

LEONG HUP INTERNATIONAL BERHAD

(Company No. 201401022577) (1098663 – D)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended		Year-to-date ended	
		31/3/2026	31/3/2025	31/3/2026	31/3/2025
		RM'000	RM'000	RM'000	RM'000
Revenue		2,264,457	2,210,905	2,264,457	2,210,905
Other income		12,622	45,270	12,622	45,270
Operating expenses		(2,071,113)	(2,071,538)	(2,071,113)	(2,071,538)
Profit from operations		205,966	184,637	205,966	184,637
Share of profits of associates		95	116	95	116
Finance costs		(23,553)	(26,357)	(23,553)	(26,357)
Profit before tax	B5	182,508	158,396	182,508	158,396
Tax expense	B6	(40,900)	(17,714)	(40,900)	(17,714)
Net profit for the financial period		141,608	140,682	141,608	140,682
Other comprehensive loss:					
Item that will be subsequently reclassified to profit or loss:					
Currency translation differences		(25,928)	(35,845)	(25,928)	(35,845)
Other comprehensive loss for the financial period		(25,928)	(35,845)	(25,928)	(35,845)
Total comprehensive income for the financial period		115,680	104,837	115,680	104,837

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended		Year-to-date ended	
		31/3/2026	31/3/2025	31/3/2026	31/3/2025
		RM'000	RM'000	RM'000	RM'000
Profit for the period attributable to:					
Owners of the Company		115,033	101,801	115,033	101,801
Non-controlling Interests		26,575	38,881	26,575	38,881
		<u>141,608</u>	<u>140,682</u>	<u>141,608</u>	<u>140,682</u>
Total comprehensive income attributable to:					
Owners of the Company		83,265	67,772	83,265	67,772
Non-controlling Interests		32,415	37,065	32,415	37,065
		<u>115,680</u>	<u>104,837</u>	<u>115,680</u>	<u>104,837</u>
Earnings per share (sen)					
Basic	B12	3.36	2.81	3.36	2.81
Diluted	B12	3.36	2.81	3.36	2.81

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited As at 31/3/2026 RM'000	Audited As at 31/12/2025 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		2,802,684	2,752,245
Investment properties		36,583	36,620
Right-of-use assets		359,244	362,903
Intangible assets		89,090	89,387
Investment in associates		2,505	2,646
Financial assets at fair value through other comprehensive income		7	7
Financial assets at fair value through profit or loss		7,254	6,520
Other receivables, deposits and prepaid expenses		24,894	18,095
Amount due from an associate		24,975	25,734
Deferred tax assets		50,886	53,249
Total non-current assets		3,398,122	3,347,406
CURRENT ASSETS			
Biological assets		631,250	624,307
Inventories		804,012	735,983
Trade receivables		591,575	591,321
Other receivables, deposits and prepaid expenses		262,005	219,305
Derivative financial assets	B9	195	-
Tax recoverable		7,959	9,135
Cash and bank balances		964,467	1,011,623
Total current assets		3,261,463	3,191,674
TOTAL ASSETS		6,659,585	6,539,080
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,503,639	1,502,692
Treasury share		(163,397)	(132,607)
Merger reserve		(662,966)	(662,966)
Reserves		1,951,939	1,902,649
Equity attributable to owners of the Company		2,629,215	2,609,768
Non-controlling interests		974,638	955,074
Total equity		3,603,853	3,564,842

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		Unaudited As at 31/3/2026 RM'000	Audited As at 31/12/2025 RM'000
LIABILITIES			
NON CURRENT LIABILITIES			
Deferred tax liabilities		154,710	160,116
Lease liabilities		131,806	133,830
Bank borrowings	B8	616,788	655,499
Post-employment benefits obligation		38,688	39,351
Deferred Income - government grants		246	330
Provision for asset retirement obligation		5,418	5,322
Total non-current liabilities		947,656	994,448
CURRENT LIABILITIES			
Trade payables		368,095	305,002
Other payables and accrued expenses		343,578	373,201
Lease liabilities		29,769	31,262
Bank borrowings	B8	1,315,225	1,227,790
Derivative financial liabilities	B9	579	833
Deferred Income - government grants		328	330
Tax payable		50,502	41,372
Total current liabilities		2,108,076	1,979,790
TOTAL LIABILITIES		3,055,732	2,974,238
TOTAL EQUITY AND LIABILITIES		6,659,585	6,539,080
Net assets per share attributable to ordinary equity holders (RM)		0.7712	0.7570

