000	288,000,000	30,319,644	10,800,001
Issuance of new shares pursuant to:-				
- Public issue	-	98,000,000	-	20,580,000
Listing expenses	-	-	-	(1,060,357)
At 31 December	386,000,000	386,000,000	30,319,644	30,319,644

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

**14. MERGER DEFICIT**

The merger deficit arise from the difference between carrying value of the investment and the nominal value of the shares of a subsidiary upon consolidation under merger accounting principles.

**15. FOREIGN EXCHANGE TRANSLATION RESERVE**

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiary whose functional currency is different from the Group's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS  
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**16. LEASE LIABILITIES**

	<b>THE GROUP</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
At 1 January	-	-
Additions (Note 28(c))	131,460	-
Interest expense recognised in profit or loss (Note 24)	4,244	-
Repayment of principal	(33,296)	-
Repayment of interest expense	(4,244)	-
Exchange difference	(3,478)	-
At 31 December	94,686	-
Analysed by:-		
Current liabilities	45,767	-
Non-current liabilities	48,919	-
	94,686	-

**17. LONG-TERM BORROWINGS**

	<b>THE GROUP</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
Hire purchase payables (Note 21)	315,003	293,580
Term loans (Note 22)	2,496,589	2,579,606
	2,811,592	2,873,186

**18. DEFERRED TAX LIABILITIES**

<b>The Group</b>	<b>At 1.1.2024 RM</b>	<b>Recognised in Profit or Loss (Note 25) RM</b>	<b>Exchange Difference RM</b>	<b>At 31.12.2024 RM</b>
<b>2024</b>				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	207,000	(44,000)	-	163,000
Right-of-use assets	-	21,910	(776)	21,134
	207,000	(22,090)	(776)	184,134
<i>Deferred Tax Assets</i>				
Impairment loss on trade receivables	(63,000)	-	-	(63,000)
Inventories written down	-	(90,798)	170	(90,628)
Lease liabilities	-	(24,541)	869	(23,672)
	(63,000)	(115,339)	1,039	(177,300)
	144,000	(137,429)	263	6,834

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

18 DEFERRED TAX LIABILITIES (CONT'D)

THE GROUP	At 1.1.2023 RM	Recognised in Profit or Loss (Note 25) RM	At 31.12.2023 RM
<b>2023</b>			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	236,000	(29,000)	207,000
<i>Deferred Tax Assets</i>			
Impairment loss on trade receivables	(63,000)	-	(63,000)
	173,000	(29,000)	144,000

19. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Trade payables</b>				
Third parties	1,549,933	2,347,031	-	-
<b>Other payables</b>				
Other payables	90,344	199,620	157	-
Deposit received	-	57,158	-	-
Accruals	194,856	166,266	33,000	66,500
	285,200	423,044	33,157	66,500
	1,835,133	2,770,075	33,157	66,500

The Group's trade credit term is 14 (2023 – 14) days. Other credit terms are assessed and approved on a case-by-case basis.

20. SHORT-TERM BORROWINGS

	THE GROUP	
	2024 RM	2023 RM
Bankers' acceptances	855,000	3,589,000
Hire purchase payables (Note 21)	128,624	80,005
Term loans (Note 22)	88,635	91,098
	1,072,259	3,760,103



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**20. SHORT-TERM BORROWINGS (CONT'D)**

The weighted average effective interest rates at the end of the reporting period for bankers' acceptances were as follows:-

	<i>Interest Rate</i>	<b>THE GROUP</b>	
		<b>2024</b> %	<b>2023</b> %
Bankers' acceptances	Floating	4.42	4.85

The bankers' acceptances are secured by the following:-

- (i) by fixed charges over the Group's leasehold land and buildings as disclosed in Notes 6 and 8 to the financial statements;
- (ii) by lien over the fixed deposits with licensed banks of the Group as disclosed in Note 11 to the financial statements; and
- (iii) by corporate guarantee from the Company.

**21. HIRE PURCHASE PAYABLES**

	<b>THE GROUP</b>	
	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Minimum hire purchase payments:		
- not later than 1 year	145,920	94,860
- later than 1 year but not later than 5 years	331,958	316,200
	477,878	411,060
Less: Future finance charges	(34,251)	(37,475)
	443,627	373,585
Analysed by:-		
Current liabilities (Note 20)	128,624	80,005
Non-current liabilities (Note 17)	315,003	293,580
	443,627	373,585

The hire purchase payables at the end of reporting date bore effective interest rate ranging from 4.41% to 4.66% (2023 – 4.41%) per annum.

The hire purchase payables of the Group were secured by the Group's motor vehicles under finance leases as disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
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(CONT'D)

**22. TERM LOANS**

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Current liabilities (Note 20)	88,635	91,098
Non-current liabilities (Note 17)	2,496,589	2,579,606
	<b>2,585,224</b>	<b>2,670,704</b>

The weighted average effective interest rate of term loans are 4.82% (2023 – 4.82%) per annum.

The term loans are secured by the following:-

- (i) by fixed charges over the Group's leasehold land and buildings as disclosed in Notes 6 and 8 to the financial statements; and
- (ii) by corporate guarantee from the Company.

