OB Holdings Berhad
Registration No.: 202301020810 (1514732–P)
(Incorporated in Malaysia)

Beyond Nutrition:

Building A Healthier Tomorrow



Annual Report 2026

OB HOLDINGS BERHAD
(Registration No. 202301020810 (1514732-P)
(Incorporated in Malaysia)

No. B-G-1, B-G-2 and B-G-3
Dataran Emerald, Jalan PS 11, Prima Selayang
68100 Batu Caves, Selangor Darul Ehsan

www.orient.com.my

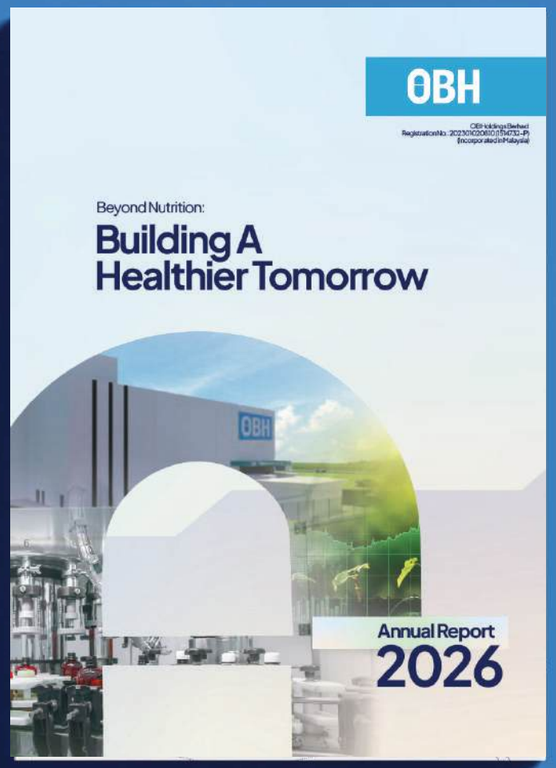
House Brand

Bonlife · GoHerb · EZ:Nitez · BEYOUTE plus+ · ZEN NIGHT · ZEN YOUTÉ · ZEN MELLAMI · Sleepin' Beauté

Beyond Nutrition:

Building A Healthier Tomorrow

Is the journey that defines who we are and how we serve.



Every story begins with a seed of potential. At OB Holdings Berhad, that seed is the promise of nutrition carefully sourced, responsibly developed and fortified to bring lasting value. “Beyond Nutrition: Building a Healthier Tomorrow” is the journey that defines who we are and how we serve.

It begins with ingredients, where diligence and responsibility ensure only the best enters our process. It continues with science and fortification, where innovation strengthens nutrition to meet the evolving needs of a modern world.

From there, towards the production and delivery where discipline, safeguards consistency and quality ensuring every product that leaves our hands carries the same trust we are known for.

For us, quality continues into the lives of the people we serve in the families who gain strength, in the communities that grow healthier and in the generations whose futures are fortified by nutrition.



For Customers
Trust access to safe, fortified products that enhance daily living

For Employees
A culture of purpose and pride, ensuring their contributions matter

For Partners & Suppliers
Reliable, long-term collaborations for shared success

For Shareholders
Sustainable growth underpinned by resilience and foresight

For Nation
Health security and the strengthening of human capital, because a healthier society is a stronger society

This is where our true value lies, in our ability to create ripples of impact across all stakeholders. For customers, we provide trusted access to safe, fortified products that enhance daily living. For employees, we nurture a culture of purpose and pride, ensuring their contributions matter. For partners and suppliers, we build reliable, long-term collaborations. For shareholders, we create sustainable growth underpinned by resilience and foresight. And for the nation, we contribute to health security and the strengthening of human capital, because a healthier society is a stronger society.

Fortified nutrition is more than an industry, it is an essential force of progress. As awareness of health and resilience grows worldwide, nutrients are increasingly seen as the foundation for productivity, longevity and well-being. This presents enormous potential to reach more communities, to innovate for new needs and to elevate Malaysia as a hub for fortified solutions that serve not only our people but the region at large.

Through every stage, our commitment remains unchanged, to bring together science, discipline and purpose so that nutrition is not only consumed but trusted, valued and transformative. This is how OB Holdings Berhad defines its path forward by fortifying not just products, building a healthier tomorrow.



01

About Us

Services	8
Key Milestones	9
Our Products	11
Corporate Information	13
Corporate Structure	14
Snapshot for FYE 2026	15
Financial Highlights	16

02

Leadership and People

Board of Directors	19
Directors' Profile	21
Key Senior Management Profile	29

03

Performance Review

Chairman's Statement	35
Management Discussion and Analysis	41
Sustainability Statement	51

04

Corporate Governance

Corporate Governance Overview Statement	89
Statement of Risk Management and Internal Control	102
Audit and Risk Management Committee Page	109
Additional Compliance Information	110
Statement of Directors' Responsibility	112

05

Financial Statements

Directors' Report	117
Statement by Directors and Statutory Declaration	123
Independent Auditors' Report	124
Statements of Financial Position	129
Statement of Profit of Loss and Other Comprehensive Income	131
Statement of Changes in Equity	132
Statement of Cash Flows	134
Notes to Financial Statement	137

06

Other Information

Analysis of Shareholdings	191
List of Properties	193
Notice of Annual General Meeting	194
Administrative Notes for Annual General Meeting	199
Proxy Form	202

ABOUT US

Services	8
Key Milestones	9
Our Products	11
Corporate Information	13
Corporate Structure	14
Snapshot for FYE 2026	15
Financial Highlights	16

01

OBH About Us Annual Report 2026





About OB Holdings Berhad

We are principally involved in the provision of manufacturing services of fortified food and beverage ("F&B") and dietary supplements to third party brand owners; as well as the manufacturing, sales and marketing of fortified F&B and dietary supplements under our house brands, namely Bonlife, GoHerb, Zen Night, Sleepin' Beaute, EZ:Nitez, Beyoute, and Zen Youte. Further, we are also involved in the provision of contract packing services of milk powder, tea leaves, honey, herb powder, fruit powder and liquid chlorophyll into retail packaging sizes, and trading of milk powder and other activities.

Third-party brand owners have trusted OB Holdings Berhad for over 30 years as a provider of manufacturing services to develop high-quality fortified F&B and dietary supplements

>30+

Third-party brand owners have trusted OB Holdings Berhad for over 30 years as a provider of manufacturing services to develop high quality fortified F&B and dietary supplements.

- Research and development Expert
- End-to-End Production
- Certified Quality

Our Services

Product Development

Our product development activities primarily focus on the development of new product formulations as well as continuously improving or enhancing existing product formulations to cater for consumers' changing preferences for fortified F&B and dietary supplements.

We're experienced in providing customised formulation to develop products that will meet every unique requirement and need.

Product Registration

Get the products ready for the market with expert advice from our highly qualified regulatory teams over the full scope of regulatory compliance.

The range of requirements include:

- **Malaysian Health and Medicinal Food Regulation Compliance**
- **Halal Certification**
- **Technical Documents**
- **Export Documentations**
- **Import Permits**

Sourcing of Supplies

We are experienced in producing formulas with pure, natural ingredients, as well as sourcing for specific ingredients to meet your needs and requirements. Rest assured that our formulas are high quality, GMO-free and uncontaminated.

What we can source for you:

- **Active ingredient for formulation**
- **Selective raw material sourcing**
- **Certified quality materials**
- **Plant-based materials**
- **Organic certified ingredients**

Manufacturing and Packing

Customise your experience with our comprehensive range of manufacturing services.

Our state-of-the-art equipment is capable of carrying out the manufacturing and packing of fortified F&B products in large volumes.

We can manufacture products in the form of tablets, effervescent tablets, teabags, liquid beverages and mixes, jelly and powder, in sachets, bottles, metal tins and paper cans.

All our processes are in compliance with current standards of Good Manufacturing Practice ("GMP") and Hazard Analysis and Critical Control Points ("HACCP"). We also regularly audit our processes to ensure we meet the latest regulatory standards.

Key Milestones

Year 1995

Orient Group Sdn Bhd (incorporated on 4 April 1995) was acquired as a shelf company by Mr. Teoh Eng Sia and Madam Wong Chung Theng on 13 April 1995 to carry out the activity of supplying food ingredients to beverages and dietary supplements manufacturers from a rented factory lot in Selayang ("Rented Selayang Factory") measuring approximately 3,000 sq. ft.

Year 1999

In 1999, we began undertaking product formulation activities to develop new product formulations for fortified F&B and dietary supplements, in preparation for our venture into the manufacturing of fortified F&B and dietary supplements.

Year 2001

In 2001, our Rented Selayang Factory was certified compliant to the GMP by the GMP Section Centre of Compliance and Quality Control under the National Pharmaceutical Regulatory Agency ("NPRA").

In September 2001, we also obtained our ISO 9001 certification for the manufacturing and marketing of fortified F&B and dietary supplements.

Year 2002

In 2002, we acquired a factory in Selayang ("Selayang Factory") which was used as our manufacturing facility.

Our Selayang Factory which has a land area of 12,236 sq. ft. and comprises a 3-storey factory with a built-up area of 20,820 sq.ft

OBH About Annual Report 2026

Year 2003

Orient Group Sdn Bhd subsequently underwent a name change to Orient Biotech Sdn Bhd on 29 July 2003.

Year 2004

Our Selayang Factory had applied for and was GMP-compliant since 2004, and we relocated our operations from the Rented Selayang Factory to our Selayang Factory in 2004. We also ceased the rental of our Rented Selayang Factory and the 2 additional factory units in 2004.

With the expanded manufacturing space, we expanded our offerings to include the provision of manufacturing services of fortified F&B to third party brand owners.

Year 2020

From 2005 to November 2020, we engaged AsureQuality Limited (previously known as AgriQuality Limited), New Zealand to carry out independent assessment on our organic products to certify that our products are organic.

Subsequently, we changed our engagement to NASAA Certified Organic Pty Ltd ("NASAA") from November 2020 to 2025. Both Asurequality Limited and NASAA carry out independent assessments for organic products.

Year 2024



OB Holdings Berhad debuts on ACE Market.

Our Products

In-House End-to-End Production

Our state-of-the-art facilities have the capability and capacity to produce various types of fortified food and beverage forms, in extensive commercial scales or in small quantities.

We audit our facilities regularly to ensure compliance with the latest regulatory standards.

Our Brands

Bonlife® GoHerb EZ:Nitez WITH PROBIOTIC BLEND BEYOUTE plus+

ZEN NIGHT ZEN YOUTÉ ZEN MELLAMI Sleepin' Beauté



Product Type

Fruit

Fruit juice or powder as a base, fortified with active ingredients such as collagen, enzymes, guarana, lutein, vitamins and minerals.

Milk

Goat milk powder or cow milk powder as a base, fortified with active ingredients such as chondroitin sulfate, collagen, colostrum, lemon verbena, methylsulfonylmethane, probiotics, vitamins and minerals.

Vegetable

Vegetable powder as a base, fortified with active ingredients such as enzymes and probiotics.

Probiotic

Bifidobacterium and lactobacillus probiotic strains as a base, mixed with other active ingredients such as curcumin, kombucha, prebiotics and vitamin C, and additional food ingredients such as fruit powder to enhance its flavour and taste.

Coffee

Roasted coffee bean powder as a base, fortified with active ingredients such as coenzyme Q10, ganoderma lucidum (lingzhi), ginseng and sacha inchi leaves extracts.

Oat

Rolled oats and oat bran as a base, fortified with active ingredients such as chlorella, probiotics, spirulina and wheat grass.

Soy

Soy protein powder as a base, fortified with active ingredients such as vitamins and minerals.

Collagen

Collagen as a base, fortified with active ingredients such as honey, pomegranate extract and vitamin C.

Herb

Herbs powder such as cynanchum wilfordii, angelica, ginseng, phlomis umbrosa and sea buckthorn as a base, with additional food ingredients such as honey to enhance its flavour and taste.

Tea

Tea as a base such as chrysanthemum and green tea, fortified with active ingredients such as cactus extract, liquorice and lingzhi extract.

Corporate
Information

BOARD OF DIRECTORS

Dato' Seri Abdul Puhat Bin Mat Nayan
Independent Non-Executive Chairman

Lee Bao Yu
Executive Director

Dato' Haji Mohd Dusuki Bin Ya'acob
Independent Non-Executive Director

Ooi Gin Hui
Independent Non-Executive Director

Teoh Eng Sia
Managing Director

Wong Chung Theng
Non-Independent Non-Executive Director

Vasu A/L Nallayan
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Ooi Gin Hui (Chairperson)
Dato' Haji Mohd Dusuki Bin Ya'acob
Vasu A/L Nallayan

NOMINATION COMMITTEE

Dato' Haji Mohd Dusuki Bin Ya'acob
(Chairperson)
Ooi Gin Hui
Vasu A/L Nallayan

REMUNERATION COMMITTEE

Vasu A/L Nallayan (Chairperson)
Ooi Gin Hui
Dato' Haji Mohd Dusuki Bin Ya'acob

COMPANY SECRETARIES

Tea Sor Hua
(MACS 01324)
(SSM PC No.: 201908001272)
Lee Siew Fun
(MAICSA 7063623)
(SSM PC No.: 202008000735)

SHARE REGISTRAR

Vistra Investor & Issuing House Services Sdn. Bhd.
(formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.)
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Tel No.: +603-2783 9299
Email: is.enquiry@vistra.com

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: +603-7725 1777
Email: info@cospec.com.my

HEAD OFFICE

No. B-G-1, B-G-2 and B-G-3
Dataran Emerald, Jalan PS 11
Prima Selayang
68100 Batu Caves
Selangor Darul Ehsan

Tel: +603-6127 8006
Website: www.orient.com.my

AUDITORS

Grant Thornton Malaysia PLT
(Registration No.: 201906003682)
(LLP0022494-LCA & AF 0737)
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan

Tel: +603-2692 4022 (ext 804)

PRINCIPAL BANKERS

Alliance Islamic Bank Berhad
Hong Leong Bank Berhad
Hong Leong Islamic Bank Berhad
OCBC Bank (Malaysia) Berhad

SPONSOR

Alliance Islamic Bank Berhad
Level 23, Menara Alliance Bank
No. 159, Jalan Ampang
50450 Kuala Lumpur
Wilayah Persekutuan

Tel: +603-2604 3333

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name: OBHB
Stock Code: 0327

Corporate
Structure



Snapshot of FYE2026

Revenue (RM'000) +23%

RM
66,932
2025: RM54,526

Gross Profit (RM'000) +33%

RM
29,708
2025: RM22,288

Profit Before Tax (RM'000) +91%

RM
12,522
2025: RM6,561

Profit After Tax (RM'000) +90%

RM
8,702
2025: RM4,579

Total Assets (RM'000) +21%

RM
92,754
2025: RM76,708

Total Equity (RM'000) +12%

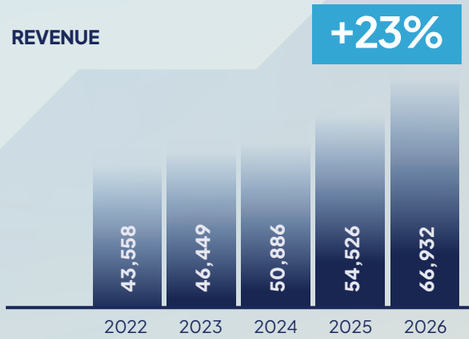
RM
71,095
2025: RM63,645



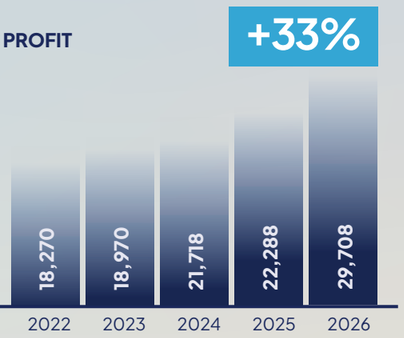
Financial Highlights

	FYE 2026 RM'000	FYE 2025 RM'000	FYE 2024 RM'000	FYE 2023 RM'000	FYE 2022 RM'000
Revenue	**66,932**	54,526	50,886	46,449	43,558
Cost of sales	**(37,224)**	(32,238)	(29,168)	(27,479)	(25,288)
Gross profit	**29,708**	22,288	21,718	18,970	18,270
Other income	**52**	532	107	5,519	228
Profit before tax ("PBT")	**12,522**	6,561	7,941	12,251	10,784
Profit after tax ("PAT")	**8,702**	4,579	5,500	9,572	8,224
Adjusted PBT	**-**	7,925	8,695	9,266	-
Adjusted PAT	**-**	5,943	6,254	6,587	-
Total assets	**92,754**	76,708	52,474	44,947	52,690
Total equity	**71,095**	63,645	32,305	26,804	27,121
Total liabilities	**21,659**	13,063	20,169	18,143	25,569

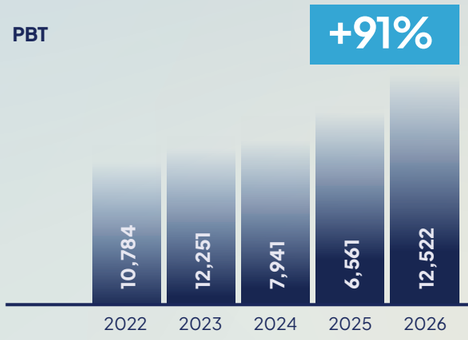
REVENUE +23%



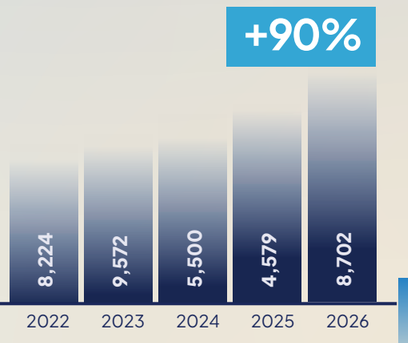
GROSS PROFIT +33%



PBT +91%



PAT +90%



LEADERSHIP AND PEOPLE

Board of Directors 19

Directors' Profile 21

Key Senior Management Profile 29

02

ØBH Leadership and People Annual Report 2026





DATO' SERI ABDUL PUHAT BIN MAT NAYAN

Independent Non-Executive Chairman



TEOH ENG SIA

Managing Director



LEE BAO YU

Executive Director



DATO' HAJI MOHD DUSUKI BIN YA'ACOB

Independent Non-Executive Director



WONG CHUNG THENG

Non-Independent Non-Executive Director



VASU A/L NALLAYAN

Independent Non-Executive Director



OOI GIN HUI

Independent Non-Executive Director

DATO' SERI ABDUL PUHAT BIN MAT NAYAN

Independent Non-Executive Chairman

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
23 August 2023	69 | M	5	Nil



Dato' Seri Abdul Puhat bin Mat Nayan ("Dato' Seri Abdul Puhat") was appointed to the Board on 23 August 2023.

Dato' Seri Abdul Puhat holds a Bachelor of Arts (Honours) degree from the University of Malaya and has served the nation in various capacities throughout a distinguished career spanning more than three decades. He began his public service journey in 1982 at the Public Service Department of Malaysia before being appointed as an Administrative and Diplomatic Officer in 1983. Over the years, he held progressively senior roles across multiple government agencies, gaining broad exposure in public administration, land management, rural development, sports governance and policy execution.

Notably, from 1997 to 2004, he served as Director of the Perak Sports Council, where he spearheaded athlete development and infrastructure enhancement. He was subsequently appointed District Officer of Kerian in 2004 and later President of the Kerian District Council, positions in which he oversaw strategic land development, licensing and community welfare initiatives. In 2007, he rose to become Director General of the Ministry of Rural Development, where he oversaw the implementation of nationwide rural development programmes spanning healthcare, education and social welfare.

In 2011, he was appointed as Perak State Secretary, the highest-ranking civil servant in the state where he was responsible for economic development, budgetary management , legal compliance, crisis management and overall policy implementation for the state of Perak. He served in this role until his retirement in 2018.

Dato' Seri Abdul Puhat currently serves as Chairman of the Public Service Commission of Perak and he also serves as Chairman of Universiti Pendidikan Sultan Idris. His career reflects a legacy of service, leadership and governance that continues to underpin his role as Independent Non-Executive Chairman of OB Holdings Berhad.

Dato' Seri Abdul Puhat holds directorships in several private limited companies. He does not hold any directorship in other public companies and listed issuers in Malaysia. He attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026

TEOH ENG SIA

Managing Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
1 June 2023	63 | M	5	Nil



Teoh Eng Sia was appointed to our Board on 1 June 2023. He obtained a London Chamber of Commerce & Industry (LCCI), Diploma in Accounting qualification through Kolej Unitek Malaysia in 1997

Mr. Teoh's career is defined by resilience, foresight and entrepreneurial drive. Beginning in the mid -19 8 0s , he immersed himself in the food production industry and quickly demonstrated an outstanding aptitude for leadership, rising to the position of executive director within a year. His early experiences provided him with a deep understanding of manufacturing operations, people management and the discipline required to scale businesses. In 1991, he was been appointed as Managing Director of a dried noodle manufacturing company, further honing his capabilities in overseeing production facilities and managing day-to-day operations.

In 1995, guided by a vision to transform the fortified food and dietary supplement industry, he co-founded Orient Biotech Sdn Bhd with his wife, laying the foundation for what is today OB Holdings Berhad. From its humble beginnings as a modest food ingredient supplier, he has led the Group with unwavering determination, building strong in-house research capabilities, spearheading product innovation and securing the Group's first export market in 2007.

Over nearly three decades, he has cultivated a reputation for anticipating market trends, forging meaningful collaborations with research institutions and steering the Group towards sustained growth. His journey from entrepreneur to Managing Director of a publicly listed company epitomises the values of perseverance, innovation and long-term vision.

Mr. Teoh holds directorships in several private limited companies. He does not hold any directorship in other public companies and listed issuers in Malaysia. He attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

WONG CHUNG THENG

Non-Independent Non-Executive Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
1 June 2023	68 | F	4	Nil



Madam Wong Chung Theng ("Madam Wong") graduated from the University of Malaya with a Bachelor of Law (Honours) degree in 1982. She is a seasoned legal and corporate professional with over four decades of experience.

Madam Wong began her career in the Judicial Legal Service, where she served with distinction as a magistrate, senior federal counsel, and deputy public prosecutor. This early foundation instilled in her a high discipline and respect for law, order, and public service.

In 1991, she brought her expertise into the corporate world with Eastern Global (M) Sdn Bhd and later in 1994, joined Indah Water Konsortium Sdn Bhd as Legal Manager. Rising to become the Head of the Legal Department by 1997, she led the company's legal strategies, oversaw compliance matters and ensured contractual soundness during a period of significant organisational growth. Her leadership ensured that the company consistently met its regulatory and industry obligations.

In 1995 alongside her husband, Mr. Teoh Eng Sia, she co- founded Orient Biotech Sdn Bhd towards the foundation of today's OB Holdings Berhad. While her legal career kept her in the public and corporate sectors until 2008, her eventual transition into the Group as executive director marked a defining chapter in its history. She strengthened the Group's administrative, legal, and secretarial functions, embedding a culture of governance that has endured as the company scaled. In 2018, she relinquished her executive role in day-to-day operations and was subsequently appointed as Non-Independent Non-Executive Director. Her role remains central as she continues to contribute her wisdom, oversight and values-driven leadership to the Group's long-term strategic direction.

Her journey reflects a unique legacy from shaping the Group's corporate governance backbone to standing as one of the key figures stewarding OB Holdings Berhad into its new chapter as a listed entity.

Madam Wong holds directorships in several private limited companies. She does not hold any directorship in other public companies and listed issuers in Malaysia. She attended four (4) out of five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

LEE BAO YU

Executive Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
1 June 2023	38 | F	5	Nil



Ms. Lee Bao Yu ("Ms. Lee") was appointed to our Board on 1 June 2023. She graduated from the Curtin University of Technology with a Bachelor of Commerce in Accounting and Finance degree in 2012. She began her career as a Credit Controller at Ann Yak Siong Hardware Sdn Bhd, where she gained early exposure to financial management and credit operations. In 2013, she joined San Yang Enterprise Sdn Bhd as Business Manager, where she was responsible for accounts, sales and marketing, financial planning and customer relationship management, broadening her commercial and leadership experience.

In 2019, she joined the Group as Data Analytic Manager, where she played a pivotal role in analysing sales performance, measuring the impact of marketing initiatives and managing the Group's financial planning and cash flow. Her contributions in data-driven insights and cross-departmental coordination enhanced both efficiency and performance. In 2021, she was appointed as director of the Group with responsibility for finance and marketing functions and later focused primarily on marketing following the appointment of a Group Financial Controller in 2022.

Her leadership in expanding the Bonlife brand, particularly through e-commerce channels, has been instrumental in strengthening the Group's market presence. She continues to drive innovation in marketing strategies, while ensuring alignment amongst various departments in achieving the Group's long-term growth. Ms. Lee brings forward-looking perspectives that complement the legacy of the founders, positioning her as a key contributor to the Group's future success.

Ms. Lee does not hold any directorship in other public companies and listed issuers in Malaysia. She attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

DATO' HAJI MOHD DUSUKI BIN YA'ACOB

Independent Non-Executive Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
23 August 2023	67 | M	5	**Nomination Committee (Chairperson)** **Audit and Risk Management Committee (Member)** **Remuneration Committee (Member)**



Dato' Haji Mohd Dusuki Bin Ya'acob ("Dato' Haji Mohd Dusuki") was appointed to our Board on 23 August 2023. He is the Chairperson of the Nomination Committee. He also serves as a member of the Audit and Risk Management Committee and the Remuneration Committee of the Company.

He graduated from Universiti Kebangsaan Malaysia with a degree in Geography in 1983. He also holds a Master of Arts (Center for International Studies) from Ohio University, United States of America, which he obtained in 1997.

He began his career in the Malaysian civil service in 1983 as an Assistant Secretary in the Ministry of Health, where he was responsible for procurement, budgeting, financial planning, audit reporting, and other finance-related matters. Over his 37 year tenure, he held various senior positions across multiple ministries and departments, including the Ministry of Rural Development, Ministry of Human Resources, Ministry of Home Affairs, and Hospital Kota Bharu. He also served as Director of the Registrar of Societies (Kelantan).

Dato' Haji Mohd Dusuki has extensive experience in government financial systems and procurement processes. As Director of the Procurement Division at the Ministry of Health, he oversaw procurement activities involving medical equipment, pharmaceuticals, and health-related products, including regulatory inspections for Good Manufacturing Practice compliance.

He retired from public service in December 2019. His appointment as an Independent Non-Executive Director of OB Holdings Berhad leverages his deep understanding of public sector operations and regulatory frameworks.

Dato' Haji Mohd Dusuki is the chairman of Kid Force Sdn. Bhd. He does not hold any directorship in other public companies and listed issuers in Malaysia. He attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

VASU A/L NALLAYAN

Independent Non-Executive Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
23 August 2023	63 | M	5	**Remuneration Committee (Chairperson)** **Audit and Risk Management Committee (Member)** **Nomination Committee (Member)**



Mr. Vasu A/L Nallayan ("Mr. Vasu") was appointed to our Board on 23 August 2023. He is the Chairperson of the Remuneration Committee. He also serves as a member of the Audit and Risk Management Committee and the Nomination Committee of the Company.

Mr. Vasu graduated with a Bachelor of Business Administration from Universiti Kebangsaan Malaysia in 1989. He began his career the same year as an Economic Officer at Malaysian Investment Development Authority ("MIDA"), processing manufacturing licences and tax incentive applications for the textiles and building materials sector. He later assumed roles in the industrial metals and engineering support divisions before being appointed Director of MIDA's Melaka state office in 2001, where he oversaw regional investment promotion and facilitation.

In 2003 , he returned to MIDA headquarters as Deputy Director of the industrial chemicals and life sciences division, before being posted to Osaka, Japan in 2005 as Director of MIDA's overseas office. There, he was responsible for strategic planning, investment promotion and facilitating bilateral trade and investment opportunities. In 2008, he established and led MIDA's overseas office in Mumbai, India, further strengthening Malaysia's investment outreach in South Asia.

He was promoted to Senior Deputy Director in 2008 , subsequently leading the foreign direct investment division and later the machinery and metal technology divisions, where he was involved in shaping policies, attracting foreign investments and driving industrial development initiatives. He retired from MIDA in June 2023 after 34 years of service.

Mr. Vasu is currently a Director of MRV Corporate Advisory Sdn Bhd and Manjal Eco Solutions Sdn Bhd. He does not hold any directorship in other public companies and listed issuers in Malaysia. He attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

OOI GIN HUI

Independent Non-Executive Director

Date Appointed to the Board:	Age & Gender	Number of Board Meetings Attended (FYE 2026):	Membership of Board Committees:
23 August 2023	**46 | F**	**5**	**Audit and Risk Management Committee (Chairperson)** **Nomination Committee (Member)** **Remuneration Committee (Member)**



Ms. Ooi Gin Hui ("Ms. Ooi") was appointed to our Board on 23 August 2023. She is the Chairperson of the Audit and Risk Management Committee. She also serves as a member of the Nomination Committee and the Remuneration Committee of the Company.

Ms. Ooi graduated from University Tunku Abdul Rahman with a Bachelor of Commerce (Honours) in Accounting in 2006. She began her career as an Audit Trainee with Leslie Yap & Co, advancing to Audit Senior by 2009. She subsequently joined GHL Systems Berhad, a Main Market-listed company as Assistant Accountant before being promoted to Finance Manager in 2010, where she managed finance, corporate affairs and internal control.

In 2012, she joined Tanco Holdings Berhad as Finance Manager, and was promoted to Senior Finance Manager in 2013 and Group Financial Controller in 2014. As Group Financial Controller, she oversaw overall finance and accounting functions, internal control systems and corporate exercises including project development.

In 2018, she was appointed as Chief Financial Officer ("CFO") of ACO Group Berhad, where she led the company's finance function and was directly involved in its successful listing on the ACE Market of Bursa Malaysia in March 2020. She later contributed to voluntary service work before returning to corporate leadership in September 2023 as CFO of BTM Resources Berhad, a role she held until July 2024.

She currently serves as an Independent Non-Executive Director of Saliran Group Berhad and Pioneer Heat Holdings Berhad, which are listed on the ACE Market of Bursa Malaysia Securities Berhad and is also a partner in two limited liability partnerships. Her career demonstrates strong expertise in managing financial functions, strengthening corporate governance frameworks and guiding companies through complex regulatory and market requirements

She attended all five (5) Board of Directors' meetings held during the financial year ended 31 May 2026.

OBH Leadership and People Annual Report 2026

Notes:-

1. None of the Directors have family relationship with other Directors and/ or major shareholders of the Company except for the following:-
   a. Mr. Teoh Eng Sia, the Managing Director and major shareholder of the Company, is the spouse of Madam Wong Chung Theng, the Non-Independent Non-Executive Director and major shareholder of the Company.
   b. Ms. Lee Bao Yu, an Executive Director of the Company, is the daughter-in-law of Mr. Teoh Eng Sia and Madam Wong Chung Theng.
2. None of the Directors have any conflict of interest or potential conflict of interests, including interest in any competing business with the Company or its subsidiaries except as disclosed in the Notes of the Financial Statements of this Annual Report and the recurrent related party transactions disclosed in the circular to shareholders dated 30 September 2026.
3. None of the Directors have been convicted of any offence in the past five (5) years, or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 31 May 2026.

Key Senior
Management Profile



LEW YOKE CHIN
General Manager

Date Appointed:
1 December 2022

Age & Gender:
44/F

Responsibilities and Scope

As General Manager, Ms. Lew Yoke Chin (“Ms. Lew”) provides leadership across the Group’s commercial and operational functions. She oversees the sales, marketing and manufacturing activities, while driving business development initiatives that position the Group for sustainable growth.

Her mandate includes expanding market reach, strengthening brand presence, and optimising production efficiency to support long-term strategic objectives.

Professional Qualifications

Ms. Lew graduated with a Bachelor of Science with Education (Biology) from Universiti Teknologi Malaysia in 2004.

Professional Experience

She began her career in product development before joining the Group in 2005, where she progressively advanced from Microbiologist to Research & Development Executive, Production Manager and production cum Senior Manager overseeing both production and sales.

She has been instrumental in establishing the Group’s production protocols, leading product innovation in fortified beverages and dietary supplements, and implementing strategic marketing initiatives. In 2016, she was promoted to be the Production cum Senior Manager, where she assumed dual responsibilities in production and sales, strengthening distribution channels and pioneering e-commerce strategies for the Group’s products.

Since her appointment as General Manager in 2022, she has led multidisciplinary teams across sales, marketing and manufacturing. With nearly two decades of institutional knowledge, she combines technical expertise with commercial leadership to drive operational excellence, product innovation and market expansion, supporting the Group’s long-term growth strategy.



LEE CHEE KEAT
Research & Development Manager

Date Appointed:
1 June 2019

Age & Gender:
44/M

Responsibilities and Scope

As Research & Development ("R&D") Manager, Mr. Lee Chee Keat ("Mr. Lee") leads the Group’s innovation agenda, spearheading research and development to advance product leadership in fortified beverages and dietary supplements. He oversees the in-house research team, manages regulatory compliance for product certifications, and ensures that new formulations align with consumer health needs and emerging market trends.

Professional Qualifications

Mr. Lee holds a Bachelor of Science Nutrition (Honours) degree from Universiti Kebangsaan Malaysia (2006) and Master of Business Administration from UNITAR International University (2024). He is a Registered Nutritionist with the Malaysian Allied Health Professions Council, Ministry of Health Malaysia (2024), and a member of the Nutrition Society of Malaysia. He also obtained Certificate of Basic Life Support for Non-Healthcare Provider in year 2025. In 2026, he was registered as a Food Analyst under the Food Analysts Act 2011 (Licence No. MJMM001921) effective 1 July 2026. He also completed the Good Clinical Practice (GCP) 2026 Workshop organised by Universiti Putra Malaysia in July 2026.