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Treasury share RM'000	Merger reserve RM'000	Share application money RM'000	Foreign currency translation reserve RM'000	ESOS reserve RM'000	Retained earnings RM'000	Total attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2026	1,502,692	(132,607)	(662,966)	130	(267,433)	5,020	2,164,932	2,609,768	955,074	3,564,842
Comprehensive income:										
- Net profit for the financial period	-	-	-	-	-	-	115,033	115,033	26,575	141,608
Other comprehensive loss:										
- Exchange translation differences	-	-	-	-	(31,763)	(5)	-	(31,768)	5,840	(25,928)
Total other comprehensive loss	-	-	-	-	(31,763)	(5)	-	(31,768)	5,840	(25,928)
Total comprehensive Income	-	-	-	-	(31,763)	(5)	115,033	83,265	32,415	115,680
Transactions with owners:										
- Issuance of shares pursuant to ESOS	947	-	-	1	-	-	-	948	-	948
- Purchase of treasury shares	-	(30,790)	-	-	-	-	-	(30,790)	-	(30,790)
- Changes in equity interest in subsidiaries	-	-	-	-	-	-	-	-	(6,832)	(6,832)
- Dividends paid	-	-	-	-	-	-	(34,366)	(34,366)	(6,019)	(40,385)
- Share options lapsed	-	-	-	-	-	(341)	341	-	-	-
- Share options expense	-	-	-	-	-	390	-	390	-	390
	947	(30,790)	-	1	-	49	(34,025)	(63,818)	(12,851)	(76,669)
At 31 March 2026	1,503,639	(163,397)	(662,966)	131	(299,196)	5,064	2,245,940	2,629,215	974,638	3,603,853

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Share capital RM'000	Treasury share RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	ESOS reserve RM'000	Retained earnings RM'000	Total attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2025	1,500,714	(11,547)	(662,966)	(79,464)	3,277	1,698,602	2,448,616	878,820	3,327,436
Comprehensive income:									
- Net profit for the financial period	-	-	-	-	-	101,801	101,801	38,881	140,682
Other comprehensive loss:									
- Exchange translation differences	-	-	-	(34,024)	(5)	-	(34,029)	(1,816)	(35,845)
Total other comprehensive loss	-	-	-	(34,024)	(5)	-	(34,029)	(1,816)	(35,845)
Total comprehensive income	-	-	-	(34,024)	(5)	101,801	67,772	37,065	104,837
Transactions with owners:									
- Purchase of treasury shares	-	(12,862)	-	-	-	-	(12,862)	-	(12,862)
- Changes in equity interest in subsidiaries	-	-	-	-	-	-	-	(1,824)	(1,824)
- Dividends paid	-	-	-	-	-	-	-	(13,405)	(13,405)
- Share options lapsed	-	-	-	-	(17)	17	-	-	-
- Share options expense	-	-	-	-	892	-	892	-	892
	-	(12,862)	-	-	875	17	(11,970)	(15,229)	(27,199)
At 31 March 2025	1,500,714	(24,409)	(662,966)	(113,488)	4,147	1,800,420	2,504,418	900,656	3,405,074

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CUMULATIVE QUARTER	
	Year-to-date ended	
	31/3/2026	31/3/2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	182,508	158,396
Adjustments for: non-cash items	92,418	100,903
	274,926	259,299
Changes in working capital:		
Biological assets	(11,501)	(32,032)
Inventories	(33,976)	127,727
Receivables	(45,605)	(29,221)
Payables	(36,971)	(73,012)
Cash generated from operations	146,873	252,761
Tax paid	(37,639)	(9,753)
Tax refund	3,093	458
Net cash flow from operating activities	112,327	243,466
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	273	919
Interest income received	7,746	5,380
Dividend received from associates	227	-
Addition of property, plant and equipment	(135,609)	(69,309)
Addition of investment properties	-	(947)
Addition of right-of-use assets	(4,032)	(235)
Additional investment in associates company	-	(25)
Purchase of financial assets at fair value through profit or loss	(1,249)	-
Withdrawal/(Placement) of fixed deposit pledged	8,305	(4,991)
Placement of fixed deposit with more than 3 months maturity	(21,012)	(7,035)
Net cash flow from investing activities	(145,351)	(76,243)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	CUMULATIVE QUARTER	
	Year-to-date ended	
	31/3/2026	31/3/2025
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance costs paid	(24,371)	(25,992)
Proceeds from term loans	43,387	-
Repayments of term loans	(28,791)	(46,819)
Repayments of sukuk	(30,000)	(30,000)
Net drawdown/(repayments) of short term borrowings	83,450	(29,308)
Drawdown of hire purchase liabilities	3,556	-
Repayments of hire purchase liabilities	(2,047)	(1,284)
Repayments of lease liabilities	(8,652)	(10,871)
Issuance of shares pursuant to ESOS	817	-
Share application money received	131	-
Purchase of treasury shares	(30,790)	(12,862)
Dividends paid to owners of the Company	(34,366)	-
Dividends paid to non-controlling interest of subsidiaries	(6,019)	(13,405)
Net cash flow from financing activities	(33,695)	(170,541)
Net changes in cash and cash equivalents	(66,719)	(3,318)
Effect of exchange translation differences	11,448	(16,235)
Cash and cash equivalents at beginning of the financial period	827,020	678,685
Cash and cash equivalents at end of the financial period	771,749	659,132
Cash and cash equivalents comprise the following:		
Cash and bank balances	964,467	739,531
Bank overdrafts	(750)	(2,620)
	963,717	736,911
Less:		
Fixed deposits pledged as collateral	(24,849)	(18,650)
Fixed deposits of more than 3 months maturity period	(167,119)	(59,129)
	771,749	659,132