**23. REVENUE**

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Revenue from Contracts with Customers</b>		
<u>Recognised at a point in time</u>		
Sales of edible bird's nest	64,566,307	67,744,754
 Represented by geographical market:-		
Malaysia	19,822,261	2,521,387
PRC	38,892,662	59,315,440
Vietnam	5,851,384	5,907,927
	<b>64,566,307</b>	<b>67,744,754</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**24. (LOSS)/PROFIT BEFORE TAXATION**

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
	<b>(Restated)</b>			
(Loss)/Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:-				
- audit fees:				
- auditors of the Company	100,000	95,000	25,000	25,000
- member firm of Crowe Global of which Crowe Malaysia PLT is a member	27,470	27,946	-	-
- non-audit fees:				
- auditors of the Company	5,000	116,000	5,000	40,000
- member firm of the auditors of the Company	48,000	16,000	18,000	1,500
- other auditors	-	3,000	-	-
Contributions to defined contribution plan:-				
- directors of the Company	48,768	51,120	-	-
- others	226,486	199,564	-	-
Depreciation of property, plant and equipment	554,641	355,045	748	374
Depreciation of right-of-use assets	64,924	18,042	-	-
Directors' remuneration:-				
- directors' fees	420,000	258,000	420,000	258,000
- non-fee emoluments	430,564	441,937	20,000	12,000
Impairment loss on investment in subsidiary	-	-	907,161	-
Impairment loss of intangible asset	538,765	-	345,496	-
Inventories written down	1,265,247	-	-	-
Interest expenses on financial liabilities that are not at fair value through profit or loss:-				
- bankers' acceptances	91,906	108,999	-	-
- hire purchase	21,452	11,825	-	-
- term loans	122,657	101,177	-	-
Interest expense on lease liabilities	4,244	-	-	-
Property, plant and equipment written off	1,347	-	-	-
Lease expenses:-				
- short-term leases	37,988	67,701	4,000	20,000
Listing expenses	-	918,200	-	249,865
Gain on disposal of property, plant and equipment	(12,000)	-	-	-
Loss/(Gain) on foreign exchange:-				
- realised	225,478	(126,032)	-	-
- unrealised	(86,334)	48,534	-	-
Staff costs:-				
- short-term employee benefits	2,225,914	1,843,600	-	-
Total interest income on financial assets measured at amortised cost	(446,672)	(210,023)	(219,177)	(129,832)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

25. TAX (INCOME)/EXPENSE

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense:				
- Malaysian tax for the financial year	46,000	880,082	-	-
- Under provision in the previous financial year	16,152	63,112	-	-
	62,152	943,194	-	-
Deferred tax (Note 18):				
- Origination and reversal of temporary differences	(136,429)	(25,000)	-	-
- Over provision in the previous financial year	(1,000)	(4,000)	-	-
	(137,429)	(29,000)	-	-
Total tax (income)/expense	(75,277)	914,194	-	-

A reconciliation of tax (income)/expense applicable to the (loss)/profit before taxation at the statutory tax rate to tax (income)/expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before taxation	(3,588,464)	1,866,570	(1,984,135)	(574,160)
Tax at the statutory tax rate of 24% (2023 – 24%)	(861,231)	447,977	(476,192)	(137,798)
Tax effects of:				
Non-deductible expenses	517,393	405,968	476,192	137,798
Differential in tax rate of foreign subsidiary	(6,791)	1,137	-	-
Under provision of current tax expense in the previous financial year	16,152	63,112	-	-
Over provision of deferred taxation in the previous financial year	(1,000)	(4,000)	-	-
Deferred tax asset not recognised during the financial year	260,200	-	-	-
	(75,277)	914,194	-	-

Subject to agreement with the tax authorities, at end of reporting period, the unused tax losses and unabsorbed capital allowance of the Group are as follows:-

	THE GROUP	
	2024 RM	2023 RM
Unused tax losses		
-Expire year of assessment 2034	163,000	-
Unabsorbed capital allowance	30,400	-
	193,400	-

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**25. TAX (INCOME)/EXPENSE (CONT'D)**

At end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Unused tax losses		
- Expire year of assessment 2034	163,000	-
Other temporary differences	887,700	-
	1,050,700	-

Based on the current legislation, the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

**26. (LOSS)/EARNINGS PER SHARE**

**(a) Basic (Loss)/Earnings Per Share**

The basic (loss)/earnings per share is calculated by dividing the consolidated (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
(Loss)/Profit after taxation attributable to owners of the Company (RM)	(3,378,864)	975,121
Weighted average number of ordinary shares in issue	386,000,000	330,690,411
Basic (loss)/earnings per share (sen)	(0.88)	0.29

**(b) Diluted (Loss)/Earnings Per Share**

The diluted (loss)/earnings per share is equal to the basic (loss)/earnings per share because there were no potential ordinary shares during the financial year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**27. ACQUISITION OF A SUBSIDIARY**

In the previous financial year, the Company acquired 80% equity interests in Guangxi Nan Yang. The acquisition of this subsidiary was to enable the Group to venture into the processing and sale of raw clean edible bird's nest in the PRC.

(a) Fair Value of Purchase Consideration

**THE GROUP  
2023  
RM**

Total purchase consideration	1
------------------------------	---

(b) Identifiable Assets Acquired and Liabilities Assumed

**THE GROUP  
2023  
RM**

Property, plant and equipment	246,248
Cash and bank balances	101,843
Trade and other receivables	254,370
Inventories	1,703,137
Trade and other payables	(2,547,183)
Fair value of net identified liabilities assumed	(241,585)
Add: Non-controlling interest, measured at the proportionate share of the net identified liabilities	48,317
Add: Intangible asset on consolidation (Note 7)	193,269
Total purchase consideration	1

(c) Cash Flows Arising from Acquisition

**THE GROUP  
2023  
RM**

Purchase consideration settled in cash	1
Less: Cash and bank balances of subsidiary acquired	(101,843)
Net cash inflow from the acquisition of subsidiary	101,842

The Group has incurred acquisition-related costs of RM102,018 related to legal fee and due diligence costs. These expenses were recognised in "Administrative Expenses" line item of the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**27. ACQUISITION OF A SUBSIDIARY (CONT'D)**

(d) Impact of Acquisition on the Group's Results

The acquired subsidiary has contributed the following results to the Group:-

	<b>THE GROUP 2023 RM</b>
Revenue	2,267,794
Loss after taxation	(113,723)

If the acquisition had taken place at the beginning of the previous financial year, the Group's revenue and profit after taxation would have been RM68,451,730 and RM935,922 respectively.