Professional Experience

He joined the Group in 2007 as a nutritionist and played a pivotal role in institutionalising the Group’s R&D capabilities. In 2009, he was promoted to Quality Assurance cum R&D Manager, where he developed the Group’s quality control systems, established the in-house research unit and spearheaded product innovation initiatives. In addition, he is responsible for ensuring compliance with relevant quality and regulatory requirements, including HALAL, Hazard Analysis and Critical Control Point ("HACCP") and product registration requirements under the Drug Registration Guidance Document ("DRGD") managed by the National Pharmaceutical Regulatory Agency ("NPRA") under the Ministry of Health Malaysia, strengthening the Group’s credibility in both local and international markets.

In 2019, he was promoted to R&D Manager, where he oversees the Group’s R&D department and drives the Group’s product innovation initiatives. He ensures that research and product development remain responsive to evolving regulatory standards and consumer demands. His leadership reinforces the Group’s positioning as a science-driven, health-focused company.



PANG POH LYE
Legal Manager

Date Appointed:
1 December 2022

Age & Gender:
65/F

Responsibilities and Scope

As Legal Manager, Ms. Pang Poh Lye ("Ms. Pang") oversees the Group’s legal, compliance and regulatory affairs. She ensures that all contracts, licences, certifications and intellectual property matters are aligned with legal requirements, while also safeguarding the Group’s governance framework.

Professional Qualifications

Ms. Pang holds a Bachelor of Laws (Honours) degree from the University of London and was admitted as an Advocate & Solicitor of the High Court of Malaya in 1999.

Professional Experience

She began her career in taxation before pursuing law, later practising conveyancing and banking law. She joined the Group in 2003, initially providing compliance and administrative support, and later assumed responsibility as Personal Assistant to the Managing Director, supporting cross-departmental coordination.

Since being redesignated as Legal Manager in 2022, she has formalised her role in overseeing legal strategy, compliance and risk management. Her dual background in taxation and law, coupled with two decades of institutional knowledge within the Group, makes her a key guardian of compliance and corporate integrity.

Ms. Pang ensures that the Group operates within a robust governance framework, mitigating legal risks and safeguarding regulatory compliance. Her long institutional tenure provides stability and continuity in legal oversight.



YAP WENG FONG
Production Manager

Date Appointed:
1 September 2019

Age & Gender:
50/F

Responsibilities and Scope

As Production Manager, Ms. Yap Weng Fong ("Ms. Yap") is responsible for the Group’s end-to-end production management. She ensures operational efficiency, quality assurance, and on-time delivery across all manufacturing lines, while driving continuous improvement in production planning, resource utilisation and cross-departmental coordination.

Professional Qualifications

Ms. Yap completed her secondary education at Sekolah Menengah Kebangsaan (Perempuan) Jalan Ipoh in 1992.

Professional Experience

She joined the Group in 2001 and has steadily risen through the ranks from Production Worker to Supervisor, Assistant Quality Assurance Manager, and Assistant Production Manager. Her career trajectory reflects her deep technical expertise, operational discipline and leadership capability.

In 2019, she was promoted to her current position of Production Manager, responsible for leading the Group’s production operations, ensuring adherence to quality standards and operational targets. With over two decades of production operations experience, she has been instrumental in shaping the Group’s production culture that prioritises efficiency, quality and accountability.

Ms. Yap’s responsibilities include managing production resources, monitoring production efficiency and ensuring that products manufactured are in accordance with the Group’s quality standards. Her proven ability to optimise resource allocation and maintain consistent production quality is pivotal to the Group’s manufacturing reliability.



Chong Ka Wea
Financial Controller

Date Appointed:
1 August 2025

Age & Gender:
36/M

Tan Mei Yean
Factory Manager

Date Appointed:
8 July 2025

Age & Gender:
35/F

Responsibilities and Scope

As Financial Controller, Mr. Chong Ka Wea ("Mr. Chong") leads the Group's finance function, overseeing financial management, statutory reporting, budgeting, forecasting, taxation, treasury and risk management. He ensures compliance with regulatory requirements, strengthens internal controls and provides financial insights that support strategic planning and decision-making.

Professional Qualifications

Mr. Chong holds a Bachelor of Commerce in Accounting from the University of South Australia and is a member of the Malaysian Institute of Accountants.

Professional Experience

He began his career with Grant Thornton Malaysia in 2014 before assuming senior finance roles at TFP Solutions Berhad, MMIS Berhad and Thermo Cooling Engineering Sdn. Bhd. He joined the Group in 2023 as Corporate Manager and was subsequently appointed as Financial Controller in 2025, contributing significantly to IPO readiness and audit processes.

Mr. Chong strengthens the Group's financial governance and resilience. His expertise in IPO preparation, audit processes and strategic financial management supports the Group's compliance obligations and growth ambitions as a listed entity.

He is presently an Independent Non-Executive Director of Milolo Berhad, which is listed on the LEAP Market of Bursa Securities.

Responsibilities and Scope

As Factory Manager, Ms. Tan Mei Yean ("Ms. Tan") is responsible for overseeing the Group's end-to-end factory operations, including productivity, performance, and compliance with all safety and regulatory requirements. She leads the production team, manages resources, and drives cost-efficiency measures to ensure smooth and effective manufacturing outcomes. Reporting directly to the General Manager, she also collaborates closely with other departments to align operational execution with the Group's long-term strategic objectives.

Professional Qualifications

Ms. Tan holds a Bachelor of Engineering (Hons) in Chemical Engineering (Petrochemical) from UCSI University (2015), Professional Certificate in Maintenance Management (2018) and is a Certified Environmental Professional in the Operation of Industrial Effluent Treatment Systems (CePIETSO-PCP), awarded by EiMAS in 2019.

Professional Experience

Ms. Tan brings nearly a decade of experience in production management, quality assurance and compliance across food, dairy and pharmaceutical industries. Her career began in 2016 with Able Dairies Sdn Bhd, where she improved production output, strengthened SOP compliance and managed environmental performance monitoring. She subsequently served as Production Executive with Motivage Sdn Bhd, where she was involved in setting up a new factory, commissioning systems and preparing the facility for HALAL and HACCP certification.

Her career progressed with Nestlé Manufacturing (Malaysia) Sdn Bhd and F&N Dairies, where she held manufacturing excellence and production roles, driving efficiency, capital expenditure installations and product quality improvements. Most recently, she served as Assistant Factory Manager at Best Cosmetics Laboratories Sdn Bhd, where she achieved cost savings in material usage, improved GMP working conditions, minimised quality-related bulk rejections and supported HALAL applications for international partners.

Appointed Factory Manager of OB Holdings Berhad in July 2025, she now leads the Group's factory operations, ensuring operational excellence, regulatory compliance and continuous improvement.

Ms. Tan brings technical depth, regulatory expertise, and cross-industry production experience to the Group's manufacturing operations. Her ability to integrate quality assurance, compliance and operational efficiency strengthens the Group's factory performance and underpins its capacity to scale production in line with market expansion.

Notes:

1. Save as disclosed above, none of the key senior management holds any directorship in public companies and listed issuers.
2. None of the key senior management has any family relationship with any Directors and/or major shareholders of the Company.
3. None of the key senior management has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
4. None of the key senior management has been convicted of any offences within the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 31 May 2026, other than for traffic offences (if any).

PERFORMANCE REVIEW

Chairman's Statement 35

Management Discussion and Analysis 41

Executing Strategy, Building Scale

Sustainability Statement 51

03

ØBH Performance Review Annual Report 2026



Chairman's Statement

From Foundation to Execution

On behalf of the Board of Directors ("Board"), I am pleased to present the Annual Report and Chairman's Statement of OB Holdings Berhad ("OB Holdings" or "the Company") and its subsidiaries ("the Group") for the financial year ended 31 May 2026 ("FYE 2026").



FYE 2026 represented an important progression in the Group's development following our listing on the ACE Market of Bursa Malaysia Securities Berhad in October 2024.

While the preceding financial year was defined by the strengthening of our capital base and the commencement of our post-listing investments, FYE 2026 demonstrated our ability to translate those foundations into stronger operating and financial performance.

During the year, the Group continued to invest in the development of the new Serendah Factory, strengthen its manufacturing capabilities, serve its growing customer base and pursue opportunities across domestic and selected overseas markets.

At the same time, the Board remained focused on operational discipline, capacity utilisation and cost control. These efforts contributed to a significant improvement in profitability and provided further evidence of the resilience and scalability of the Group's integrated business model.

Dato' Seri Abdul Puhat Bin Mat Nayan

Independent Non-Executive Chairman

Stronger Financials, Sharper Focus

In FYE 2026, the Group recorded revenue of RM66.93 million, representing an increase of 22.75% from RM54.53 million in the preceding financial year ended 31 May 2025 ("FYE 2025").

Gross profit increased by 33.29% to RM29.71 million, while gross profit margin improved from 40.88% to 44.39% during the FYE 2026.



Profit before tax ("PBT") increased by 90.86% to RM12.52 million (FYE 2025: RM6.56 million) and Profit after tax ("PAT") increased by approximately 90.04% to RM8.70 million (FYE 2025: RM4.58 million). Earnings before interest, tax, depreciation and amortisation ("EBITDA") stood at RM14.72 million, compared with RM9.21 million in the preceding financial year.

The improvement in profitability was principally supported by higher contributions from manufacturing services driven by higher production volume, improved utilisation of production capacity, sales mix and cost-control measures.

The Group's financial performance demonstrates that the investments made in the capabilities, people and customer relationships are beginning to provide a stronger platform for growth.

Nevertheless, the Board remains conscious that sustainable progress requires more than a single year of improved results. We will continue to emphasise financial discipline, effective capital deployment and sound risk management as the Group progresses to its next phase.

Investing in the Next Phase: The New Serendah Factory



The development of the new Serendah Factory remained the Group's principal strategic investment during FYE 2026.

During the financial year, the Group incurred RM17.12 million on property, plant and equipment, including expenditure associated with the development of the new Serendah Factory and related production capabilities.

Subsequent to the financial year end, the new Serendah Factory received its Certificate of Completion and Compliance in August 2026. This represents an important step towards commissioning and the commencement of operations.

However, the completion of construction is only one stage of the journey. The Board recognises that the value of this investment will depend on effective commissioning, disciplined production ramp-up, customer qualification and the Group's ability to achieve appropriate utilisation and commercial returns.

The Group's focus in financial year ending 31 May 2027 ("FYE 2027") will be on converting this expanded physical capacity into sustainable operating capability.



Broadening Market Reach

Malaysia remained the Group's principal market, contributing RM60.99 million or 91.13% of Group's revenue in FYE 2026.

Overseas revenue increased by 20.00% to RM5.94 million, representing 8.87% of total revenue in FYE 2026. Thailand became the Group's largest overseas market during the year, followed by the United States and Hong Kong. The Group also recorded revenue from Kazakhstan, Singapore and Indonesia.

Although individual market contributions may fluctuate from year to year, the broader geographical reach reflects the Group's continuing efforts to diversify its customer and market base.





Innovation and Strategic Collaboration

Innovation remains an important part of the Group's longer-term direction.

During the year, the Group continued to progress its product development and research initiatives, including the successful completion of evaluations of the Sacha Q10 Softgel which is now progressing to human clinical trial stage.

Subsequent to the financial year end, the Group entered into a Memorandum of Understanding with HELP University concerning artificial intelligence entrepreneurship, technology commercialisation and talent development.

These initiatives reflect the Group's intention to complement its manufacturing capabilities with research, technology, talent development and external collaboration. The Board will continue to assess such initiatives based on their potential to produce practical capabilities and commercially sustainable outcomes.

Delivering Value to Shareholders

During FYE 2026, the Company paid dividends totalling RM1.25 million.

This included the second interim dividend of 0.12 sen per ordinary share in respect of FYE 2025 and the first interim dividend of 0.20 sen per ordinary share in respect of FYE 2026.

Subsequent to the financial year end, the Board declared and paid a further interim dividend of 0.20 sen per ordinary share amounting to RM0.78 million in respect of FYE 2026.

The Board's approach to dividends remains guided by the need to balance shareholder returns with the Group's working capital requirements, debt commitments, capital investments and longer-term growth priorities.



Looking Ahead

As we enter into the FYE 2027, the Group does so with stronger earnings, an expanded asset base and a significant programme of capacity development approaching its operational phase.

Our immediate priority will be to progress the new Serendah Factory through commissioning and towards commercial utilisation. The Group will also focus on sustaining the momentum of its manufacturing services business, strengthening the performance of its house brands and pursuing selected domestic and overseas opportunities.

We remain mindful of the potential risks arising from consumer spending conditions, raw material prices, foreign exchange movements, geopolitical and trade developments, regulatory requirements and the financial and operational demands associated with ramping up a new facility.

The Board remains cautiously optimistic. The Group demonstrated its ability to generate stronger earnings from its operating activities while continuing to invest in future capacity.

The next stage will require disciplined execution. Our objective is not simply to become larger, but to ensure that the Group's expanded capabilities translate into sustainable revenue, cash flow and long-term value for shareholders.



A Note of Gratitude: Chairman's Appreciation Note

FYE 2026 demonstrated the progress that can be achieved when strategic investment is supported by operational discipline and the commitment of our people.

On behalf of the Board, I wish to express my sincere appreciation to our shareholders, customers, business partners, regulators and other stakeholders for their continued confidence in OB Holdings.

I would also like to thank our management team and employees for their dedication, professionalism and contribution throughout the year. The Group's improved performance and progress on the new Serendah Factory would not have been possible without their collective effort.

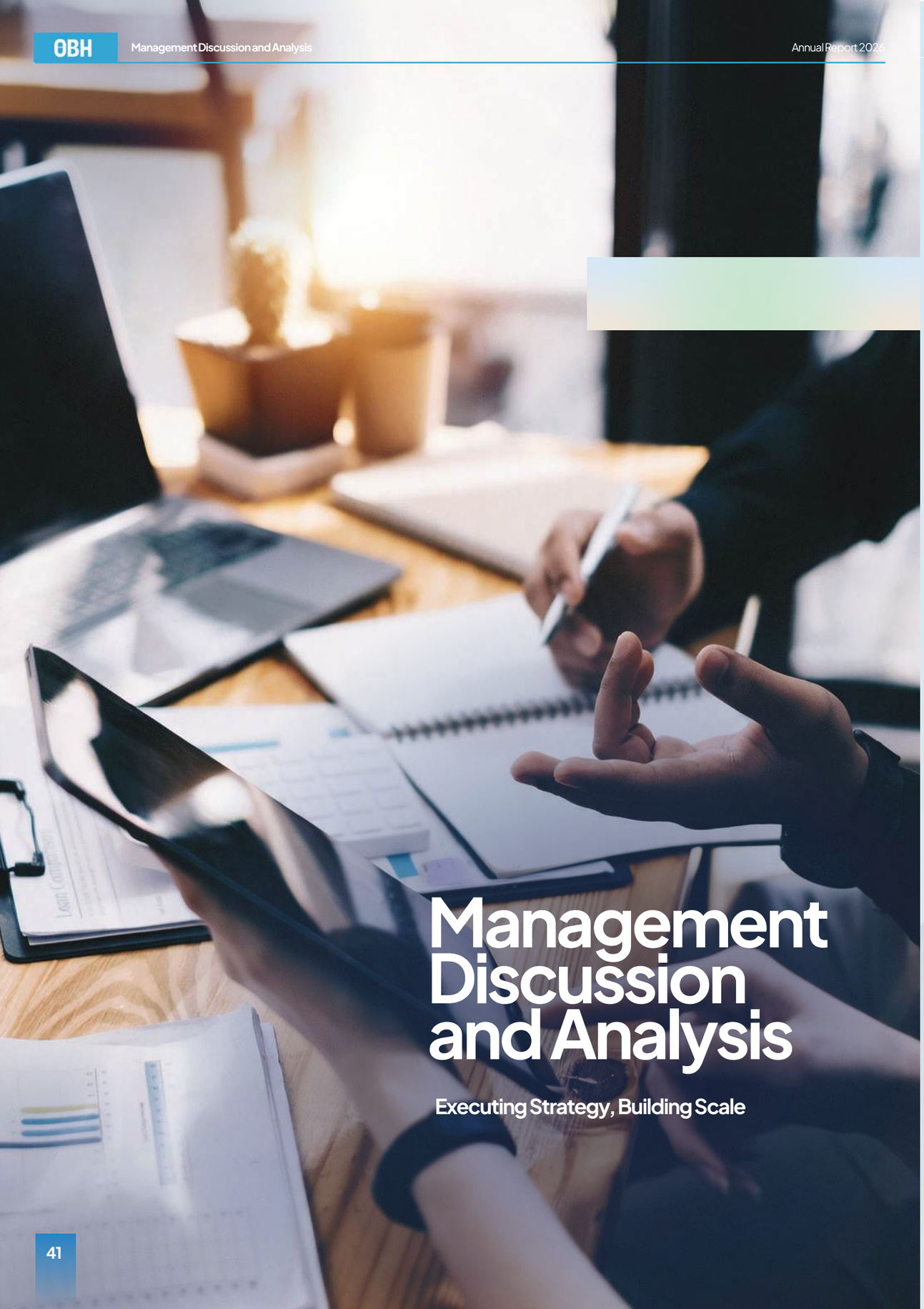
As we move into the next phase of our development, we remain committed to responsible growth, innovation, sound governance and the creation of sustainable value for all stakeholders.

Thank you

Dato' Seri Abdul Puhat Bin Mat Nayan

Independent Non-Executive Chairman





Management Discussion and Analysis

Executing Strategy, Building Scale

Executing Strategy, Building Scale

For the financial year ended 31 May 2026 ("FYE 2026"), the Group recorded revenue of RM66.93 million, representing an increase of 22.75% compared with RM54.53 million in the preceding financial year.

The improvement was principally driven by higher revenue from the provision of manufacturing services, supported by higher order fulfilment from existing and new customers and sustained demand for products launched during the financial year. Trading and other supporting activities also recorded higher revenue, while revenue from house brand products declined marginally amid cautious consumer spending.

The Group's improved revenue performance was accompanied by stronger profitability. Gross profit increased by 33.29% to RM29.71 million, while profit before tax ("PBT") and profit after tax ("PAT") increased by 90.86% and 90.04% to RM12.52 million and RM8.70 million, respectively.

The stronger earnings performance reflected higher production volume, improved utilisation of production capacity, a more favourable sales mix, better operational efficiency and cost-control measures.

During the financial year, the Group continued to invest in the development of the New Serendah Factory and its related production capabilities. FYE 2026 represented a year in which the Group delivered stronger operating results while continuing to deploy capital towards its next phase of capacity expansion.

Financial Performance

	FYE 2026 RM'000	FYE 2025 RM'000	Change (%)
Revenue	66,932	54,526	22.75%
Gross Profit ("GP")	29,708	22,288	33.29%
Profit before tax ("PBT")	12,522	6,561	90.86%
Taxation	(3,820)	(1,982)	92.73%
Profit after tax ("PAT")	8,702	4,579	90.04%
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	14,720	9,210	59.83%

Notes:-

(1) EBITDA is a non-MFRS financial measure calculated as profit after tax adjusted for tax expense, depreciation, finance costs and finance income.



Revenue Performance

Manufacturing Services

Revenue from the provision of manufacturing services for fortified food and beverages ("F&B") and dietary supplements increased by 34.15% to RM43.60 million in FYE 2026, compared with RM32.50 million in financial year ended 31 May 2025 ("FYE 2025").

This segment accounted for 65.14% of the Group's revenue, compared with 59.60% in the preceding financial year, and remained the Group's largest revenue contributor.

The increases were mainly driven by higher order fulfilment from existing and new customers, together with sustained demand for products launched during the financial year. Higher production volume also contributed to improved utilisation of the Group's production capacity.

The performance of this segment demonstrates the continued importance of the Group's business-to-business manufacturing activities and its ability to support third party brand owners across a range of fortified F&B and dietary supplement products.

House Brand Products

Revenue from house brand products amounted to RM15.25 million in FYE 2026, representing a marginal decrease of 3.30% from RM15.77 million in FYE 2025.

House brand products accounted for 22.78% of the Group's revenue, compared with 28.92% previously. The lower contribution was mainly attributable to cautious consumer spending amid the prevailing economic environment, together with the stronger relative growth recorded by the manufacturing services segment.

Despite the softer performance, the Group continued to strengthen the distribution of its house brand products by expanding its distribution channels and market presence across selected countries. These initiatives are intended to broaden the customer base and support the long-term development of the Group's proprietary brands.

The Group will continue to monitor consumer demand, marketing efficiency and channel performance while maintaining a disciplined approach to product development and promotional expenditure.

Trading and Other Activities

Revenue from trading and other supporting activities increased by 29.23% to RM8.09 million, compared with RM6.26 million in FYE 2025.

This segment accounted for 12.09% of the Group's revenue, compared with 11.48% in the preceding financial year. The improvement was mainly attributable to the Group's continued efforts to expand its customer base and strengthen its market presence, together with higher demand for its trading and supporting activities.

These activities continue to complement the Group's core manufacturing operations and contribute to the diversity of its revenue base.

Geographical Performance

Malaysia remained the Group's principal market in FYE 2026, contributing RM60.99 million or 91.13% of the Group's revenue, compared with RM49.58 million or 90.92% in FYE 2025. Revenue from Malaysia increased by RM11.41 million or approximately 23.01%, reflecting the continued strength of the Group's domestic customer base.

Overseas revenue increased by 20.00% to RM5.94 million, compared with RM4.95 million in FYE 2025. Overseas revenue represented 8.87% of the Group's revenue, broadly comparable with 9.08% in the preceding financial year. The proportion remained relatively stable as both domestic and overseas revenue recorded growth.

Thailand was the Group's largest overseas market in FYE 2026, contributing RM3.00 million, followed by the United States of America at RM1.39 million and Hong Kong at RM1.01 million. The Group also recorded revenue from Kazakhstan, Singapore and Indonesia during the year.

The increase in revenue from Thailand and the United States was partially offset by lower revenue from Hong Kong. The Group will continue to pursue selected overseas opportunities while recognising that individual market contributions may vary according to customer orders, product registration requirements, distributor performance and market conditions.



Profitability

The Group recorded gross profit of RM29.71 million in FYE 2026, representing an increase of 33.29% from RM22.29 million in FYE 2025.

Gross profit margin improved to 44.39%, compared with 40.88% in the preceding financial year. The improvement was primarily attributable to higher production volume, improved utilisation of production capacity, sales mix and cost-control measures.

Operating profit increased by 80.73% to RM12.38 million from RM6.85 million. This reflected the improvement in gross profit together with the absence of one-off listing expenses amounting RM1.36 million incurred in FYE 2025.

Selling and distribution expenses increased to RM7.74 million from RM6.43 million, consistent with the higher level of business activity and the Group's continuing market development efforts. Nevertheless, the increase in selling and distribution expenses remained lower than the increase in revenue.

Finance costs decreased to RM0.37 million from RM0.67 million in FYE 2026. This reduction was primarily due to the full settlement of borrowings for the acquisition of the Serendah land in FYE 2025. The additional borrowing draw down in FYE 2026 is to support the development of New Serendah Factory. The additional financing is expected to result in higher finance cost as the Group expansion activities progress.

Finance income increased to RM0.52 million from RM0.38 million, mainly attributable to higher interest income generated from the Group's available cash and deposit in FYE 2026.

As a result, PBT increased by 90.86% to RM12.52 million in FYE 2026 as compared to RM6.56 million in FYE 2025, while PAT increased by 90.04% to RM8.70 million as compared to RM4.58 million in the FYE 2025. The PBT margin improved from 12.03% in FYE 2025 to 18.71% in FYE 2026, while the PAT margin increased from 8.40% to 13.00%. EBITDA increased by 59.83% to RM14.72 million, representing an EBITDA margin of 21.99% compared with 16.89% in FYE 2025.

The improvement demonstrates that the Group generated operating leverage from its higher revenue and production volume during the financial year. However, management will continue to monitor product mix, raw material costs, distribution expenditure and the operating costs associated with the New Serendah Factory as the facility moves towards commercial operations.

Review of Balance Sheet and Liquidity

	FYE 2026 RM'000	FYE 2025 RM'000
Total assets	92,754	76,708
Total equity	71,095	63,645
Total liabilities	21,659	13,063

Total assets increased by 20.91% to RM92.75 million as at FYE 2026, compared with RM76.71 million as at FYE 2025. The increase was primarily attributable to the development of the New Serendah Factory. Property, plant and equipment increased to RM30.04 million from RM15.04 million, including RM24.86 million classified as capital work in progress at the end of the financial year.

Inventories increased moderately to RM12.15 million from RM11.68 million mainly reflecting higher inventory requirements to support the Group's increased sales activities and fulfilment of customer orders.

Trade receivables increased to RM11.85 million from RM8.48 million, mainly reflecting higher credit sales in FYE 2026. The Group will continue to monitor customer credit standing and collection performance and maintain prudent credit control and expected credit loss assessment processes.

Total equity increased by 11.70% to RM71.10 million from RM63.65 million, principally due to the Group's profit for the financial year, partially offset by dividends paid.

Total liabilities increased to RM21.66 million from RM13.06 million, primarily due to the increase in borrowings to fund the development and construction of New Serendah Factory.

Total borrowings increased to RM13.97 million from RM6.78 million, mainly reflecting the draw down of revolving credit for development and construction of New Serendah Factory. Consequently, the gearing ratio increased from 0.11 times to 0.20 times. Although the gearing ratio increased, it remained at a manageable level relative to the Group's equity base. Management will continue to monitor borrowings, interest costs, capital commitments and cash flow requirements associated with the new facility, while maintaining a prudent approach to capital and financial management.

Review of Cash Flow and Liquidity

	FYE 2026 RM'000	FYE 2025 RM'000
Net cash from operating activities	8,647	6,492
Net cash used in investing activities	(16,629)	(6,684)
Net cash from financing activities	5,562	18,661
Net change in cash and cash equivalents	(2,420)	18,469
Cash and cash equivalents at year end	19,463	21,883

Net cash generated from operating activities increased by 33.28% to RM8.65 million in FYE 2026, compared with RM6.49 million in FYE 2025. The higher operating cash generation was supported by the Group's stronger profitability. However, working capital absorbed part of this cash generation, principally through a RM3.65 million increase in receivables and a RM0.47 million increase in inventories. This was partially offset by a RM1.05 million increase in payables.

Net cash used in investing activities increased to RM16.63 million from RM6.68 million, principally due to RM17.12 million incurred on the purchase and development of property, plant and equipment.

Net cash generated from financing activities amounted to RM5.56 million, compared with RM18.66 million in FYE 2025. The inflow mainly reflected draw down of revolving credit for the development of New Serendah Factory and partially offset by repayments of borrowing, interest expenses and dividends paid.

Following these movements, cash and cash equivalents decreased to RM19.46 million in FYE 2026, compared with RM21.88 million in FYE 2025.





Strategic Progress

Advancing the New Serendah Factory

The development of the New Serendah Factory remained the Group's principal capital investment during FYE 2026.

During the financial year, the Group incurred RM17.12 million on property, plant and equipment, including expenditure associated with the development of the New Serendah Factory and related production capabilities. Capital work-in-progress stood at RM24.86 million as at 31 May 2026.







The investment increased the Group's property, plant and equipment to RM30.04 million, compared with RM15.04 million in the preceding financial year.

Subsequent to the financial year end, the New Serendah Factory received its Certificate of Completion and Compliance in August 2026. This represented an important development towards the commencement of operations.

The next phase will focus on the commissioning of the facility, installation and validation of equipment, completion of the necessary regulatory requirements and preparations for the commencement of manufacturing activities.

The new facility forms part of the Group's expansion plans to increase its manufacturing capacity and strengthen its ability to support the growing requirements of existing customers and new business opportunities. It is also expected to provide greater capacity and flexibility for the development and production of new products as the Group expands its market presence.

Principal Risks and Uncertainties

The Group operates within an environment subject to operational, financial, regulatory and market uncertainties. During FYE 2026, the principal areas requiring management attention included the commissioning and progressively commencing manufacturing operation at the New Serendah Factory, working-capital and credit management, funding requirements, raw-material and supply-chain conditions, customer concentration and changes in the regulatory and competitive environment.

Management continues to monitor these risks and implement appropriate measures in accordance with the Group's risk-management and internal-control framework. Further information on the Group's risk-management processes, internal controls and principal risk areas is provided in the Statement on Risk Management and Internal Control of this Annual Report.



Dividend
Delivering Value to Shareholders

During FYE 2026, the Company paid dividends totalling RM1.25 million. This comprised:

A single-tier second interim dividend of 0.12 sen per ordinary share amounting to RM0.47 million in respect of FYE 2025, declared on 30 July 2025 and paid on 4 September 2025; and

A single-tier first interim dividend of 0.20 sen per ordinary share amounting to RM0.78 million in respect of FYE 2026, declared on 21 January 2026 and paid on 26 February 2026.

On 28 July 2026, the Board approved a further single-tier interim dividend of 0.20 sen per ordinary share amounting to RM0.78 million respectively in FYE 2026. As this dividend was approved after FYE 2026, it was not recognised as a liability or deduction from equity in the FYE 2026 financial statements and will be accounted for in the financial year ending 31 May 2027 ("FYE 2027").

While the Group does not currently have a formal dividend policy in place, the Board remains dedicated to maintaining a sustainable approach to shareholder return, guided by a balanced capital allocation philosophy, that emphasises long-term strategic reinvestment and consistent shareholder distributions.

Moving forward, any declaration of dividends will be assessed on a case-by-case basis, taking into account the Company financial performance, operational requirements, investment pipeline, and prevailing market conditions. The Group remains committed to sustainable shareholder returns, aligned with our vision for long-term value creation.

Outlook for FYE 2027
Scaling with Discipline

Looking ahead to FYE 2027, the Group's principal operational priority will be to progress the New Serendah Factory from completion of construction towards commissioning, operational readiness and commercial utilisation.

Against this background, the Group's priorities for FYE 2027 will include:

- Commissioning and progressively commencing manufacturing operations at the New Serendah Factory;
- Maintaining the momentum of its manufacturing services business;
- Strengthening the performance and distribution of its house brands;
- Advancing selected product development and technology initiatives; and
- Maintaining discipline over capital expenditure, borrowings and operating costs

The Group enters FYE 2027 with stronger earnings, an expanded asset base and a continuing programme of capacity development. Management will focus on converting these investments into sustainable operating contributions while maintaining financial and execution discipline.

Innovation and
Product Development

The Group continued to advance its innovation and product development agenda during FYE 2026, building upon the initiatives commenced in the preceding financial year.

The Group has successfully completed the fundamental characterization and functional verification of Sacha Q10 Softgel. Following these successful evaluations, the product is now progressing to the human clinical trial stage.



We launched a clinical trial for our proprietary Bonlife SachaQ10 Plus Softgel.

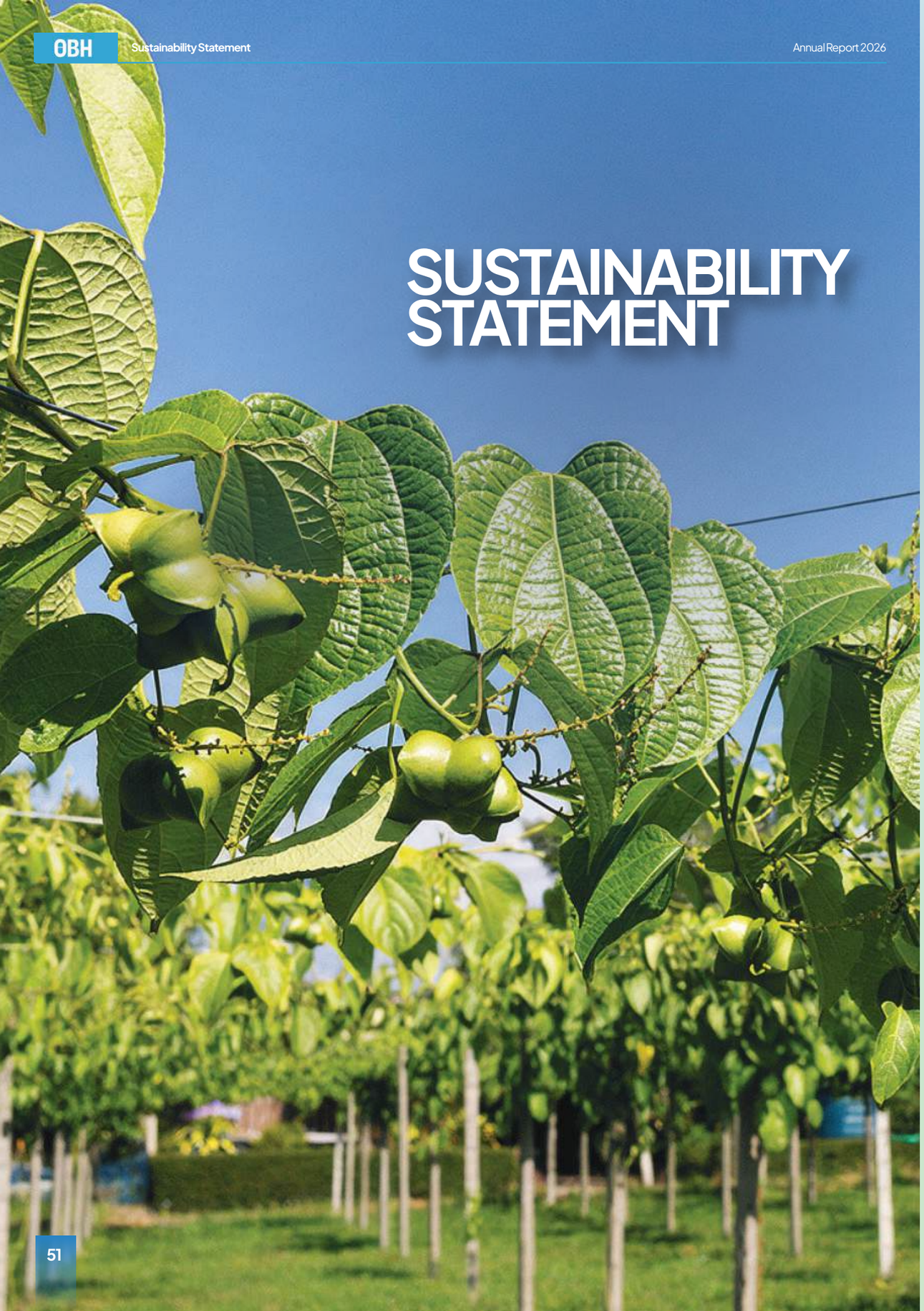
These activities form part of the Group's longer-term strategy to strengthen its product development capabilities and progressively expand its participation in higher-value proprietary formulations and functional products.

