



LINACO

He Who Builds
Will Himself Be Built™

1st Jan - 30th Jun 2021

NEWSLETTER



PT KALIMANTAN KELAPA JAYA *Updates*

Ready for commercial run with sterility
test due to complete by early October 2021

Direct Steam
Injection &
Aseptic Tank



Filler



Processing &
blending tank



MORE THAN A DECADE IN LINACO



Faridah
20 Sept 2010
Human Relationship

Nrendar
5 July 2010
Human Relationship

Laili
2 Feb 2010
Production



Azura
1 Apr 2010
Production

Hanif
1 July 2010
Supervisor

Hidayatul
17 Dec 2010
Lab Assistant

GLOBAL SHIPPING CONTAINER SHORTAGE

Shorten preparation time

- Point Of Discharge : 14 days \Rightarrow 7 days
- Point Of Loading : 10 days \Rightarrow 5 or 7 days



Freight escalated

- Port Klang to Tokyo
End 2020 USD 120 \Rightarrow Jan 2021 USD 1800 / 20GP
- Port Klang to Hong Kong
USD 1 \Rightarrow USD 300 / 20GP
- Port Klang to New York
USD 2700 \Rightarrow USD 6550 / 40HC

Space tight

- Limits the number of vessel
- Imbalance of container demand and supply
- Port congestion
- Vessel delay



New surcharge imposed

- Cancellation charges
- Rate Restoration charges (RR)
- Port Congestion surcharge (PCS)



EXHIBITIONS

Physical

GULFOOD DUBAI 2021

1st Hybrid



Dubai World Trade Centre
21 - 25 Feb



TAIPEI INTERNATIONAL BAKERY 2021



Taipei Nangang Exhibition Centre
26 - 29 Mar



SHANGHAI HOTELEX 2021



National Exhibition & Convention Centre
29 Mar - 1 Apr



104TH CHINA FOOD & DRINKS 2021



Exhibition at China was represented by Red Coconut Guangzhou in China



Western China International Expo City
7 Apr - 9 Apr

SIAL CHINA 2021



Red Coconut team represented the Malaysia Business Group (MBG) members as part of their effort in assisting MBG to identify potential buyers for their products in China.



Shanghai New International Expo Centre
18 - 20 May

INTERNATIONAL SOURCING PROGRAMME 2021 & SELANGOR INTERNATIONAL EXPO FOOD & BEVERAGES 2021

Virtual Business Matching



Tokyo, Japan 1 June



Santiago, Chile 2 June



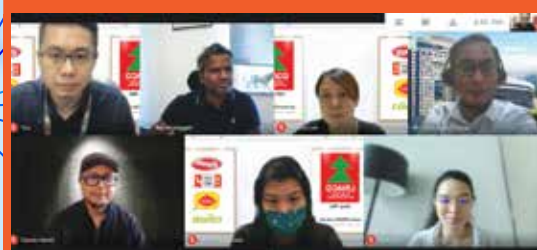
Istanbul, Turkey 3 June



Dubai, UAE 10 June



Beijing, China 15 June



Bonn, Germany 17 June



Yangon, Myanmar 29 June



Drawing To A Year As A Group CEO

Mr. Yong

1st half 2021
performance revenue
growth of 30% compare
to last year

Covid has now become a daily discussion topic whether in social media or in office. Again and again created havoc, disruption and uncertainties in how we managed our lives and work. Hopefully with herd immunity, we will learn to live with it like other contagious disease such as measles, polio, etc.

For the Linaco Group, we are also not spared in these challenging situations, we will need continuous efforts and cooperation from all colleagues to avoid any serious impact to our operations. This year itself due to covid positive cases detected, all our 3 factories in Malaysia had to be temporarily closed at different periods for sanitization and employees screening. The latest is from 24th Aug 21 to 2nd Sept 21 affecting Batu Pahat factory.

Despite the challenges, our 1st half 2021 performance has been encouraging with Revenue growth of 30% and decent profitability compared to a loss position during 1st half 2020. Retail segment continued to spearhead the growth while food service is promising especially for fast food and beverage outlets. Industrial segment although having some new breakthrough, many companies are still cautiously working on developing new products.



PT Kalimantan Kelapa Jaya (KKJ) our Indonesia subsidiary UHT project is a set back as it has delayed for more than 6 months and affecting overall Group performance. It is now geared towards commercial production of the retail packs latest in October 2021.