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2026

A. SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 - INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report of Leong Hup International Berhad (“LHI” or the “Company”) and its subsidiaries (collectively, the “Group”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by International Accounting Standards Board (“IASB”), paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial report should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2025. These explanatory notes, attached to the condensed consolidated interim financial report, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2025.

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited consolidated financial statements of the Group for the financial year ended 31 December 2025, except for the adoption of the following new standards, amendments to standards and interpretations during the current financial year:

- Amendments to MFRS 7 and MFRS 9 – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 7 and MFRS 9 – Contracts Referencing Nature-dependent Electricity
- Annual Improvements to MFRS Accounting Standards

The adoption of the above standards and amendments does not have any material financial impact on the financial statements of the Group.

Standards and Amendments in issue but not yet effective

At the date of authorisation for issue of this interim financial report, the new and revised Standards and Amendments, which were in issue but not yet effective and not early adopted by the Group are as follows:

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards and Amendments in issue but not yet effective (Continued)

Standards	Effective for annual period beginning on or after
MFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments is not expected to have any material impact on the financial statements of the Group in the period of initial application.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors have expressed an unqualified opinion on the audited Group's statutory financial statements for the financial year ended 31 December 2025 in their report dated 21 April 2026.

A4. SEASONAL AND CYCLICAL FACTORS

The Group's Feedmill business is not subject to seasonal factors, whilst the Group's Livestock business is subject to certain seasonal factors, such as weather, festive seasons and school holidays.

- *Weather* : whilst poultry grown in closed-houses are not affected by variations in the weather, poultry grown in open-houses are. When weather is hotter, poultry tends to grow at a slower rate, thus reducing the supply to the market and increasing prices.
- *Festive seasons* : typically, poultry consumption is higher during the festive seasons such as Ramadan and Christmas, while poultry consumption is the lowest during the period immediately following the month of Ramadan and Hari Raya.
- *School holidays* : during school holidays we typically see an increase in sales in each of the jurisdictions where the Group operates, other than Singapore, where sales are slightly lower.

A5. UNUSUAL ITEMS

There was no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the financial year under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have had material effect on the results of the financial year under review.

A7. DEBT AND EQUITY SECURITIES

During the financial period ended 31 March 2026, the Company issued 1,566,500 new ordinary shares at a total value of RM0.9 million from exercise of options under the Company's Employee Share Option Scheme ("Options").

During the financial period ended 31 March 2026, the Company repurchased 39,606,400 ordinary shares from the open market for a total consideration of RM30.8 million at an average price of RM0.78 (including 1,160,900 shares repurchased as at 31 March 2026 and registered under the Company's Central Depository System account after the financial period ended 31 March 2026).

As at 31 March 2026, of the total 3,656,537,600 issued and fully paid ordinary shares, 247,128,400 ordinary shares were held as treasury shares by the Company (including 1,160,900 shares repurchased as at 31 March 2026 and registered under the Company's Central Depository System account after the financial period ended 31 March 2026).

Other than the abovementioned and a total of 217,000 Options which had been exercised as at 31 March 2026 (shares were listed on 7 April 2026), there was no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the financial period under review.

A8. DIVIDENDS PAID

The Board of Directors declared on 8 January 2026 a second interim single- tier dividend of 1.00 sen per ordinary share for the financial year ended 31 December 2025. The total amount of RM34.4 million was paid on 30 January 2026.

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 NOTES TO THE INTERIM FINANCIAL REPORT
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A9. SEGMENTAL INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to the Management Team as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided, as well as geographical segment.