The Group will continue to assess product development opportunities against technical feasibility, regulatory requirements, expected consumer demand and commercial viability.

Strategic Partnerships

Subsequent to the financial year end, on 18 August 2026, the Group had entered into a Memorandum of Understanding ("MOU") with HELP University to explore collaboration in areas including artificial intelligence entrepreneurship, technology commercialisation and talent development. As the collaboration remains at the MOU stage, its eventual contribution will depend on the implementation of specific initiatives and the conclusion of any subsequent definitive arrangements.





SUSTAINABILITY STATEMENT

About This Statement

OB Holdings Berhad ("OB Holdings" or "the Company") and its subsidiaries ("the Group") is pleased to present the Group's Sustainability Statement ("the Statement") for the financial year ended 31 May 2026 ("FYE 2026").

This Statement reflects the Group's commitment to embedding sustainable practices across its operations and details our efforts, progress and aspirations in integrating environmental, social and governance ("ESG") considerations into our business strategy. It covers the business operations and activities of the Group, with an emphasis on the most significant matters that influence our long-term success and the interests of our stakeholders.

As a listed company on ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Group is committed to pursuing sustainable growth, protecting the environment, creating a positive social impact and upholding strong governance in every facet of our operations.

Scope and Boundary

OB Holdings conducts its operations primarily within Malaysia. Our business activities are supported by a network of strategically located facilities and offices, which include:

Offices:-

Headquarters
No. B-G-1, B-G-2 and B-G-3,
Dataran Emerald, Jalan PS 11,
Prima Selayang,
68100 Batu Caves, Selangor Darul Ehsan

House Brand (Sales Office)
C-1-13A, 162 Residency,
KM 12, Jalan Ipoh Rawang,
68100 Batu Caves, Selangor
Darul Ehsan

Manufacturing Facilities:-

Owned Factory ("Selayang Factory")
No.37, Jalan PS 3,
Taman Industri Prima Selayang,
68100 Batu Caves, Selangor
Darul Ehsan

Rented Factory ('Serendah Factory")
No.10, Jalan Siantan Utama,
Laman Serendah,
48200 Serendah, Selangor
Darul Ehsan

Storage Facility
No C-1-01, 162 Residency,
KM 12, Jalan Ipoh-Rawang,
68100 Batu Caves Selangor
Darul Ehsan

This statement covers the following business segments and activities.

Business Segments	Principal Activities
Provision of Manufacturing Services	Manufacturing fortified food & beverage ("F&B") and dietary supplements for third-party brand owners.
House Brand Products	Manufacturing, sales, and marketing of fortified F&B and dietary supplements under its house brands.
Trading and Others	Activities such as contract packing, trading of milk powder, laboratory tests, freight services, packaging materials, pallets and more.

Reporting Period and Reporting Cycle

The coverage of the Group's sustainability performance in this Statement follows an annual reporting cycle, aligned with the financial year, unless otherwise specified, which ranges from 1 June 2025 to 31 May 2026.

Reporting Guidelines

This Statement is prepared in accordance with Bursa Securities' ACE Market Listing Requirements ("AMLR"), with refer to Bursa Securities' Sustainability Reporting Guide (3rd Edition), as well as the Global Reporting Initiatives ("GRI") standards.

Forward-looking Statement

This Statement may contain forward-looking statements relating to the Group's plans, strategies, initiatives and performance based on current projections and are subject to known or unknown risks, uncertainties and other factors that may cause actual results to differ. OB Holdings is not obligated to update these statements in light of new information, future events or otherwise, unless required by applicable laws and regulations.

Feedback & Inquiries

As part of our ongoing effort to improve our sustainability performance and reporting standards, we welcome feedback and comments from our stakeholders. Comments and feedback can be directed to sales@orient.com.my.



Sustainability Governance

The Group acknowledges that good governance is the foundation of sustainable growth, it keeps us accountable and helps us act with integrity.

We adhere to the Malaysian Code of Corporate Governance ("MCCG") and all applicable laws and regulations in our industry. We value openness, fair decision making and ethical practices as we continue to improve our ESG performance and sustainability practices.



Governance Structure



The Board of OB Holdings holds ultimate responsibility for the Group's sustainability strategy, direction, and performance. The Board ensures that sustainability considerations are embedded into the Group's decision-making processes, risk management framework, and long-term business objectives.

To support the Board in fulfilling these responsibilities, the Sustainability Working Team — comprising representatives from key business units and led by the Managing Director— is tasked with:

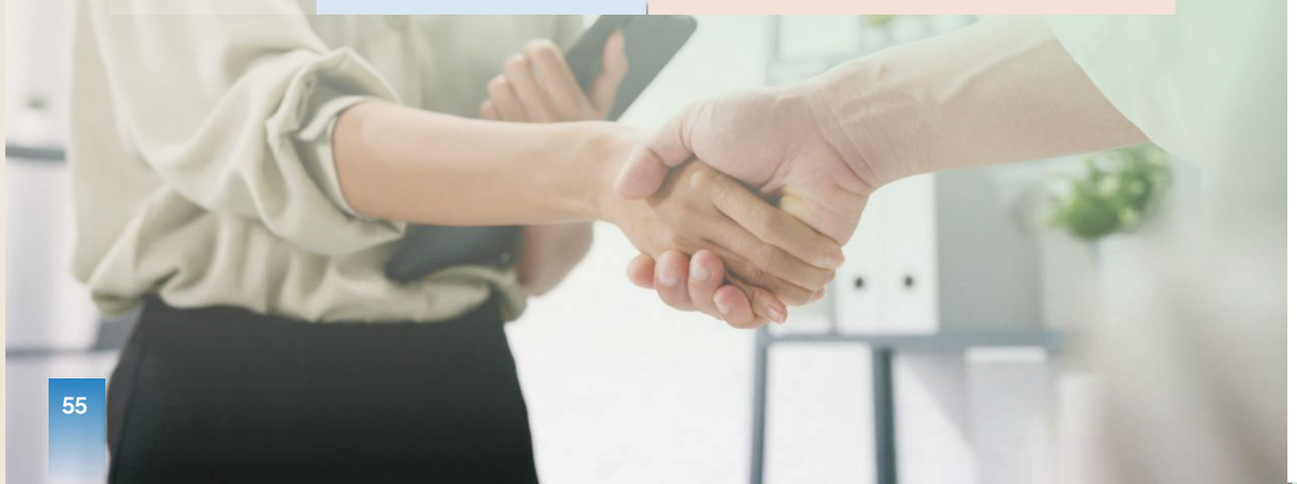
- Formulating and recommending sustainability policies and targets
- Coordinating the implementation of sustainability initiatives across the Group
- Monitoring and reporting on environmental, social, and governance (ESG) performance
- Ensuring compliance with Bursa Malaysia's Sustainability Reporting requirements

The Sustainability Working Team reports directly to the Board, providing regular updates on progress, challenges, and opportunities

Roles and Responsibilities of Sustainability Working Team and Working Group

The Sustainability Working Groups operate under the guidance of the Sustainability Working Team and are responsible for implementing specific ESG initiatives across the Group. Each Sustainability Working Team focuses on a thematic sustainability area, with designated members drawn from relevant functions and operations.

Sustainability Focus Area	Members of Sustainability Working Team	Key Responsibilities
Anti-Corruption and Bribery	- Legal Manager - Human Resources ("HR") Manager	Implement and monitor compliance with the Group's Anti-Bribery and Corruption Policy; conduct training; manage whistleblowing mechanisms.
Community and Society	- Executive Director - Factory Manager - HR Manager	Plan and execute community engagement projects; measure and report community impact.
Diversity	- HR Manager	Promote diversity and inclusion initiatives; track workforce diversity metrics.
Energy Management	- Factory Manager - HR Manager - Financial Controller	Monitor and reduce energy consumption; explore renewable energy opportunities.
Health and Safety	- HR Manager - Factory Manager - Research and Development	Implement workplace safety policies; monitor incident rates; provide safety training.
Labour Practices and Standards	- HR Manager	Ensure compliance with labour laws and fair employment practices.
Supply Chain Management	- Purchaser - General Manager	Monitor supplier ESG performance; implement supplier code of conduct.
Data Privacy and Security	- HR Manager - Legal Manager	Protect personal and corporate data; implement cybersecurity best practice.
Water Management	- Factory Manager - R&D Manager	Monitor water usage; implement conservation and recycling initiatives.
Waste Management	- Factory Manager - R&D Manager	Implement waste reduction, recycling, and disposal best practices.



Integration of Sustainability into Strategic Decision-Making

The Board of OB Holdings recognises sustainability as a critical driver of long-term business resilience and stakeholder value creation. Sustainability considerations are embedded into the Group's strategic planning and decision-making processes through the following approaches:

Strategic Alignment

Sustainability priorities are aligned with the Group's corporate vision, core values, and business objectives to ensure that environmental, social, and governance factors are considered in every major decision.

Materiality-Driven Focus

The Board reviews the Group's material sustainability matters annually, ensuring that strategies and resource allocation address the most significant ESG risks and opportunities relevant to OBH operations and stakeholders.

Policy and Target Setting

The Board approves sustainability-related policies, performance targets, and action plans, ensuring alignment with regulatory requirements (including Bursa Malaysia's Sustainability Reporting requirements) and international best practices.

Risk Management Integration

Sustainability risks, including climate-related, social, and governance risks, are embedded into the Group's enterprise risk management framework to inform investment, operational, and expansion decisions.

Updates on Sustainability Matters

The Board receives quarterly updates on the Group's sustainability and climate-related matters from the Sustainability Working Team, led by the Managing Director. These updates cover progress against performance indicators, regulatory compliance, and any emerging risks or opportunities.

In addition to the quarterly reviews, the Board is briefed as and when necessary, on significant sustainability developments - for example, regulatory changes, stakeholder concerns, or material ESG risks that require immediate attention.

This structured reporting ensures that the Board remains actively informed and engaged, enabling sustainability considerations to be fully integrated into the Group's strategic decision-making and risk management processes.

ESG Accountability

The Board of Directors of OB Holdings collectively provides strategic oversight of the Group's ESG agenda. The Board's diverse experience across public service, corporate governance, finance, operations, legal, and community development equips. The Group with the expertise necessary to integrate sustainability into long-term business strategy.



Escalation of Sustainability Matters

At OB Holdings, sustainability issues and decisions are managed through a structured governance framework that ensures alignment across all levels of the organisation.

Executive / Board Level	- The Managing Director, as the senior executive responsible for ESG, reviews updates from the Sustainability Working Team and escalates significant sustainability issues, risks, and opportunities to the Board. - The Board deliberates on these matters, makes strategic decisions, approves policies and targets, and ensures that sustainability is integrated into the Group's overall business strategy and risk management.
Sustainability Working Team	- The Sustainability Working Team consolidates updates from all Sustainability Working Groups, tracks progress and identifies material issues that may require strategic intervention. - Findings and recommendations are prepared for escalation to the Managing Director and the Board of Directors.
Operational Level	- Each department and Sustainability Working Group (e.g., ABC, community and society, diversity, energy management, health and safety, labour practices and standards, supply chain management, data privacy and security, water management and waste management) is responsible for identifying, implementing, and monitoring ESG initiatives within their respective areas.

This process ensures that sustainability related matters identified at the operational level are transparently and efficiently escalated to the highest decision-making body, enabling timely action and alignment with the Group's strategic objectives.

Board Oversight and Reporting

The Board is regularly updated on sustainability matters. Aside from regular review, they are also briefed on new regulations and stakeholders' concerns, ensuring issues and concerns are properly addressed.



Sustainability Knowledge Transfer and Capacity Building

OB Holdings recognises that sustainability expectations are dynamic, shaped by regulatory changes, stakeholder demands, and global best practices. To remain resilient and future-ready, the Group invests in continuously enhancing the sustainability knowledge and capacity of both employees and leaders, while also ensuring strong leadership succession for long-term continuity.

Structured Training Programmes

- Employees undergo regular training on ESG-related areas, including Health, Safety & Environment ("HSE"), Anti-Bribery & Corruption ("ABC"), and product safety standards (GMP, ISO 9001, HACCP, HALAL, NPRA).
- Leaders and managers are provided with specialised training such as Occupational Safety & Health ("OSH") Coordinator, Halal Competency, and compliance with international regulatory frameworks.

Continuous Learning & External Engagement

- Selected staff attend external training, seminars, and industry forums on sustainability, corporate governance, and regulatory compliance.
- Insights gained from external engagements are cascaded across teams, strengthening collective organisational awareness.

Knowledge Sharing & Internal Awareness

- The Sustainability Working Groups act as internal knowledge hubs, updating employees on emerging ESG trends (e.g., energy efficiency, waste reduction, ethical supply chain).
- Awareness campaigns, workshops, and townhalls reinforce a culture of shared responsibility across all levels.

Leadership Development and Succession Planning

- Each senior management position is encouraged to identify and mentor a successor, ensuring leadership continuity and the transfer of sustainability knowledge.
- Successors are assessed based on performance, leadership potential, and alignment with the Group's sustainability values.
- Senior leaders actively mentor and coach their successors, sharing technical expertise and ESG responsibilities to strengthen organisational resilience.
- Successors are also given opportunities to participate in cross-functional ESG Working Groups and external training, preparing them to integrate sustainability into future decision-making.

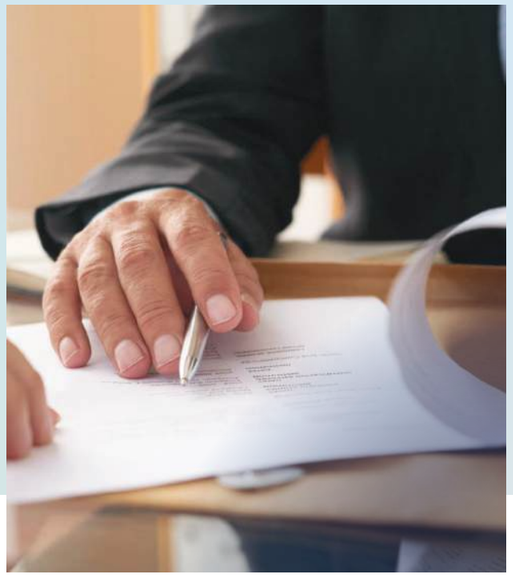
Leadership Commitment

- The Board and Managing Director lead by example, incorporating ESG into strategic decisions and setting the tone for continuous learning and leadership renewal.
- Sustainability performance and leadership succession are reviewed at Board level, ensuring long-term alignment with stakeholder expectations.

Policy and Sustainability Compliance

The Group has established internal mechanisms to monitor, audit, and ensure compliance with its sustainability-related policies, covering governance, product safety, and environmental management.

These mechanisms include:



ABC Compliance

- Implementation of the Group's ABC Policy, supported by regular employee training and awareness programmes.
- A whistleblowing channel is available for employees and stakeholders to report unethical or non-compliant practices confidentially.
- Regular compliance reviews are conducted by the Legal Manager and monitored by the Audit and Risk Management Committee.



Product and Service Quality

The Group maintains strict compliance with HALAL, HACCP, NPRA, ISO 9001, FDA, GMP certifications, supported by regular third-party audits.

HALAL Certification (by JAKIM, or recognized authority)

- Requires annual audits by certification bodies.
- Audits cover raw material sourcing, production processes, hygiene practices, and documentation.
- Unannounced spot checks may also be conducted to ensure continuous compliance.

HACCP (Hazard Analysis and Critical Control Points)

- Requires both internal audits (conducted by the company at least annually) and external audits by accredited certification bodies.
- Focuses on food safety risks, preventive controls, and corrective actions.

GMP

- Requires internal compliance audits and periodic external audits by regulators or certification bodies.
- Covers manufacturing practices, facility hygiene, equipment calibration, record-keeping, and quality control systems

National Pharmaceutical Regulatory Agency ("NPRA") Product Registration

- Products are registered with the NPRA under the Ministry of Health Malaysia.
- Each registered product carries a Malaysia Product Registration ("MAL") Number, ensuring it has passed NPRA's rigorous review for safety, quality, and efficacy.
- Facilities and products are subject to regulatory audits and inspections by NPRA officers.

FDA Registration (United States Food & Drug Administration)

- Confirms compliance with U.S. FDA requirements, enabling product exports to the United States.
- Requires stringent documentation and readiness for FDA inspections.
- The R&D and Quality Assurance teams conduct continuous product testing and monitoring to ensure compliance with health and safety standards.

Environmental Management

- Energy, water, and waste management are tracked through internal monitoring systems at the factory level.
- Compliance with environmental regulations is reviewed through regular site inspections and audits by the Factory Manager and Sustainability Working Groups.
- Environmental performance data (e.g., energy use, emissions, waste recycling rates) are consolidated and reported to the Sustainability Working Team for Board review.

Labour Practices and Health & Safety

- Workplace inspections, safety drills, and risk assessments are carried out regularly by the Health & Safety Working Group.
- Labour practices are monitored against Malaysian employment laws, with compliance overseen by the HR function and Sustainability Working Team.

Audit and Risk Management Committee Oversight

- ARMC reviews all internal audit findings, risk management reports, and compliance with ESG related policies.
- The ARMC also provides oversight on sustainability risks, including ABC, whistleblowing, internal controls, and ESG reporting disclosures

Materiality Assessment

Our Group adopts a structured approach to identifying and prioritising sustainability matters most to our business and stakeholders, enabling the Group to focus on ESG topics with the greatest influence on its operations and long-term value creation.

To ensure that these material issues align with the Group's strategy and risk management practices, ongoing engagement and internal reviews were regularly conducted.

In addition, biannual materiality assessments were also conducted to map stakeholder expectations against business priorities, focusing on key ESG areas such as climate impact, product safety, labour practices and integrity. Our materiality assessment process consists of four stages, as follows:

01 Identification

Identify Relevant Sustainability Topics

Gather potential sustainability issues from various sources, including Bursa Malaysia guidelines, GRI standards, industry trends, internal policies, and stakeholder inputs.

Engage Internal and External Stakeholders

Consult with employees, management, investors, customers, suppliers, regulators, and community representatives to gather diverse perspectives on key sustainability concerns.

02 Assessment

Assess and Prioritise Material Topics

Evaluate identified topics based on their significance to the business (impact on strategy, risk, and opportunities) and their importance to stakeholders. Use surveys, interviews, and workshops to rank these issues.

03 Materiality Matrix and Action

Develop the Materiality Matrix

Plot the assessed topics on a matrix to visually represent their priority levels, balancing business impact against stakeholder interests.

Validate and Review Findings

Present the draft materiality matrix and findings to senior management and the Board for validation and feedback, ensuring alignment with strategic objectives.

Integrate into Strategy and Reporting

Use the approved material topics to guide sustainability strategy, risk management, performance tracking, and disclosure in corporate reports.

04 Review and Monitoring

Continuous Monitoring and Update

Regularly review and update the materiality assessment to reflect changes in business context, stakeholder expectations, and regulatory requirements, typically every 2–3 years or as needed.

Material Sustainability Matters

Based on our materiality assessment, the Group has identified key sustainability matters within the ESG pillars that reflect our priorities and those of our stakeholders.



- Local Sourcing & Supplier Development
- Employment and Skills Development
- Product and Service Quality



- Energy Management
- Waste Management
- Water Management
- Emissions Management



- Occupational Health & Safety
- Employee Development & Well- being
- Diversity & Inclusion
- Community Engagement



- Anti-Bribery & Corruption
- Whistleblowing
- Data Privacy & Security

We will continue to refine our materiality assessment in future reporting cycles to ensure that sustainability priorities align with business objectives and the expectations of our stakeholders.

Stakeholder Engagement

The Group regularly engages with stakeholders who are influenced or affected by its business activities. These stakeholders are identified based on their influence, impact or interest in the Group.

The table below outlines how the Group engages with its stakeholders to ensure that sustainability is reflected in its strategy and operations.

Stakeholders	Focus Area	Focus Area	Method of Engagement
Employee	Our workforce is at the heart of the Group's operations, driving product quality, innovation, and sustainability practices.	Workforce development, well-being, innovation, and sustainability practices	Training programmes, townhalls, performance reviews, health & wellness initiatives
Customers	Retailers, distributors, and end consumers who trust the Group's products for safety, quality, and nutrition.	Product safety, quality, nutrition, and trust	Customer feedback, surveys, sales support, product certifications (GMP, HACCP, ISO, HALAL, FDA, NPRA)
Regulators and Government Agencies	Regulatory authorities such as JAKIM, Ministry of Health, Department of Environment, FDA and Bursa Malaysia.	Compliance with health, safety, environmental, and reporting requirements	Compliance audits, reporting submissions, inspections, dialogue sessions
Suppliers and Business Partners	Raw material suppliers, packaging providers, and service vendors who play a critical role in ensuring supply chain sustainability.	Sustainable and ethical supply chain practices	Supplier assessments, contractual compliance, audits, collaborative initiatives
Shareholders and Investors	Owners and investors of OB Holdings.	Responsible governance, transparency, and returns on investment	Annual General Meetings ("AGM"), annual reports, sustainability disclosures, investor briefings
Communities and Society	Local communities around the Group's operations, as well as society at large who benefit from CSR initiatives and health awareness campaigns.	Social responsibility, community support, and public health awareness	Community programmes, donations, volunteering, partnerships with NGOs/ local organisations
Industry Associations and Certification Bodies	Organisations that set industry standards and provide certifications to enhance credibility and trust.	Standards compliance, credibility, and best practice sharing	Memberships, industry dialogues, certification audits, best practice sharing



Sustainability Targets and Performance

Economic

FYE 2026 Performance

Key Performance Indicator	FYE 2025 Performance	FYE 2026 Performance
Revenue Growth (RM'000)	54,526	66,932
Percentage of Local Contractors	55%	52%

The Group contributes to Malaysia's economic development through local sourcing, employment creation, skills development, statutory contributions and partnership across the domestic supply chain.

The Group's operations also support the growth of Malaysia's healthcare and wellness industry through its manufacturing, product development and adherence to applicable quality and regulatory standards.

Local Sourcing and Support for Bumiputera and Small and Medium Size Enterprise ("SME") Suppliers

- The Group remain prioritizes local supplier of raw material and packaging suppliers, wherever feasible, to strengthen Malaysia's supply chain resilience.
- The Group also engages local SMEs suppliers, providing opportunities for qualified local businesses to participate in its procurement activities.
- Where appropriate, the Group works with Malaysian contract manufacturers and local service providers to support domestic production capacity and retain economic value within the country.
- The Group works closely with Malaysian contract manufacturers to support domestic production capacity and create local job opportunities.

Employment and Skills Development

- The Group provides employment opportunities across its operations in Selayang and Serendah, contributing to job creation within the local communities.
- The Group also invests in employee training and development, including training in areas such as GMP, HACCP, HALAL requirements, quality assurance, food safety and applicable regulatory requirements. These initiatives support the development of a skilled workforce within the healthcare and nutraceutical sectors.

Compliance and Responsible Operations

- The Group is committed to maintaining compliant and responsible operations through adherence to applicable regulatory, safety and environmental requirements. Its facilities are subject to relevant local authority approvals and requirements relating to fire safety, occupational safety and environmental management.
- These practices support safe, responsible and sustainable operations while maintaining the Group's commitment to regulatory compliance.

Supporting the Healthcare and Wellness Industry

- Through its manufacturing capabilities, research and development activities, product innovation and adherence to relevant quality and regulatory standards, the Group supports the development of Malaysia's healthcare, fortified food and beverage, dietary supplement and wellness industries.
- The Group's certifications and regulatory compliance also support its ability to serve both domestic and export markets, contributing to the broader development and international reach of Malaysia's healthcare and wellness products.



Environmental

Under this pillar, we focus on the efficient use of resources, reducing waste and minimising environmental impact, in compliance with regulatory standards.

The Group has also started to assess climate-related risks, strengthen governance and risk management practices, and embed sustainability into operations. Furthermore, the Group track energy, water, and waste through internal monitoring at our factories, reinforced by regular inspections and audits.

Performance in FYE2026

Key Performance Indicator	FYE 2025	FYE 2026
Energy Consumption (kWh)	NA	785,595
Energy Generation (kWh)	NA	2,161
Net Energy Consumption (kWh)	751,439	783,434
Water Consumption (m3)	9,374	7,794
Waste Generated (tonnes)	NA	45
Scope 1 (Direct) Emissions (ton CO2e)	NA	20
Scope 2 (Indirect) Emissions (ton CO2e)	NA	580
Total (ton CO2e)	NA	600

Breakdown of Energy Profile:	HQ Office	Selayang Factory	Serendah Factory
Energy Consumption (kWh)	18,520	532,691	234,384
Energy Generation (kWh)	0	2,161	0
Net Energy Consumption (kWh)	18,520	530,530	234,384



Energy Management

The group recognises that efficient energy management is essential in reducing operating costs, minimising carbon footprint, and supporting Malaysia's transition towards a low-carbon economy.

We have also started to assess our climate-related risks, strengthen our governance and risk management practices, and embed sustainability into our operations. Furthermore, we track our energy, water, and waste through internal monitoring at our factories, reinforced by regular inspections and audits.

Energy Sources

- The Group's operations are primarily powered by electricity supplied by Tenaga Nasional Berhad ("TNB"). In FYE 2026, the energy consumption taken from TNB amounted to 785,595 kWh.
- In line with sustainability goals, the Group has adopted solar energy solutions in the Selayang Factory. In FYE2026, the energy generation from solar energy amounted to 2,161 kWh.
- With the generation of solar energy, the net energy consumption by The Group in FYE2026 is 783,434 kWh.

Efficiency Practices

- Energy consumption is monitored across the Group's factories, headquarters, store, and sales office to ensure efficient usage.
- Regular maintenance of equipment and machinery reduces energy waste and optimises performance.
- The Group has implemented energy-efficient measures, including:
  - Installation of LED light bulbs across facilities to reduce energy consumption.
  - Use of energy-efficient air-conditioning systems and timers.
  - Staff awareness campaigns promoting energy-saving practices.

Future Commitments

- The Group's new Serendah building is being developed as a green building, incorporating sustainability principles in construction and operations.
- The Serendah facility will include solar energy installation to further increase the Group's renewable energy share.
- Continuous improvement in energy intensity (energy use per unit of production) will be tracked and reported as part of The Group's long-term sustainability performance indicators.



Water Management

Water is a critical input in the Group's operations, particularly for ensuring product quality, safety, and hygiene. The Group recognises the importance of responsible water use to support operational efficiency and environmental sustainability.

Water Usage

- The Group sources water from Air Selangor, the main municipal water supplier.
- In FYE 2026, the total water consumption amounted to 7,794 m3.
- Water is primarily used for:
  - Cleaning and sanitation of production equipment and facilities.
  - Ingredient hydration during the formulation of food-grade and botanical-based products.
  - General staff and office usage (hygiene, drinking, and facilities).

Water Quality and Filtration

- All incoming water is filtered to ensure it is clean and safe for production purposes.
- This practice ensures compliance with GMP, HACCP, HALAL, and ISO 9001 quality standards.

Wastewater and Discharge

- Due to the use of food-grade and botanical-based raw materials, The Group does not produce hazardous wastewater.
- As such, there is no requirement for a dedicated water treatment plant.
- Wastewater generated is minimal and discharged through standard municipal systems, in line with regulatory compliance.

Water Efficiency and Future Plans

- The Group is exploring opportunities to improve water efficiency through operational practices such as controlled cleaning processes.
- Future initiatives will include:
  - Exploring reuse and recycling systems, such as greywater recycling for non-production uses (e.g., cleaning and landscaping).
  - Employee awareness campaigns to encourage responsible water use.



Waste Management

The Group is committed to managing waste responsibly to minimise environmental impact and contribute to a circular economy. In FYE 2026, the total waste generated amounted to 45 tonnes.

Nature of Waste Generated

- Due to the food-grade and botanical-based raw materials used in production, The Group does not generate hazardous or contaminated wastewater. As such, the Group does not require a dedicated wastewater treatment plant.
- None of the wastes generated is classified as scheduled waste, which would require special treatment and collection.
- The main types of waste generated include:
  - Solid waste (general operational waste).
  - Packaging waste (cartons, plastics, and wrapping materials).
  - Expired or rejected inventory (product batches that do not meet quality standards).

Waste Handling and Segregation

- Segregation practices are in place to separate recyclable materials (such as paper, plastics, and cartons) from general waste.
- Third-party licensed waste collectors are appointed for recycling and responsible disposal.
- The Group prioritises recycling as the primary waste management method, ensuring that most of its solid waste is diverted away from landfills.

Sustainable Disposal of Products

- Expired or rejected inventory is managed through secure disposal processes in compliance with regulatory requirements.
- For product returns or recalls, The Group ensures that disposal is conducted responsibly, preventing environmental harm and ensuring consumer safety.

Continuous Improvement and Future Initiatives

- The Group is exploring circular packaging solutions to reduce dependency on single-use plastics and improve recyclability.
- Awareness initiatives are conducted among employees to strengthen waste minimisation practices at both operational and office levels.



Greenhouse Gas (GHG) Emissions

In FYE 2026, The Group initiated the quantification of Scope 1 and Scope 2 emissions, and established the baseline emissions for future planning of reduction targets.

Scope 1 (Direct) Emissions

- The calculated Scope 1 emission amounted to 20 tCO2e, which primarily consisted of mobile combustion through company-owned vehicles.
- In the future, emissions from potential stationary combustion sources and processes are to be included.

Scope 2 (Indirect) Emissions

- The calculated Scope 2 emission amounted to 580 tCO2e, which mainly originated from purchased electricity from TNB.
- Energy-related efficiencies and conservation initiatives as described in the Energy Management section are targeted to reduce Scope 2 emissions as well.

Scope 3 (Value Chain) Emissions

- The Group is currently preparing all the necessary documents required to calculate Scope 3 emissions, particularly for Category 6 (Business Travel) and Category 7 (Employee Commuting), as mandated by the National Sustainability Reporting Framework (NSRF) for Group 3 companies.

Following the first year's quantification of GHG emissions, The Group is committed to addressing climate change through the planning of identification of climate risk and opportunities and decarbonization strategy, as aligned with the NSRF for Group 3 requirements



Social

The Group's social pillar is about building a workplace where people feel valued and safe and extending the same care to the communities around us. We create meaningful employment, support volunteer efforts, and introduce initiatives that strengthen social well-being for the long-term.

FYE 2026 Performance:

Key Performance Indicator	FYE 2025	FYE 2026
Employee Training Hours per employee per year	3.00	2.75
Number of Employees Trained on Health & Safety Standards	NA	78
Employee Turnover by Category	Director: 0 Manager/Assistance Manager: 3 Executive: 10 Non-Executive: 20	Director: 0 Manager/Assistance Manager: 5 Executive: 6 Non-Executive: 15
Gender Diversity (Workforce)	Female (61.74%) Male (38.26%)	Female (63.16%) Male (36.84%)
Community Investment	RM 27,734	RM 16,503
Workplace Safety (Lost-Time Incident Rate)	0	2

Workplace Practices and Well-being

Our employees are treated with fairness and respect in line with the Employment Act 1955. Our Human Resources policies and the employee handbook act as a reference, outlining both the rights and responsibilities of employees. We also place importance on growth by providing regular training and development opportunities.

To safeguard well-being, the Health and Safety Working Group regularly carries out inspections, drills and risk assessments, making sure the workplace remains safe. These measures help create a safe, engaging and inclusive workplace.

Employee Turnover

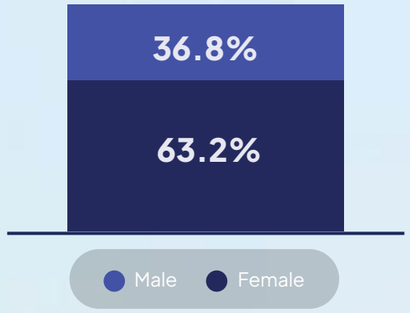
In FYE 2026, The Group reported a total of twenty-six (26) employee resignations, comprising five (5) person from the manager/assistant manager category, six (6) persons from the executive category and fifteen (15) persons from the non-executive category.

Diversity and Inclusive Culture

The Group aims to build a workplace that is both diverse and inclusive, where all employees have equal rights and opportunities. By practising fair recruitment, the Group benefits from varied perspectives that encourage fresh thinking. The Group also invests in continuous learning and development, providing employees with opportunities to grow and contribute to a workplace that values engagement and performance. In doing so, the Group fosters an environment that supports collaboration, respect, and long- term growth.