Logistic issues will continue to be major factor for exports and imports. Global shipments constraints and skyrocketed freight rates hampers export growth for some regions. Close monitoring of imported raw materials and packaging materials is a must to avoid stockout due to delays or sudden surge in shipment cost. These logistics issues will also burden the warehouse with higher stockholding due to uncertainties or sudden delay of shipments.

The current pandemic has reinforced embracing digitalization to move forward. In the next few years, Linaco need to fast track our digital transformation to remain competitive and relevant. It requires all of us to have the right mindset to brainstorm on new technology approaches to our current processes.

I believe with all our efforts together, we will overcome any hindrance for us to have a successful year. Stay safe and take care of each other to take care of yourself and family.

Memorandum of Understanding between Sabah Government and Linaco.

Why sign MOU?



MOU between Linaco Group and Sabah Government, a manufacturing plant of this scale will eventually require coconut farms of approximately 10,000ha in order to sustain the supply of the required number of coconuts. As such, Linaco will also invest in large scale plantations totalling 4,000ha using high-yield hybrid coconut palms in partnership with the State Government to create the initial momentum. Planting costs for this will require investment of another RM200 million.

The Sabah Government can now safely work on mobilizing local smallholder farmers and other players to plant the balance 6,000ha over the next few years to achieve the a required hectares.

Linaco will eventually undertake to purchase all coconuts harvested at an agreed minimum floor price for use in their upcoming integrated manufacturing plant. Five coconut collection

centres are now being planned for Kudat, Pitas, Kota Marudu, Kota Belud and Menumbok to initiate buying from farmers as soon as possible.

Peter added that the entire project will eventually generate a combined GDP of more than RM1.2 billion directly for the economy of Sabah, with Linaco serving as the bridge to link Sabah's farming communities to the global market.

Both factories' operations were temporarily shutdown as Covid-19 precautionary measures and to facilitate the sanitization process.



Change of companies name

WHY?

- Corporate exercise for Linaco Group of companies
- Better engagements with international business



Linaco Specialty Industries Sdn. Bhd. (LSI) is officially Vegan certified!!!

Congratulations to the team's hardwork!



Did you know?
LSI is the first sauce manufacturer in Malaysia to have products certified vegan trademark! April 2021

**2021
4 JAN**

Additional new member to CSR Team

Norman Ng - CSR Team Lead

The expansion of CSR Team came at the right time as more projects and outreach have taken place since the establishment of the company's charity arm - The Bountiful Eye Foundation.



Linaco Start Packing Joy Of Giving



Thank you to all colleagues for the participation!

**2021
FEB**



Total of 160 gifts were channeled to 5 charity homes through the Joy of Giving campaign.

2021 MAR Basic Needs Programme

Through Yayasan Generasi Gemilang Basic Needs 2021 Programme, Linaco was able to support 160 students including 3 schools from Miri, Sarawak.

This programme aims to provide education access for children from the low-income families; ensuring children receive their food and digital support through the conditional cash aid transfers - provided they continue attending school digitally or physically.

Total campaign: RM113,200.00



*Children's faces are blurred due to privacy and protection

**2021
APR**

Kotak Kebahagiaan by the Malaysia Business Group (MBG)

2,000 boxes of food products sponsored by MBG were channeled to more than 27 non-profit organisations.

Campaign worth RM162,000.00



SMK Seri Menanti, Muar Projek Lebah Kelulut dan Tanaman Kekal by LM

LM sponsored the Stingless Bee Farming and Fertigation Farm Project at SMK Seri Menanti. We envisioned this project will not only benefit the school but also the students through entrepreneurship and management skills from the farm produce in the future.

Total campaign: RM19,680.00



Sports Day PDK Ong Jelmol - sponsored by LINACO via MyKasih

Pusat Didikan Komuniti (PDK) Ong Jelmol is located in the interior of Gerik, Perak. The community organized Sports Day to foster close relationships among teachers, students and parents for 2 consecutive days on 12-13 April, learning and having curricular activities in PDK that still continue during the Covid-19 pandemic.

Total campaign: RM2,500.00



SJKC Jenjarom Sumbangan Peralatan Meja dan Kerusi by LM

200 sets of tables and chairs were donated to SJKC Jenjarom, to replace their existing old furniture that are inconducive for classroom learning.

Total campaign: RM33,660.00



2021
MAY-JUNE

WAYBOX Distribution

700 WayBoxes were packed within 2 days and more than 3000 boxes were distributed to NGOs and communities in Johor Bahru between May and June.