**28. CASH FLOW INFORMATION**

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>2024 RM</b>	<b>2023 RM (Restated)</b>	<b>2024 RM</b>	<b>2023 RM</b>
<b>Property, Plant and Equipment</b>				
Cost of property, plant and equipment purchased (Note 6)	1,111,384	2,680,566	-	7,480
Less: Acquired through hire purchase arrangement (Note 28(c))	(186,000)	(425,000)	-	-
	925,384	2,255,566	-	7,480
<b>Right-of-use Assets</b>				
Cost of right-of-use assets acquired (Note 8)	131,460	2,292,945	-	-
Less: Additions of new lease liabilities (Note 28(c))	(131,460)	-	-	-
	-	2,292,945	-	-

(b) The total cash outflows for leases as a lessee are as follows:-

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>2024 RM</b>	<b>2023 RM</b>	<b>2024 RM</b>	<b>2023 RM</b>
Payment of short-term leases	37,988	67,701	4,000	20,000
Interest paid on lease liabilities	4,244	-	-	-
Payment of lease liabilities	33,296	-	-	-
	75,528	67,701	4,000	20,000



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**28. CASH FLOW INFORMATION (CONT'D)**

(c) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM	Bankers' Acceptances RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
<b>2024</b>					
At 1 January	2,670,704	3,589,000	373,585	-	6,633,289
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	-	6,181,000	-	-	6,181,000
Repayment of principal	(85,480)	(8,915,000)	(115,958)	(33,296)	(9,149,734)
Repayment of interests	(122,657)	(91,906)	(21,452)	(4,244)	(240,259)
	(208,137)	(2,825,906)	(137,410)	(37,540)	(3,208,993)
<u>Other Changes</u>					
Acquisition of new hire purchase payable (Note 28(a))	-	-	186,000	-	186,000
Acquisition of new leases	-	-	-	131,460	131,460
Interest expense recognised in profit or loss	122,657	91,906	21,452	4,244	240,259
Foreign currency translation difference	-	-	-	(3,478)	(3,478)
	122,657	91,906	207,452	132,226	554,241
At 31 December	2,585,224	855,000	443,627	94,686	3,978,537

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**28. CASH FLOW INFORMATION (CONT'D)**

(c) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Term Loans RM	Bankers' Acceptances RM	Hire Purchase Payables RM	Total RM
<b>2023</b>				
At 1 January	1,982,721	2,422,000	-	4,404,721
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	754,200	3,589,000	-	4,343,200
Repayment of principal	(66,217)	(2,422,000)	(51,415)	(2,539,632)
Repayment of interests	(101,177)	(108,999)	(11,825)	(222,001)
	586,806	1,058,001	(63,240)	1,581,567
<u>Other Changes</u>				
Acquisition of new hire purchase payable (Note 28(a))	-	-	425,000	425,000
Interest expense recognised in profit or loss	101,177	108,999	11,825	222,001
	101,177	108,999	436,825	647,001
At 31 December	2,670,704	3,589,000	373,585	6,633,289

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024  
(CONT'D)

**28. CASH FLOW INFORMATION (CONT'D)**

(c) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

<b>The Company</b>	<b>Amount Owing to a Subsidiary RM</b>	<b>Total RM</b>
<b>2023</b>		
At 1 January	58,727	58,727
<u>Changes in Financing Cash Flows</u>		
Repayment of advances	(58,727)	(58,727)
At 31 December	-	-

(d) The cash and cash equivalents comprise the followings:-

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>2024 RM</b>	<b>2023 RM</b>	<b>2024 RM</b>	<b>2023 RM</b>
Fixed deposits with licensed banks	8,742,517	1,509,250	5,028,422	1,000,000
Cash and bank balances	6,572,482	21,424,261	270,258	7,028,019
	15,314,999	22,933,511	5,298,680	8,028,019
Less: Fixed deposits pledged to licensed banks	(1,708,488)	(509,250)	-	-
Less: Fixed deposits with tenure of more than 3 months	(1,000,000)	-	-	-
	12,606,511	22,424,261	5,298,680	8,028,019

NOTES TO THE FINANCIAL STATEMENTS  
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## 29. RELATED PARTY DISCLOSURES

### (a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

### (b) Significant Related Party Transactions and Balances

The Group and the Company carried out the following significant transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Subsidiary</b>				
Rental expenses	-	-	4,000	20,000

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in Note 12 to the financial statements.

## 30. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- Fees	420,000	258,000	420,000	258,000
- Salaries, bonuses and other benefits	430,564	441,937	20,000	12,000
Defined contribution benefits	48,768	51,120	-	-
	899,332	751,057	440,000	270,000
<b>(b) Other Key Management Personnel</b>				
Short-term employee benefits	257,367	157,656	-	-
Defined contribution benefits	30,449	18,846	-	-
	287,816	176,502	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### (CONT'D)

### 31. OPERATING SEGMENTS

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

#### Major Customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Customer A group of companies*	24,863,282	37,729,389
Customer B	8,457,764	12,401,293

\* Comprised of three companies which are under common management.

### 32. CAPITAL COMMITMENTS

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Purchase of property	1,305,000	-
Acquisition of 70% equity interest in Swallows House Enterprise Sdn Bhd	2,070,400	-
Capital contribution on the 80% equity interest in Guangxi Nan Yang	-	1,290,400
	<b>3,375,400</b>	<b>1,290,400</b>

### 33. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

##### **(a) Market Risk**

##### **(i) Foreign Currency Risk**

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk is primarily Renminbi or Chinese Yuan ("**RMB**") and United States Dollar ("**USD**"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS  
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**33. FINANCIAL INSTRUMENTS (CONT'D)**

**33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

**(a) Market Risk (Cont'd)**

**(i) Foreign Currency Risk (Cont'd)**

The exposure to foreign currency risk (a currency which is other than the functional currency of the entity) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