In FYE 2026, the Group had a total of 152 employees across its operations. Breakdown are:

Company	Total Staff
Orient Biotech Sdn. Bhd. ("Orient Biotech")	88
Orient Laboratories Sdn. Bhd. ("Orient Lab")	46
Bonlife (M) Sdn. Bhd. ("Bonlife")	18
Total	152



The Group values a workforce from diverse racial backgrounds. The breakdown below reflects the diversity across our operations:

By Gender and Race

Company	Male	Female	Malay	Chinese	Indian	Others	Total
Orient Biotech	34	54	16	27	27	18	88
Orient Lab	16	30	14	15	9	8	46
Bonlife	6	12	1	16	1	0	18
Total	56	96	31	58	37	26	152

By Age

Company	<40	40-49	50-59	60-69	70>	Total Staff
Orient Biotech	55	13	14	5	1	88
Orient Lab	28	9	5	2	2	46
Bonlife	11	3	3	1	0	18
Total	94	25	22	8	3	152

By Nationality

Company	Foreign Worker	Local Worker	Total Staff
Orient Biotech	17	71	88
Orient Lab	8	38	46
Bonlife	0	18	18
Total	25	127	152

Localised Hiring Practices

In support of local employment and business growth, the Group prioritises the recruitment of talent from surrounding communities. This ensures that the benefits of the Group operations are shared locally and helps build a workforce that is closely connected to the areas where the Group operates.

In turn, we create opportunities that strengthen community ties and contribute to the growth of local economies.

Training and Development

The management of our workforce is guided by the Code of Ethics and Conduct, labour laws and human rights requirements. Discrimination, harassment and unethical behaviours are not tolerated and accountability is reinforced through regular reviews, feedback sessions and audits, with outcomes reported to management and stakeholders.

The Group continues to invest in training development, giving employees the knowledge and tools to excel and progress in their careers. Employees are required to attend mandatory internal training programmes such as ABC and GMP, resulting in the total training hours per employee in FYE2026 to be averaged at 2.75 hours. Other than that, selected employees participate in external programmes such as KPM, OSH coordintor, Basic First Aid, Store Management, Halal Competency and E-invoicing.

Department	FYE2025 Performance	FYE2026 Performance
Director	NA	216 Hours
Manager/Assistant Manager	NA	81 Hours
Executive	NA	60 Hours
Non-Executive	NA	61 Hours

Occupational Safety and Health

OSH remains a top priority in protecting our people and ensuring the safety of our facilities. We comply fully with the Occupational Safety and Health Act ("OSHA") and other related regulations, which guide the installation, operations and inspection of machinery and equipment.

All machinery and equipment are maintained with valid certifications of fitness and renewal is carried out in line with current regulations. By keeping to these requirements, we create a secure workplace and ensure the continuity of our operations.

Employee well-being is also promoted through monthly initiatives such as the distribution of fresh fruits to encourage healthier living. In addition, staff enjoy up to 20% discounts on Bonlife products, making health supplements accessible. Free monthly check-ups, including glucose and blood pressure monitoring, are provided to support early detection and prevention of health issues.

In addition to physical health, regular safety training, drills, and awareness campaigns are organised, supported by ongoing communication through briefings and internal notices. Employees participation in wellness and sustainability activities helps build a culture where safety and well-being are part of daily life at work. The Group recorded zero workplace incidents in FYE 2025 and 2 cases in FYE 2026, reflecting the effectiveness of these measures.

Employee Well-being

The Group views its employees as its greatest asset and their well-being remains a top priority. Support is provided through a mix of incentives, health initiatives, engagement activities and continuous development opportunities.

Company	Department	Group	Incentive (s)
Orient Biotech and Orient Lab	Production	Operation	- Monthly Production Incentive - Group Personal Accident
Orient Biotech and Orient Lab	Marketing	Non-Admin	- Product Incentive - Group Personal Accident
Orient Lab	R&D	R&D	- Product Incentive - Group Personal Accident
Bonlife	Sales & Marketing	Non-Admin	- Monthly Sales Commission - Group Personal Accident
Orient, Orient Lab and Bonlife	Finance, HR, Quality Assurance and Quality Control Purchasing, Store & Admin	Admin	- Quarterly KPI Incentive - Group Personal Accident

*Remark: The company also provide other incentives such as mobile phone allowance, season parking and petrol allowance to the eligible staff only.

Activities and Initiatives

Festival Dinner (Chinese New Year & Ramadhan Iftar).
Durian Season & Makan-Makan.
Monthly healthy fruits for all staff to encourage healthier dietary habits.
Staff price for Bonlife products up to 20% discount.
Monthly free health check such as diabetic/glucose and blood pressure monitoring.
Incentive for employee and their children on education achievement.








Community Engagement

The Group places a strong emphasis on building meaningful relationships with the communities in which it operates. These efforts include creating local employment opportunities, encouraging employee volunteerism, and supporting programmes that deliver a positive impact. Through such engagement, we seek to contribute to sustainable growth and support long-term positive outcomes.

During this year, our CSI activities included:



During the visit, we donated daily necessities including rice, cooking oil and biscuits worth approximately RM 5,000 and spent time with 28 children in the center.

A Visit to Persatuan Kebajikan OKU Hati Berganda Selangor

We donated Purenat Mom Goat's Milk Powder worth approximately RM 11,500 to the PSPK, who is a non-profit organization aimed to provide training to the underprivileged group.

In addition to meeting immediate needs, these efforts nurtured a culture of giving back among our employees and reinforced the Group's role as a responsible corporate citizen.



Donation to Pertubuhan Perkhidmatan Sosial dan Perbangunan Komuniti Daerah Gombak Selangor (PSPK)



Governance

The Group's governance approach is anchored on integrity, accountability and transparency. We are guided by the Code of Conduct and Ethics, which sets expectations for behaviour across the organisation and maintains a zero tolerance stance towards corruption, bribery and any form of misconduct.

Strong policies, adherence to regulations, and oversight from the Board and committees ensure that decisions are made responsibly, safeguarding the interests of stakeholders and supporting sustainable growth over the long term.

Performance in FYE 2026

Key Performance Indicator	FYE 2025	FYE 2026
ABC	0	0
% of Operations assessed for ABC Risk	NA	NA
Human Right Violations	0	0
Whistleblowing Cases	0	0

Anti-Bribery and Corruption

The Group's ABC Policy applies to all employees and business partners. It lays down standards to ensure ethical behaviour and compliance with current laws. The policy addresses key areas such as:

Gifts, hospitality and entertainment:	Making sure that business courtesies do not influence decision-making
Sponsorships and donations:	Prohibited contributions that could be perceived as bribes;
Facilitation of payments and kickbacks:	Unofficial payments to gain a business advantage are prohibited

This policy is reviewed at least once every three years to ensure it stays relevant and continues to align with legal, regulatory and industry needs.

ABC training was previously conducted in FYE2024 and FYE2025 for 100% of employees in the Group. In FYE2026, newly joined employees were required to complete an ABC acknowledgement form. Additionally, we are currently not ISO 37001 certified, but the certification is planned as a future initiative.

Whistle Blowing Policy

The Group's Whistleblowing Policy provides employees and stakeholders with safe and confidential channels to report misconduct or violations without fear of retaliation. All reports are handled in confidence and no action is taken against those who raise concerns in good faith.

To make the process transparent and accessible, several reporting options are available:

General misconduct concerns maybe submitted in writing to the Managing Director or Executive Directors;	Issues involving the Management Team may be raised directly with the Chairman of ARMC, and	Reports can also be lodged via a dedicated email address (arc@orient.com.my) or through physical drop boxes placed at designated office areas.

All complaints are logged, reviewed and investigated promptly. Findings are then reported to the ARMC, which ensures corrective measures are implemented and updates are shared with the Board. This policy is reviewed at least once a year to ensure it remains relevant and effective.

Board Diversity

As at FYE 2026, the Board comprised seven (7) members, with 43% female representation, exceeding the minimum 30% requirement under the MCCG.

By Gender

	Male	Female	Total
Number	4	3	7
Percentage	57%	43%	100%

By Age:

	<40	40-49	50-59	60-69	70>	Total
Number	1	1	0	5	0	7
Percentage	14%	14%	0%	72%	0%	100%

Data Privacy and Security

The Group manages data privacy and cybersecurity matters with care, putting measures in place to safeguard personal and business information of employees, customers, suppliers and stakeholders, in line with the Personal Data Protection Act 2010 (''PDPA"). We apply data governance practices to keep information secure, ensure it is used appropriately and protect it from unauthorised access or misuse.

Alignment with UN-SDGs

The Group is committed to contributing to the SDGs, a universal call to action to end poverty, protect the planet, and ensure prosperity for all by 2030. Below is a mapping of The Group's sustainability initiatives to the relevant SDGs:

SDG 3: Good Health and Well-being

Initiatives:

- Employee health initiatives, including monthly health screenings and healthy lifestyle activities.
- Staff Benefits for Bonlife Products – Employees enjoy up to 20% staff discounts on Bonlife products, promoting consumption of health-oriented supplements.

Contribution:
Promotes well-being and ensures conducive working environments, contributing to healthier communities.

SDG 4: Quality Education

Initiatives:

- Employee training and development programmes.
- Educational support through community initiatives.

Contribution:
Enhances skills and knowledge, empowering individuals and fostering lifelong learning opportunities.

SDG 5: Gender Equality

Initiatives:

- Gender diversity programmes within the workforce.

Contribution:
Promotes gender equality and empowers women in leadership and decision-making roles.

SDG 6: Clean Water and Sanitation

Initiatives:

- Water conservation measures, including exploring reuse and recycling systems, such as greywater for non-production uses (e.g., cleaning and landscaping).
- Employee awareness campaigns to encourage responsible water use.

Contribution:
Ensures sustainable water management and reduces water wastage.

SDG 7: Affordable and Clean Energy

Initiatives:

- Regular maintenance of equipment and machinery to reduce energy waste and optimizes performance.
- Implementation of energy-efficient measures such as installation of LED light bulbs across facilities to reduce energy consumption, use of energy-efficient air-conditioning systems and timers.
- Implementation of renewable energy solutions, such as solar panels in Selayang factory.
- Staff awareness campaigns promoting energy-saving practices.

Contribution:

Reduces energy consumption and promotes the use of clean energy sources.

SDG 8: Decent Work and Economic Growth

Initiatives:

- Employee well-being programmes, benefits, career development opportunities, and succession planning.
- Support for local contractors and suppliers through sustainable procurement practices.

Contribution:

Promotes inclusive and sustainable economic growth, full and productive employment, and decent work for all.

SDG 12: Responsible Consumption and Production

Initiatives:

- Waste segregation practices to separate recyclable materials (such as paper, plastics and cartons) from general waste.
- Ensures expired or rejected inventory is managed through secure disposal processes in compliance with regulatory requirements.
- Awareness initiatives among employees to strengthen waste minimization practices at both operational and office levels.

Contribution:

Promotes sustainable consumption and production patterns, reducing environmental impact.

SDG 13: Climate Action

Initiatives:

- Quantification of GHG emissions as the first step towards addressing climate change.
- Commitment to establish decarbonization strategies and identification of climate-related risks and opportunities.
- Commitment to adhere to the NSRF requirements for Group 3 (ACE Market) companies.

Contribution:

Takes urgent action to combat climate change and its impacts.

SDG 16: Peace, Justice, and Strong Institutions

Initiatives:

- ABC and whistleblowing policies.
- Transparent governance practices and compliance with laws and regulations.

Contribution:

Promotes peaceful and inclusive societies, provides access to justice, and builds effective, accountable institutions.

SDG 17: Partnerships for the Goals

Initiatives:

- Collaboration with local organisations, government agencies, and industry associations.
- Stakeholder engagement and feedback mechanisms.

Contribution:

Strengthens local partnerships to support the achievement of the SDGs.

Contribution to Global Goals

The Group's sustainability initiatives are aligned with the United Nations SDG, demonstrating our commitment to advancing sustainable development. By focusing on key areas including health and well-being, gender equality, clean energy, and climate action, we seek to generate positive outcomes for the communities we serve and the environment in which we operate.

These initiatives contribute to the achievement of the SDGs while strengthening our role as a responsible corporate citizen committed to creating sustainable, long-term value for our stakeholders.

The Group's efforts to align its sustainability priorities with the SDGs reflect our commitment to supporting sustainable development and contributing to broader global objectives. By embedding the SDGs within our business strategies and operational practices, we aim to create meaningful positive impacts while strengthening the sustainability of our business for the long term.

Moving forward, we remain committed to pursuing innovation, fostering collaboration, and integrating sustainability considerations across our operations to support continued progress towards the SDGs.



Appendix

GRI Content Index

OB Holdings's Sustainability Report is prepared in alignment with the GRI Standards. Below is the GRI Content Index, which maps our disclosures to the relevant GRI Standards:

GRI Standard	Disclosure	Page Number
GRI 1: Foundation 2021	Statement of use	52
GRI 2: General Disclosures		
2-1	Organisation details	52
2-2	Entities included in the organisation's sustainability reporting	52
2-3	Reporting period, frequency, and contact point	53
2-6	Activities, value chain, and other business relationships	52
2-7	Employees	73-76
2-9	Governance structure and composition	54 - 56
2-10	Nomination and selection of the highest governance body	54 - 56
2-11	Chair of the highest governance body	54 - 56
2-12	Role of the highest governance body in overseeing the management of impacts	54 - 56
2-13	Delegation of responsibility for managing impacts	54 - 56
2-14	Role of the highest governance body in sustainability reporting	54 - 56
2-15	Conflict of interest	NA
2-16	Communication of critical concerns	53
2-17	Collective knowledge of the highest governance body	21 - 27
2-18	Evaluation of the performance of the highest governance body	21 - 27
2-19	Remuneration policies	NA
2-20	Process to determine remuneration	NA
2-23	Policy commitments	60 – 62
2-24	Embedding policy commitments	60 – 62
2-25	Processes to remediate negative impacts	57
2-26	Mechanism for seeking advice and raising concerns	57
2-27	Compliance with laws and regulations	60 – 62
2-29	Approach to stakeholder engagement	65

GRI Standard	Disclosure	Page Number
GRI 3: Material Topics		
3-1	Process to determine material topics	63 – 64
3-2	List of material topics	63 – 64
3-3	Management of material topics	63 – 64
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	66
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	78
205-2	Communication and training about anti-corruption policies and procedures	78
205-3	Confirmed incidents of corruption and actions taken	78
GRI 302: Energy		
302-1	Energy consumption within the organisation	68 - 69
302-4	Reduction of energy consumption	68 - 69
GRI 303: Water and Effluents		
303-5	Water consumption	68, 70
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	68, 72
305-2	Energy indirect (Scope 2) GHG emissions	68, 72
305-3	Other indirect (Scope 3) GHG emissions	68, 72
GRI 306: Waste		
306-1	Waste generation and significant waste-related impacts	68, 71
GRI 401: Employment		
401-1	New employee hires and employee turnover	74
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	76
401-3	Parental leave	NA
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	75
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	75
404-2	Programmes for upgrading employee skills and transition assistance programmes	75
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	79
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	79

OB HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-09-21_12:28:57
Ace Market | Group 3 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	C1 (a) Percentage of employees who have received training on anticorruption by employee category	Percentage	100	0	—	No assurance
Anti-corruption	C1 (b)Percentage of operations assessed for corruption-related risks	Percentage	0	0	—	No assurance
Anti-corruption	C1 (c) Confirmed incidents of corruption and action taken	Number	0	0	—	No assurance
Community/ Society	C2 (a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	27734	16502.90	—	No assurance
Community/ Society	C2 (b) Total number of beneficiaries of the investment in communities	Number	58	28	—	No assurance

OB HOLDINGS BERHAD
BMLR Transition Period
Date & Time: 2026-09-21_12:28:57
Ace Market | Group 3 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	C3 (a) Percentage of employees by gender and age group, for each employee category	Percentage	NA	Manager/ Assistant Manager : Male: 21.43% Female: 78.57% Below 40 year old: 5% 40-49 year old : 28.57% 50-59 year old: 28.57% 60-69 year old: 7.14% 70 and above:0% Executive: Male: 22.73% Female: 77.27% Below 40 year old: 72.73% 40-49 year old : 18.18% 50-59 year old: 9.09% 60-69 year old: 0% 70 and above:0% Non Executive Male:41.44% Female: 58.56% Below 40 year old: 63.06% 40-49 year old : 15.32% 50-59 year old: 14.41% 60-69 year old: 4.5% 70 and above:2.7%	—	No assurance
Diversity	C3 (b) Percentage of directors by gender and age group	Percentage	Male:71% Female:29% Below 40year old: 14% 40-49 year old: 14% 50-59 year old: 0% 60-69 year old: 71% 70 year old: 0%	Male:71% Female:29% Below 40year old: 14% 40-49 year old: 14% 50-59 year old: 0% 60-69 year old: 71% 70 year old: 0%	—	No assurance
Energy management	C4 (a) Total energy consumption	Megajoules	2705180.4	2820361.32	—	No assurance

OB HOLDINGS BERHAD
BMLR Transition Period
Date & Time: 2026-09-21_12:28:57
Ace Market | Group 3 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Health and safety	C5 (a) Number of work-related fatalities	Number	0	0	—	No assurance
Health and safety	C5 (b) Lost time incident rate	Number	0	2	—	No assurance
Health and safety	Number of employees trained on health and safety standards	Number	NA	78	—	No assurance
Labour practices and standards	C6 (a) Total hours of training by employee category	Number	NA	Director: 216 hours Manager/ assistant Manager: 81 hours Executive: 60 hours Non executive:61 hours	—	No assurance
Labour practices and standards	C6 (b) Percentage of employees that are contractors or temporary staf	Percentage	5%	5%	—	No assurance
Labour practices and standards	C6 (c) Total number of employee turnover by employee category	Number	Director: 0 Manager/ assistant Manager: 3 Executive: 10 Non executive:20	Director: 0 Manager/ assistant Manager: 5 Executive: 6 Non executive:15	—	No assurance
Labour practices and standards	C6 (d) Number of substantiated complaints concerning human rights violations	Number	0	0	—	No assurance
Supply chain management	C7 (a) Proportion of spending on local suppliers	Percentage	55%	52%	—	No assurance
Data privacy and security	C8 (a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	—	No assurance
Water	C9 (a) Total volume of water used	Megalitres	9.374	7.794	—	No assurance

OB HOLDINGS BERHAD
BMLR Transition Period
Date & Time: 2026-09-21_12:28:57
Ace Market | Group 3 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Waste management	C10 (a)) Total waste generated, and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to disposal	Metric Tonnes	NA	44.745	—	No assurance
Emissions management	C11 (a) Scope 1 emissions in tonnes of CO2 e	Metric Tonnes of Carbon Dioxide equivalent	NA	20.202	—	No assurance
Emissions management	C11 (b) Scope 2 emissions in tonnes of CO2 e	Metric Tonnes of Carbon Dioxide equivalent	NA	579.741	—	No assurance
Emissions management	C11 (c) Scope 3 emissions in tonnes of CO2 e (at least for the categories of business travel and employee commuting)	Metric Tonnes of Carbon Dioxide equivalent	NA	NA	—	No assurance

CORPORATE GOVERNANCE

04

Corporate Governance Overview Statement 89

Statement on Risk Management and Internal Control 102

Audit and Risk Management Committee Report 107

Additional Compliance Information 110

Statement of Directors' Responsibility 112



OBH Corporate Governance Annual Report 2026

Corporate Governance Overview Statement

The Board of Directors ("the Board") of OB Holdings Berhad ("OB Holdings" or the "Company") recognises that sound corporate governance is fundamental to the effective management and long-term sustainability of the Company and its subsidiaries ("the Group"). Accordingly, the Board remains committed to maintaining robust governance standards across the Group and promoting a culture founded on integrity, accountability and transparency. These principles underpin the Board's oversight of the Group's affairs and are intended to enhance management accountability, reinforce stakeholders' confidence, protect the interests of stakeholders and support the creation of sustainable value for shareholders over the long term.

This Corporate Governance Overview Statement should be read in conjunction with the Corporate Governance Report, which has been prepared in the prescribed format pursuant to Rule 15.25(2) of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Corporate Governance Report provides further details on the Group's application and implementation of the corporate governance practices set out in the Malaysian Code on Corporate Governance ("MCCG").

This Corporate Governance Overview Statement is based on the following three (3) key principles of the MCCG:-



Principle A
Board leadership and effectiveness



Principle B
Effective audit and risk management



Principle C
Integrity in corporate reporting and meaningful relationship with stakeholders

This Statement outlines the principal corporate governance practices adopted by the Company during financial year ended 31 May 2026 ("FYE 2026") and provides shareholders with an overview of the manner in which the Group has applied the relevant governance principles and practices. It is to be read together with the Corporate Governance Report for FYE 2026, which is available on the Company's website at www.orient.com.my and through the website of Bursa Securities at www.bursamalaysia.com.



PRINCIPLE A
BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1.1 Board Roles and Responsibilities

The Board recognises its fiduciary and stewardship responsibilities to the shareholders and is entrusted with the overall oversight of the Group's affairs, performance and strategic direction. In carrying out its responsibilities, the Board seeks to ensure that the Group's strategies and business priorities are aligned with the interests and expectations of shareholders, while taking into consideration the interests of other stakeholders. The Board also provides oversight over the conduct and management of the Group's business to ensure that its operations are carried out responsibly and in accordance with applicable laws, regulatory requirements and ethical standards.

The Board plays a key role in establishing the Group's strategic priorities, policies and overall direction, with a focus on supporting sustainable business growth and enhancing long-term shareholder value. The Board's composition comprises Executive Director(s) ("ED(s)"), who provide in-depth knowledge of the Group's business and operations, as well as Non-Executive Directors who bring independent judgement, varied expertise and relevant industry experience to the Board's deliberations. This combination of skills and perspectives enables the Board to exercise effective oversight and make informed decisions in the best interests of the Group.

The Board is guided by a Board Charter that clearly outlines its roles, duties, and responsibilities. To support its effectiveness, the Board has established the following Committees, each operating under well-defined Terms of Reference ("TOR"):-

(a) Audit and Risk Management Committee ("ARMC");
(b) Nomination Committee ("NC"); and
(c) Remuneration Committee ("RC").

The respective Board Committees assist the Board in reviewing and deliberating on matters delegated to them within their areas of responsibility, and make appropriate recommendations to the Board for consideration and approval, where required. The Board also delegates appropriate authority to the Managing Director ("MD"), ED(s) and Senior Management for the management of the Group's daily operations, within the parameters of the authority delegated to them and in accordance with the strategic directions set by the Board.

Further details of the Board Charter, the TOR of the Board Committees, and the Group's corporate governance framework are available on the Company's website at www.orient.com.my.

1.2 The Chairman of the Board

The Board is led by Dato' Seri Abdul Puhat Bin Mat Nayan, an Independent Non-Executive Chairman, supported by the MD and other Board members who bring a diverse range of expertise. Collectively, they play a pivotal role in guiding the strategic direction and overseeing the operations of the Group. The Chairman is dedicated to promoting good corporate governance and has been instrumental in fostering a high-performing Board culture.

The Board is of the view that the Chairman should not serve on any Board Committees. This approach reinforces checks and balances and preserves objectivity, ensuring that the Chairman's oversight of the Board's activities remains independent from the deliberations and decisions of the Committees. In line with the MCCG recommendations, the Chairman of the Board does not hold membership in any Board Committees.

1.3 The Chairman and MD

In line with sound corporate governance practices, a clear distinction is maintained between the roles of the Chairman of the Board and the MD. This separation is designed to ensure a balance of power and authority, enhance accountability, and prevent the concentration of unchecked decision-making authority.

The Chairman of the Board is responsible for providing leadership to the Board, ensuring its effectiveness, guiding its conduct and governance, and facilitating constructive discussions on matters before the Board. In contrast, the MD is responsible for the overall day-to-day management of the Group. The MD leads the management team, oversees the operations of the business units, and ensures the effective execution of strategies, policies, and decisions approved by the Board. With a comprehensive understanding of the Company's operations and performance, the MD is well-positioned to navigate matters affecting both the industry and the Group as a whole.

1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) Company Secretaries who are experienced and qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 and are registered holders of the Practicing Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretaries.

The Company Secretaries regularly attend relevant training programmes, conferences and seminars conducted by regulatory authorities and professional bodies to remain informed of developments in corporate governance and updates to applicable regulatory requirements. This enables the Company Secretaries to discharge their responsibilities effectively and provide timely and appropriate guidance to the Board on matters within their respective areas of responsibility.

The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.

During the FYE 2026, all Board and Board committee meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

1.5 Meeting of Board and Board Committees

To facilitate effective planning by the Directors, the Company Secretaries establish an annual meeting schedule prior to the commencement of each financial year. The schedule provides the proposed dates for meetings of the Board and Board Committees, as well as the Annual General Meeting ("AGM"). It further sets out the closed periods applicable to Directors and principal officers for dealings in the Company's securities, with reference to the scheduled announcement dates of the Group's quarterly financial results.

Meeting notices and relevant papers for Board and Board Committee meetings are generally circulated to the Directors at least five (5) business days before the respective meetings. This practice allows the Directors adequate time to review and consider the matters to be tabled and to seek clarification, where necessary, prior to the meetings.

The proceedings of the Board and Board Committee meetings, including key deliberations, decisions and conclusions reached, are properly documented in the respective minutes and maintained at the Company's registered office. Following each meeting, the draft minutes are circulated to the relevant Chairman for review within a reasonable period. The minutes provide an accurate record of the matters considered and decisions made by the Board and/or Board Committees, including the declaration of any conflict of interest and the abstention of any Director from deliberation or voting on the relevant matter, where applicable.

Where a matter requires the Board's consideration and approval between scheduled meetings, the relevant board papers together with a Directors' Written Resolution are circulated to the Directors for their consideration. Written resolutions duly approved are subsequently tabled at the ensuing Board meeting for notation and record purposes.

1.6 Board Charter

The Company has formalised and adopted a Board Charter which sets out the Board's composition and balance, roles and responsibilities, as well as its operation and processes. The Board Charter also serves as a key reference document and primary induction literature, providing valuable insights to newly appointed Board members.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is published on the Company's website at www.orient.com.my.

1.7 Code of Ethics and Conduct

The Code of Ethics and Conduct, which forms part of the Board Charter and is observed by all Directors, Management and employees of the Group, is available on the Company's website at www.orient.com.my.

The Board is committed to upholding this Code of Ethics and Conduct, which sets out the ethical standards expected in all business and professional activities and ensures that decisions are made in the best interests of the Group and its shareholders.

The Code of Ethics and Conduct will be reviewed from time to time to ensure it remains relevant and aligned with best practices in corporate governance.

1.8 Anti-Bribery and Corruption Policy ("ABC Policy")

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Company has implemented an Anti-Bribery and Corruption Policy ("ABC Policy") to foster a culture of integrity and transparency across all of the Group's activities.

The ABC Policy is aligned with the Listing Requirements of Bursa Malaysia Securities Berhad and the Guidelines on Adequate Procedures issued under Section 17A(5) of the MACC Act 2018. It sets out the responsibilities of the Company and all individuals working for the Group in upholding the Group's stance against bribery and corruption. The Policy also establishes key principles to govern interactions with customers, business partners, and other third parties, while providing guidance on the prevention, management, and remediation of bribery and corruption-related risks.

The ABC Policy will be reviewed at least once every three (3) years to ensure that it continues to remain relevant and appropriate. The ABC Policy is made available on the Company's website at www.orient.com.my.

1.9 Whistle Blowing Policy

The Group is committed to upholding the highest standards of integrity, transparency, and accountability in the conduct of its business and operations. To support this commitment, the Group has established a Whistle Blowing Policy that provides clear channels for reporting and feedback. The Policy is aligned with the Companies Act 2016 and Section 17A of the MACC Act 2018 (the "Acts"), which include provisions to protect officers who disclose breaches, non-compliance with the Acts, or any serious offences involving fraud or dishonesty.

The Board will review and update the Whistle Blowing Policy at least once every three (3) years to ensure its continued effectiveness and alignment with applicable legislation and regulatory requirements.

The Whistle Blowing Policy is published on the Company's website at www.orient.com.my.

1.10 Directors' Fit and Proper Policy

The Board has adopted the Directors' Fit and Proper Policy in accordance with the Rule 15.01A of the Listing Requirements of Bursa Securities. This policy serves as a guide to the NC and the Board in their review and assessment of potential candidates for appointment to the Group's Board, as well as retiring Directors seeking re-election at the AGM.

The Directors' Fit and Proper Policy ensures that the NC and the Board apply rigorous standards when evaluating candidates, enabling the selection of Directors who possess the appropriate qualifications, experience, and integrity to contribute effectively to the Board.

The Board will periodically review the Directors' Fit and Proper Policy and may update it as necessary to ensure alignment with the Board's objectives, prevailing laws, and best practices.

The Policy is accessible on the Company's website at www.orient.com.my.

1.11 Conflict of Interest Policy

The Board has adopted a Conflict of Interest Policy which sets forth guidelines and procedures to identify, disclose, and address conflicts of interest that may arise within the Group. This ensures that any actual, potential and perceived conflicts of interest are effectively managed. This policy is also designed to ensure compliance with the Listing Requirements of Bursa Securities and the provisions under the Companies Act 2016, as well as to uphold the highest standards of corporate governance and transparency.

The Board will review the Conflict of Interest Policy from time to time and make any necessary amendments to ensure it remains consistent with the Board's objectives, current law, and practices.

1.12 Sustainability Governance

The Board regards sustainability as an integral component of the Group's long-term business strategy and recognises that responsible business practices contribute to resilient operations and sustainable value creation.

The Board provides oversight and direction on the Group's sustainability agenda, including its sustainability strategies, key priorities and targets. Management, in turn, is responsible for implementing and integrating the relevant Environmental, Social and Governance ("ESG") initiatives into the Group's day-to-day operations and broader corporate strategy. In fulfilling its stewardship responsibilities, the Board remains committed to promoting sound corporate governance and a culture founded on ethical conduct, integrity and corporate responsibility.

The Company seeks to maintain effective communication with both internal and external stakeholders by providing relevant information on its sustainability approach, key priorities, targets and performance. The Group's sustainability initiatives, progress and performance during the financial year are further disclosed in the Sustainability Statement contained in this Annual Report.

As part of the annual Board evaluation process, the Directors' understanding and awareness of sustainability matters are also assessed, reflecting the Board's recognition of the increasing importance of sustainability considerations to the Group's business and overall performance. The Board will continue to monitor and strengthen the Group's sustainability practices, taking into account evolving expectations and recognised best practices, with the objective of supporting sustainable growth and long-term value creation for stakeholders.

PART II – COMPOSITION OF THE BOARD

2.1 Board Composition

The composition of the Board complies with Rule 15.02 of the Listing Requirements of Bursa Securities, which stipulates that the Company must ensure that at least two (2) Directors or 1/3 of the Board members, whichever is the higher, are Independent Directors. Currently, the Board has seven (7) members. More than half of the Board comprises Independent Non-Executive Directors as follows:-

No.	Names	Designation
1.	Dato' Seri Abdul Puhat Bin Mat Nayan	Independent Non-Executive Chairman
2.	Teoh Eng Sia	Managing Director
3.	Lee Bao Yu	Executive Director
4.	Wong Chung Theng	Non-Independent Non-Executive Director
5.	Dato' Haji Mohd Dusuki Bin Ya'acob	Independent Non-Executive Director
6.	Vasu A/L Nallayan	Independent Non-Executive Director
7.	Ooi Gin Hui	Independent Non-Executive Director

The Board's composition complies with Practice 5.2 of the MCCG, with at least half of its members being Independent Non-Executive Directors. This ensures independent and objective judgment, effective checks and balances, and safeguards the interests of minority shareholders and other stakeholders, while upholding high standards of conduct and integrity.

In addition, the Board comprises members with diverse backgrounds and expertise across various fields. Collectively, they contribute a broad range of skills, experience, and knowledge in managing the Group's business. The Directors' profiles are presented in this Annual Report.

2.2 Tenure of Independent Directors

The Board acknowledges that the tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain an Independent Non-Executive Director who has served the Board for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. Furthermore, the Board recognises that under the Listing Requirements of Bursa Securities, the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years.

Based on the assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their abilities to act in the best interest of the Company.

The Company has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years, being a step-up practice. Notwithstanding that, the assessment of the independence of Independent Non-Executive Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of Management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

During the financial year under review, none of our Directors has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years.

2.3 Board Diversity and Senior Management Team

The Board acknowledges the importance of Board and Senior Management Team composition diversity as recommended by the MCCG. In pursuing a diversity agenda, the Directors and Senior Management are sourced from a diverse pool and recruited based on objective criteria, merit and with due regard for diversity in skills, knowledge, experience, age, cultural background, gender and contribution.

In line with the recommendation under the MCCG for gender diversity, the Board has established and adopted a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at the Board and senior management level. The policy emphasises the need for diversity amongst the Board members, amongst others, including race, ethnicity, age, gender, skills, competencies, experiences and expertise.

Currently, there are three (3) female Directors on the Board, namely, Ms. Ooi Gin Hui, Ms. Lee Bao Yu and Mdm. Wong Chung Theng, representing 42.86% of the Board composition.

2.4 Board Committees

The Board Committees are set up to manage specific tasks for which the Board is responsible within defined TOR. This ensures that the Board members can spend their time more efficiently while the Board Committees are entrusted with the authority to examine particular issues.

The Board has established three (3) Board Committees and the membership of each committee is set out in the table below:-

No.	Names and Designation	ARMC	NC	RC
1.	Ooi Gin Hui (Independent Non-Executive Director)	Chairperson	Member	Member
2.	Dato' Haji Mohd Dusuki Bin Ya'acob (Independent Non-Executive Director)	Member	Chairperson	Member
3.	Vasu A/L Nallayan (Independent Non-Executive Director)	Member	Member	Chairperson

The TOR of the respective Board Committees are available on the Company's website at www.orient.com.my.