We thank our colleagues for their spontaneous help to ensure sufficient stock is available for distribution to the marginalised communities.

Total campaign: RM360,200.00



Hydration For The Frontliners

2,400 cartons of coconut water were distributed to more than 46 NGOs including special collections by the police force at our warehouse between February to June.



We were surprise to see 3 police trucks at our office compound during EMCO. Only to learn that they were there to collect our coconut water for the frontliners.



DONATION OF COCONUT WATER



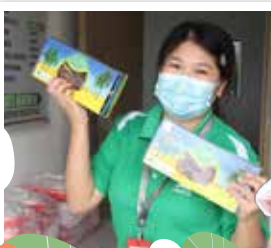
not 1 not 2 but
3 police trucks!



Ifstar
FOOD TO
MUSLIM COLLEAGUES
DURING RAMADHAN



Colleagues at Linaco were blessed with break-fast meal packs and "Kurma" during the Ramadhan period.





Did you know that **RED COCONUT** Hong Kong is assisting some of the food & beverage manufacturers from the Malaysia Business Group to export their products to China?

To-date, the total export value has reached more than RM700,000.00.

Red Coconut Group is the global distribution and trading centre for the FMCG industry.



KSQ- POPCORN



COCONUT COOKIES



COFFEE & ORIGINAL



安成金业有限公司
On Hing Enterprise Sdn Bhd

INSTANT DON VERMICELLI



VERMI
Since 1964

RICE VERMICELLI NOODLE



PITCH 1.0

4 June 2021



PITCH 2.0

11 June 2021



1. Linaco Group
2. Green House Ingredients Sdn Bhd
3. Lifestyle Ventures Sdn Bhd
4. Koon Brother Sdn Bhd
5. Oriion Food Sdn Bhd

1. Linaco Specialty Industries Sdn Bhd (Formerly known as Yuen Chun Industries Sdn Bhd)
2. Kampong Koh Sauce (M) Sdn Bhd (KKS)
3. Bionutricia Manufacturing Sdn Bhd
4. Able Food Sdn Bhd

A business pitching opportunity for the Malaysia Business Group to showcase their company profile and products – fostering synergistic collaborations amongst other Malaysian companies and to build opportunities for global export market.

Scan to watch the Live.



Staff were given free Next Gen sanitizer. Next Gen is one of MBG member.



Malaysia Business Group



MEETING AND FACTORY VISIT ON 29 MARCH 2021

1st Official Meeting Discussion with the President and Council Members of the Malaysia Retail Chain Association (MRCA) at Linaco's HQ in Shah Alam. The visit was followed by a factory tour to Linaco Food Industries Sdn Bhd.



The meeting was led by Madam President, Ms Shirley Tay, followed by her entourage;

1. Ms Shirley Tay, President
2. Ms Valerie Choo, Vice President
3. Mr Jordan Ng, Council Member
4. Mr Stan Singh, Secretariat General
5. Ms Aiveen Wong, Council Member
6. Mr Michael Liew, Council Member
7. Mr Ken Phua, Vice President
8. Ms Chistine Tan, Council Member
9. Mr Seak Thean Pow, Council Member
10. Mr Brian Tham, Council Member
11. Mr Simon Wong, MRCA Asst. GM
12. Ms Lee Choo, MRCA Secretariat
13. Ms Liyin, MRCA Secretariat

CHRIS TEE GENERAL MANAGER

"The difference between my previous role and current are the new group sales strategies to meet our short and long-term goals. I have to ensure that my team are fully optimized and groomed to the best of their abilities.

I was only a Sales Manager when I first joined in 2015 and eventually promoted to Head of Operations in 2018. My encouragement to my fellow colleagues is to step up in your roles and continue making yourself proud. I am grateful to have such promotion opportunity and all these are made possible because of your support and understanding. Each of us formed this amazing organization.

I aspire to build a long-term and sustainable teammates and a healthy working environment. In forthcoming, I will be looking at the wider range of perspectives, not only in sales revenue, but more to the company's P&L, staff motivation and sustainable plans to achieve our goals. My advice is family bonding is always important because it gives us the momentum and spirit that drives us further."



***Congratulations
on your promotion!!!***

JOHN LING ASSISTANT SALES MANAGER



First and foremost, I would like to express my gratitude to company for recognizing my efforts. Without forgetting my superiors, Mr Yong & Stanley for giving opportunities & guidances. Truly honored to have both to guide & lead me in tackling challenges throughout my years in LINACO.