Products and services

	Livestock and poultry related products RM'000	Feedmill RM'000	Inter segment elimination RM'000	Group RM'000
Quarter ended 31 March 2026				
Revenue from sales of goods:				
- external customers	1,371,615	889,501	-	2,261,116
- inter-segment	-	146,868	(146,868)	-
Revenue from sales of goods	1,371,615	1,036,369	(146,868)	2,261,116
Revenue from other sources				3,341
Total revenue				<u>2,264,457</u>
EBITDA (*)	154,382	128,110	(81)	282,411
Depreciation and amortisation	(60,710)	(15,764)	29	(76,445)
	93,672	112,346	(52)	205,966
Share of profit of associates				95
Finance costs				(23,553)
Profit before taxation				<u>182,508</u>
Tax expense				(40,900)
Profit for the financial quarter				<u>141,608</u>

(*) - Earnings Before Interest, Tax Depreciation and Amortisation

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A9. SEGMENTAL INFORMATION (CONTINUED)

Products and services (Continued)

	Livestock and poultry related products RM'000	Feedmill RM'000	Inter segment elimination RM'000	Group RM'000
Quarter ended 31 March 2025				
Revenue from sales of goods:				
- external customers	1,324,735	882,710	-	2,207,445
- inter-segment	-	259,596	(259,596)	-
Revenue from sales of goods	1,324,735	1,142,306	(259,596)	2,207,445
Revenue from other sources				3,460
Total revenue				2,210,905
EBITDA	113,606	148,201	(746)	261,061
Depreciation and amortisation	(58,223)	(17,114)	(1,087)	(76,424)
	55,383	131,087	(1,833)	184,637
Share of profit of associates				116
Finance costs				(26,357)
Profit before taxation				158,396
Tax expense				(17,714)
Profit for the financial period				140,682

Geographical segment

	Revenue		EBITDA	
	Quarter ended 31/3/2026 RM'000	Quarter ended 31/3/2025 RM'000	Quarter ended 31/3/2026 RM'000	Quarter ended 31/3/2025 RM'000
Malaysia	610,372	561,719	144,450	124,115
Singapore	205,967	205,452	13,995	12,374
Vietnam	377,486	401,378	51,658	47,601
Indonesia	871,097	856,691	48,928	45,089
The Philippines	196,194	182,205	23,380	31,882
	2,261,116	2,207,445	282,411	261,061

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 NOTES TO THE INTERIM FINANCIAL REPORT
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A9. SEGMENTAL INFORMATION (CONTINUED)

Geographical segment (Continued)

	Total non-current assets		Total borrowing	
	as at		as at	
	31/3/2026	31/12/2025	31/3/2026	31/12/2025
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,851,681	1,808,625	834,256	833,879
Singapore	269,606	276,215	195,072	196,572
Vietnam	357,110	365,683	360,201	325,631
Indonesia	535,147	521,083	418,836	424,148
The Philippines	276,562	277,471	123,648	103,059
	<u>3,290,106</u>	<u>3,249,077</u>	<u>1,932,013</u>	<u>1,883,289</u>

Non-current assets are determined according to the country where the head office is located. The amounts of non-current assets do not include financial instruments, deferred tax and tax recoverable.

A10. PROPERTY, PLANT AND EQUIPMENT

(i) Acquisition and disposal

During the financial period ended 31 March 2026, the Group acquired property, plant and equipment amounting to RM135.8 million (period ended 31 March 2025: RM72.6 million) and disposed property, plant and equipment amounting to RM0.1 million (period ended 31 March 2025: RM0.5 million).

(ii) Revaluation

There was no revaluation of property, plant and equipment for the year ended 31 March 2026 (period ended 31 March 2025: RM Nil).

A11. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The announcements dated 5 August 2022, 9 August 2022, 5 September 2022, 14 October 2022, 19 December 2022, 31 January 2023, 22 December 2023, 9 January 2024, 6 December 2024, 20 December 2024, 6 January 2025 and 8 April 2025, 2 October 2025, 11 February 2026 and 24 February 2026, 6 March 2026 refer.

On 22 December 2023, Leong Hup Feedmill Malaysia Sdn. Bhd. (“LFM”), an indirect wholly-owned subsidiary of the Company had received a Notice of Finding of An Infringement under Section 40 of the Competition Act 2010 dated 11 December 2023, together with the Decision of Infringement of Section 4(1) read with Sections 4(2)(a) and 4(3) of the Competition Act 2010 (“Decision”) dated 11 December 2023 from Malaysia Competition Commission (“MyCC”).

A11. CONTINGENT ASSETS AND CONTINGENT LIABILITIES (CONTINUED)

In the Decision, MyCC maintains its proposed decision of 5 August 2022, that LFM had engaged in price-fixing infringement under Section 40 of the Competition Act 2010 with an imposition of financial penalty of RM157,470,027 on LFM.