2.5 NC

The NC is chaired by Dato' Haji Mohd Dusuki Bin Ya'acob, an Independent Non-Executive Director of the Company. The NC is responsible for identifying and recommending suitable candidates for Board membership, as well as for continuously assessing the performance of the Directors. The Board retains ultimate responsibility and authority for the appointment of Directors. This process ensures that Board composition aligns with the Company's long-term strategic objectives and that a skills matrix is established to support the Company's strategic direction and evolving needs.

The NC has written TOR dealing with its authority and duties which include the selection and assessment of Directors. The TOR of the NC had incorporated the relevant practices recommended under the MCCG. The TOR of the NC is published on the Company's website at www.orient.com.my.

During the FYE 2026, the NC has undertaken the following activities up to the issuance of this Statement:-

- Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performance against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether he/she could devote sufficient time to the role.
- Undertaken an effectiveness evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
- Reviewed and assessed the independence of the Independent Non-Executive Directors of the Company.
- Reviewed and assessed the performance of the ARMC.
- Reviewed and recommended to the Board for consideration, the re-election of the Directors who were due to retire at the AGM.
- Reviewed and recommended to the Board for consideration, the appointment of the new Financial Controller.

2.6 Board Appointment and Re-appointment Process

The NC is tasked by the Board to make independent recommendations for appointments to the Board. In evaluating the suitability of candidates, the NC considers, inter-alia, the character, experience, integrity, commitment, competency, qualification and track record of the proposed new nominee for appointment to the Board. In the case of a nominee for the position of Independent Non-Executive Director, NC evaluates the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

In line with the Listing Requirements of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors are subject to retirement at each AGM, with all Directors retiring at least once every three (3) years but eligible for re-election. Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office until the conclusion of the next AGM and are also eligible for re-election.

In assessing the candidates' eligibility for re-election, the NC considers their competencies, commitment, contribution, performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

The Board makes recommendations concerning the re-election, re-appointment and continuation in office of any Director for shareholders' approval at the AGM.

2.7 Annual Evaluation of the Directors, Board and Board Committees as a whole

The Board recognises the importance of assessing the effectiveness of the Board and Board Committees as a whole as well as the individual director's performance. Facilitated by the NC, the Company conducted an annual assessment to determine the effectiveness of the Board and Board Committees as a whole as well as the contribution of each individual Director. The process was carried out by sending the following customised annual assessment forms to the Directors:-

i. Performance of the MD and Executive Directors;
ii. Performance of Non-Executive Chairman;
iii. Performance of Non-Executive Directors;
iv. Independence of the Independent Non-Executive Directors;
v. Performance of the ARMC; and
vi. Effectiveness of the Board and Board Committees as a whole.

The annual assessment was facilitated by the Company Secretaries and conducted on a peer and self-evaluation basis through questionnaires circulated to the Directors.

The annual assessment forms for the FYE 2026, duly completed by the Directors and/or ARMC were collated and tabled to the NC for deliberations and subsequently escalated to the Board for consideration on the key issues arising thereon, if any.

2.8 Attendance of Board and Board Committees' Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings are to be convened as and when deemed necessary by the Board. All the Directors fulfilled the requirements of the Listing Requirements of Bursa Securities of having attended at least 50% of the Board meetings held by the Company for the FYE 2026.

The attendance records of each Board member at the Board and Board Committees meetings held during the FYE 2026 are as follows:-

Name of Directors	Board	ARMC	NC	RC
Dato' Seri Abdul Puhat Bin Mat Nayan (Independent Non-Executive Chairman)	5/5	-	-	-
Teoh Eng Sia (Managing Director)	5/5	-	-	-
Lee Bao Yu (Executive Director)	5/5	-	-	-
Wong Chung Theng (Non-Independent Non-Executive Director)	4/5	-	-	-
Dato' Haji Mohd Dusuki Bin Ya'acob (Independent Non-Executive Director)	5/5	5/5	1/1	1/1
Vasu A/L Nallayan (Independent Non-Executive Director)	5/5	5/5	1/1	1/1
Ooi Gin Hui (Independent Non-Executive Director)	5/5	5/5	1/1	1/1

2.9 Directors' Training

During the FYE 2026, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements of Bursa Securities:-

Name of Directors	Training / Seminar attended
Dato' Seri Abdul Puhat Bin Mat Nayan	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Teoh Eng Sia	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction
Lee Bao Yu	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Vistage Training
Wong Chung Theng	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction
Dato' Haji Mohd Dusuki Bin Ya'acob	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Vasu A/L Nallayan	• Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Ooi Gin Hui	• The Real Deal: Addressing Issues and Challenges of IFRS S1 and S2 Reporting in Malaysia • Tax Seminar on Budget 2026 • Briefing on the Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction • ISSB: Applying the IFRS Sustainability Disclosure Standards

In order to effectively carry out their roles and duties, the Directors are committed to participating in professional development programs as necessary. This ongoing commitment to professional development ensures that the Directors stay up-to-date with best practices and emerging trends in their respective areas of expertise. The Company encourages and supports the Directors' participation in such programs, recognising the importance of maintaining a skilled and knowledgeable Board.

PART III – REMUNERATION

3.1 Remuneration Policy

The Company has in place a formal and transparent Remuneration Policy, which is designed to support the attraction and retention of suitably qualified Directors and Senior Management, while ensuring that remuneration arrangements are aligned with the Company's objectives. The Remuneration Policy is available on the Company's website at www.orient.com.my.

The RC supports the Board in overseeing matters relating to remuneration and periodically reviews the remuneration arrangements and practices of the Company. Among its responsibilities, the RC considers and recommends the remuneration packages of the Directors to the Board for approval. In carrying out its role, the RC takes into consideration the responsibilities, performance and contributions of the respective Directors, as well as the Company's strategic direction, to ensure that the remuneration framework remains fair, appropriate and aligned with the Company's interests.

The Board, guided by the RC's recommendations, determines the remuneration of the Managing Director/Executive Director(s). Their packages are structured to link rewards to both corporate and individual performance.

Independent Non-Executive Directors receive fixed fees that reflect their roles, responsibilities, Board and Committee participation, as well as the skills and expertise they contribute. In addition, they are entitled to meeting allowances for attending Board and Committee meetings. Directors abstain from deliberations and voting on matters relating to their own remuneration.

3.2 Remuneration of Directors

The remuneration payable to each individual Director for the FYE 2026 is as follows:-

(A) The Company

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other Emoluments^ (RM'000)	Total (RM'000)
Dato' Seri Abdul Puhat Bin Mat Nayan	60	6	-	-	-	-	66
Teoh Eng Sia	-	-	-	-	-	-	-
Lee Bao Yu	-	-	-	-	-	-	-
Wong Chung Theng	-	-	-	-	-	-	-
Dato' Haji Mohd Dusuki BinYa'acob	60	5	-	-	-	-	65
Vasu A/L Nallayan	60	5	-	-	-	-	65
Ooi Gin Hui	60	6	-	-	-	-	66
Total	240	22	-	-	-	-	262

(B) The Group

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other Emoluments^ (RM'000)	Total (RM'000)
Dato' Seri Abdul Puhat Bin Mat Nayan	60	6	-	-	-	-	66
Teoh Eng Sia	-	60	300	58	28	19	465
Lee Bao Yu	-	-	240	46	24	38	348
Wong Chung Theng	132	-	-	-	13	-	145
Dato' Haji Mohd Dusuki BinYa'acob	60	5	-	-	-	-	65
Vasu A/L Nallayan	60	5	-	-	-	-	65
Ooi Gin Hui	60	6	-	-	-	-	66
Total	372	82	540	104	65	57	1,220

Note:
^ Other emoluments include the Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS).

3.3 Remuneration of Senior Management

The Board is of the view that disclosing Senior Management's remuneration on a named basis is not in the best interest of the Company, as it may affect the ability to attract and retain talent in the competitive human resources environment. The Board also considered the sensitivity and confidentiality of such information and has therefore opted not to disclose remuneration on a named basis or in bands of RM50,000. Instead, the aggregated remuneration of Senior Management, presented on an unnamed basis in bands of RM50,000, is disclosed in this Annual Report as follows:-

Range of Remuneration	No. of senior management officer
RM50,001 to RM100,000	-
RM100,001 to RM150,000	3
RM150,001 to RM200,000	3
RM200,001 to RM250,000	-

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – ARMC

4.1 Effective and Independent ARMC

The ARMC comprises three (3) members. The composition of the ARMC complies with Rules 15.09 and 15.10 of the Listing Requirements of Bursa Securities and the recommendation of MCCG whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the members of the ARMC were former key audit partners of the present auditors of the Group and none of the Independent Non-Executive Directors has appointed alternate directors

The details of the composition, roles and responsibilities of the ARMC, together with its meeting attendance, key activities and the activities undertaken by the Internal Auditors during the financial year under review, are set out in the ARMC Report contained in this Annual Report.

The position of Chairperson of the ARMC is held by a person other than the Chairman of the Board. This separation of roles supports the independent and objective consideration by the Board of the ARMC's observations, findings and recommendations.

The ARMC comprises members with the appropriate skills, experience and knowledge to effectively discharge the functions assigned to them under its TOR. The members have a sound understanding of matters within the ARMC's purview, including financial reporting and related processes. The ARMC members are also committed to maintaining an appropriate level of competency and allocate sufficient time to undertake relevant continuing professional development and education programmes. Through ongoing learning and professional development, the ARMC members remain abreast of developments in accounting and auditing standards, practices and applicable regulatory requirements, thereby enabling them to contribute effectively to the ARMC's deliberations and oversight responsibilities.

4.2 External Auditors

The Group maintains a transparent and effective relationship with the External Auditors, granting them direct communication authority. This enables the External Auditors to bring to the attention of the ARMC any matters requiring the Board's attention regarding compliance with accounting standards and related regulatory requirements.

During the FYE 2026, the ARMC met with the External Auditors once without the presence of the Executive Directors and the Management. This allowed the ARMC and the External Auditors to exchange independent views on the matters which required the ARMC's attention.

The Board had established the External Auditors Assessment Policy together with the annual performance evaluation form, which sets out the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the External Auditors. The factors considered by the ARMC in its assessment include the adequacy of professionalism and experience of the staff, the resources of the External Auditors, fees, independence, and the level of non-audit services rendered to the Group.

The ARMC obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC is satisfied with the performance, suitability, and independence of the External Auditors of the Company, Grant Thornton Malaysia PLT. Having assessed their performance, the ARMC is satisfied with the competence and independence of the External Auditors and had recommended to the Board, the re-appointment of the External Auditors upon which the shareholders' approval will be sought at the forthcoming AGM of the Company.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.1 Risk Management and Internal Control Framework

The Board recognises its overall responsibility for establishing and maintaining a sound risk management framework and internal control system within the Group. These systems are designed to manage the Group's risks within an acceptable risk appetite, rather than to completely eliminate the risk of failing to achieve the Group's policies, objectives and goals. They provide reasonable assurance against material misstatements in financial reporting, as well as against financial losses or fraud.

The Company engages Internal Auditors to provide independent evaluations of the adequacy, efficiency and effectiveness of the internal control system. The Internal Auditors report directly to the ARMC, and internal audit plans are submitted to the ARMC for review and approval by the Board to ensure comprehensive coverage.

Further information on the features, adequacy, and effectiveness of the Group's risk management and internal control framework is presented in the Statement on Risk Management and Internal Control in this Annual Report.

5.2 Internal Audit Function

The internal audit function of the Group is outsourced to Sterling Business Alignment Consulting Sdn. Bhd., ("Sterling") an independent professional consulting company, which is independent of the activities and operations of the Group as its Internal Control Consultant to review the adequacy and sufficiency of systems, procedures and controls of the Group.

The Board had established the Internal Auditors Assessment Policy together with the annual performance evaluation form, to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the Internal Auditors.

The ARMC had obtained assurance from Sterling confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out during the FYE 2026 are as disclosed in the ARMC Report in this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Board recognises the need for stakeholders and the wider investment community to ensure that they are kept informed of all material business matters affecting the Group. This is done through the timely dissemination of information on the Group's performance and major developments which are communicated via the following channels:-

a. the Annual Report and relevant circulars published on the Company's website and Bursa Securities' website;
b. the convening of AGM and/or Extraordinary General Meeting; and
c. the release of various disclosures and announcements including quarterly financial results.

The Board adheres strictly to the Bursa Securities disclosure framework to provide investors and the public with accurate and complete information on a timely basis and not merely to meet the minimum regulatory requirements for disclosure. The Board ensures that confidential information is handled properly by authorised personnel to avoid leakage and improper use of such information. The Board is also mindful that information which is expected to be material must be announced immediately.

The Company's website at www.orient.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.

The Company's AGM remains a principal forum used by the Group for communication with its shareholders. At the AGM, shareholders will be accorded time and opportunity to raise questions on the proposed resolutions and also matters relating to the performance, developments within and the future direction of the Group. The Board will also ensure that each item of special business that is included in the notice of meeting is accompanied by a full written explanation of that resolution and its effects to facilitate its understanding and evaluation.

PART II – CONDUCT OF GENERAL MEETING

7.1 Conduct of General Meetings

The Board will ensure that the Notice of the AGM is sent out at least 28 days prior to the meeting to allow sufficient time for the shareholders to go through the Annual Report and make necessary attendance and voting arrangements.

In line with Practice 13.1 of MCCG, the notice convening the Second ("2nd") AGM of the Company was issued to shareholders at least 28 days before the date of the 2nd AGM, which gave shareholders sufficient time to prepare themselves to attend the 2nd AGM or to appoint a proxy to attend and vote on their behalf.

At the 2nd AGM, the shareholders were encouraged to participate in discussing the resolutions proposed or future developments of the Group's operations in general. The Board, the Management team and the Company's External Auditors, were present to answer the questions raised and provided clarification as requested by the shareholders.

All resolutions set out in the Notice of 2nd AGM were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meeting was announced to Bursa Securities at the end of the meeting day.

7.2 Effective Communication and Proactive Engagement

All Directors were present at the 2nd AGM held on 19 November 2025 and responded to questions raised by the shareholders, save for Dato' Seri Abdul Puhat Bin Mat Nayan, who was absent from the AGM due to an urgent matter.

The MD, EDs, and Board Committees members were available to respond to shareholders' queries concerning the Company and the Group in the 2nd AGM. The External Auditors were also invited to attend the AGM and assist the Board in addressing relevant queries made by the shareholders.

From the Company's perspective, the AGM serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from the shareholders during and at the end of shareholders' meetings and ensures their queries are responded to properly and systematically.

The Board had ensured that a reasonable time is provided to the shareholders for discussion at the 2nd AGM before each resolution is proposed. The summary of the key matters discussed at the 2nd AGM was published on the Company's website at www.orient.com.my for the shareholders' information.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE STATEMENT

The Board has reviewed, deliberated, and approved this statement. Based on its assessment, the Board is satisfied that, to the best of its knowledge, the Company has complied with the principles and practices of the MCCG, the relevant provisions of the Listing Requirements of Bursa Securities on corporate governance, and all other applicable laws and regulations throughout FYE 2026.

The Board acknowledges that corporate governance is a continuous journey and remains committed to identifying opportunities for enhancement, ensuring that the Group continues to foster trust and confidence among its stakeholders.



Statement on Risk Management and Internal Control

Introduction

This Statement on Risk Management and Internal Control ("the Statement") is made pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the principles and best practices outlined in the Malaysian Code on Corporate Governance ("MCCG") 2021 as well as the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Securities.

The Board of Directors ("the Board") of OB Holdings Berhad ("OB Holdings" or "the Company") and its subsidiaries ("Group") is pleased to present this Statement, which outlines the nature and scope of the Group's risk management and internal control framework for the financial year ended 31 May 2026 ("FYE 2026").

Board's Responsibilities

The Board acknowledges its overall responsibility for establishing and maintaining appropriate systems of risk management and internal control to safeguard shareholders' investments and the Group's assets.

The Board has delegated the responsibility for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems to the Audit and Risk Management Committee ("ARMC") in accordance with its approved Terms of Reference. The ARMC, supported by the Management, Independent Internal Auditors and External Auditors, conducts periodic evaluations to ascertain whether risks potentially impeding the Group's objectives are adequately assessed, managed, and controlled. During ARMC meetings, issues and corresponding management actions are reviewed and deliberated upon, with resulting minutes presented to the Board. The Board emphasises the integration of risk management across all Company activities and establishes acceptable risk thresholds to inform decision-making and governance processes.

Whilst acknowledging its responsibilities, the Board is aware of the limitations that are inherent in any systems of risk management and internal controls where such systems were designed and established to manage the Group's key risks to an acceptable level rather than eliminating them. The established systems of risk management and internal controls provide reasonable but not absolute assurance against material misstatement, losses or fraud.

The Board and the Management play a key role in implementing and monitoring the Group's risk management and internal control systems and ensures they remain relevant, adequate, and effective through regular reviews and updates.

Risk Management

The Group has established an Enterprise Risk Management ("ERM") Handbook which outlines the objectives, governance framework, and processes for risk identification, assessment, evaluation and reporting. The ERM Handbook serves as a guideline to Management and promotes a proactive risk management culture across the Group.

The Board, through the ARMC, oversees the implementation of the ERM framework. Key risks are identified and assessed on an ongoing basis, covering financial, operational, compliance and information technology aspects. Risk registers are maintained and updated to reflect changes in the business environment, with significant risks and mitigating actions reported to the ARMC for review and monitoring.

The ERM process remains dynamic and is embedded into the Group's business activities. Active participation from the Board, Management and employees ensures that risks are managed in a structured and consistent manner, with appropriate responses developed in line with the Group's strategic objectives. The Board is satisfied that the processes for identifying, evaluating and managing the significant risks faced by the Group were in place throughout FYE 2026 and have continued to operate up to the date of approval of this Statement.

KEY RISK AREAS AND PRINCIPAL RISKS

The Group has put in place an ERM Framework to identify, assess, monitor, mitigate and report the key risk faced and the mitigation steps taken to address these risks. The principal risk identified, together with corresponding mitigation measures, are summarised below.

Principal Risk	Statement of Risk	Mitigation Measures
Regulatory Compliance and Product Quality & Safety	- Changes in regulatory requirements relating to fortified food and beverage ("F&B") and dietary supplements may increase compliance costs or delay product launches. - Changes in food safety, labelling and health-related claim requirements may affect product formulations and commercial viability. - Failure to maintain product quality and safety standards may result in product recalls, regulatory action and reputational damage.	- Monitor changes in applicable laws, regulations, product registration and certification requirements. - Maintain relevant certifications and quality standards, including Good Manufacturing Practice ("GMP"), Hazard Analysis Critical Control Point ("HACCP"), ISO 9001 - Conduct product testing, quality assurance reviews and regular internal and external audits. - Provide relevant regulatory and product safety training to employees.
Raw Material, Supply Chain and Operational Continuity	- Fluctuations in the prices and availability of key raw materials, including milk powder and functional ingredients, may affect production costs and profit margins. - Supply chain disruptions arising from geopolitical developments, trade disputes or supplier-related issues may affect production and delivery. - Production disruptions, equipment breakdowns or capacity constraints may affect the Group's ability to fulfil customer requirements.	- Monitor raw material prices, availability and supplier performance. - Maintain alternative suppliers and sourcing arrangements where practicable. - Implement procurement planning and inventory monitoring. - Conduct preventive maintenance and regular operational reviews. - Maintain quality controls over raw materials and production processes.
Market, Competition and Strategic Growth	- Intense competition may place pressure on pricing, market share and profit margins. - Changes in consumer preferences and market conditions may affect demand for manufacturing services and house-brand products. - Geopolitical and economic uncertainties may affect export sales, costs and expansion plans.	- Diversify the customer base, product portfolio and geographical markets. - Monitor market trends, customer requirements and competitive developments. - Strengthen R&D, product innovation and product development capabilities. - Review marketing, pricing and business strategies regularly. - Explore new markets and strategic collaborations to support growth.
Key Management, Talent and Governance	- Dependence on experienced senior management and technical personnel may affect business continuity and strategic execution. - Loss or shortage of key personnel may disrupt operations, product development and expansion initiatives. - Ineffective governance or internal communication may affect decision-making and operational efficiency.	- Provide training, coaching and professional development programmes. - Strengthen succession planning for key management and technical positions. - Promote cross-functional knowledge sharing and effective internal communication. - Maintain established governance policies, internal controls and reporting mechanisms. - Board and ARMC oversight of significant risks and governance matters.
Expansion, Project Execution, Contractual and Intellectual Property	- Delays, cost overruns or unforeseen technical issues in the development and commissioning of the New Serendah Factory may affect the planned expansion of manufacturing capacity. - Contractual disputes or intellectual property infringement claims may result in financial liabilities, operational disruption or reputational damage.	- Closely monitor construction progress, project timelines and costs. - Conduct regular project reviews and engage relevant technical and professional advisers where necessary. - Ensure contracts are appropriately reviewed and managed. - Monitor and protect the Group's intellectual property rights.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG"), CLIMATE AND OTHER SUSTAINABILITY RISKS

ESG and climate-related risks are increasingly relevant to how the Board thinks about the Group's long-term prospects and are not treated as separate from the Group's core risk oversight. They are integrated into the Group's risk identification and monitoring through a sustainability governance structure that divides responsibility among the Board, the ARMC, and the Sustainability Working Team ("SWT"). The SWT's role is to identify and assess material sustainability matters and escalate them to the ARMC and Board where warranted.

The Group has established overarching policies to support ethical business conduct, regulatory compliance, sustainability governance, and the management of emerging risks. These include policies and procedures relating to responsible business practices, workplace conduct, health and safety, anti-bribery and anti-corruption, whistleblowing, data privacy and protection, and other governance matters relevant to the Group's operating environment. The Group is continually evaluating relevant initiatives, where appropriate, including energy efficiency measures, operational decarbonisation opportunities, workplace safety improvements, and enhancements to sustainability reporting controls. These initiatives are being assessed in line with the Group's operational needs, regulatory developments, and available resources.

The Board acknowledges that the Group's sustainability management and reporting practices remain an area of continuous improvement. Further enhancements are expected in areas such as climate-related risk assessment, sustainability-related key risk indicators, ESG data quality controls, and readiness for internal review over selected sustainability information. These areas will be progressively strengthened as part of the Group's ongoing development to navigate evolving sustainability expectations and regulatory requirements.

INTERNAL AUDIT FUNCTION

The Group outsourced the internal audit function to Sterling Business Alignment Consulting Sdn Bhd ("Sterling"), an independent professional consulting firm, which reports to the ARMC and assists the ARMC in reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

Sterling is free from any relationships or conflict of interest, which could potentially impair the objectivity and independence of the internal audit function. Sterling does not have any direct operational responsibility or authority over any of the activities audited. Sterling uses the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") Internal Control – Integrated Framework as a basis for evaluating the effectiveness of the Group's internal control systems.

The role of the Internal Auditors is to provide the ARMC with internal audit reports on the effectiveness of the system of internal controls within the business units of the Group for review and deliberation, on a regular basis or as and when directed by the ARMC. The internal audit reviews were conducted according to the approved risk-based internal audit plan. The internal audit reports address the critical business processes, internal control gaps, effectiveness, and adequacy of the existing state of internal control, and recommend possible improvements to the internal control process.

During FYE 2026, the Internal Auditors carried out two (2) internal audit reviews: -

Subsidiaries audited	Audit areas
Orient Biotech Sdn. Bhd. Orient Laboratories Sdn. Bhd.	• Sales and Marketing • Research and Development
Orient Biotech Sdn. Bhd. Orient Laboratories Sdn. Bhd.	• Production Planning • Production and Packing • Quality Control

Follow-up status reviews were also carried out to assess the extent of action plans and improvements implemented by the Management.

The total cost incurred in maintaining the internal audit function for FYE 2026 was **RM40,000**.

INTERNAL CONTROL SYSTEM

The key elements of the internal control system that provide effective governance and oversight of internal controls comprises the following key elements: -

a. The Group maintains a clear organisational structure with defined accountability and responsibility to ensure effective checks and balances in decision-making, including matters requiring Board approval. This is supported by established Limits of Authority, which set out delegated approving responsibilities across Management levels and are reviewed periodically in line with organisational changes;
b. The ARMC and the Board meet at least once every quarter to review and deliberate on financial reports, annual financial statements, internal audit reports etc. Discussions with Management will be held to deliberate on the actions that are required to be taken to address the internal control issues identified;
c. The ARMC and the Board review findings of the internal and external audit on accounting and internal control issues, and hold discussions with Management on actions to be taken to resolve them;
d. The Group undertakes an annual budgeting and business planning process, with financial and operational performance monitored against approved budgets and business plans and significant variances reported to Management and the Board quarterly;
e. Internal policies and procedures had been established for the key business units within the Group to guide employees in their day-to-day activities. The policies and procedures are periodically reviewed and updated to cater to the changing business environment and operational requirements, and statutory reporting needs; and
f. The Group has documented policies and procedures to regulate key processes in line with recognised standards, including the International Organisation for Standardisation ("ISO") 9001:2015, Good Manufacturing Practice ("GMP"), Hazard Analysis and Critical Control Point ("HACCP"), U.S. Food and Drug Administration ("FDA") requirements as well as Halal Certificate. In addition, the Group upholds high standards of ethics and integrity through its Anti-Bribery and Corruption Policy, which prohibits all forms of bribery and corruption, and its Whistleblowing Policy, which provides employees, third parties and the public with a confidential channel to report any improper or illegal activities. Both policies are published on the Company's website.

BOARD ASSURANCE AND LIMITATION

For the financial year under review, the Board is satisfied that the existing systems of risk management and internal control are effective and that there were no significant control failures that resulted in material losses.

The Board had received assurance from the Executive Director and Financial Controller that the Group's risk management and internal control system is operating adequately and effectively, in all material respects, for the financial year under review and up to the date of approval of this Statement. The Group will continue to improve and maintain a sound and effective system of risk management and internal control.

While emphasising the need for continuous enhancement of risk management and internal control systems, the Board acknowledges that these systems cannot completely eradicate the risk of failing to achieve business objectives. Stakeholders should understand that while these systems provide reasonable assurance, they do not provide absolute protection against significant misstatements, fraud, or losses.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

In accordance with Rule 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for the inclusion in the Annual Report for FYE 2026. The limited assurance review was conducted in line with the Audit and Assurance Practice Guide 3 ("AAPG3"), Guidance for Auditor on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

Following the principles set out in AAPG3, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects in accordance with the disclosures required by Section 7 on the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("SORMIC Guide 2025"), nor is the Statement on Risk Management and Internal Control factually inaccurate.

OBH Statement on Risk Management and Internal Control Annual Report 2026

CONCLUSION

The Board is of the opinion that the Group's risk management and internal control systems are relevant, adequate and effective in safeguarding the Group's assets at the existing level of operations of the Group for the financial year under review, and up to the date of approval of this Statement.

The Board recognises that risk management and internal control is a continuous process. The Board will monitor, review and, where necessary, strengthen these systems in line with the Group's evolving strategic and operational requirements.

This Statement is issued in accordance with a resolution passed by the Board on 28 September 2026.





Audit and Risk Management Committee Report

The Audit and Risk Management Committee ("ARMC" or "the Committee") of OB Holdings Berhad ("the Company") is pleased to present the ARMC Report for the financial year ended 31 May 2026 ("FYE 2026").

OBJECTIVES

The ARMC was established with the primary objective of assisting the Board in fulfilling its statutory obligations effectively. By conducting impartial and independent assessments, the Committee provides additional assurance to the Board concerning the effectiveness of financial, operational, and administrative controls and procedures, thereby enhancing governance and risk management practices within the Company and its subsidiaries ("Group").

COMPOSITION OF ARMC

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors of the Company:-

Name of Committee members	Designation and Directorship
Ooi Gin Hui	Chairperson, Independent Non-Executive Director
Dato' Haji Mohd Dusuki Bin Ya'acob	Member, Independent Non-Executive Director
Vasu A/L Nallayan	Member, Independent Non-Executive Director

The Company has complied with Rule 15.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as well as Practices 9.1 and 9.4 under Principle B of the Malaysian Code of Corporate Governance.

The authorities and duties of the ARMC are governed by the Terms of Reference of the ARMC. The Terms of Reference of the ARMC can be accessed from the Company's website at www.orient.com.my.

MEETINGS AND ATTENDANCES

The ARMC held a total of five (5) ARMC Meetings during the FYE 2026. The details of attendance of each member at the ARMC Meetings are as follows:

Name of Committee members	Meeting Attendance
Ooi Gin Hui	5/5
Dato' Haji Mohd Dusuki Bin Ya'acob	5/5
Vasu A/L Nallayan	5/5

The presence of the External Auditors and/or the Internal Auditors at the ARMC meetings can be requested if required by the ARMC. Other members of the Board and the Management of the Group may attend the Meeting (specific to the relevant meeting and to the matters being discussed) upon invitation of the ARMC.

SUMMARY OF WORKS OF THE ARMC FOR FYE 2026

The summary of the activities undertaken by the ARMC during FYE 2026, amongst others, included the following:-

i. Reviewed the unaudited consolidated quarterly financial results and annual audited financial statements of the Group and the Company including the announcements pertaining thereto. The discussion focused particularly on any changes in or implementation of major accounting policy changes, significant and unusual events and compliance with accounting standards and other legal requirements before recommending to the Board for approval and making the announcement to Bursa Securities;
ii. Reviewed with the Internal Auditors, the reports for the internal audit function and considered the findings of internal audit reviews and Management responses thereon, and ensured that appropriate actions were taken on the recommendations raised by the Internal Auditors;
iii. Reviewed the related party transactions and/or recurrent related party transactions, if any, that transpired within the Group to ensure that the transactions entered into were at arm's length basis and on normal commercial terms.
iv. Reviewed and received the Audit Status Memorandum from External Auditors in respect of the financial statements of the Group for the financial year ended 31 May 2025 ("FYE 2025");
v. Considered and recommended the re-appointment of Grant Thornton Malaysia PLT as the External Auditors and their audit fees to the Board for consideration based on the competency, efficiency and transparency as demonstrated by the External Auditors during their audit;
vi. Evaluated the performance of External Auditors and Internal Auditors of the Company;
vii. Self-appraised the performance of the ARMC and submitted the evaluation form to the Nomination Committee for assessment;
viii. Reviewed the disclosures of conflict of interest ("COI") involving the Directors and key senior management of the Group and concluded that no significant COI were identified that would necessitate further examination and implementation of specific mitigation measures. The only exceptions were related party transactions that had been duly disclosed and entered into with the Group, which are being managed in accordance with the established governance and approval processes.
ix. Reviewed and received the Audit Planning Memorandum from External Auditors in respect of the financial statements of the Group for the FYE 2026;
x. Reviewed the updated credit control policy of the Company.
xi. Reviewed and recommended to the Board for approval on the Corporate Governance Overview Statement, ARMC Report, Statement on Risk Management and Internal Control, Additional Compliance Information, and Sustainability Statement before recommending to the Board for approval for inclusion in the Company's Annual Report.
xii. Reviewed the Corporate Governance Report before recommending to the Board for approval.
xiii. Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature before recommending to the Board for approval.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to Sterling Business Alignment Consulting Sdn. Bhd., an independent internal audit consulting firm. This arrangement ensures an independent assessment and assists the ARMC in assessing the adequacy and effectiveness of the Group's governance and internal control system. Additionally, the Internal Auditors present significant audit findings and offer recommendations for continuous enhancement of the system.

The internal audit function has conducted independent and systematic audit reviews in accordance with the approved annual internal audit plan. These reviews encompass key functional areas and business activities of the Group, emphasising best practices and addressing all business risks with a core focus.

The aim is to provide reasonable assurance that the following aspects continue to operate satisfactorily and effectively:

- **The effectiveness and efficiency of operations;**
- **Reliability of reporting;**
- **Compliance with applicable laws and regulations; and**
- **Safeguarding the assets.**

The cost incurred for the outsourced internal audit functions for the FYE 2026 amounted to RM40,000.

During the financial year under review, the following internal audit reviews were carried out by the Internal Auditors:-

Subsidiaries audited	Audit areas
Orient Biotech Sdn. Bhd. Orient Laboratories Sdn. Bhd.	• Sales and Marketing • Research and Development
Orient Biotech Sdn. Bhd. Orient Laboratories Sdn. Bhd.	• Production Planning • Production and Packing • Quality Control

Follow-up status reviews were also carried out to assess the extent of action plans and improvements implemented by the Management.

FINANCIAL REPORTING

The ARMC will review and scrutinise the information of the unaudited consolidated quarterly financial results and annual audited financial statements of the Group to ensure material accuracy, adequacy, validity, timeliness and compliance with applicable financial reporting standards for disclosure to shareholders. These reports which present a balanced and fair assessment of the Group's financial position and prospects will then be tabled to the Board for approval and release to Bursa Securities.

RELATIONSHIP WITH AUDITORS

The Group has established a transparent and appropriate relationship with both the External and Internal Auditors. Such a relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance. The internal audit function of the Group will be outsourced to a third party who reports directly and regularly to the ARMC. Both the External and Internal Auditors have direct reporting and access to the ARMC to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Management.

The Board, through the ARMC, shall maintain appropriate, formal and transparent relationships with the External and Internal Auditors. The ARMC will meet the External and Internal Auditors without the presence of Management, whenever necessary, which demonstrates their independence, objectivity and professionalism.

Meetings with the External Auditors will be held to discuss the Group's audit plans, audit findings, and financial statements as well as to seek their professional advice on other related matters.

EVALUATION OF THE PERFORMANCE OF THE AUDITORS

Pursuant to the Terms of Reference of the ARMC, the Board has prior to the Listing, established the Assessment Policy for both the External and Internal Auditors together with their annual performance evaluation forms respectively. The policy is to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the External and Internal Auditors.

The External and Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role.