*Foreign Currency Exposure*

<b>The Group</b>	<b>RMB RM</b>	<b>USD RM</b>	<b>Total RM</b>
<b>2024</b>			
<u>Financial Assets</u>			
Trade receivables	3,697,724	-	3,697,724
Other receivables	603,972	-	603,972
Bank balances	3,115,011	419	3,115,430
	7,416,707	419	7,417,126
<u>Financial Liabilities</u>			
Trade payables	536,138	-	536,138
Other payables and accruals	35,054	-	35,054
	571,192	-	571,192
Currency Exposure	6,845,515	419	6,845,934
<b>2023</b>			
<u>Financial Assets</u>			
Trade receivables	3,147,926	261,502	3,409,428
Other receivables	268,478	-	268,478
Bank balances	1,870,568	161	1,870,729
	5,286,972	261,663	5,548,635
<u>Financial Liabilities</u>			
Trade payables	1,157,955	-	1,157,955
Other payables and accruals	120,716	-	120,716
	1,278,671	-	1,278,671
Currency Exposure	4,008,301	261,663	4,269,964

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**33. FINANCIAL INSTRUMENTS (CONT'D)**

**33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

**(a) Market Risk (Cont'd)**

**(i) Foreign Currency Risk (Cont'd)**

*Foreign Currency Exposure (Cont'd)*

	<b>RMB RM</b>
<b>The Company</b>	
<b>2024</b>	
<u>Financial Assets</u>	
Bank balances	214

*Foreign Currency Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	<b>THE GROUP</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
<b>Effects on (Loss)/Profit After Taxation</b>		
RMB/RM – strengthened by 10% (2023: 5%)	+520,259	+152,315
RMB/RM – weakened by 10% (2023: 5%)	-520,259	-152,315
USD/RM – strengthened by 12% (2023: 5%)	+38	+9,943
USD/RM – weakened by 12% (2023: 5%)	-38	-9,943

	<b>The Company 2024 RM</b>
<b>Effects on Loss After Taxation</b>	
RMB/RM – strengthened by 10% (2023: Nil)	+16
RMB/RM – weakened by 10% (2023: Nil)	-16



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### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period are disclosed in Notes 11, 20 and 22 to the financial statements.

##### *Interest Rate Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	<b>THE GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on (Loss)/Profit After Taxation</b>		
Increase of 50 basis points (2023: 50 basis points)	+3,007	-22,653
Decrease of 50 basis points (2023: 50 basis points)	-3,007	+22,653

	<b>The Company</b>
	<b>2024</b>
	<b>RM</b>
<b>Effects on Loss After Taxation</b>	
Increase of 50 basis points	+6,792
Decrease of 50 basis points	-6,792

##### (iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### (CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes corporate guarantee given to financial institutions for credit facilities granted to a subsidiary. The Company monitors the ability of the subsidiary to serve its loans on an individual basis.

##### (i) Credit Risk Concentration Profile

The Group determines the concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables, net of loss allowance, at the end of the reporting period is as follows:-

	THE GROUP	
	2024 RM	2023 RM
PRC	3,697,724	3,147,926
Malaysia	1,041,023	99,079
Vietnam	-	261,502
	<hr/> 4,738,747	<hr/> 3,508,507

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 2 (2023 – 3) customers which constituted approximately 67% (2023 – 85%) of its trade receivables, net of loss allowance.

##### (ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to a subsidiary as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses

The Group has a credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluate whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due.

##### Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables has been grouped based on share credit risk characteristics and the days past due.

The Group measures the expected credit losses of trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 36 months (2023 – 36 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

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33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

*Allowance for Impairment Losses*

The reconciliation of allowance for impairment losses are as follows:-

	Non-credit Impaired RM	Credit Impaired RM	Total RM
<b>The Group</b>			
<u>Trade Receivables</u>			
Balance at 1.1.2023/ 31.12.2023/1.1.2024/ 31.12.2024	-	262,547	262,547

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
<b>The Group</b>				
<b>2024</b>				
Current (not past due)	4,010,013	-	-	4,010,013
1 to 30 days past due	282,600	-	-	282,600
61 to 90 days past due	44,550	-	-	44,550
More than 90 days past due	401,584	-	-	401,584
Credit impaired	262,547	(262,547)	-	-
	5,001,294	(262,547)	-	4,738,747
<b>2023</b>				
Current (not past due)	3,460,447	-	-	3,460,447
1 to 30 days past due	48,060	-	-	48,060
Credit impaired	262,547	(262,547)	-	-
	3,771,054	(262,547)	-	3,508,507

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Allowance for Impairment Losses (Cont'd)*

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables that impacted the allowance for impairment losses.

##### Other Receivables

The Group applied the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

##### *Allowance for Impairment Losses*

No expected credit loss is recognised on other receivables as it is negligible.

##### Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to a subsidiary are financial guarantee contract.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiary's financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

##### *Allowance for Impairment Losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS  
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(CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

##### *Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

THE GROUP	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
<b>2024</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	1,549,933	1,549,933	1,549,933	-	-
Other payables and accruals	-	285,200	285,200	285,200	-	-
Term loans	4.82	2,585,224	3,844,190	207,120	1,035,600	2,601,470
Lease liabilities	3.60	94,686	98,010	48,281	49,729	-
Bankers' acceptances	4.42	855,000	855,000	855,000	-	-
Hire purchase payables	2.32 – 2.45	443,627	477,878	145,920	331,958	-
		5,813,670	7,110,211	3,091,454	1,417,287	2,601,470
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	2,347,031	2,347,031	2,347,031	-	-
Other payables and accruals	-	365,886	365,886	365,886	-	-
Term loans	4.82	2,670,704	4,051,310	207,120	1,035,600	2,808,590
Bankers' acceptances	4.85	3,589,000	3,589,000	3,589,000	-	-
Hire purchase payables	2.32	373,585	411,060	94,860	316,200	-
		9,346,206	10,764,287	6,603,897	1,351,800	2,808,590



## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### (CONT'D)

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk (Cont'd)