The Company and LFM strongly believe that the allegation of the aforesaid infringement is without merit. In consultation with its external legal counsels, LFM had on 9 January 2024 appealed the Decision via the filing of the Notice of Appeal with the Competition Appeal Tribunal (“CAT”) (“LFM’s Appeal to CAT”) and applied for a stay of the Decision pending the disposal of LFM’s Appeal to the CAT (“LFM’s Stay to CAT”). The hearing of LFM’s Stay to CAT was concluded on 12 June 2024.

The CAT had on 6 December 2024 dismissed LFM’s Stay to CAT (“CAT Decision on Stay”). LFM then filed an application on 16 December 2024 for leave at the High Court to institute judicial review proceeding against the CAT Decision on Stay (“LFM’s Judicial Review on Stay”). In LFM’s Judicial Review on Stay, LFM also sought an interim stay order to stay all actions, proceedings, execution and enforcement of the MyCC’s Decision pending disposal of LFM’s Judicial Review on Stay (“LFM’s Interim Stay Application”).

On 19 December 2024, LFM received an unsealed originating summons and an affidavit in support from MyCC’s solicitors to enforce MyCC’s Decision under Section 42 of the Act (“MyCC’s Enforcement Application”).

On 2 January 2025, the High Court of Kuala Lumpur granted LFM leave to institute LFM’s Judicial Review on Stay. On the same day, the High Court also granted an ad interim stay order in relation to the MyCC’s Decision, pending disposal of LFM’s Interim Stay Application.

On 8 April 2025, the High Court of Kuala Lumpur heard and granted LFM’s Interim Stay application and ordered a stay on all actions, proceedings, execution, and enforcement of MyCC’s Decision, pending disposal of LFM’s judicial review application, with costs in cause.

Meanwhile, the hearing of LFM’s Appeal to CAT was conducted on 18 February 2025 and 18 April 2025.

The hearing of LFM’s Judicial Review on Stay at the High Court of Kuala Lumpur was concluded on 23 July 2025. On 2 October 2025, the Judge at High Court of Kuala Lumpur allowed LFM’s Judicial Review on Stay, with costs awarded to LFM. Accordingly, the Judge at the High Court of Kuala Lumpur ordered that the CAT Decision on Stay be quashed, and granted a stay of MyCC’s Decision, including the imposition and payment of the financial penalty and all consequential actions, proceedings, execution and enforcement, pending the full and final disposal of LFM’s Appeal to CAT.

Separately, the High Court had on 7 November 2025 struck out MyCC’s Enforcement Application with liberty to file afresh after the CAT makes its decision on LFM’s Appeal to CAT and ordered each party to bear its own costs.

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A11. CONTINGENT ASSETS AND CONTINGENT LIABILITIES (CONTINUED)

On 11 February 2026, the CAT dismissed the LFM's Appeal to CAT with no order as to cost. In the oral grounds delivered, the CAT stated that it affirmed the findings and decisions in the MyCC's Decision ("CAT's Decision").

Subsequent to that, LFM had on 23 February 2026 received (a) an originating summons dated 13 February 2026; and (b) an affidavit in support from MyCC's solicitors for, inter alia, leave from the High Court for the CAT's Decision to be registered and enforced against LFM as a judgment of the High Court pursuant to Section 59 of the Competition Act 2010.

On the same day, 23 February 2026, LFM filed an application for leave to commence judicial review against the CAT's Decision ("LFM's Judicial Review of CAT's Decision"). In the LFM's Judicial Review of CAT's Decision, LFM also applied for a stay of the CAT's Decision and MyCC's Decision, including all enforcement, execution, recovery or consequential proceedings, pending the full and final disposal of LFM's Judicial Review of CAT's Decision.

On 5 March 2026, the High Court at Kuala Lumpur granted LFM leave to commence LFM's Judicial Review of CAT's Decision. The High Court also granted an ad interim stay order in relation to the CAT's Decision and MyCC's Decision, until the determination of LFM's Application for Interim Stay (as defined hereinafter). LFM's application for interim stay seeks to stay the CAT's Decision and MyCC's Decision, including all enforcement, execution, recovery or consequential proceedings arising from or pursuant to the said decisions, pending the full and final disposal of LFM's Judicial Review of CAT's Decision ("LFM's Application for Interim Stay").

During the case management on 9 April 2026, the High Court at Kuala Lumpur had fixed the hearing for LFM's Application for Interim Stay on 10 August 2026. The next case management for LFM's Judicial Review of CAT's Decision has been fixed on 18 June 2026.

A12. CAPITAL COMMITMENTS

Capital expenditure not provided for in the financial statements are as follows:

	As at 31/3/2026 RM'000
Acquisition of property, plant and equipment:	
- approved and contracted for	102,818

A13. CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in the composition of the Group in the current financial quarter.