The ARMC shall obtain assurance from the External and Internal Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC shall carry out an annual performance assessment of the External and Internal Auditors and may request the Executive Director and Financial Controller to join the assessment. The annual evaluation form provides a checklist for the ARMC to carry out a formal review of the independence, effectiveness and efficiency of the External and Internal Auditors of the Company.

The following are some of the criteria to be annually reviewed by the ARMC:-

- **Calibre of the audit firm;**
- **Quality of the audit engagement team;**
- **Quality of communication and interaction with the audit team;**
- **Audit scope and quality processes;**
- **Audit governance and independence; and**
- **Audit fee.**



Additional Compliance Information

1. UTILISATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING ("IPO")

In conjunction with and as an integral part of the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad, the Company undertook a public issue of 120,000,000 new ordinary shares at an issue price of RM0.24 per ordinary share, raising a total gross proceed of approximately RM28.80 million ("IPO Proceeds").

The status of the utilisation of the IPO Proceeds as at 31 May 2026 was as follows:

Purposes	Proposed Utilisation RM'000	Reallocation/ Variation(1) RM'000	Actual Utilisation RM'000	Balance RM'000	Estimated Timeframe for Utilisation (from the Listing date)
Business Expansion					
- Repayment of bank borrowings	14,900	-	10,292	4,608	Within 36 months
- Purchase of machines	5,000	-	1,200	3,800	Within 36 months
- Product development expenditure	900	(275)	225	400	Within 36 months
Marketing and advertisement	1,000	-	1,000	-	Within 24 months
Working capital	3,000	275	3,275	-	Within 24 months
Estimated Listing expenses	4,000	-	4,000	-	Within 3 months
	28,800	-	19,992	8,808	

Note:
(1) The actual product development expenditure incurred for the clinical trial was lower than budgeted, accordingly, the excess unutilised amount was reallocated for working capital purposes and has been fully utilised.

The utilisation of the IPO proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 27 September 2024.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the External Auditors, Grant Thornton Malaysia PLT for services rendered by them to the Company and its subsidiaries ("Group") for the financial year ended 31 May 2026 are as follows:

Details of fees	Company RM'000	Group RM'000
Audit	40	179
Non-Audit (1)	10	10

Note:
(1) Non-statutory audit fees mainly for services performed in connection with review on Statement on Risk Management and Internal Control.

3. MATERIAL CONTRACTS

There were no material contracts entered by the Group which involved Directors' or major shareholders' interests during the financial year under review.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("RRPTs")

At the 2nd Annual General Meeting ("AGM") of the Company held on 19 November 2025, the Company obtained shareholders' mandate pursuant to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad to allow the Group to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature which are necessary for the day to day operations of the Group and in the ordinary course of business with the related parties ("Mandate"). This Mandate will lapse at the conclusion of the forthcoming 3rd AGM of the Company.

Details of the RRPTs entered into by the Group during the financial year under the Mandate are as follows:

Transacting company (Recipient)	Related party (Provider)	Nature of transaction	Interested related party	Actual value transacted for the financial year ended 31 May 2026 (RM'000)
Orient Biotech Sdn. Bhd. ("Orient Biotech")	Der Abakus Sdn. Bhd. ("Der Abakus") (5)	- Sales of Fortified food and beverage by Orient Biotech to Der Abakus	i. Goodone Holding Sdn. Bhd. ("Goodone") (1) ii. Teoh Eng Sia ("ES Teoh") (2) iii. Wong Chung Theng ("CT Wong") (3) iv. Lee Bao Yu ("BY Lee") (4)	12,143
		- Sales of packing material by Orient Biotech to Der Abakus		-
Orient Biotech	VLG Sdn. Bhd. ("VLG") (7)	Sales of fortified food and beverage by Orient Biotech to VLG	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	4,430
Orient Biotech	Vegecaps Supplies Sdn. Bhd. ("Vegecaps Supplies") (6)	Purchase of food ingredients by Orient Biotech from Vegecaps Supplies	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	226
Orient Biotech	ES Teoh	Rental expense paid by Orient Biotech to ES Teoh	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	35
Orient Laboratories Sdn. Bhd. ("Orient Laboratories")	Der Abakus (5)	Sales of dietary supplement by Orient Laboratories to Der Abakus	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	38
Orient Laboratories	Vegecaps Supplies (6)	Purchase of food ingredients by Orient Laboratories from Vegecaps Supplies	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	196
Orient Laboratories	VLG (7)	Sales of dietary supplement by Orient Laboratories to VLG	i. Goodone (1) ii. ES Teoh (2) iii. CT Wong (3) iv. BY Lee (4)	-

Notes:

1. Goodone, being the major shareholder of OB Holdings, is deemed interested in the aforesaid shareholders' mandate in view that ES Teoh and CT Wong, the Directors of OB Holdings, are also the directors and shareholders of Goodone, each holding a 50% direct shareholding in Goodone.
2. ES Teoh is the Director and major shareholder of OB Holdings. He is the brother of Teoh Eng Hua ("EH Teoh") and Teoh Eng Jin ("EJ Teoh").
3. CT Wong is a Director and major shareholder of OB Holdings. She is the spouse of ES Teoh.
4. BY Lee is a Director and daughter-in-law of ES Teoh and CT Wong.
5. EH Teoh is a director and major shareholder of Der Abakus, holding a 40% equity interest in Der Abakus. He is the brother of ES Teoh.
6. EH Teoh is a director and sole shareholder of Vegecaps Supplies. He is the brother of ES Teoh.
7. EJ Teoh is a director and sole shareholder of VLG. He is the brother of ES Teoh.
8. The details of the property are as follows:-

Postal Address	Landlord/ Tenant	Description/ Existing Use	Built-up area	Period of tenancy	Monthly rental
C1-13A, 162 Residency, KM12, Jalan Ipoh-Rawang, 68100 Batu Caves, Selangor Darul Ehsan	ES Teoh/ Orient Biotech	Ground floor corner shop office unit	213 sq. mt.	1 June 2024 to 31 May 2026 (without further renewal options)	RM2,900.00

5. EMPLOYEES' SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the financial year under review.

6. SHARIAH COMPLIANCE DISCLOSURE

Pursuant to Rule 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

Group Total Income and Total Assets

Total Income	FYE 2026 RM'000	FYE 2025 RM'000
Revenue	64,594	53,069
Interest income	498	372
Other income	49	531
Total	65,141	53,972
Total assets	92,754	76,708

Business Activities

Shariah Non-Compliant Activities	FYE 2026 RM'000	FYE 2025 RM'000
Food and beverage without halal certification from JAKIM or any certification bodies recognised by JAKIM	2,338	1,457
Interest income	8	11
Insurance services	3	1
Total	2,349	1,469

Component of Financial Position

Cash Component

Islamic Account / Instruments	FYE 2026 RM'000	FYE 2025 RM'000
Cash at bank	534	915
Money market instruments	14,679	13,681
Total cash	15,213	14,596

Conventional Account / Instruments	FYE 2026 RM'000	FYE 2025 RM'000
Cash at bank	4,247	7,281
Short-term deposit	155	152
Other cash equivalents (Cash in hand)	2	6
Total cash	4,404	7,439

Debt Component

Conventional Account / Instruments	FYE 2026 RM'000	FYE 2025 RM'000
Current		
Banker's acceptance	1,486	2,695
Revolving credit and loan	675	3,096
Non-current		
Revolving credit and loan	10,641	-
Total Financing	12,802	5,791

Conventional Borrowing	FYE 2026 RM'000	FYE 2025 RM'000
Current		
Hire purchase payable	49	46
Invoice financing	485	-
Term loan	189	263
Non-current		
Hire purchase payable	140	189
Term loan	300	489
Total Debt	1,163	987

Statement of Directors' Responsibility

The Companies Act 2016 ("Act") requires the Board of Directors ("the Board") to be responsible for the preparation of the financial statements which have been made out in accordance with applicable laws and regulations and approved accounting standards to give a true and fair view of the financial position, financial performance and cash flows of the Company and its subsidiaries ("the Group") for each financial year.

In preparing the financial statements of the Company and the Group for the financial year ended 31 May 2026 as set out in this Annual Report, the Board considers that the Company and the Group have adopted appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates.

The Board also acknowledges that the Company and the Group have prepared the financial statements on a going concern basis as the Board has a reasonable expectation that the Group has adequate resources to continue as a going concern for the foreseeable future.

The Board is responsible for ensuring that the Company and the Group maintain accounting records which disclose their financial position with reasonable accuracy, which enables them to ensure that the financial statements are prepared in compliance with the Act.

The Board is also responsible for taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.



FINANCIAL STATEMENT

Directors' Report	117
Statement by Directors and Statutory Declaration	123
Independent Auditors' Report	124
Statements of Financial Position	129
Statement of Profit of Loss and Other Comprehensive Income	131
Statement of Changes in Equity	132
Statement of Cash Flows	134
Notes to Financial Statement	137

05

OBH Reports and Financial Statements Annual Report 2026

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 May 2026.

PRINCIPAL ACTIVITIES

The Company was principally engaged in investment holding. The subsidiaries are principally involved in the research and development, manufacturing, packaging, sales and marketing of fortified food and beverages, dietary supplements, caffeine products and botanical extracts. Their activities also include the provision of manufacturing services to third-party brand owners, the manufacture of products under house brands, and the trading and distribution of related products. The other details of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

FINANCIAL RESULT

	Group RM	Company RM
Profit after tax for the financial year	8,702,444	1,970,626
Attributable to:-		
Owners of the Company	8,702,444	

DIVIDENDS

Dividend paid since the end of the previous financial year are as follows:

	RM
In respect of the financial year ended 31 May 2025:	
Single tier second interim dividend of 0.12 sen per ordinary share, declared on 30 July 2025 and paid on 4 September 2025	469,952
In respect of the financial year ended 31 May 2026:	
Single tier first interim dividend of 0.20 sen per ordinary share, declared on 21 January 2026 and paid on 26 February 2026	783,254
	1,253,206

Registration No: 202301020810 (1514732-P)

DIVIDENDS (CONT'D)

On 28 July 2026, the Board of Directors have proposed and approved a single tier interim dividend of 0.20 sen per ordinary share, amounting to dividend payment of RM783,254 in respect of the current financial year. The financial statements for the current financial year do not reflect this proposed dividend and will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 May 2027.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

DIRECTORS

The name of the Directors of the Company in office during the financial year and during the period commencing from the end of the financial year to the date of this report are:

Teoh Eng Sia (Managing Director)
Lee Bao Yu (Executive Director)
Wong Chung Theng (Non-Independent Non-Executive Director)
Dato' Seri Abdul Puhat Bin Mat Nayan (Independent Non-Executive Chairman)
Dato' Haji Mohd Dusuki Bin Ya'acob (Independent Non-Executive Director)
Ooi Gin Hui (Independent Non-Executive Director)
Vasu A/L Nallayan (Independent Non-Executive Director)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:

	Number of ordinary shares			
	At 1.6.2025	Bought	Sold	At 31.5.2026
Direct interests				
Teoh Eng Sia	77,069,450	-	-	77,069,450
Lee Bao Yu	1,044,000	390,000	(30,000)	1,404,000
Wong Chung Theng	77,069,450	-	-	77,069,450
Dato' Seri Abdul Puhat Bin Mat Nayan	250,000	-	-	250,000
Dato' Haji Mohd Dusuki Bin Ya'acob	250,000	-	-	250,000
Ooi Gin Hui	250,000	-	-	250,000
Vasu A/L Nallayan	1,200,000	-	-	1,200,000

Registration No: 202301020810 (1514732-P)

DIRECTORS' INTERESTS IN SHARES (CONT'D)

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows (cont'd):

	Number of ordinary shares			
	At 1.6.2025	Bought	Sold	At 31.5.2026
Indirect interests				
Teoh Eng Sia*	194,557,550	-	-	194,557,550
Wong Chung Theng*	194,557,550	-	-	194,557,550

*Deemed interested by virtue of his/her spouse's direct shareholdings in the Company and the shareholdings in Goodone Holding Sdn. Bhd..

By virtue of their interests in the ordinary shares of the Company, Mr Teoh Eng Sia and Madam Wong Chung Theng are also deemed to have interest in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the remuneration and benefit received and receivable by the Directors of the Company are as follows:

	Incurred by the Company RM	Incurred by the subsidiaries RM	Total RM
Directors of the Company:-			
Salaries, allowances and bonuses	21,500	709,446	730,946
Defined contribution plans	-	51,740	51,740
Fees	240,000	132,000	372,000
	261,500	893,186	1,154,686

The estimated monetary value of benefits provided to the Director of the Company during the financial year by way of usage of the Group's assets and other benefits amounted to RM65,275.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Registration No: 202301020810 (1514732-P)

DIRECTORS' REMUNERATION AND BENEFITS (CONT'D)

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than benefits as disclosed in the Notes to the financial statements) 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.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains Directors' and Officers' liabilities insurance for the purpose of Section 289 of the Companies Act 2016, throughout the financial year which provides appropriate insurance coverage for the Directors and Officers of the Company and its subsidiary. The amount of insurance premium paid during the financial year is amounted to RM9,730.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company and no issuance of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debt; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values 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.

Registration No: 202301020810 (1514732-P)

OTHER STATUTORY INFORMATION (CONT'D)

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(c) 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 to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

Registration No: 202301020810 (1514732-P)

AUDITORS

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

The amount of audit and other fees paid or payable to the Auditors by the Group and the Company for the financial year ended 31 May 2026 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
- Statutory audit	179,000	40,000
- Assurance-related services	10,000	10,000

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the requirements of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

.....)
TEOH ENG SIA)
)
)
)
)
) DIRECTORS
)
)
)
)
)
.....)
LEE BAO YU

Kuala Lumpur
28 September 2026

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 129 to 188 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 at 31 May 2026 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

....
TEOH ENG SIA LEE BAO YU

Kuala Lumpur
28 September 2026

STATUTORY DECLARATION

I, Teoh Eng Sia, being the Managing Director primarily responsible for the financial management of OB Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 129 to 188 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur)
in the Federal Territory this day of)
28 September 2026) .....
TEOH ENG SIA

Before me:

MOHD OMAR NATHAN BIN ABDULLAH (W 924)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

OB HOLDINGS BERHAD
(Incorporated in Malaysia)
Registration No: 202301020810 (1514732-P)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of OB Holdings Berhad, which comprise the statements of financial position as at 31 May 2026, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statement 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 129 to 188.

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 May 2026, and of their financial performance and of their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Registration No: 202301020810 (1514732-P)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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.

Inventories valuation

The risk - Refer to Note 10 to the financial statements. The Group holds significant amounts of inventories which is subject to a risk that the inventories become slow-moving or obsolete and rendering it not saleable or can only be sold for selling prices that are less than their carrying value. There is inherent subjectivity and estimation involved in determining the accuracy of inventories obsolescence provision and in making an assessment of its adequacy due to risk of inventories not stated at the lower of cost or market value.

Our response - We tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions, and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historical loss rates.

Allowance for expected credit losses

The risk - Refer to Notes 11 and 31.2.1 to the financial statements. We focused on this area because the Group has material amounts of trade receivables that are past due but not impaired. The key associate risk is the recoverability of billed trade receivables as management judgement is required in determining the completeness of the trade receivables provision and in assessing its adequacy through considering the expected recoverability of the year-end trade receivables.

Our response - We have obtained an understanding of the Group's control over the trade receivables' collection process, how the Group identifies and assesses the loss allowance of trade receivables and how the Group makes the accounting estimates for loss allowance. We have reviewed the application of the Group's policy for calculating the expected credit losses, considered the ageing of the trade receivables and testing the reliability thereon. In doing so, we have evaluated techniques and methodology applied for the expected credit losses approach and assessed the estimated future cash inflows by examining the historical collection records, historical loss rate of receivables, information regarding the current creditworthiness and any significant changes in credit quality of the debtors, evidence of subsequent settlements and other relevant information.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Registration No: 202301020810 (1514732-P)

Report on the Audit of the Financial Statements (cont'd)

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 do 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 Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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.

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.

Registration No: 202301020810 (1514732-P)

Report on the Audit of the Financial Statements (cont'd)

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

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 of 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.

OBH Reports and Financial Statements Annual Report 2026

Registration No: 202301020810 (1514732-P)

Report on the Audit of the Financial Statements (cont'd)

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

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.

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.

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 purpose for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

FOO LEE MENG
(NO: 03069/07/2027(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
28 September 2026

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	30,038,507	15,041,198	25,632	29,012
Right-of-use assets	4	16,894,501	17,102,929	-	-
Investment property	5	-	-	-	-
Investment in subsidiaries	6	-	-	43,162,700	40,162,700
Intangible assets	7	1	1	-	-
Deferred tax assets	8	27,200	5,500	-	-
Other receivables	9	11,069	5,000	-	-
Total non-current assets		46,971,278	32,154,628	43,188,332	40,191,712
Current assets					
Inventories	10	12,149,953	11,683,351	-	-
Trade receivables	11	11,848,648	8,477,349	-	-
Other receivables	9	2,042,917	1,950,501	1,029,424	57,504
Tax recoverable		123,000	407,967	5,000	4,500
Short term investments	12	14,679,020	13,680,863	10,845,215	13,680,863
Deposits with licensed banks	13	155,303	152,156	-	-
Cash and bank balances		4,783,918	8,201,800	461,379	808,026
Total current assets		45,782,759	44,553,987	12,341,018	14,550,893
TOTAL ASSETS		92,754,037	76,708,615	55,529,350	54,742,605
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	14	54,395,245	54,395,245	54,395,245	54,395,245
Merger deficit	15	(25,762,600)	(25,762,600)	-	-
Retained earnings		42,462,507	35,013,269	933,145	215,725
Total equity		71,095,152	63,645,914	55,328,390	54,610,970
LIABILITIES					
Non-current liabilities					
Borrowings	16	11,081,376	678,312	-	-
Deferred tax liabilities	8	2,951	297,375	-	-
Total non-current liabilities		11,084,327	975,687	-	-

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2026 (CONT'D)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES (CONT'D)					
Current liabilities					
Trade payables	17	2,523,067	1,864,727	-	-
Other payables	18	4,143,385	3,754,672	200,960	131,635
Borrowings	16	2,883,990	6,099,651	-	-
Tax payable		1,024,116	367,964	-	-
Total current liabilities		10,574,558	12,087,014	200,960	131,635
Total liabilities		21,658,885	13,062,701	200,960	131,635
TOTAL EQUITY AND LIABILITIES		92,754,037	76,708,615	55,529,350	54,742,605

The accompanying notes form an integral part of the financial statements.

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM	RM	RM	RM
Revenue	19	66,932,273	54,526,149	2,500,000	3,000,000
Cost of sales		(37,224,057)	(32,237,674)	-	-
Gross profit		29,708,216	22,288,475	2,500,000	3,000,000
Other income	20	51,744	532,492	-	-
Selling and distribution expenses		(7,740,561)	(6,428,053)	-	-
Administrative expenses		(9,461,894)	(9,437,136)	(905,800)	(1,836,683)
Net impairment loss on financial assets		(172,794)	(109,818)	(21,722)	-
Operating profits		12,384,711	6,845,960	1,572,478	1,163,317
Finance income	21	506,142	383,192	413,343	377,347
Finance costs	22	(369,010)	(667,738)	-	-
Profit before tax	23	12,521,843	6,561,414	1,985,821	1,540,664
Tax expense	24	(3,819,399)	(1,981,875)	(15,195)	-
Profit for the financial year/Total comprehensive income for the financial year		8,702,444	4,579,539	1,970,626	1,540,664
Earning per share attributable to owners of the Company (sen):-					
- Basic/Diluted	25	2.22	1.40		

The accompanying notes form an integral part of the financial statements.

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2026

	Note	← Non-distributable → Share capital RM	Merger Deficit RM	Distributable Retained earnings/ (Accumulated losses) RM	Total equity RM
Group					
Balance at 1 June 2024		1,401,000	-	30,903,682	32,304,682
Transactions with owners					
Acquisition of subsidiaries	14	(1,400,000)	1,400,000	-	-
Issuance of ordinary shares pursuant to acquisition of subsidiaries	14	27,162,600	(27,162,600)	-	-
Issuance of shares pursuant to Public Issue	14	28,800,000	-	-	28,800,000
Share issuance expenses	14	(1,568,355)	-	-	(1,568,355)
Dividends	26	-	-	(469,952)	(469,952)
Total transaction with owners		52,994,245	(25,762,600)	(469,952)	26,761,693
Total comprehensive income for the financial year		-	-	4,579,539	4,579,539
Balance at 31 May 2025		54,395,245	(25,762,600)	35,013,269	63,645,914
Transaction with owners					
Dividends	26	-	-	(1,253,206)	(1,253,206)
Total comprehensive income for the financial year		-	-	8,702,444	8,702,444
Balance at 31 May 2026		54,395,245	(25,762,600)	42,462,507	71,095,152

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MAY 2026 (CONT'D)

	Note	← Non-distributable → Share capital RM	Merger Deficit RM	Distributable Retained earnings/ (Accumulated losses) RM	Total equity RM
Company					
Balance at 1 June 2024		1,000	-	(854,987)	(853,987)
Transactions with owners					
Issuance of ordinary shares pursuant to acquisition of subsidiaries	14	27,162,600	-	-	27,162,600
Issuance of shares pursuant to Public Issue	14	28,800,000	-	-	28,800,000
Share issuance expenses	14	(1,568,355)	-	-	(1,568,355)
Dividends	26	-	-	(469,952)	(469,952)
Total transaction with owners		54,394,245	-	(469,952)	53,924,293
Total comprehensive income for the financial year		-	-	1,540,664	1,540,664
Balance at 31 May 2025		54,395,245	-	215,725	54,610,970
Transaction with owners					
Dividends	26	-	-	(1,253,206)	(1,253,206)
Total comprehensive income for the financial year		-	-	1,970,626	1,970,626
Balance at 31 May 2026		54,395,245	-	933,145	55,328,390

The accompanying notes form an integral part of the financial statements.

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
OPERATING ACTIVITIES					
Profit before tax		12,521,843	6,561,414	1,985,821	1,540,664
Adjustments for:-					
Deposits forfeited		3,292	-	-	-
Depreciation of property, plant and equipment		2,127,239	2,157,994	3,380	3,380
Depreciation of right-of-use assets		208,428	205,799	-	-
Depreciation of investment property		-	680	-	-
Dividend income		-	-	(2,500,000)	(3,000,000)
Gain on disposal of property, plant and equipment		-	(101,000)	-	-
Gain on disposal of investment property		-	(20,274)	-	-
Interest expenses		369,010	667,738	-	-
Interest income		(506,142)	(383,192)	(413,343)	(377,347)
Inventories written off		-	6,261	-	-
Net impairment loss on financial assets		172,794	109,818	21,722	-
Operating profit/(loss) before working capital changes		14,896,464	9,205,238	(902,420)	(1,833,303)
Changes in working capital:-					
Inventories		(466,602)	(72,029)	-	-
Receivables		(3,645,870)	(524,861)	4,201	241,532
Payables		1,047,053	194,732	103,199	(132,246)
Cash generated from/(used in) operations		11,831,045	8,803,080	(795,020)	(1,724,017)
Dividend received		-	-	2,500,000	3,000,000
Interest received		10,359	72,935	4,742	68,814
Interest paid		(83)	(4,046)	-	-
Tax refund		7,552	136,574	-	-
Tax paid		(3,201,956)	(2,516,141)	(15,695)	(4,500)
Net cash from operating activities		8,646,917	6,492,402	1,694,027	1,340,297
INVESTING ACTIVITIES					
Interest received		495,783	310,257	408,601	308,533
Acquisition of subsidiaries		-	-	-	(100)
Advances to subsidiaries		-	-	(3,997,843)	(13,026,444)
Proceeds from disposal of property, plant and equipment		-	101,000	-	-
Proceeds from disposal of investment property		-	236,986	-	-
Purchase of property, plant and equipment	A	(17,124,548)	(6,770,986)	-	-
Additions of right-of-use assets		-	(561,548)	-	-
Net cash used in investing activities		(16,628,765)	(6,684,291)	(3,589,242)	(12,718,011)

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2026 (CONT'D)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
FINANCING ACTIVITIES					
Repayment to companies in which Directors have interests		-	-	-	(928,964)
(Repayment to)/ Advance from subsidiaries		-	-	(33,874)	33,874
Dividends paid to shareholders		(1,253,206)	(469,952)	(1,253,206)	(469,952)
(Decrease)/Increase of bankers' acceptance		(1,209,000)	1,281,000	-	-
Drawdown of invoice financing		485,096	-	-	-
Drawdown of revolving credit facility		8,557,867	3,095,591	-	-
Interest paid		(368,927)	(663,692)	-	-
Increased in deposits pledged		(3,147)	(3,689)	-	-
Proceeds from issuance of shares		-	28,800,000	-	28,800,000
Repayment of hire purchase		(46,176)	(14,881)	-	-
Repayment of revolving credit facility		(337,500)	-	-	-
Repayment of term loans		(262,884)	(11,795,156)	-	-
Share issuance expenses		-	(1,568,355)	-	(1,568,355)
Net cash from/(used in) financing activities		5,562,123	18,660,866	(1,287,080)	25,866,603
CASH AND CASH EQUIVALENTS					
Net changes		(2,419,725)	18,468,977	(3,182,295)	14,488,889
Brought forward		21,882,663	3,413,686	14,488,889	-
Carried forward	**B**	19,462,938	21,882,663	11,306,594	14,488,889

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Total purchase of property, plant and equipment	17,124,548	7,020,986	-	-
Less: Acquired under lease arrangement	-	(250,000)	-	-
	17,124,548	6,770,986	-	-

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following items:

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Short term investments	14,679,020	13,680,863	10,845,215	13,680,863
Deposits with licensed banks	155,303	152,156	-	-
Cash and bank balances	4,783,918	8,201,800	461,379	808,026
	19,618,241	22,034,819	11,306,594	14,488,889

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2026 (CONT'D)

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

B. CASH AND CASH EQUIVALENTS (CONT'D)

Cash and cash equivalents included in the statements of cash flows comprise the following items (cont'd):

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
	19,618,241	22,034,819	11,306,594	14,488,889
Less: Deposits pleged with a licensed bank	(155,303)	(152,156)	-	-
Total cash and cash equivalents	19,462,938	21,882,663	11,306,594	14,488,889

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group

	1 June 2025 RM	Cash flows RM	31 May 2026 RM
Invoice financing	-	485,096	485,096
Revolving credit	3,095,591	8,220,367	11,315,958
Term loans	752,253	(262,884)	489,369
Bankers' acceptance	2,695,000	(1,209,000)	1,486,000
Hire purchase	235,119	(46,176)	188,943
	6,777,963	7,187,403	13,965,366

	1 June 2024 RM	Non-cash item New hire purchase RM	Cash flows RM	31 May 2025 RM
Revolving credit	-	-	3,095,591	3,095,591
Term loans	12,547,409	-	(11,795,156)	752,253
Bankers' acceptance	1,414,000	-	1,281,000	2,695,000
Hire purchase	-	250,000	(14,881)	235,119
	13,961,409	250,000	(7,433,446)	6,777,963

Company

	1 June 2025 RM	Cash flows RM	31 May 2026 RM
A subsidiary	33,874	(33,874)	-

	1 June 2024 RM	Cash flows RM	31 May 2025 RM
A subsidiary	-	33,874	33,874
Companies in which Directors have interests	928,964	(928,964)	-
	928,964	(895,090)	33,874

The accompanying notes form an integral part of the financial statements.

Registration No: 202301020810 (1514732-P)

OB HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MAY 2026

1. GENERAL INFORMATION

OB Holdings Berhad is a public limited liabilities company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Third Floor, No. 77, 79 & 81, Jalan SS21/60 Damansara Utama, 47400 Petaling Jaya Selangor and the principal place of business is located at No. 37, Jalan PS 3, Taman Industri Prima Selayang, 68100 Batu Caves Selangor.

The Company was principally engaged in investment holding. The subsidiaries are principally involved in the research and development, manufacturing, packaging, sales and marketing of fortified food and beverages, dietary supplements, caffeine products and botanical extracts. Their activities also include the provision of manufacturing services to third-party brand owners, the manufacture of products under house brands, and the trading and distribution of related products. The other details of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the natures of these activities of the Company and its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 28 September 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except as otherwise stated in the financial statements.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Registration No: 202301020810 (1514732-P)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.2 Basis of measurement (cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured on the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional, presentation and foreign currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Registration No: 202301020810 (1514732-P)

2. **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)**

2.4 **Basis of consolidation**

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 May 2026. All subsidiaries have a reporting date of 31 May.

A business combination involving entities under common control is a business combination in which all the combining entities or business are ultimately controlled by same party or parties both before or after the business combination, and that control is not transitory. The acquisition of Orient Biotech Sdn. Bhd., Orient Laboratories Sdn. Bhd. and Bonlife (M) Sdn. Bhd. resulted in a business involving common control entities since the management of all the entities which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the combining entities in the consolidated financial statements. The merger method of accounting on a retrospective basis and restated its comparative as if the consolidation had taken place before the state of the earliest period presented in the financial statements.

The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any resulting gain/loss is recognised directly in equity.

2.5 **MFRSs**

2.5.1 **Adoption of amendments to MFRSs**

At the beginning of the current financial year, the Group and the Company adopted amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 June 2025.

Initial application of the amendments to the standards did not have material impact to the financial statements.

2.5.2 **Standards issued but not yet effective**

The new and amended standards and annual improvements to standards that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and Company intend to adopt these new and amended standards and annual improvements to standards, if applicable, when they become effective.

Effective for the financial period beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments

Registration No: 202301020810 (1514732-P)

2. **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)**

2.5 **MFRSs (cont'd)**

2.5.2 **Standards issued but not yet effective (cont'd)**

The new and amended standards and annual improvements to standards that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and Company intend to adopt these new and amended standards and annual improvements to standards, if applicable, when they become effective (cont'd)

Effective for the financial period beginning on or after 1 January 2026 (cont'd)

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Contracts Referencing Nature - dependent Electricity

Annual improvements to MFRS Accounting Standards - Volume 11:
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
- Amendments to MFRS 7 Financial Instruments: Disclosures
- Amendments to MFRS 9 Financial Instruments
- Amendments to MFRS 10 Consolidated Financial Statements
- Amendments to MFRS 107 Statement of Cash Flows

Effective for the financial period beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 and amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency
Amendments to MFRS 128	Investment in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

*Effective when an entity applies MFRS 18 Presentation and Disclosure in Financial Statements

Effective for the financial period beginning on or after 1 January 2029

MFRS 20	Regulatory Assets and Regulatory Liabilities

Deferred to a date to be determined by the Malaysian Accounting Standards Board

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Registration No: 202301020810 (1514732-P)

2. **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)**

2.5 **MFRSs (cont'd)**

2.5.2 **Standards issued but not yet effective (cont'd)**

The initial application of the above new and amended standards and annual improvements to standards are not expected to have material financial impacts to the financial statements, except for:

MFRS 18 Presentation and disclosure in financial statements

MFRS 18 Presentation and disclosure in financial statements introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

2.6 **The use of estimates and judgements**

The preparation of financial statements in conformity with MFRSs and IC Interpretations require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. It also requires the management and Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the management's and Directors' best knowledge of current events and actions, actual results may defer from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised from the period in which the estimate is revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below.

Useful lives of depreciable assets

Management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Management estimates the useful lives of the depreciable assets to be within 5 to 99 years and reviews the useful lives of depreciable assets at end of each reporting date. Actual results, however, may vary due to change in the expected level of usage and technological developments, which may result in an adjustment to the Group's and the Company's assets.

Registration No: 202301020810 (1514732-P)

2. **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)**

2.6 **The use of estimates and judgements (cont'd)**

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below (cont'd).

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

The Group writes down its obsolete or slow-moving inventories based on assessment of their estimated net selling price, the expiry dates, condition and movements of the inventories and applies certain percentage of write down. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow-moving inventories. Where expectation differs from the original estimates, the differences will impact the carrying amounts of inventories.

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns such as the repayment pattern of the customers, customers type and coverage by letters of credit.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing and trading sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Registration No: 202301020810 (1514732-P)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.6 The use of estimates and judgements (cont'd)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below (cont'd).

Provision for expected credit losses ("ECLs") of trade receivables (cont'd)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Income taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Climate - related matters

It is required to consider climate-related matters in estimates and assumptions when making judgements, where appropriate. This assessment includes potential impacts on the Group due to both physical and transition risks. The Group believes its business model and products will still be viable after the transition to a low-carbon economy. The climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. The climate-related risks might not currently have a material impact on measurement, but the Group is closely observing relevant changes and developments, such as new climate-related legislation.