##### *Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
<b>2024</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	-	33,157	33,157	33,157
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	3,440,224	3,440,224
		33,157	3,473,381	3,473,381
<b>2023</b>				
<u>Non-derivative Financial Liabilities</u>				
Accruals	-	66,500	66,500	66,500
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	4,553,613	4,553,613
		66,500	4,620,113	4,620,113

#### 33.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest.

The debt-to-equity ratio of the Group and of the Company at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

NOTES TO THE FINANCIAL STATEMENTS  
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### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### 33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Financial Assets</b>				
<u>Amortised Cost</u>				
Trade and other receivables (Note 9)	5,346,628	3,777,284	-	-
Amount owing by a subsidiary (Note 12)	-	-	159,289	-
Fixed deposits with licensed banks (Note 11)	8,742,517	1,509,250	5,028,422	1,000,000
Cash and bank balances	6,572,482	21,424,261	270,258	7,028,019
	<u>20,661,627</u>	<u>26,710,795</u>	<u>5,457,969</u>	<u>8,028,019</u>
<b>Financial Liabilities</b>				
<u>Amortised Cost</u>				
Trade and other payables (Note 19)	1,835,133	2,712,917	33,157	66,500
Term loans (Note 22)	2,585,224	2,670,704	-	-
Lease liabilities (Note 16)	94,686	-	-	-
Hire purchase payables (Note 21)	443,627	373,585	-	-
Bankers' acceptances (Note 20)	855,000	3,589,000	-	-
	<u>5,813,670</u>	<u>9,346,206</u>	<u>33,157</u>	<u>66,500</u>

#### 33.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	THE GROUP			THE COMPANY	
	2024 RM	2023 RM		2024 RM	2023 RM
<b>Financial Assets</b>					
<u>Amortised Cost</u>					
Net gain recognised in profit or loss				307,528	287,521
<b>Financial Liabilities</b>					
<u>Amortised Cost</u>					
Net losses recognised in profit or loss				(240,259)	(222,001)
<b>Financial Assets</b>					
<u>Amortised Cost</u>					
Net gain recognised in profit or loss				219,177	129,832

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(CONT'D)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

THE GROUP	Fair Value of Financial Instruments Not Carried at Fair Value Level 2 RM	Total Fair Value RM	Carrying Amount RM
<b>2024</b>			
<u>Financial Liabilities</u>			
Hire purchase payables	444,172	444,172	443,627
Term loans	2,585,224	2,585,224	2,585,224
<b>2023</b>			
<u>Financial Liabilities</u>			
Hire purchase payables	373,585	373,585	373,585
Term loans	2,670,704	2,670,704	2,670,704

**Fair Value of Financial Instruments Not Carried at Fair Value**

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- The fair value of the Group's term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- The fair value of hire purchase payable that carry fixed interest rates is determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rate used to discount the estimated cash flows is as follows:-

	2024 %	2023 %
Hire purchase payables	4.65	4.41

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

### 34. SIGNIFICANT EVENTS OCCURRED DURING AND AFTER THE FINANCIAL YEAR

- (i) On 25 December 2024, the Company received a notice from the Department of Veterinary Services (“DVS”), in Malaysia for the temporary suspension (“**Temporary Suspension**”) of exportation of bird’s nest products to China effective from 25 December 2024. This is due to the occurrence of Newcastle Disease Virus in Malaysia reported to World Organisation for Animal Health. This Temporary Suspension applies to the whole industry for both Raw-Cleaned Edible Bird’s Nest (“**RCEBN**”) and Raw-Uncleaned Edible Bird’s Nest (“**RUCEBN**”) Products.

The Temporary Suspension has caused a temporary disruption to the Group’s operations and affected the Group’s supply chain and revenue streams tied to the China market as exportation to China is one of the major markets for the Group.

On 17 January 2025, DVS had issued a press notice for the resumption of exports for both RCEBN and RUCEBN Products to China.

- (ii) On 24 January 2025, the Company entered into a Share Sale and Purchase Agreement (“**SSA**”) with Goh Tiong Sheng (“**Vendor**”) to acquire 70 ordinary shares representing 70% of the enlarged issued share capital of Swallows House Enterprise Sdn Bhd (“**SHESB**”) to be fully satisfied via cash consideration of RM2,588,000. The Company had paid RM517,600 during the financial year and the balance purchase price has been paid on 19 March 2025 and the acquisition of SHESB is completed on that date.

### 35. COMPARATIVE FIGURES

The following figures had been reclassified to conform with the presentation of the current financial year which reclassified buildings from right-of-use assets to property, plant and equipment:-

	As Previously Reported RM	As Restated RM
<b><u>Statement of Financial Position (Extract):-</u></b>		
Property, plant and equipment	2,617,115	5,569,440
Right-of-use assets	6,580,242	3,627,917
<b><u>Statement of Cash Flows (Extracted):-</u></b>		
CASH FLOWS FOR OPERATING ACTIVITIES		
Depreciation of property, plant and equipment	327,083	355,045
Depreciation of right-of-use assets	46,004	18,042
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(637,405)	(2,255,566)
Purchase of right-of-use assets	(3,911,106)	(2,292,945)

## LIST OF PROPERTIES

Registered / Beneficial Owner	Title Details / Property Address	Description and Existing use	Category of land use / Tenure of the property	Age of buildings	Year of acquisition	Land / Gross built-up area	Net book value as at 31 December 2024 (RM'000)
MBN Enterprise	<p><u>Title Details:</u> PN 15253, Lot 505, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 17, 17-1 &amp; 17-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Office, collection centre, processing and packaging facility and warehouse/ store for birds' nest.</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2020	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	486
MBN Enterprise	<p><u>Title Details:</u> PN 15252, Lot 506, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 19, 19-1 &amp; 19-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Office, collection centre, processing and packaging facility and warehouse/ store for bird's nest.</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2020	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	486

LIST OF PROPERTIES  
(CONT'D)