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A14. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

There were no material events subsequent to the end of the current financial quarter and up to the date of this report.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions described below were carried out on terms and conditions negotiated amongst the parties. The significant related party transactions are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/3/2026	Quarter ended 31/3/2025	Year-to-date ended 31/3/2026	Year-to-date ended 31/3/2025
	RM'000	RM'000	RM'000	RM'000
Associated companies:				
Interest income	392	452	392	452
Companies controlled by Lau family*:				
Sales of goods	132,873	132,346	132,873	132,346
Management fee received/receivable	-	23	-	23
Rental received/receivables	1,492	146	1,492	146
Interest receivables	-	5	-	5
Purchases of goods	(120,758)	(139,489)	(120,758)	(139,489)
Transportation charges paid/payable	(4,737)	(3,782)	(4,737)	(3,782)
Purchases of sundries paid/payable	(3,341)	(2,549)	(3,341)	(2,549)
Rental paid/payables	(791)	(786)	(791)	(786)
Purchase of property, plant and equipment	(28)	(16)	(28)	(16)
Royalty fee paid/payable	(1,766)	(1,862)	(1,766)	(1,862)
Companies controlled by Nam family^:				
Transportation charges paid/payable	(3,073)	(2,526)	(3,073)	(2,526)

* Lau family refers to family members who, collectively control Emerging Glory Sdn Bhd, the ultimate holding company, and the Company. The following Lau family members are Directors of the Company: Lau Chia Nguang, Tan Sri Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Joo Han and Lau Joo Keat collectively.

^ Nam family refers to family members who have significant financial interest in an indirect subsidiary of LHI, Teo Seng Capital Berhad, a company listed on Main Market of Bursa Securities. Nam Hiok Joo from the Nam family is a Director of Teo Seng Capital Berhad.

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B. ADDITIONAL INFORMATION AS REQUIRED BY BURSA SECURITIES MAIN LISTING REQUIREMENTS (APPENDIX 9B)

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Quarter ended		Changes %	Year-to-date ended		Changes %
	31/3/2026 RM'000	31/3/2025 RM'000		31/3/2026 RM'000	31/3/2025 RM'000	
Revenue:						
Livestock and poultry related products						
	1,371,615	1,324,735	3.5%	1,371,615	1,324,735	3.5%
Feedmill	889,501	882,710	0.8%	889,501	882,710	0.8%
Others	3,341	3,460	(3.4%)	3,341	3,460	(3.4%)
	<u>2,264,457</u>	<u>2,210,905</u>	2.4%	<u>2,264,457</u>	<u>2,210,905</u>	2.4%
EBITDA:						
Livestock and poultry related products						
	154,382	113,606	35.9%	154,382	113,606	35.9%
Feedmill	128,110	148,201	(13.6%)	128,110	148,201	(13.6%)
Others	(81)	(746)	89.1%	(81)	(746)	89.1%
	<u>282,411</u>	<u>261,061</u>	8.2%	<u>282,411</u>	<u>261,061</u>	8.2%

Livestock and poultry related products

The Group's revenue from sales of livestock and poultry related products increased by 3.5% from RM1,324.7 million in the financial quarter ended ("FQE") 31 March 2025 to RM1,371.6 million in the FQE 31 March 2026.

Revenue growth was driven primarily by Malaysia and Indonesia. In Malaysia, the increase was due to higher selling prices and sales volume of broiler day-old-chicks ("DOCs") and eggs. In Indonesia, both selling prices and sales volumes rose for broiler DOCs and broiler chickens. Singapore's revenue saw a modest improvement, largely due to higher selling prices and sales volume of fresh chicken. Conversely, revenue in Vietnam declined, mainly due to adverse currency translation effects.

Despite a marginal 3.5% increase in revenue, EBITDA surged by 35.9%, supported by improved margins across key markets.

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B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER (CONTINUED)

Feedmill

The Group's external revenue from Feedmill marginally increased by 0.8% from RM882.7 million in the FQE 31 March 2025 to RM889.5 million in the FQE 31 March 2026.

The increase was mainly driven by higher selling prices and sales volume in the Philippines. Revenue was higher in the Philippines, despite adverse currency translation effects. Indonesia and Vietnam reported lower revenue, despite achieving higher selling prices and sales volume in both countries, mostly due to adverse currency translation effects. Malaysia reported marginal growth in revenue, where higher sales volume was partially offset by lower selling prices. In local currency terms, however, all of these markets registered growth in revenue.

In line with the lower revenue (internal and external sales combined), EBITDA declined by 13.6% compared to the corresponding quarter last year.