Registration No: 202301020810 (1514732-P)

3. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fittings and office equipment RM	Motor vehicles RM	Plant and machinery RM	Capital-work-in progress RM	Total RM
Group					
Cost					
At 1 June 2024	3,609,920	2,922,818	15,297,689	2,607,709	24,438,136
Additions	112,126	390,284	938,158	5,580,418	7,020,986
Disposals	-	(299,977)	(45,700)	-	(345,677)
Written off	-	-	(699,569)	-	(699,569)
At 31 May 2025	3,722,046	3,013,125	15,490,578	8,188,127	30,413,876
Additions	39,171	78,000	330,930	16,676,447	17,124,548
Written off	-	-	(17,800)	-	(17,800)
At 31 May 2026	3,761,217	3,091,125	15,803,708	24,864,574	47,520,624
Accumulated depreciation					
At 1 June 2024	1,649,561	2,118,178	10,492,191	-	14,259,930
Charge for the financial year	319,205	307,260	1,531,529	-	2,157,994
Disposals	-	(299,977)	(45,700)	-	(345,677)
Written off	-	-	(699,569)	-	(699,569)
At 31 May 2025	1,968,766	2,125,461	11,278,451	-	15,372,678
Charge for the financial year	299,076	342,709	1,485,454	-	2,127,239
Written off	-	-	(17,800)	-	(17,800)
At 31 May 2026	2,267,842	2,468,170	12,746,105	-	17,482,117

Registration No: 202301020810 (1514732-P)

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

	Signboard RM
Company	
Cost	
At 1 June 2024/31 May 2025/ 31 May 2026	33,800
Accumulated depreciation	
At 1 June 2024	1,408
Charge for the financial year	3,380
At 31 May 2025	4,788
Charge for the financial year	3,380
At 31 May 2026	8,168
Net carrying amount	
At 31 May 2025	29,012
At 31 May 2026	25,632

Material accounting policy information

All property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the Company.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:-

Furniture and fittings	2% - 20%
Office equipment	10%
Motor vehicles	20%
Factory equipment	10%
Lab equipment	10%
Plant and machinery	10% - 20%

Fully depreciated assets are retained in the financial statements until they are no longer in used and no further charge for depreciation is made in respect of these assets.

Registration No: 202301020810 (1514732-P)

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

	Furniture, fittings and office equipment RM	Motor vehicles RM	Plant and machinery RM	Capital-work-in progress RM	Total RM
Group (cont'd)					
Net carrying amount					
At 31 May 2025	1,753,280	887,664	4,212,127	8,188,127	15,041,198
At 31 May 2026	1,493,375	622,955	3,057,603	24,864,574	30,038,507

Assets acquired under hire purchase

The net carrying amount of motor vehicles acquired under hire purchase arrangements included in property, plant and equipment amounted to RM279,703 (2025: RM357,760).

Machinery under installation

The net carrying amount of machinery under installation included in capital work-in-progress amounting to RM1,221,990 (2025: Nil).

Plant and machinery pledged as securities to financial institution

The net carrying amount of plant and machinery pledged as securities for bank borrowing is amounted to RM809,508 (2025: RM1,079,344).

The details of asset pledged as securities for bank borrowings are disclosed in Note 16 to the financial statements.

Registration No: 202301020810 (1514732-P)

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

Material accounting policy information (cont'd)

Capital work-in-progress consists of buildings under construction/machinery under installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowings related to property, plant and equipment under construction/installation until the property, plant and equipment are ready for their intended use. Assets under construction are not depreciated until they are completed and ready for their intended use.

4. **RIGHT-OF-USE ASSETS**

	Leasehold land and buildings RM
Group	
Cost	
At 1 June 2024	17,657,692
Additions	561,548
At 31 May 2025/31 May 2026	18,219,240
Accumulated depreciation	
At 1 June 2024	910,512
Charge for the financial year	205,799
At 31 May 2025	1,116,311
Charge for the financial year	208,428
At 31 May 2026	1,324,739
Net carrying amount	
At 31 May 2025	17,102,929
At 31 May 2026	16,894,501

Registration No: 202301020810 (1514732-P)

4. **RIGHT-OF-USE ASSETS (CONT'D)**

Asset pledged as securities to financial institutions

The net carrying amount of assets pledged as securities for bank borrowings are:

	2026 RM	2025 RM
Leasehold land and buildings	16,323,349	16,524,359

The details of assets pledged as securities for bank borrowings are disclosed in Note 16 to the financial statements.

The following are the amounts recognised in profit or loss:

	2026 RM	2025 RM
Group		
Depreciation of right-of-use assets	208,428	205,799
Interest expense on lease liabilities	9,480	3,671
Expenses relating to short-term leases	581,780	561,890
Total	799,688	771,360

The Group had total cash outflow for leases of RM637,436 (2025: RM580,442).

Material accounting policy information

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Motor vehicles	20%
Leasehold land and buildings	81 – 99 years

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Registration No: 202301020810 (1514732-P)

5. INVESTMENT PROPERTY

	Leasehold buildings	
	2026 RM	2025 RM
Group		
Cost		
At 1 June 2025/2024	-	250,000
Disposal	-	(250,000)
At 31 May	-	-
Accumulated depreciation		
At 1 June 2025/2024	-	32,608
Charge for the financial year	-	680
Disposal	-	(33,288)
At 31 May	-	-
Net carrying amount		
At 31 May	-	-

The following items are recognised in profit or loss in respect of investment property:

	2026 RM	2025 RM
Direct operating expenses:		
- income generating investment properties	-	2,130

Material accounting policy information

Investment property is stated at cost less accumulated depreciation and any impairment losses.

Depreciation on investment property is computed on straight-line basis in order to write off the cost over their estimated useful lives.

The principal annual depreciation rate used is as follow:

Leasehold buildings	84 years

Registration No: 202301020810 (1514732-P)

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2026 RM	2025 RM
At cost		
Unquoted shares in Malaysia	43,162,700	40,162,700

Details of the subsidiaries are as follows:

Name of company	Principal place of business	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %	Principal activities
Orient Biotech Sdn. Bhd. ("Orient Biotech")	Malaysia	100	100	Provision of manufacturing services of fortified food and beverages to third party brand owners; manufacturing of fortified food and beverages under its house brands; as well as trading of related products.
OB Foodtech Sdn. Bhd. ("OB Foodtech")	Malaysia	100	100	Manufacturing of caffeine products and botanical extracts.
Orient Laboratories Sdn. Bhd. ("Orient Laboratories")	Malaysia	100	100	Product development and research and development for fortified food and beverages and dietary supplements; provision of manufacturing services of dietary supplements to third party brand owners; manufacturing of dietary supplements under its house brands; as well as packing of related products.
Bonlife (M) Sdn. Bhd. ("Bonlife")	Malaysia	100	100	Sales and marketing of fortified food and beverages and dietary supplements under its house brands.

Registration No: 202301020810 (1514732-P)

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

2026
Additional investment in existing subsidiary

During the financial year, the Company subscribed for additional ordinary shares in existing subsidiary by capitalising the interest free advances owing by a subsidiary as follows:

	Type of shares	Number of shares	Amount capitalised RM
Orient Biotech	Ordinary	3,000,000	3,000,000

2025
Acquisition of subsidiaries

The Company acquired the entire equity interest of Bonlife, Orient Biotech, and Orient Laboratories, for a total purchase consideration of RM27,162,600 satisfied via the issuance of 271,626,000 new ordinary shares at an issue price of RM0.10 per share. The acquisition was completed on 21 June 2024. After the acquisition, Bonlife, Orient Biotech, and Orient Laboratories become wholly-owned subsidiaries of the Company.

The consolidated financial statements have been prepared using the merger method to account for the acquisition of Bonlife, Orient Biotech, and Orient Laboratories. Merger reserve or deficit are determined as the difference between the cost of merger and nominal value of the share capital of the subsidiaries acquired and recognised in statements of financial position.

In the financial period when the merger took place, the subsidiaries' profits are included in the Group's profits for the full financial period, regardless of the effective date of merger.

Incorporate of a subsidiary

On 27 March 2025, the Company had incorporated OB Foodtech, a wholly-owned subsidiary of the Company, with an issued and paid-up capital of RM100 comprising of 100 ordinary shares.

Additional investment in existing subsidiary

In the prior financial year, the Company subscribed for additional ordinary shares in existing subsidiary by capitalising the interest free advances owing by a subsidiary as follows:

	Type of shares	Number of shares	Amount capitalised RM
Orient Biotech	Ordinary	13,000,000	13,000,000

Registration No: 202301020810 (1514732-P)

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

Impairment of subsidiaries

The Company assesses whether there is any indicator of impairment at the reporting date. If any such indication exists, the management of the Company assesses the recoverable amount of the investment in subsidiaries and an impairment loss is recognised when the recoverable amount of the investment in subsidiaries is less than their carrying amount.

The recoverable amount of the investment in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets or value-in-use of the respective subsidiaries.

Estimating a value in use requires significant judgements and estimates about the future results and key assumptions applied to the cash flow projections of the subsidiaries in determining the recoverable amounts. These key assumptions include different forecast growth in future revenue and operating cash flows, as well as determining an appropriate pre-tax discount rate for used for each subsidiary.

Fair value less cost to sell method are within Level 3 of the fair value hierarchy.

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:-

Valuation method and key inputs	Significant unobservable inputs	Relationship unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

Material accounting policy information

Investment in subsidiaries, which are eliminated on consolidation, are stated in the Company's statement of financial position at cost less any impairment losses.

7. **INTANGIBLE ASSETS**

	Patents RM
Group	
Cost	
At 1 June 2024/31 May 2025/ 31 May 2026	487,950

Registration No: 202301020810 (1514732-P)

7. **INTANGIBLE ASSETS (CONT'D)**

	Patents RM
Group (cont'd)	
Accumulated amortisation	
At 1 June 2024/31 May 2025/ 31 May 2026	487,949
Net carrying amount	
At 31 May 2025/31 May 2026	1

Material accounting policy information

Intangible assets which have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

Patents

Patents are stated at cost and is amortised using the straight-line basis over its estimated useful life. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

Patents are stated at cost less any accumulated impairment losses and is amortised using the straight-line basis over its estimated useful life of 5 years.

8. **DEFERRED TAX ASSETS/(LIABILITIES)**

	Group	
	2026 RM	2025 RM
Brought forward	(291,875)	(713,107)
Recognised in profit or loss	316,124	421,232
Carried forward	24,249	(291,875)

Presented after appropriate offsetting as follows:

	Group	
	2026 RM	2025 RM
Deferred tax assets	27,200	5,500
Deferred tax liabilities	(2,951)	(297,375)
	24,249	(291,875)

Registration No: 202301020810 (1514732-P)

8. **DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

The balance in the deferred tax assets/(liabilities) is made up of temporary differences arising from:

Deferred tax assets

	Inventories RM	Impairment RM	Property, plant and equipment RM	Provision RM	Total RM
At 1 June 2024	-	18,700	(20,200)	-	(1,500)
Recognised in profit or loss	-	(100)	7,100	-	7,000
At 31 May 2025	-	18,600	(13,100)	-	5,500
Recognised in profit or loss	-	16,400	(3,700)	9,000	21,700
At 31 May 2026	-	35,000	(16,800)	9,000	27,200

Deferred tax liabilities

	Inventories RM	Impairment RM	Property, plant and equipment RM	Provision RM	Total RM
At 1 June 2024	77,217	-	(788,824)	-	(711,607)
Recognised in profit or loss	49,266	-	364,966	-	414,232
At 31 May 2025	126,483	-	(423,858)	-	(297,375)
Recognised in profit or loss	85,435	8,032	180,557	20,400	294,424
At 31 May 2026	211,918	8,032	(243,301)	20,400	(2,951)

9. **OTHER RECEIVABLES**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current				
Third parties	11,069	5,000	-	-

Registration No: 202301020810 (1514732-P)

9. **OTHER RECEIVABLES (CONT'D)**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current				
Subsidiaries	-	-	1,024,287	26,444
Third parties	344,684	1,105,613	24,009	29,760
Deposits:				
- Third parties	577,220	213,689	1,300	1,300
- A Director	15,000	15,000	-	-
Advance payment to supplier	941,081	430,643	-	-
Prepayments	164,932	185,556	1,550	-
	2,042,917	1,950,501	1,051,146	57,504
Less: Allowance for expected credit losses				
- Subsidiaries				
At 1 June	-	-	-	-
Addition	-	-	21,722	-
At 31 May	-	-	21,722	-
	2,042,917	1,950,501	1,029,424	57,504
	2,053,986	1,955,501	1,029,424	57,504

The movement of allowance for expected credit losses of other receivables is as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Individually impaired				
Brought forward	-	-	-	-
Addition	-	-	21,722	-
Carried forward	-	-	21,722	-

The amount due from subsidiaries are non-trade related, unsecured, non-interest bearing and receivable on demand.

Registration No: 202301020810 (1514732-P)

10. **INVENTORIES**

	2026 RM	2025 RM
Group		
Raw materials	10,197,443	9,639,899
Work-in-progress	423,127	833,587
Finished goods	1,529,383	1,209,865
	12,149,953	11,683,351
Recognised in profit or loss:-		
Inventories recognised in cost of sales	28,188,807	24,122,085
Inventories written off	-	6,261

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value after adequate specific write down has been made by the Directors for deteriorated, obsolete and slow-moving inventories. The cost of inventories is calculated using the first-in first-out method.

The write-down and reversal are included in cost of sales. The Group writes down its obsolete or slow moving inventories based on assessments of their estimated net selling price, the expiry date, condition and movements of the inventories and applies certain percentage of write down. Inventories are written down when events or changes in circumstances indicate that the carrying amounts could not be recovered. Management specifically analyses sales trend and current economic trends when making this judgement to evaluate the adequacy of the write down for obsolete or slow-moving inventories.

The reversal of inventories written down was made and recognised in profit or loss when the related inventories were subsequently used or were sold above their carrying amount.

11. **TRADE RECEIVABLES**

	Group	
	2026 RM	2025 RM
Third parties	8,580,921	7,525,975
Related parties	3,550,135	1,138,375
	12,131,056	8,664,350
Less: Allowance for expected credit losses	(282,408)	(187,001)
	11,848,648	8,477,349

Registration No: 202301020810 (1514732-P)

11. TRADE RECEIVABLES (CONT'D)

The movement of allowance for expected credit losses of trade receivables is as follows:

	2026 RM	2025 RM
Individually impaired		
Brought forward	77,387	78,081
Addition	179,696	204
Written off	(77,387)	(898)
Carried forward	179,696	77,387
Collective impaired		
Brought forward	109,614	-
Addition	102,712	109,614
Reversal	(109,614)	-
Carried forward	102,712	109,614
Total	282,408	187,001

The impairment loss on trade receivables was reversed as the collective impairment allowance was no longer required following a reassessment of the expected credit losses. Trade receivables exhibiting weak payment performance had been specifically provided for through individual impairment assessments, while the remaining receivables were assessed to have low credit risk.

The trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

Related parties refer to companies in which a person connected to a Director has interest.

The normal credit terms granted to the customers range from cash term to 90 days (2025: cash term to 90 days). Other credit terms are assessed and approved by the management on case-by-case basis.

Material accounting policy information

Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses refers to the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The expected credit losses of the trade receivables are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

Registration No: 202301020810 (1514732-P)

12. SHORT TERM INVESTMENTS

The short term investments are managed and invested into money market instruments by fund management companies. The short term investments are readily convertible to cash.

13. DEPOSITS WITH LICENSED BANKS

The deposits with licensed banks is pledged to the financial institutions for the banking facilities granted to the Group.

	2026 %	2025 %
Effective interest rates	1.85	1.32 – 3.50

14. SHARE CAPITAL

	Group			
	Number of ordinary shares		Amount	
	2026 Unit	2025 Unit	2026 RM	2025 RM
Issued and fully paid with no par value:				
At 1 June 2025/2024	391,627,000	1,401,000	54,395,245	1,401,000
Acquisition of subsidiaries	-	(1,400,000)*	-	(1,400,000)*
Issued pursuant to acquisition of subsidiaries	-	271,626,000	-	27,162,600
Issuance of new shares	-	-	-	-
Issuance of shares pursuant to Public Issue	-	120,000,000	-	28,800,000
Shares issuance expenses	-	-	-	(1,568,355)
At 31 May	391,627,000	391,627,000	54,395,245	54,395,245

Registration No: 202301020810 (1514732-P)

14. **SHARE CAPITAL (CONT'D)**

	Company			
	Number of ordinary shares		Amount	
	2026 Unit	2025 Unit	2026 RM	2025 RM
Issued and fully paid with no par value:				
At 1 June 2025/2024	391,627,000	1,000	54,395,245	1,000
Issued pursuant to acquisition of subsidiaries	-	271,626,000	-	27,162,600
Issuance of shares pursuant to Public Issue	-	120,000,000	-	28,800,000
Shares issuance expenses	-	-	-	(1,568,355)
At 31 May	391,627,000	391,627,000	54,395,245	54,395,245

The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

*The invested equity constitutes the share capital of Orient Biotech Sdn. Bhd., Orient Laboratories Sdn. Bhd. and Bonlife (M) Sdn. Bhd..

15. **MERGER DEFICIT**

The merger deficit arises as and when the combination take place. It comprises the difference between the cost of merger and the nominal value of shares acquired in Orient Biotech Sdn. Bhd., Orient Laboratories Sdn. Bhd. and Bonlife (M) Sdn. Bhd. as disclosed in Note 6 to the financial statements.

16. **BORROWINGS**

	Group	
	2026 RM	2025 RM
Non-current		
Secured:		
Hire purchase	140,469	188,943
Revolving credit	10,640,958	-
Term loan	299,949	489,369
	11,081,376	678,312

Registration No: 202301020810 (1514732-P)

16. **BORROWINGS (CONT'D)**

	Group	
	2026 RM	2025 RM
Current		
Secured:		
Bankers' acceptance	1,486,000	2,695,000
Hire purchase	48,474	46,176
Invoice financing	485,096	-
Revolving credit	675,000	3,095,591
Term loan	189,420	262,884
	2,883,990	6,099,651
	13,965,366	6,777,963
Total borrowings:		
Bankers' acceptance	1,486,000	2,695,000
Hire purchase	188,943	235,119
Invoice financing	485,096	-
Revolving credit	11,315,958	3,095,591
Term loans	489,369	752,253
	13,965,366	6,777,963

Borrowings are secured by:

(i) Legal charge over a plant and machinery of the Group as disclosed in Note 3 to the financial statements;
(ii) Legal charge over certain properties of the Group as disclosed in Notes 4 to the financial statements;
(iii) Joint and several guarantee by two Directors of the Company;
(iv) Pledged of fixed deposit of the Group as disclosed in Note 13 to the financial statements; and
(v) Corporate guarantee by the Company.

The effective interest rates per annum are as follows:-

	2026 %	2025 %
Bankers' acceptance	4.59 – 4.74	4.90 – 5.00
Hire purchase	4.30	4.30
Invoice financing	4.45	-
Revolving credit	5.06	6.64
Term loans	5.00 – 5.63	5.00 – 5.63

Registration No: 202301020810 (1514732-P)

17. **TRADE PAYABLES**

	Group	
	2026 RM	2025 RM
Third parties	2,476,717	1,803,927
Related party	46,350	60,800
	2,523,067	1,864,727

Related party refers to a company in which a person connected to a Director has interest.

The trade payables are non-interest bearing and the normal credit terms granted by the trade payables range from 30 days to 90 days (2025: 30 days to 90 days).

18. **OTHER PAYABLES**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-trade payables	2,691,706	2,641,620	40,960	47,411
A subsidiary	-	-	-	33,874
Deposits	136,691	133,636	-	-
Accruals	1,050,235	668,147	160,000	50,350
Sales and services tax payable	264,753	311,269	-	-
	4,143,385	3,754,672	200,960	131,635

Amount due to a subsidiary is unsecured, non-interest bearing and repayable on demand.

19. **REVENUE**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from contracts with customers				
Sales of goods	66,816,121	54,424,142	-	-
Services	116,152	102,007	-	-
	66,932,273	54,526,149	-	-
Other revenue				
Dividend income	-	-	2,500,000	3,000,000
	66,932,273	54,526,149	2,500,000	3,000,000

Registration No: 202301020810 (1514732-P)

19. **REVENUE (CONT'D)**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue recognised at a point in time	66,932,273	54,526,149	-	-
Primary geographical market:				
- Malaysia	60,986,600	49,584,113	-	-
- Overseas	5,945,673	4,942,036	-	-

Performance obligations

Sales of goods and services
Revenue from sales of goods and services rendered is recognised at a point in time when the goods have been transferred or the services have been rendered to the customers and coincides with the delivery of products or services and acceptance by customer.

There is no material right of return provided to the customers on the sale of products.

There is no significant financing component in the revenue arising from sale of products and services rendered as the sales or services are made on the normal credit terms not exceeding twelve months.

20. **OTHER INCOME**

	Group	
	2026 RM	2025 RM
Employment incentive income – Prihatin SIP Programme	29,571	-
Gain on disposal of property, plant and equipment	-	101,000
Gain on disposal of investment property	-	20,274
Realised gain on foreign exchange	7,314	132,558
Real property gains tax refund	-	113,048
Scrap sales	3,542	149,000
Sundry income	11,317	16,612
	51,744	532,492

Registration No: 202301020810 (1514732-P)

21. FINANCE INCOME

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest income:				
Current account	7,212	68,814	4,742	68,814
Distribution income from short term investments	495,783	308,533	408,601	308,533
Fixed deposits	3,147	5,845	-	-
	506,142	383,192	413,343	377,347

22. FINANCE COSTS

	Group	
	2026 RM	2025 RM
Interest expenses:		
- Hire purchase	9,480	3,671
- Invoice financing	4,463	-
- Revolving credit	292,645	-
- Term loans	31,230	601,187
- Bank overdrafts	83	4,046
- Bankers' acceptance	31,109	58,834
	369,010	667,738

23. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst other items, the following:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Charging				
Auditors' remuneration related to:				
- Statutory services	179,000	176,000	40,000	40,000
- Assurance services	10,000	92,800	10,000	92,800
Deposit forfeited	3,292	-	-	-
Depreciation of property, plant and equipment	2,127,239	2,157,994	3,380	3,380

Registration No: 202301020810 (1514732-P)

23. PROFIT BEFORE TAX (CONT'D)

Profit before tax has been determined after charging/(crediting), amongst other items, the following (cont'd):

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Charging (cont'd)				
Depreciation of right-of-use assets	208,428	205,799	-	-
Depreciation of investment property	-	680	-	-
Directors' fees	372,000	324,000	240,000	192,000
Expenses relating to short term leases	581,780	561,890	-	-
Impairment loss on financial assets	282,408	109,818	21,722	-
Realised loss on foreign exchange	14,616	882	-	-
Crediting				
Dividend income	-	-	(2,500,000)	(3,000,000)
Gain on disposal of property, plant and equipment	-	(101,000)	-	-
Gain on disposal of investment property	-	(20,274)	-	-
Realised gain on foreign exchange	(7,314)	(132,558)	-	-
Reversal of impairment loss on financial assets	(109,614)	-	-	-

24. TAX EXPENSE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current tax:				
- Current financial year	4,033,871	2,308,256	-	-
- Under provision in prior financial years	101,652	94,851	15,195	-
	4,135,523	2,403,107	15,195	-

Registration No: 202301020810 (1514732-P)

24. **TAX EXPENSE (CONT'D)**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deferred tax:				
- Current financial year	(215,870)	(110,195)	-	-
- Over recognised in prior financial years	(100,254)	(311,037)	-	-
	(316,124)	(421,232)	-	-
	3,819,399	1,981,875	15,195	-

Malaysian income tax is calculated at statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year.

The numerical reconciliations between the effective tax rate and the statutory tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax	12,521,843	6,561,414	1,985,821	1,540,664
Tax at Malaysian statutory tax rate of 24% (2025: 24%)	3,005,242	1,574,739	476,597	369,759
Tax effects in respect of:-				
Expenses not deductible for tax purposes	911,564	876,727	221,467	424,289
Income not subject to tax	(98,805)	(118,405)	(698,064)	(794,048)
Change in tax for the first tranche of categories income	-	(40,500)	-	-
Change in tax for the second tranche of categories income	-	(94,500)	-	-
Under provision of tax expense in prior financial years	101,652	94,851	15,195	-
Over recognised of deferred tax liabilities in prior financial years	(100,254)	(311,037)	-	-
	3,819,399	1,981,875	15,195	-

Registration No: 202301020810 (1514732-P)

25. **EARNINGS PER SHARE**

Basic earnings per share

Basic earnings per share is calculated by dividing net profit for the financial year attributable to ordinary equity holders of the Group over the weighted average number of ordinary shares in issue during the financial year as follows:

	2026 RM	2025 RM
Net profit for the financial year attributable to equity holders of the Group (RM)	8,702,444	4,579,539
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at beginning of the year*	391,627,000	256,740,000
Effect of Initial Public Offering during the year	-	70,360,000
	391,627,000	327,100,000
Basic earnings per share (sen)	2.22	1.40

*For the computation of earnings per share for the financial year ended 31 May 2025, it is assumed that the number of ordinary shares arising from the acquisition of subsidiaries were in issue throughout the previous financial year.

Diluted earnings per share

Diluted earnings per share equals basic earnings per share because there are no potential dilutive instruments in existence at the reporting date.

26. **DIVIDENDS**

	2026 RM	2025 RM
In respect of financial year ended 31 May 2025		
Single tier first interim dividend of 0.12 sen per share, declared on 27 January 2025 and paid on 14 March 2025	-	469,952
Single tier second interim dividend of 0.12 sen per share, declared on 30 July 2025 and paid on 4 September 2025	469,952	-

Registration No: 202301020810 (1514732-P)

26. **DIVIDENDS (CONT'D)**

	2026 RM	2025 RM
In respect of financial year ended 31 May 2026		
Single tier first interim dividend of 0.20 sen per share, declared on 21 January 2026 and paid on 26 February 2026	783,254	-
	1,253,206	469,952

On 28 July 2026, the Board of Directors have proposed and approved a single tier interim dividend of 0.20sen per ordinary share, amounting to dividend payment of RM783,254 in respect of the current financial year. The financial statements for the current financial year do not reflect this proposed dividend and will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 May 2027.

27. **EMPLOYEE BENEFITS EXPENSE**

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Salaries and other emoluments	7,979,365	6,849,882	21,500	4,000
Defined contribution plans	761,462	674,500	-	-
	8,740,827	7,524,382	21,500	4,000

The employee benefits expense of the Group and of the Company included Directors' emoluments as disclosed in Note 28 to the financial statements.

28. **DIRECTORS' REMUNERATION**

The details of remuneration received and receivable by Directors of the Company and subsidiaries during the financial year are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Executive Directors:-				
Existing Directors of the Company				
Salaries and other emoluments	709,446	592,131	-	-

Registration No: 202301020810 (1514732-P)

28. **DIRECTORS' REMUNERATION (CONT'D)**

The details of remuneration received and receivable by Directors of the Company and subsidiaries during the financial year are as follows (cont'd):

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Executive Directors:-				
Existing Directors of the Company (cont'd)				
Defined contribution plans	51,740	49,220	-	-
Benefits-in-kind	51,950	45,229	-	-
	813,136	686,580	-	-
Total Executive Directors' remuneration	813,136	686,580	-	-
Non-executive Directors:-				
Existing Directors of the Company				
Fees	372,000	324,000	240,000	192,000
Salaries and other emoluments	21,500	4,000	21,500	4,000
Benefits-in-kind	13,325	13,325	-	-
	406,825	341,325	261,500	196,000
Total Non-executive Directors' remuneration	406,825	341,325	261,500	196,000
Total Directors' remuneration	1,219,961	1,027,905	261,500	196,000

Registration No: 202301020810 (1514732-P)

29. CAPITAL COMMITMENT

	Group	
	2026	2025
	RM	RM
Capital expenditure		
Authorised and contracted for:-		
Plant and equipment	2,065,175	997,496
Construction of factory	4,108,572	14,490,867
	6,173,747	15,488,363

30. RELATED PARTY DISCLOSURES

The Group has related party relationship with its related parties, subsidiaries, Directors and key management personnel.

Related party transactions and balances

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Related parties				
Purchase	421,690	269,280	-	-
Sales	16,619,129	8,729,413	-	-
Subsidiaries				
Advances to	-	-	3,600,000	2,000,000
Dividend income	-	-	2,500,000	3,000,000
Rental expenses	-	-	480	468
Directors				
Rental expenses	34,800	34,800	-	-

The outstanding balances arising from related party transactions are disclosed in Notes 9 and 18 to the financial statements.

Registration No: 202301020810 (1514732-P)

30. RELATED PARTY DISCLOSURES (CONT'D)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company.

The key management personnel consists of Executive Director of the Company and certain members of senior management of the Group.

The remuneration of the Directors is disclosed in Note 28 to the financial statements.

The remuneration of other key management personnel of the Group during the financial year are as follows:

	Group	
	2026	2025
	RM	RM
Salaries and other emoluments	809,462	742,378
Defined contribution plans	97,176	92,516
Benefits-in-kind	18,500	29,375
	925,138	864,269

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost.

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Financial assets				
Trade receivables	11,848,648	8,477,349	-	-
Other receivables (excluded prepayment and advance payment to supplier)	947,973	1,339,302	1,027,874	57,504
Deposits with licensed banks	155,303	152,156	-	-
Short term investments	14,679,020	13,680,863	10,845,215	13,680,863
Cash and bank balances	4,783,918	8,201,800	461,379	808,026
	32,414,862	31,851,470	12,334,468	14,546,393

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.1 **Categories of financial instruments (cont'd)**

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost (cont'd).

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial liabilities				
Trade payables	2,523,067	1,864,727	-	-
Other payables (excluded sales and service tax payables)	3,878,632	3,443,403	200,960	131,635
Borrowings	13,965,366	6,777,963	-	-
	20,367,065	12,086,093	200,960	131,635

31.2 **Financial risk management objectives and policies**

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policies are established to ensure that adequate resources are available for the development of the Group's and of the Company's business whilst managing their credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process. The Group and the Company do not engage in the trading of financial assets for speculative purpose nor does it write options. The Group and the Company do not apply hedge accounting.

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows:

31.2.1 **Credit risk**

As at reporting date, the Company only has deposit paid and thus there is no credit risk. Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing with customers of appropriate standing to mitigate credit risk and customer who wish to trade on credit terms are subject to credit evaluation. Receivables are monitored on an ongoing basis to mitigate risk of bad debts. For other financial assets, the Group adopts the policy of dealing with reputable institutions.

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):

31.2.1 **Credit risk (cont'd)**

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group's and the Company's portfolio of financial instrument is broadly diversified and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the management.

The Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of trade receivables, most of other receivables, amount due from subsidiaries, deposits with licensed banks, short term investments and cash and bank balances in the statements of financial position.

The areas where the Group and the Company are exposed to credit risk are as follows:

Trade receivables

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and take appropriate actions to recover long overdue balances. For trade receivables' credit term that are past due but not impaired, the Group's debt recovery process is the Group will initiate a structured debt recovery process which is monitored via management reporting procedures.

The Group's exposure to credit is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customer operate.

The Group applies the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected credit losses for all trade receivables. The Group evaluates the credit losses on a case-by-case basis.

The Group assesses the expected loss rates based on historical payment profiles of the trade receivables and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the financial capability of the debtor and default or significant delay in payments. No significant changes to estimation techniques or assumptions were made during the reporting period.

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):

31.2.1 **Credit risk (cont'd)**

The areas where the Group and the Company are exposed to credit risk are as follows (cont'd):

Trade receivables (cont'd)

Recognition and measurement of impairment loss (cont'd)

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired. The gross carrying amounts of credit impaired trade receivables are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Trade receivables that are written off are still subjected to enforcement activities.

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for and trade receivables have not been impaired are credit worthy debtors whereby impairment is not required.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The following table provides information about the credit risk exposure on the Group's trade receivables using a provision matrix:

		Days past due				
	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total
	RM	RM	RM	RM	RM	RM
2025						
Gross amount	4,426,034	1,578,230	1,012,331	930,887	716,868	8,664,350
ECLs (Collective)	(34,012)	(10,107)	(2,467)	(4,124)	(58,904)	(109,614)
ECLs (Individual)	-	-	-	-	(77,387)	(77,387)
Net balance	4,392,022	1,568,123	1,009,864	926,763	580,577	8,477,349

		Days past due				
	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total
	RM	RM	RM	RM	RM	RM
2026						
Gross amount	5,578,930	3,717,371	1,590,094	603,178	641,483	12,131,056
ECLs (Collective)	(23,376)	(34,415)	(19,574)	(8,694)	(16,653)	(102,712)
ECLs (Individual)	-	-	-	-	(179,696)	(179,696)
Net balance	5,555,554	3,682,956	1,570,520	594,484	445,134	11,848,648

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):

31.2.1 **Credit risk (cont'd)**

The areas where the Group and the Company are exposed to credit risk are as follows (cont'd):

Trade receivables (cont'd)

Recognition and measurement of impairment loss (cont'd)

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

During the financial year, the Group's gross trade receivables increased significantly. The increase was primarily attributable to weaker collection efforts, particularly from current receivables and receivables in 1 to 30 days past due categories, and higher credit sales.

Despite the increase in total trade receivables, the collective ECLs decreased slightly in current financial year. This decrease was mainly due to an improvement in the risk profile of receivables subject to collective assessment. In particular, the receivables in the 1 to 90 days past due categories, while lower in absolute terms, attracted higher loss rates based on the Group's credit risk model due to observed deterioration in credit quality and ageing trends.

In contrast, the individual ECLs increased, primarily due to the identification of specific long-outstanding debts that were assessed as credit-impaired during the year. The increase reflects higher impairment recognised on receivables in the more than 91 days past due category and indicates a widening of the portfolio of high-risk receivables.

Credit risk concentration

In respect of trade receivables, the Group has no significant concentration of credit risk with any single counterparty or any group of counterparties having similar characteristics, except below mentioned.

	2026		2025	
	RM	%	RM	%
Trade receivables				
Malaysia				
1 customer (2025: 1 customer)	1,810,924	15	1,138,375	13

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):

31.2.1 **Credit risk (cont'd)**

The areas where the Group and the Company are exposed to credit risk are as follows (cont'd):

Trade receivables (cont'd)

Credit risk concentration (cont'd)

The Group continuously monitor credit standing of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used.

Other receivables

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been accounted for and other receivables that have not been impaired are no indication that other receivables are not recoverable.

Cash and bank balances, short term investments and deposits with licensed banks

The credit risk for cash and bank balances, short term investments and deposits with licensed banks is considered low, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

Financial guarantee/Corporate guarantee

The maximum exposure to credit risk amounting to RM13,776,423 (2025: RM5,790,591) representing the outstanding banking facilities of a subsidiary as at the end of the reporting year.