Registered / Beneficial Owner	Title Details / Property Address	Description and Existing use	Category of land use / Tenure of the property	Age of buildings	Year of acquisition	Land / Gross built-up area	Net book value as at 31 December 2024 (RM'000)
MBN Enterprise	<p><u>Title Details:</u> PN 15251, Lot 507, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 21, 21-1 &amp; 21-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Office, collection centre, processing and packaging facility and warehouse/ store for birds' nest.</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2018	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,771 sq. feet</p>	413
MBN Enterprise	<p><u>Title Details:</u> PN 15290, Lot 508, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 23, 23-1 &amp; 23-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Office, collection centre, processing and packaging facility and warehouse/ store for birds' nest.</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2021	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	380
MBN Enterprise	<p><u>Title Details:</u> PN 15289, Lot 509, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 25, 25-1 &amp; 25-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey shop office (corner lot).</p> <p><u>Existing use:</u> Office, collection centre, processing and packaging facility and warehouse/ store for birds' nest.</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2021	<p><u>Land size:</u> 1,389 sq. feet</p> <p><u>Built-up area:</u> 3,734 sq. feet</p>	857

# LIST OF PROPERTIES (CONT'D)

Registered / Beneficial Owner	Title Details / Property Address	Description and Existing use	Category of land use / Tenure of the property	Age of buildings	Year of acquisition	Land / Gross built-up area	Net book value as at 31 December 2024 (RM'000)
MBN Enterprise	<p><u>Title Details:</u> PN 15259, Lot 481, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 32, 32-1 &amp; 32-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey shop office (corner lot).</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 2,250 sq. feet</p> <p><u>Built-up area:</u> 6,750 sq. feet</p>	852
MBN Enterprise	<p><u>Title Details:</u> PN 8258, Lot 497, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 1, 1-1 &amp; 1-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey shop office (corner lot).</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 1,938 sq. feet</p> <p><u>Built-up area:</u> 5,324 sq. feet</p>	661
MBN Enterprise	<p><u>Title Details:</u> PN 8259, Lot 498, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 3, 3-1 &amp; 3-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	342



LIST OF PROPERTIES  
(CONT'D)

Registered / Beneficial Owner	Title Details / Property Address	Description and Existing use	Category of land use / Tenure of the property	Age of buildings	Year of acquisition	Land / Gross built-up area	Net book value as at 31 December 2024 (RM'000)
MBN Enterprise	<u>Title Details:</u> PN 15258, Lot 499, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.  <u>Postal Address:</u> No. 5, 5-1 & 5-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.	<u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.  <u>Existing use:</u> Under renovation	<u>Category of Land Use:</u> Building  <u>Express Term:</u> Commercial Building  <u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094	29 years	2023	<u>Land size:</u> 1,001 sq. feet  <u>Built-up area:</u> 2,860 sq. feet	342
MBN Enterprise	<u>Title Details:</u> PN 15257, Lot 500, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.  <u>Postal Address:</u> No. 7, 7-1 & 7-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.	<u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.  <u>Existing use:</u> Under renovation	<u>Category of Land Use:</u> Building  <u>Express Term:</u> Commercial Building  <u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094	29 years	2023	<u>Land size:</u> 1,001 sq. feet  <u>Built-up area:</u> 2,860 sq. feet	342
MBN Enterprise	<u>Title Details:</u> PN 15256, Lot 501, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.  <u>Postal Address:</u> No. 9, 9-1 & 9-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.	<u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.  <u>Existing use:</u> Under renovation	<u>Category of Land Use:</u> Building  <u>Express Term:</u> Commercial Building  <u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094	29 years	2023	<u>Land size:</u> 1,001 sq. feet  <u>Built-up area:</u> 2,860 sq. feet	342

# LIST OF PROPERTIES (CONT'D)

Registered / Beneficial Owner	Title Details / Property Address	Description and Existing use	Category of land use / Tenure of the property	Age of buildings	Year of acquisition	Land / Gross built-up area	Net book value as at 31 December 2024 (RM'000)
MBN Enterprise	<p><u>Title Details:</u> PN 15255, Lot 502, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 11, 11-1 &amp; 11-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	342
MBN Enterprise	<p><u>Title Details:</u> PN 8260, Lot 503, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 13, 13-1 &amp; 13-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	342
MBN Enterprise	<p><u>Title Details:</u> PN 15254, Lot 504, Kawasan Bandar XXXIX, Daerah Melaka Tengah, Negeri Melaka.</p> <p><u>Postal Address:</u> No. 15, 15-1 &amp; 15-2, Jalan Melaka Raya 26, Taman Melaka Raya, 75000 Melaka, Malaysia.</p>	<p><u>Description:</u> One (1) unit 3-storey intermediate terrace shop office.</p> <p><u>Existing use:</u> Under renovation</p>	<p><u>Category of Land Use:</u> Building</p> <p><u>Express Term:</u> Commercial Building</p> <p><u>Tenure of Property:</u> Leasehold of 99 Years expiring on 24 February 2094</p>	29 years	2023	<p><u>Land size:</u> 1,001 sq. feet</p> <p><u>Built-up area:</u> 2,860 sq. feet</p>	341

# ANALYSIS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Number of Issued Shares	: 386,000,000
Class of Shares	: Ordinary shares
Voting Rights	: One (1) vote per ordinary share held

## ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No of Shareholders	% Shareholdings		%
Less than 100	0	0.000	0	0.000
100 – 1,000	112	9.396	58,600	0.015
1,001 – 10,000	403	33.809	2,618,000	0.678
10,001 – 100,000	501	42.030	19,603,500	5.079
100,001 – 19,299,999 (*)	171	14.346	75,719,900	19.617
19,300,000 and above (**)	5	0.419	288,000,000	74.611
Total	1,192	100.000	386,000,000	100.000

Notes	*	Less than 5% of the issued share
	**	5% and above of the issued share

## DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name	Shareholdings			
	Direct	%	Indirect	%
Liw Chong Liong	43,200,000	11.192	43,200,000 <sup>(a)</sup>	11.192
Lavernt Chen Vun Wo	129,600,000	33.575	-	-
Chin Chee Cheah	200,000	0.052	-	-
Lee Wei Kong	43,200,000	11.192	-	-
Dato' Dr. Rosini Binti Alias	200,000	0.052	-	-
Dato' Nazipah Binti Jamaludin	200,000	0.052	-	-
Chin Peck Li	200,000	0.052	500,000 <sup>(b)</sup>	0.130
Goh Wen Ling	200,000	0.052	-	-

### Notes:-

- <sup>(a)</sup> Deemed interest pursuant to Section 8(4)(c) of the Companies Act 2016; held through MLCL Construction Sdn. Bhd.
- <sup>(b)</sup> Deemed interest pursuant to Section 197 of the Companies Act 2016, held through her husband, Lee Chye Tee.