B2. COMPARATIVE WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	INDIVIDUAL QUARTER		
	Quarter ended		Changes %
	31/3/2026 RM'000	31/12/2025 RM'000	
Revenue	2,264,457	2,275,083	(0.5%)
Profit from operations	205,966	328,965	(37.4%)
Profit before tax	182,508	303,292	(39.8%)

The Group recorded a marginally lower revenue of RM2,264.5 million, 0.5% decline compared to the preceding quarter.

The decline in revenue was primarily due to lower selling prices for broiler chickens and eggs in Vietnam, as well as lower selling prices and sales volume for eggs in Malaysia. In Indonesia, revenue increased, driven mainly by higher selling prices and sales volume of broiler DOCs and livestock feed. Revenue in the Philippines decreased, mainly from lower sales volume of feed, while revenue growth in Singapore was supported by higher selling prices and sales volume of fresh chicken.

Profit before tax declined by 39.8% despite the marginal decline in revenue, mainly due to lower margins and timing of operating expenditures.

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B3. PROSPECTS

Looking ahead, the global economy is expected to remain affected by external headwinds arising from evolving trade policies in the United States and ongoing geopolitical tensions in the Middle East. Volatility in energy prices and disruptions to global supply chains are likely to keep input cost pressures elevated, thereby weighing on overall growth prospects.

Nevertheless, economies within the ASEAN region are expected to remain resilient, supported by steady domestic demand, improving regional trade flows, and supportive government policies.

Amid these uncertainties, the Group remains cautiously optimistic, as opportunities for growth in per capita chicken and egg consumption continue to be significant across the markets in which the Group operates.

The Group recognises the downside risks associated with prolonged geopolitical tensions and will continue to focus on prudent cost and disciplined cash flow management in navigating these challenges.

Barring any unforeseen circumstances, the Group expects to deliver a satisfactory performance in 2026.

B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

B5. PROFIT BEFORE TAX

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Year-to-date ended	
	31/3/2026	31/3/2025	31/3/2026	31/3/2025
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at				
after charging/(crediting):				
Amortisation of right-of-use assets	10,363	10,944	10,363	10,944
Bad debt recovered	(54)	(67)	(54)	(67)
Depreciation of :				
-investment properties	12	20	12	20
-property, plant and equipment	66,070	65,460	66,070	65,460
Expense recognised in respect				
of defined benefit plan	1,761	1,918	1,761	1,918
Employee benefit costs including				
Directors' remuneration	229,182	223,752	229,182	223,752
Farmer incentives and contract grower	28,318	25,186	28,318	25,186

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B5. PROFIT BEFORE TAX (CONTINUED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Year-to-date ended	
	31/3/2026	31/3/2025	31/3/2026	31/3/2025
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at				
after charging/(crediting):				
Fair value gains on:				
- derivative financial instruments	(419)	(159)	(419)	(159)
- FVTPL	515	-	515	-
Losses/(Gains) on foreign exchange	12	(3,121)	12	(3,121)
Gains on disposal of				
property, plant and equipment	(214)	(373)	(214)	(373)
Gain on termination of leases	(118)	-	(118)	-
Government grant	(553)	(760)	(553)	(760)
Government subsidies	-	(29,630)	-	(29,630)
Impairment losses/(Reversal of impairment):				
-trade receivables	354	(365)	354	(365)
-other receivables	(14)	3	(14)	3
-inventories	1,470	223	1,470	223
Interest expense	23,553	26,357	23,553	26,357
Interest income	(7,746)	(5,380)	(7,746)	(5,380)
Packing materials	5,102	4,441	5,102	4,441
Property, plant and equipment written off	271	1,089	271	1,089
Promotional and marketing expenses	2,656	3,780	2,656	3,780
Rental expense	526	1,506	526	1,506
Rental income	(700)	(746)	(700)	(746)
Repair and maintenance	24,180	27,071	24,180	27,071
Travelling expenses	3,222	2,137	3,222	2,137
Transportation costs	52,437	51,454	52,437	51,454
Utilities costs	54,593	56,344	54,593	56,344

Note: Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements are not applicable.

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B6. TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/3/2026	31/3/2025	31/3/2026	31/3/2025
	RM'000	RM'000	RM'000	RM'000
Current tax recognised in profit or loss:				
- Malaysian income tax	30,292	17,064	30,292	17,064
- Foreign tax	17,819	13,700	17,819	13,700
- (Over)/underprovision in prior years	(2,997)	88	(2,997)	88
	45,114	30,852	45,114	30,852
Deferred taxation recognised in profit or loss:				
- Origination and reversal of temporary differences	(1,435)	(8,517)	(1,435)	(8,517)
- Overprovision in prior years	(2,789)	(4,738)	(2,789)	(4,738)
	40,890	17,597	40,890	17,597
Real Property Gain Tax	-	117	-	117
Withholding tax	10	-	10	-
Tax expense	40,900	17,714	40,900	17,714

B7. STATUS OF CORPORATE PROPOSAL

There was no corporate proposal as at the date of this report.