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries.

The Company monitors the results of the subsidiary and repayments made by the subsidiary on an on-going basis. As at the end of the reporting year, there was no indication that the subsidiary would default on repayment.

The corporate guarantee does not have a determinable effect on the term of the credit facilities due to the bank requiring parent's guarantees as a pre-condition for approving the banking facilities granted to the subsidiary. The actual terms of the credit facilities are likely to be the best indicator of "at market" term and hence the fair value of the credit facilities are equal to the credit facilities amount received by the subsidiary. As such, there is no value on the corporate guarantee to be recognised in the financial statements.

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):

31.2.2 **Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due as a result of shortage of funds.

In managing their exposures to liquidity risk, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet their liabilities as and when they fall due.

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follow:

		Maturity		
	Total contractual cash flows	Current Within 1 year	Non-current 2 to 5 years	More than 5 years
Group	RM	RM	RM	RM
2026				
Non derivative financial liabilities				
Secured:				
Borrowings	15,863,867	2,913,915	3,162,452	9,787,500
Unsecured:				
Trade payables	2,523,067	2,523,067	-	-
Other payables (excluded sales and service tax payables)	3,878,632	3,878,632	-	-
	22,265,566	9,315,614	3,162,452	9,787,500
2025				
Non derivative financial liabilities				
Secured:				
Borrowings	6,799,296	6,069,025	730,271	-
Unsecured:				
Trade payables	1,864,727	1,864,727	-	-
Other payables (excluded sales and service tax payables)	3,443,403	3,443,403	-	-
Borrowings	75,485	75,485	-	-
	12,182,911	11,452,640	730,271	-

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

31.2.2 **Liquidity risk (cont'd)**

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follow (cont'd):

		Maturity		
	Total contractual cash flows	Current Within 1 year	Non-current 2 to 5 years	Non-current More than 5 years
Company	RM	RM	RM	RM
2026				
Non derivative financial liabilities				
Unsecured:				
Other payables	200,960	200,960	-	-
Financial guarantee*	13,776,423	13,776,423	-	-
2025				
Non derivative financial liabilities				
Unsecured:				
Other payables	131,635	131,635	-	-
Financial guarantee*	5,790,591	5,790,591	-	-

* This exposure of liquidity risk is included for illustration purpose only as the related financial guarantees have not crystalised.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

31.2.3 **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to the risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

31.2.3 **Interest rate risk (cont'd)**

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the reporting date is as follows:-

	2026 RM	2025 RM
Fixed rate instruments		
Financial asset		
Deposits with licensed banks	155,303	152,156
Fixed rate instruments		
Financial liabilities		
Bankers' acceptance	1,486,000	2,695,000
Hire purchase	188,943	235,119
Invoice financing	485,096	-
	2,160,039	2,930,119
Net	(2,004,736)	(2,777,963)
Floating rate instruments		
Financial liabilities		
Term loans	489,369	752,253
Revolving credit	11,315,958	3,095,591
	11,805,327	3,847,844

Fair values sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rate of +/-25 (2025: +/-25) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instrument held at each reporting date that is sensitive to changes in interest rate. All other variables are held constant.

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

31.2.3 **Interest rate risk (cont'd)**

Cash flow sensitivity analysis for variable rate instruments (cont'd)

	Impact on profit/equity for the year (Decrease)/Increase	
	+25bp	-25bp
	RM	RM
2026	(29,513)	29,513
2025	(9,620)	9,620

31.2.4 **Foreign currency risk**

The Group is exposed to foreign currency risk as a result of their normal operating activities, where the currency denomination differs from the local currency, RM. The Group's policy is to keep the foreign exchange exposure to an acceptable level.

The Group is exposed to transactional currency risk primarily through costs of sales and purchases of property, plant and equipment that are denominated in a currency other than the functional currency to which they related. The currency giving rise to this risk are United States Dollar ("USD") and Euro ("EUR").

Foreign currency denominated financial assets which expose the Group to currency risk are disclosed below. The amount shown is those reported to key management translated into RM at the closing rate:-

	2026	2025
	RM	RM
Denominated in USD		
Trade receivables	370,313	-
Other receivables	120,993	404,281
Cash and bank balances	103,356	214,400
Trade payables	(1,469)	(26,086)
	593,193	592,595
Denominated in EUR		
Trade receivables	501,563	637,010
Cash and bank balances	233,871	147,993
	735,434	785,003

Registration No: 202301020810 (1514732-P)

31. **FINANCIAL INSTRUMENTS (CONT'D)**

31.2 **Financial risk management objectives and policies (cont'd)**

31.2.4 **Foreign currency risk (cont'd)**

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of profit/equity with regards to the Group's financial assets and financial liabilities and the RM/USD and RM/EUR exchange rate assuming all other things being equal. A +/-1% (2025: +/-1%) change in the RM/USD and RM/EUR exchange rate at the reporting date is deemed possible. Both of these percentages have been determined based on average market volatility in exchange rates in the previous 12 months.

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates. If the RM had strengthened/weakened against the USD and EUR, then the impact would be as follows:

	Impact on profit/equity Increase/(Decrease)	
	+1%	-1%
	RM	RM
RM/USD		
2026	(5,932)	5,932
2025	(5,926)	5,926
RM/EUR		
2026	(7,354)	7,354
2025	(7,850)	7,850

31.3 **Fair value of financial instruments**

The carrying amounts of financial assets and financial liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or immaterial discounting impact.

31.4 **Fair value hierarchy**

As at the reporting date, the Group and the Company have no financial instruments that are measured subsequent to initial recognition at fair value and hence fair value hierarchy is not presented.

Registration No: 202301020810 (1514732-P)

32. OPERATING SEGMENTS

For management purpose, the Group's revenue are categorised by principal activities as follows:

Provision of manufacturing services	Provision of manufacturing services of fortified food and beverages, and dietary supplements to third party brand owners
House brands products	Manufacturing, sales and marketing of fortified food and beverages, and dietary supplements under its house brand
Trading and others	Trading of milk powder and other activities such as laboratory tests services, freight services, and the sales of packaging materials, pallets and face masks on an ad hoc basis
Investment holding	Investment holding

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the financial years.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

Registration No: 202301020810 (1514732-P)

32. OPERATING SEGMENTS (CONT'D)

	Note	Provision of manufacturing services RM	House brand products RM	Trading and others RM	Investment holding RM	Elimination RM	Total RM
2026							
Revenue							
External revenue		43,598,334	15,245,254	8,088,685	-	-	66,932,273
Inter-segment revenue	(i)	-	6,500,088	935,478	2,500,000	(9,935,566)	-
Total revenue		43,598,334	21,745,342	9,024,163	2,500,000	(9,935,566)	66,932,273
Results							
Finance income							506,142
Finance costs							(369,010)
Depreciation of property, plant and equipment							(2,712,239)
Depreciation of right-of-use assets							(208,428)
Other non-cash expenses	(ii)						(176,086)
Tax expense							(3,819,399)
Segment profit	(iii)						8,565,312
Assets							
Unallocated segment assets	(iv)						92,603,836
Additions to non-current assets	(v)						17,124,548
Liabilities							
Unallocated segment liabilities	(vi)						6,666,452

Registration No: 202301020810 (1514732-P)

32. OPERATING SEGMENTS (CONT'D)

	Note	Provision of manufacturing services RM	House brand products RM	Trading and others RM	Investment holding RM	Elimination RM	Total RM
2025							
Revenue							
External revenue		32,495,177	15,771,697	6,259,275	-	-	54,526,149
Inter-segment revenue	(i)	-	6,634,397	1,200,345	3,000,000	(10,834,742)	-
Total revenue		32,495,177	22,406,094	7,459,620	3,000,000	(10,834,742)	54,526,149
Results							
Finance income							383,192
Finance costs							(667,738)
Depreciation of property, plant and equipment							(2,157,994)
Depreciation of right-of-use assets							(205,799)
Depreciation of investment properties							(680)
Other non-cash income	(ii)						5,195
Tax expense							(1,981,875)
Segment profit	(iii)						4,864,085
Assets							
Unallocated segment assets	(iv)						76,295,147
Additions to non-current assets	(v)						7,582,534
Liabilities							
Unallocated segment liabilities	(vi)						5,619,399

Registration No: 202301020810 (1514732-P)

32. OPERATING SEGMENTS (CONT'D)

Notes to the nature of adjustments and eliminations to arrive at amount reported in the financial statements:

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Other major non-cash (expenses)/income consist of the followings items are presented in the respective notes to the financial statements:

	2026 RM	2025 RM
Deposits forfeited	(3,292)	-
Gain on disposal of property, plant and equipment	-	101,000
Gain on disposal of investment property	-	20,274
Net impairment loss on financial assets	(172,794)	(109,818)
Inventories written off	-	(6,261)
	(176,086)	5,195

(iii) The following items are added to/(deducted from) segment profit to arrive at "profit after tax" presented in the statements of profit or loss and other comprehensive income:

	2026 RM	2025 RM
Segment profit	8,565,312	4,864,085
Finance income	506,142	383,192
Finance costs	(369,010)	(667,738)
Profit after tax	8,702,444	4,579,539

(iv) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	2026 RM	2025 RM
Segment assets	92,603,836	76,295,147
Intangible assets	1	1
Deferred tax assets	27,200	5,500
Tax recoverable	123,000	407,967
Total assets	92,754,037	76,708,615

Registration No: 202301020810 (1514732-P)

32. **OPERATING SEGMENTS (CONT'D)**

Notes to the nature of adjustments and eliminations to arrive at amount reported in the financial statements (cont'd):

(v) Additions to non-current assets other than the financial instruments and deferred tax assets consist of:

	2026 RM	2025 RM
Property, plant and equipment	17,124,548	7,020,986
Right-of-use assets	-	561,548
Total assets	17,124,548	7,582,534

(vi) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:

	2026 RM	2025 RM
Segment liabilities	6,666,452	5,619,399
Deferred tax liabilities	2,951	297,375
Borrowings	13,965,366	6,777,963
Tax payable	1,024,116	367,964
Total liabilities	21,658,885	13,062,701

(vii) It was not practicable to separate out the segment results for its business segments as the Directors of the Company are of the opinion that excessive costs would be incurred.

Business segments

(a) **Geographical information**

Revenue and non-current assets information based on geographical location of the customers and assets respectively are as follows:

	Revenue RM	Non-current assets RM
2026		
Hong Kong	1,010,447	-
Indonesia	77,880	-
Kazakhstan	293,436	-
Malaysia	60,986,600	46,971,278
Singapore	175,390	-
Thailand	2,997,203	-
United States of America	1,391,317	-
	66,932,273	46,971,278

OBH Reports and Financial Statements Annual Report 2026

Registration No: 202301020810 (1514732-P)

32. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

(a) **Geographical information (cont'd)**

Revenue and non-current assets information based on geographical location of the customers and assets respectively are as follows (cont'd):

	Revenue RM	Non-current assets RM
2025		
Hong Kong	2,533,346	-
Malaysia	49,584,113	32,154,628
Singapore	159,575	-
Taiwan	14,630	-
Thailand	1,907,701	-
United States of America	326,784	-
	54,526,149	32,154,628

Non-current assets information presented above consist of the following items as presented in the statements of financial position:

	2026 RM	2025 RM
Property, plant and equipment	30,038,507	15,041,198
Right-of-use assets	16,894,501	17,102,929
Deferred tax assets	27,200	5,500
Intangible assets	1	1
Other receivables	11,069	5,000
	46,971,278	32,154,628

(b) **Information about major customers**

The following are the major customers with revenue equal to or more than ten percent of revenue of the Group:

	RM	%	Operating segment
2026			
Customer A	12,180,721	18	Provision of manufacturing services

Registration No: 202301020810 (1514732-P)

32. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

(b) **Information about major customers (cont'd)**

The following are the major customers with revenue equal to or more than ten percent of revenue of the Group (cont'd):

	RM	%	Operating segment
2025			
Customer A	8,697,041	16	Provision of manufacturing services

33. **CAPITAL MANAGEMENT**

Total capital managed at the Group's level is the shareholders' fund as shown in the statements of financial position.

The primary objective of the Group's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholders' value.

The Group manages their capital structure and makes adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new share capital.

There were no changes made in the objective, policies or processes during the financial year and prior financial year.

34. **MATERIAL LITIGATION**

As at reporting date, the Group is not engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant, which may have a material effect on the financial position or the business of the Group, and the Board is not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

For information purposes, the Group had on 25 October 2024 announced a dispute on the alleged breach of contract and infringement of intellectual property rights between Nature One Dairy (Hong Kong) Limited ("NOD") and Orient Biotech.

On 4 March 2025, Orient Biotech received a letter from the solicitors acting for NOD accompanied by a sealed Writ of Summons and a Statement of Claim, both dated 28 February 2025 and issued by the Supreme Court of Victoria, Melbourne, Australia ("Court"). The aforementioned Statement of Claim was incomplete and subsequently, the Writ of Summons and revised Statement of Claim, both dated 28 February 2025 were received on 5 March 2025.

OBH Reports and Financial Statements Annual Report 2026

Registration No: 202301020810 (1514732-P)

34. **MATERIAL LITIGATION (CONT'D)**

Pursuant to the Statement of Claim, NOD has claimed the following:

(i) damages;
(ii) at NOD's election, an account of profits or equitable compensation;
(iii) interest pursuant to s101 of the Supreme Court Act 1986; and
(iv) such other order(s) as to the Court seems appropriate.

Orient Biotech had filed an appearance in defence of the proceeding on 16 April 2025. Orient Biotech will defend NOD's claim on the basis that their claims of loss of sales and loss of reputation are not attributable to the Group as the milk powder product that the Group manufactured for a particular new customer is different from NOD's products.

On 27 November 2025, the Group announced that the Directions hearing for this matter was scheduled on 1 May 2026 and the trial date is to be fixed on a date not earlier than 8 July 2026.

On 20 April 2026, the Group announced that the Directions hearing for this matter previously scheduled for 1 May 2026 has been adjourned to 21 August 2026 and the trial date is to be fixed on a date not before 24 September 2026. On 17 September 2026, the Group further announced that the Directions hearing for this matter has been adjourned to 20 November 2026. As at the date of these financial statements, no trial date has been fixed.

As at the reporting date, Orient Biotech continues to comply with the latest general form of order. The Board would not be able to ascertain the financial and operational impacts as well as the potential liabilities arising from the Writ of Summons and Statement of Claim as no specific amount demanded was stated therein.

OTHER INFORMATION

Analysis of Shareholdings 191

List of Properties 193

Notice of Annual General Meeting 194

Administrative Notes for Annual General Meeting 199

Proxy Form 202

06

OBH Other Information Annual Report 2026



Analysis of Shareholdings as at 10 September 2026

Total Number of Issued Shares : 391,627,000
Class of Equity Securities : Ordinary shares
Voting Rights : One (1) vote for every ordinary share

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100 shares	0	0.00	0	0.00
100 - 1,000 shares	152	11.86	66,000	0.02
1,001 - 10,000 shares	602	46.96	3,248,900	0.83
10,001 - 100,000 shares	389	30.34	13,197,900	3.37
100,001 – 19,581,349 (*)	136	10.61	111,487,200	28.47
19,581,350 and above (**)	3	0.23	263,627,000	67.31
Total	1,282	100.00	391,627,000	100.00

Notes:
* Less than 5% of issued Shares
**5% and above of issued Shares

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS
(As per the Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of Shares Held			
	Direct Interest	%	Indirect Interest	%
Goodone Holding Sdn. Bhd.	117,488,100	30.00	-	-
Teoh Eng Sia	77,069,450	19.68	194,557,550	49.68(1)(2)
Wong Chung Theng	77,069,450	19.68	194,557,550	49.68(1)(2)

Notes:
(1) Deemed interested by virtue of his/her spouse's direct shareholdings in the Company.
(2) Deemed interested by virtue of his/her shareholdings in Goodone Holding Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

DIRECTORS' SHAREHOLDINGS
(As per the Register of Directors' Shareholdings)

Name of Directors	No. of Shares Held			
	Direct Interest	%	Indirect Interest	%
Dato' Seri Abdul Puhat Bin Mat Nayan	250,000	0.06	-	-
Teoh Eng Sia	77,069,450	19.68	194,557,550	49.68(1)(2)
Lee Bao Yu	1,434,000	0.37	-	-
Wong Chung Theng	77,069,450	19.68	194,557,550	49.68(1)(2)
Dato' Haji Mohd Dusuki Bin Ya'acob	250,000	0.06	-	-
Vasu A/L Nallayan	1,200,000	0.31	-	-
Ooi Gin Hui	250,000	0.06	-	-

Notes:
(1) Deemed interested by virtue of his/her spouse's direct shareholdings in the Company.
(2) Deemed interested by virtue of his/her shareholdings in Goodone Holding Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

THIRTY LARGEST SHAREHOLDERS AS AT 10 SEPTEMBER 2026
(without aggregating securities from different securities accounts belonging to the same registered holder)

No	Name	No. of Shares	%
1.	Goodone Holding Sdn. Bhd.	117,488,100	30.00
2.	Wong Chung Theng	77,069,450	19.68
3.	Teoh Eng Sia	69,069,450	17.64
4.	Yeat Siaw Ping	16,176,900	4.13
5.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teoh Eng Sia (7017146)	8,000,000	2.04
6.	Teoh Wei Chang	5,345,400	1.36
7.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kong Han	3,479,300	0.89
8.	Eik Chu Yew	3,000,000	0.77
9.	Lau Tian Boon	2,443,900	0.62
10.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Oon Hock Teck (The Curve-CL)	2,320,000	0.59
11.	Kenanga Nominees (Tempatan) Sdn. Bhd. Chia Kee Siong	2,084,000	0.53
12.	Kuek Yet Yim	1,942,000	0.50
13.	Low Bak Ming	1,942,000	0.50
14.	Chai Voon Tok	1,617,000	0.41
15.	Teoh Eng Sin	1,580,000	0.40
16.	Eng Back Song	1,482,100	0.38
17.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lau Han Wei (MF00141)	1,450,000	0.37
18.	Lee Bao Yu	1,434,000	0.37
19.	Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yeo Lian Way	1,427,600	0.36
20.	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd for Low Yuen Wang	1,380,000	0.35
21.	Cheong Xin Yin	1,320,000	0.34
22.	Soo Kah Ming	1,251,000	0.32
23.	Wong Koon Hean @ Wong Koon Sian	1,250,000	0.32
24.	Ng Jia Yee	1,242,800	0.32
25.	Cheng Pei Pei	1,241,800	0.32
26.	Khor Gin Hooi	1,234,700	0.32
27.	Vasu A/L Nallayan	1,200,000	0.31
28.	Khoo Boon Seng	1,142,000	0.29
29.	Ong Khoon Sean	1,142,000	0.29
30.	Wong Soo Foon	1,124,100	0.29

List of Properties

Title details / Postal address	Description and Existing use	Tenure	Date Acquisition/ Revaluation	Approximate Age of Building	Approximate land area / Approximate built-up area of the property	NBV as at 31 May 2026 RM'000
Strata Title: PM12169, No. Bangunan M1-A/1/1, Lot No. 84299, Bandar Selayang, District of Gombak, State of Selangor **Postal address:** No. C-1-01, 162 Residency, KM 12, Jalan Ipoh-Rawang, 68100 Batu Caves Selangor	**Description:** Ground floor corner shop unit **Existing use:** Storage	Leasehold for a period of 99 years expiring on 4 September 2095	**Date of acquisition:** 12 April 2011	15 Years	**Land area:** 181 sq. mt. **Built-up area:** 181 sq. mt.	571
Individual Title: H.S.(M) 18871, PT30828, Mukim Batu, District of Gombak, State of Selangor **Postal address:** No. 37, Jalan PS 3, Taman Industri Prima Selayang, 68100 Batu Caves, Selangor	**Description:** 3 storeys detached factory **Existing use:** Manufacturing, R&D and storage facility	Leasehold for a period of 99 years expiring on 17 February 2093	**Date of acquisition:** 05 August 2002 **Date of revaluation:** 03 November 2005	23 Years	**Land area:** 1,136.80 sq. mt. **Built-up area:** 1,934.22 sq. mt.	2,895
Individual Title: H.S.(D) 64636, PT18118 Seksyen 20 (previously held under master title H.S.(D) 63079, PT17940 Seksyen 20), Bandar Serendah, District of Ulu Selangor, State of Selangor **Postal address:** No 3, Persiaran Aeronautik, Presint 3 Bandar Industri Bernilai Tinggi Serendah, 48200 Serendah, Selangor	**Description:** Vacant land **Existing use:** Currently under construction	Leasehold for a period of 99 years expiring on 6 July 2122	**Date of acquisition:** 22 February 2022	N/A	**Land area:** 23,649.57 sq. mt.	13,428

Notice of Annual General Meeting

OB HOLDINGS BERHAD
202301020810 (1514732-P)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting ("3rd AGM" or "Meeting") of OB HOLDINGS BERHAD ("OB Holdings" or "the Company") will be held at Orenda 2, Level 1, Mercure Selangor Selayang, No. B-G-12, Dataran Emerald, Jalan PS 11, Prima Selayang, 68100 Batu Caves, Selangor on Thursday, 19 November 2026 at 11:00 a.m. or at any adjournment thereof, to transact the following businesses, with or without any modifications:-

AGENDA

AS ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the financial year ended 31 May 2026 together with the Reports of the Directors and Auditors thereon. — ***Please refer to Explanatory Note 1***

2. To approve the payment of Directors' fees and/or benefits of up to RM600,000.00 for the period from the date immediately after the 3rd AGM until the next Annual General Meeting ("AGM") of the Company. — ***Ordinary Resolution 1***

3. To re-elect Ms. Lee Bao Yu who retires by rotation pursuant to Clause 88 of the Company's Constitution. — ***Ordinary Resolution 2***

4. To note the retirement of Dato' Haji Mohd Dusuki Bin Ya'acob as Director of the Company pursuant to Clause 88 of the Company's Constitution. — ***Please refer to Explanatory Note 4***

5. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. — ***Ordinary Resolution 3***

AS SPECIAL BUSINESS:

To consider and if thought fit, pass with or without any modifications, the following resolutions:-

6. **GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("ACT")** — ***Ordinary Resolution 4***

   "THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company ("Shares") to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time ("Mandate") AND the Directors be and also

empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND the Mandate shall continue in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

AND THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank *pari passu* in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares."

7. **PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE")** ***Ordinary Resolution 5***

"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries ("the Group") to enter into any of the recurrent related party transactions with the related parties as set out in Section 2.7 of the Circular to Shareholders dated 30 September 2026 in relation to the Proposed Renewal of Existing Shareholders' Mandate which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:-

i. the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it shall lapse, unless by a resolution passed at the next AGM, the authority is renewed;

ii. the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

iii. revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Existing Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or

agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Existing Shareholders' Mandate in the best interest of the Company."

8. To transact any other business of which due notice shall have been given.

By order of the Board of Directors

TEA SOR HUA (MACS 01324) (SSM PC NO.: 201908001272)
LEE SIEW FUN (MAICSA 7063623) (SSM PC NO.: 202008000735)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
30 September 2026

Notes:

a. A member who is entitled to participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

b. A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend, speak and vote at the Meeting shall have the same rights as the member to participate, speak and vote at the Meeting.

c. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

d. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (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.

e. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

f. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 64(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 12 November 2026. Only members whose names appear in the General Meeting Record of Depositors as at 12 November 2026 shall be entitled to participate, speak and vote at the Meeting.

g. To be valid, the instrument appointing a proxy may be made in a hard copy form or by an electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting:-

(i) In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, to the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic form
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com. Please refer to the procedures as set out in the Administrative Notes for the 3rd AGM for the electronic lodgement of proxy form.

h. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

i. Kindly check Bursa Securities' website and the Company's website at www.orient.com.my for the latest updates on the status of the Meeting.

EXPLANATORY NOTES:-

1. **Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 May 2026**

   The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require the formal approval of the shareholders for the audited financial statements. Hence, this agenda is not put forward for voting.

2. **Item 2 of the Agenda – Directors' Fees and/or Benefits**

   Pursuant to Section 230(1) of the Act, the Directors' fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and benefits for the period from the date immediately after the 3rd AGM until the date of the next AGM of the Company. In the event the proposed amount is insufficient due to more meetings or an enlarged Board of Directors' size, approval will be sought at the next AGM for the shortfall.

3. **Item 3 of the Agenda – Re-election of Directors**

   Clause 88 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

   Following thereto, Ms. Lee Bao Yu ("Ms. Lee") will retire by rotation pursuant to Clause 88 of the Company's Constitution. Ms. Lee, being eligible, has offered herself for re-election at the Meeting.

   The Board has endorsed the Nomination Committee's recommendation to seek shareholders' approval to re-elect Ms. Lee as she possesses the required skill sets to facilitate and contribute to the Board's effectiveness and value.

   Ms. Lee had abstained from all deliberations and decisions on her own eligibility to stand for re-election at the Board meeting.

   The details and profiles of Ms. Lee is provided in the Board of Directors' Profile contained in the Company's Annual Report 2026.

4. **Item 4 of the Agenda – Retirement of Director**

   Dato' Haji Mohd Dusuki Bin Ya'acob has made the decision not to seek re-election at the 3rd AGM. He will retire as Director of the Company at the conclusion of the 3rd AGM, bringing his remarkable tenure to a close. The Board recognises and deeply appreciates Dato' Haji Mohd Dusuki Bin Ya'acob's contributions to the Company throughout his tenure. His dedication and commitment to the Company will be greatly missed, and the Board wishes him all the best in his future endeavors.

5. **Item 5 of the Agenda – Re-appointment of Auditors**

   The Audit and Risk Management Committee ("ARMC") has undertaken an annual assessment of the suitability, effectiveness, and independence of Grant Thornton Malaysia PLT as Auditors. Based on the outcome of the assessment, the ARMC is satisfied that Grant Thornton Malaysia PLT has maintained its independence and has performed its duties effectively. Accordingly, the ARMC recommended to the Board that Grant Thornton Malaysia PLT be re-appointed as the Auditors of the Company.

   The Board has endorsed the ARMC's recommendation and will seek shareholders' approval for the re-appointment of Grant Thornton Malaysia PLT as Auditors for the financial year ending 31 May 2027, and to hold office until the conclusion of the next AGM.

6. **Item 6 of the Agenda – General Authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act**

   The Ordinary Resolution 4 proposed under item 6 of the Agenda is to seek a general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Act ("Mandate"). This Ordinary Resolution, if passed, will empower the Directors to issue and allot new Shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total

number of issued shares of the Company for such purposes and to such persons as the Directors consider would be in the interest of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The purpose of seeking the Mandate is to enable the Directors of the Company to have the flexibility to issue and allot new shares at any time for such purposes and to such persons in their absolute discretion without convening a general meeting for shareholders' approval, thereby saving time and avoiding additional costs. The purpose of this Mandate is for any possible fundraising activities, including but not limited to further placing of shares for the purpose of funding current and/or future project(s), working capital, acquisitions, investments and/or for issuance of shares as a form of settlement of purchase consideration or repayment of borrowings or debt settlement/repayment or such other applications as the Directors may deem fit and expedient in the best interest of the Company.

The Company had at its Second AGM ("2nd AGM") held on 19 November 2025, obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot shares in the Company to such persons, 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 does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time.

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the mandate granted to the Directors at the 2nd AGM which will lapse at the conclusion of the Meeting, and accordingly, no proceeds were raised.

7. **Item 7 of the Agenda – Proposed Renewal of Existing Shareholders' Mandate**

   The Ordinary Resolution 5 proposed under item 7 of the Agenda, if passed, will give the mandate for the Group to enter into recurrent related party transactions of a revenue and/or trading nature pursuant to Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

   Please refer to the Circular to Shareholders dated 30 September 2026 for further details.

Administrative Notes
for Annual General Meeting

OB HOLDINGS BERHAD
202301020810 (1514732-P)
(Incorporated in Malaysia)

ADMINISTRATIVE NOTES FOR THE THIRD ANNUAL GENERAL MEETING OF OB HOLDINGS BERHAD ("THE COMPANY") ("3RD AGM" OR "MEETING")

Day and Date : Thursday, 19 November 2026

Time : 11:00 a.m. or at any adjournment thereof

Venue : Orenda 2, Level 1, Mercure Selangor Selayang, No. B-G-12, Dataran Emerald, Jalan PS 11, Prima Selayang, 68100 Batu Caves, Selangor

REGISTRATION ON THE DAY OF THE 3rd AGM

- Registration will commence at 10.00 a.m. on Thursday, 19 November 2026 and will remain open until the conclusion of the 3rd AGM or such time as may be determined by the Chairman of the meeting.

- Please present your original MyKAD or Passport (for non-Malaysians) to the registration staff for verification purposes. Please ensure your original MyKAD or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

- Upon verification, shareholders (or "members") or proxies are required to write their names and sign on the Attendance List placed on the registration table. Shareholders or proxies will also be given the wristband for voting purposes.

ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only a member whose name appears on the Company's Record of Depositors as at **12 November 2026** shall be entitled to attend, participate, speak and vote (collectively "participate") at the 3rd AGM or appoint proxy(ies) to participate on his/her/its behalf.

The appointment of proxy(ies) may be made in hard copy form or by electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 3rd AGM or adjourned general meeting at which the person named in the appointment proposes to vote, otherwise the Proxy Form shall not be treated as valid:-

a. In hard copy form
By hand or post to the Share Registrar of our Company, Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn. Bhd.) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, to the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

b. By electronic form
The procedures to submit your proxy form electronically via Vistra Share Registry and IPO (MY) portal ("Vistra SRMY Portal") are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User at Vistra SRMY Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *If you are an existing user with Vistra SRMY Portal or our TIIH Online portal previously, you are not required to register again.*
Proceed with submission of proxy form	1. After the release of the Notice of Meeting by the Company, login with your email address and password. 2. Select the corporate event: **"OB HOLDINGS BERHAD 3RD AGM".** 3. Navigate to the 3 dots at the end of the corporate event and choose **"SUBMISSION OF PROXY FORM".** 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. 8. Print the proxy form for your record.
ii. Steps for Corporation or Institutional Shareholders	
Register as a User at Vistra SRMY Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Vistra if you need clarification on the user registration.*

Proceed with submission of proxy form	1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: "**OB HOLDINGS BERHAD 3RD AGM**". 3. Navigate to the icon ">" at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder's name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select "**Confirm**" to complete your submission. 10. Print the confirmation report of your submission for your record.

NO RECORDING OR PHOTOGRAPHY

By participating at the 3rd AGM, you agree that no part of the 3rd AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the right to take appropriate legal actions against anyone who violates this rule.

ENQUIRY

If you have any enquiries on the above, please contact the Share Registrar during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

VISTRA INVESTOR & ISSUING HOUSE SERVICES SDN BHD (FORMERLY KNOWN AS TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.)		
Telephone Number	General Line	603-2783 9299
Email	is.enquiry@vistra.com	
Contact Person	Zulhafri Abdul Rahman	603-2783 9289 Zulhafri@vistra.com
	Zaqwan Syahmi Sarman	603-2783 9283 Zaqwan.Syahmi@vistra.com

Proxy Form

OB HOLDINGS BERHAD
202301020810 (1514732-P)
(Incorporated in Malaysia)

PROXY FORM
(Before completing this form please refer to the notes below)

No. of shares held	:	
CDS Account No.	:	

I/We * _____ NRIC/Passport/Registration No.* _____
(Full name in block)
of _____
(Address)
with email address _____ mobile phone no. _____

being a member/members* of **OB HOLDINGS BERHAD** ("the Company") hereby appoint(s):-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

and/or* (delete as appropriate)

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Third Annual General Meeting ("3rd AGM") of the Company to be held at Orenda 2, Level 1, Mercure Selangor Selayang, No. B-G-12, Dataran Emerald, Jalan PS 11, Prima Selayang, 68100 Batu Caves, Selangor on Thursday, 19 November 2026 at 11:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her* discretion.

No.	**Ordinary Resolutions**	**For**	**Against**
1.	To approve the payment of Directors' fees and/or benefits of up to RM600,000.00 for the period from the date immediately after the 3rd AGM until the next Annual General Meeting ("AGM") of the Company.		
2.	To re-elect Ms. Lee Bao Yu as a Director of the Company.		
3.	To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company.		
4.	To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
5.	To approve the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature.		

**delete whichever is not applicable*

Dated this _____ day of _____ 2026

_____
Signature of Member(s) / Common Seal

Notes:

a. A member who is entitled to participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

b. A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend, speak and vote at the Meeting shall have the same rights as the member to participate, speak and vote at the Meeting.

c. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

d. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (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.

e. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

f. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 64(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 12 November 2026. Only members whose names appear in the General Meeting Record of Depositors as at 12 November 2026 shall be entitled to participate, speak and vote at the Meeting.

g. To be valid, the instrument appointing a proxy may be made in a hard copy form or by an electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting:-

(i) <u>In hard copy form</u>
In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Vistra Investor & Issuing House Services Sdn. Bhd. (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, to the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) <u>By electronic form</u>
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com. Please refer to the procedures as set out in the Administrative Notes for the 3rd AGM for the electronic lodgement of proxy form.

h. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

i. Kindly check Bursa Securities' website and the Company's website at www.orient.com.my for the latest updates on the status of the Meeting.

Fold this flap for sealing

Then fold here

AFFIX STAMP HERE

The Share Registrar
OB HOLDINGS BERHAD
[Registration No. 202301020810 (1514732-P)]

c/o Vistra Investor & Issuing House Services Sdn Bhd
(Formerly known as Tricor Investor & Issuing House Services Sdn Bhd)
[Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32,
Tower A Vertical Business Suite Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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