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Shareholdings			
	Direct	%	Indirect	%
Lavernt Chen Vun Wo	129,600,000	33.575	-	-
Lee Wei Kong	43,200,000	11.192	-	-
Liw Chong Liong	43,200,000	11.192	43,200,000 <sup>(a)</sup>	11.192
MLCL Construction Sdn Bhd	43,200,000	11.192	-	-
Gentle Rainbow Sdn Bhd	28,800,000	7.461	-	-

### Notes:-

- <sup>(a)</sup> Deemed interest pursuant to Section 8(4)(c) of the Companies Act 2016; held through MLCL Construction Sdn. Bhd.

## ANALYSIS OF SHAREHOLDINGS AS AT 2 APRIL 2025 (CONT'D)

### THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares Held	%
1.	Lavernt Chen Yun Wo	129,600,000	33.575
2.	Lee Wei Kong	43,200,000	11.192
3.	Liw Chong Liong	43,200,000	11.192
4.	MLCL Construction Sdn Bhd	43,200,000	11.192
5.	Gentle Rainbow Sdn Bhd	28,800,000	7.461
6.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Teo Lay Ban (MY3458)</i>	6,700,000	1.736
7.	Amsec Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Teo Lay Ban</i>	3,572,000	0.925
8.	Chew Guan Teck	2,332,000	0.604
9.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Shim Mong Kwok (E-KKU/PPR)</i>	2,050,000	0.531
10.	Choon Siew Thong	1,924,800	0.499
11.	Lim Tau Wee	1,905,000	0.494
12.	Tan Yau Lam	1,668,100	0.432
13.	Chuah Su Chen	1,429,000	0.370
14.	Lee Siek Hsia	1,429,000	0.370
15.	Ang Huat Keat	1,292,200	0.335
16.	Lim Hwi See	1,196,000	0.310
17.	Chan Wah Kim	1,191,000	0.309
18.	Choo Siew Chen	1,191,000	0.309
19.	Gan Hong Liang	1,191,000	0.309
20.	Goldcoin Pavilion Sdn Bhd	1,191,000	0.309
21.	Tan Chin Kiang	1,191,000	0.309
22.	Teo Keng Teck	1,191,000	0.309
23.	Yee Yoke Thai	1,191,000	0.309
24.	M & A Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Chow Dai Ying (M&amp;A)</i>	1,100,000	0.285
25.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Ng Aik Kee (MF00451)</i>	1,000,000	0.259
26.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakuten Trade Sdn Bhd For Ng Yee</i>	1,000,000	0.259
27.	Yap Hong Piow	950,000	0.246
28.	Lau Boon Hien	941,000	0.244
29.	Chuah Tian Hee	850,000	0.220
30.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Yeow Chee Meng (E-TWU)</i>	850,000	0.220
		<b>328,526,100</b>	<b>85.110</b>

# NOTICE OF THE THIRD ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Third (3<sup>rd</sup>) Annual General Meeting (“**AGM**”) of the Company will be held at **The Straits Hotel and Suites**, Skydeck Level 23<sup>rd</sup> Floor, 1-A, Jalan Melaka Raya 2, Taman Melaka Raya, 75000 Melaka on Monday, 26 May 2025 at 10.00 a.m. to transact the following business:

## AGENDA

### As Ordinary Business

- |  |  |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.  | <b>Please refer to Note A on this agenda</b>   |
| 2. To approve the payment of Directors’ fees and benefits of up to RM380,000.00 from Third (3 <sup>rd</sup> ) AGM until the conclusion of the next AGM.  | <b>Ordinary Resolution 1</b>   |
| 3. To re-elect the following Directors who retire pursuant to Clause 95.1 of the Company’s Constitution: -<br><br><div style="margin-left: 20px;">                     (a) Ms. Chin Chee Cheah<br/>                     (b) Dato’ Nazipah Binti Jamaludin<br/>                     (c) Ms. Chin Peck Li                 </div> | <b>Ordinary Resolution 2</b><br><b>Ordinary Resolution 3</b><br><b>Ordinary Resolution 4</b> |
| 4. To re-appoint Crowe Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.  | <b>Ordinary Resolution 5</b>   |

### As Special Business

To consider and, if thought fit, pass with or without modifications, the following Resolutions: -

## ORDINARY RESOLUTIONS

- |   |                              |
|---|------------------------------|
| 5. <b>Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016</b> | <b>Ordinary Resolution 6</b> |
|---|------------------------------|

“**THAT** subject always to the Companies Act, 2016 (“**Act**”) Constitution of the Company and approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Companies Act, 2016, to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company at the time of issue and the Directors are hereby further empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

**AND THAT** pursuant to Section 85 of the Companies Act, 2016 read together with Clause 52 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act 2016 **AND FURTHER THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company”.

## NOTICE OF THIRD ANNUAL GENERAL MEETING (CONT'D)

6. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Act.