B8. BORROWINGS

	As at	As at
	31/3/2026	31/12/2025
	RM'000	RM'000
Current		
<u>Secured:</u>		
Bank overdrafts	750	5,282
Revolving credits	304,640	292,800
Hire purchase liabilities	7,983	6,967
Term loans	102,294	98,032
	415,667	403,081

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B8. BORROWINGS (CONTINUED)

	As at 31/3/2026 RM'000	As at 31/12/2025 RM'000
Current		
<u>Unsecured:</u>		
Revolving credits	218,871	205,183
Trade Financing	583,122	533,520
Term loans	24,565	23,006
Sukuk Mudharabah	73,000	63,000
	899,558	824,709
Total Current	1,315,225	1,227,790
Non current		
<u>Secured:</u>		
Hire purchase liabilities	8,987	8,383
Term loans	269,624	282,719
<u>Unsecured:</u>		
Term loans	87,264	73,188
Sukuk Mudharabah	250,913	291,209
Total non current	616,788	655,499
Total borrowings	1,932,013	1,883,289
Total borrowings		
Bank overdrafts	750	5,282
Revolving credits	523,511	497,983
Trade Financing	583,122	533,520
Hire purchase liabilities	16,970	15,350
Term loans	483,747	476,945
Sukuk Mudharabah	323,913	354,209
	1,932,013	1,883,289

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B8. BORROWINGS (CONTINUED)

	As at 31/3/2026 RM'000	As at 31/12/2025 RM'000
The currency profile of borrowings is as follows:		
Ringgit Malaysia	834,256	833,878
Singapore Dollar	199,790	196,573
Indonesia Rupiah	418,836	424,148
US Dollar	61,366	65,137
Vietnamese Dong	294,117	260,494
Philippines Peso	123,648	103,059
	1,932,013	1,883,289

B9. DERIVATIVES

As at 31 March 2026, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

	As at 31/3/2026		As at 31/12/2025	
	Contract/ Notional Amount RM'000	Derivative Assets/ (Liabilities) RM'000	Contract/ Notional Amount RM'000	Derivative Assets/ (Liabilities) RM'000
Current asset				
Forward foreign exchange contracts	19,958	195	-	-
Derivative financial assets	19,958	195	-	-
Current liabilities				
Forward foreign exchange contracts	2,466	(19)	32,953	(74)
Interest rate swap contracts	117,608	(560)	118,395	(759)
Derivative financial liabilities	120,074	(579)	151,348	(833)

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2025:

- (a) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (b) the cash requirements of the financial derivatives;
- (c) the policy in place for mitigating or controlling the risks associated with these financial derivatives; and
- (d) the related accounting policies.

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B10. MATERIAL LITIGATION

The Group does not have any material litigation which would materially and adversely affect the financial position of the Group.

B11. DIVIDENDS PROPOSED

No dividend has been proposed for the current financial quarter.

B12. EARNINGS PER SHARE (“EPS”)

(a) Basic earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Year-to-date ended	
	31/3/2026	31/3/2025	31/3/2026	31/3/2025
Profit attributable to owners of the Company (RM'000)	115,033	101,801	115,033	101,801
Weighted average number of ordinary shares :				
- brought forward ('000)	3,447,449	3,632,785	3,447,449	3,632,785
- issuance of shares ('000)	1,123	-	1,123	-
- bought back ('000)	(22,039)	(10,628)	(22,039)	(10,628)
Weighted average number of ordinary shares in issue ('000)	3,426,533	3,622,157	3,426,533	3,622,157
Basic EPS (sen)	3.36	2.81	3.36	2.81

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B12. EARNINGS PER SHARE (“EPS”)

(b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Year-to-date ended	
	31/3/2026	31/3/2025	31/3/2026	31/3/2025
Profit attributable to owners of the Company (RM'000)	115,033	101,801	115,033	101,801
Weighted average number of ordinary shares used in the calculation of basic EPS ('000)	3,426,533	3,622,157	3,426,533	3,622,157
Effects of potential exercise of ESOS options ('000)	1,826	-	1,826	-
Adjusted weighted average number of ordinary shares in issue ('000)	3,428,359	3,622,157	3,428,359	3,622,157
Diluted EPS (sen)	3.36	2.81	3.36	2.81

B13. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report as set out above was approved by the Board in accordance with their resolution dated 19 May 2026.