By Order Of The Board  
**MYMBN BERHAD**

**LIM LI HEONG (MAICSA 7054716)**  
**SSM PRACTISING CERTIFICATE NO.: 202008001981**

**WONG MEE KIAT (MAICSA 7058813)**  
**SSM PRACTISING CERTIFICATE NO.: 202008001958**  
Company Secretaries

Kuala Lumpur  
25 April 2025

### Notes: -

1. A proxy may but need not be a member of the Company.
2. To be valid, this form, duly completed must be deposited at the Registered Office of the Company, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, not less than 24 hours before the time for holding the meeting Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy/proxies have been duly completed by the member(s).
3. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.
7. Only depositors whose names appear in the Record of Depositors as at 19 May 2025 shall be entitled to attend the Third (3<sup>rd</sup>) AGM.

### EXPLANATORY NOTES: -

#### A. Audited Financial Statements for the Financial Year ended 31 December 2024

*Item 1 of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 ("**Act**") does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.*

#### B. Ordinary Resolution 1 – Directors' fees and benefits

*Section 230 (1) of the Act provides amongst others that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. The Board of Directors is seeking approval from the shareholders for the payment of Directors' fees and benefits payable for the period from 27 May 2025 until the conclusion of the next AGM of the Company in 2026.*

## NOTICE OF THIRD ANNUAL GENERAL MEETING (CONT'D)

### C. Ordinary Resolution 6 - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Act

*The Ordinary Resolution proposed under item 5, is a new mandate and if passed, will authorise the Directors of the Company to issue and allot shares up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting will expire at the conclusion of the next AGM.*

*The mandate is to provide flexibility to the Company to issue and allot new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to eliminate any delay and avoid incurring additional cost. The purpose of this mandate is to facilitate the Company to undertake possible fund-raising exercises including but not limited to further placement of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.*

*The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Companies Act 2016 shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 52 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 52 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Companies Act 2016, which will result in a dilution to their shareholding percentage in the Company.*

#### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained prior consent of such proxy(ies) and/or representative(s) for the Purposes, and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

### STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

1. Third (3<sup>rd</sup>) AGM of the Company will be held at **The Straits Hotel and Suites**, Skydeck Level 23rd Floor, 1-A, Jalan Melaka Raya 2, Taman Melaka Raya, 75000 Melaka on Monday, 26 May 2025 at 10.00 a.m.
2. The Directors who are standing for re-election at the Third (3rd) AGM of the Company pursuant to Clause 95.1 of the Company's Constitution are:
  - (i) Ms. Chin Chee Cheah
  - (ii) Dato' Nazipah Binti Jamaludin
  - (iii) Ms. Chin Peck Li

The details of the above Directors seeking re-election are set out in the Board of Directors' Profile as disclosed on pages 7 to 14 of this Annual Report.

3. The details of the above Directors' interest in the securities of the Company are stated on page 127 of this Annual Report.
4. The details of attendance of the Directors of the Company at Board of Directors' Meetings held during the financial year ended 31 December 2024 are disclosed in the Corporate Governance Overview Statement set out on page 39 of this Annual Report.
5. The Directors have not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company.

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**MYMBN BERHAD**

Registration No. 202201011844 (1457541-U)  
(Incorporated in Malaysia)

Number of Shares	
CDS Account No.	

**FORM OF PROXY**

I/We, \_\_\_\_\_ NRIC/Passport/Company No. \_\_\_\_\_  
(FULL NAME)

of \_\_\_\_\_ being a Member/Members  
(FULL ADDRESS)

of **MYMBN Berhad (the "Company")** hereby appoint \_\_\_\_\_  
(FULL NAME)

NRIC/Passport No. \_\_\_\_\_ Tel No. \_\_\_\_\_ Email address \_\_\_\_\_

of \_\_\_\_\_ and/or failing whom,  
(FULL ADDRESS)

\_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_ Tel No. \_\_\_\_\_  
(FULL NAME)

Email address \_\_\_\_\_ of \_\_\_\_\_  
(FULL ADDRESS)

or failing whom, the CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us and on my/our behalf at the Third (3<sup>rd</sup>) Annual General Meeting ("AGM") of the Company to be held at **The Straits Hotel and Suites**, Skydeck Level 23rd Floor, 1-A, Jalan Melaka Raya 2, Taman Melaka Raya, 75000 Melaka on Monday, 26 May 2025 at 10.00 a.m. or at any adjournment thereof and to vote as indicated below: -

NO.	RESOLUTIONS	FOR	AGAINST
Resolution 1	Approval of payment of Directors' fees and benefits of up to RM380,000.00 from Third (3rd) AGM until the conclusion of the next AGM.		
Resolution 2	Re-election of Ms. Chin Chee Cheah		
Resolution 3	Re-election of Dato' Nazipah Binti Jamaludin		
Resolution 4	Re-election of Ms. Chin Peck Li		
Resolution 5	Re-appointment of Crowe Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration		
Resolution 6	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.]

\*Strike out whichever is not desired.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025

Signature of Member / Common Seal

Percentage of shareholdings to be represented by proxies:		
	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Fold this flap for sealing

**Notes: -**

1. A proxy may but need not be a member of the Company.
2. To be valid, this form, duly completed must be deposited at the Registered Office of the Company, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, not less than 24 hours before the time for holding the meeting. Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy/proxies have been duly completed by the member(s).
3. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.
7. Only depositors whose names appear in the Record of Depositors as at 19 May 2025 shall be entitled to attend the Third (3<sup>rd</sup>) AGM.

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AFFIX  
STAMP

The Company Secretary  
**MYMBN BERHAD** [Registration No. 202201011844 (1457541-U)]  
LEVEL 5, TOWER 8, AVENUE 5, HORIZON 2  
BANGSAR SOUTH CITY  
59200 KUALA LUMPUR

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**PERSONAL DATA PRIVACY:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Third (3<sup>rd</sup>) AGM dated 25 April 2025.



No. 17, 19, 21, 23 & 25, Jalan Melaka Raya 26  
Taman Melaka Raya, 75000 Melaka  
Malaysia.

Tel : +606-2922628 / Fax : +606-2922628  
Email : [info@mymbn.com.my](mailto:info@mymbn.com.my)

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