The last recognition was in 2019. With the new position given, the workload will definitely be doubled or tripled. However, this will not be the barriers to slow down my momentum of progression.

In LISB, all members have the same goals & purpose in which we want to achieve RM100million revenue by 2025. Eventually this has shaped us into a team player. As we believe, we will be stronger together & excel as a team.

As LINACOians knew, soon I will have additional family member in July 2021. Therefore, time management will be very important in juggling between work & family.



What is ISO 37001?

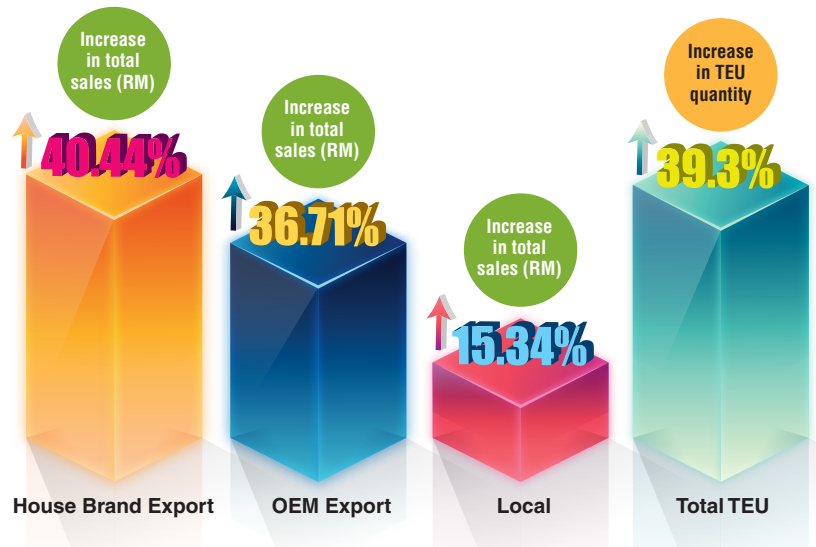
- ISO 37001 is an Anti-Bribery Management System (ABMS) standard published in October 2016.
- It is designed to help an organization establish, implement, maintain, and improve an anti-bribery compliance programme.
- It includes a series of measures and controls that represent global anti-bribery good practice.



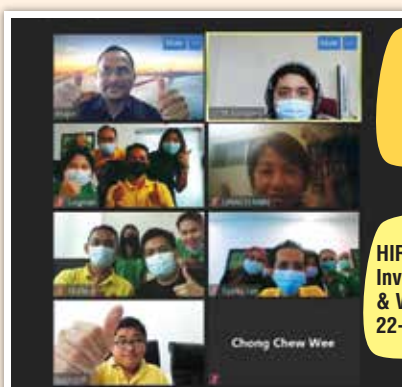
Ms. Tina

Mr. Low

GROUP SALES PERFORMANCE IN 1ST HALF OF 2021



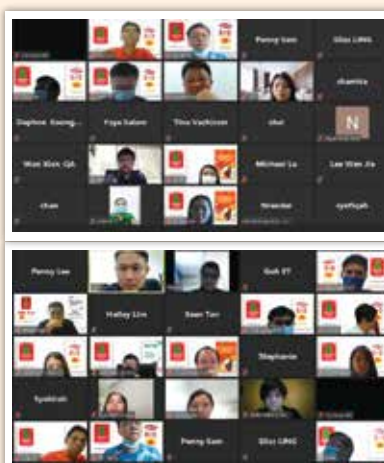
SAFETY COMMITTEE TRAINING



Developing Effective
Safety and Health
Committee.
25-26 Mar 2021

HIRARC & Accident
Investigation, Reporting
& Workplace Inspection.
22-23 Apr 2021

INTERNAL KNOWLEDGE SHARING



**SOY SAUCE KNOWLEDGE SHARING
& TYPE OF SOY SAUCE PRODUCED
AT LINACO SPECIALTY INDUSTRIES.**

24 Feb 2021

RETAIL & FOOD SERVICE SHARING

30 June 2021



WINNERS!

Linaco Cook-Out Challenge is a creative and fun way for Linacors to taste and understand our products through their cooking demonstrations. The participants are required to post videos or photos of their cooking process with storyline on their Facebook page and hashtag #LinacoCookOutChallenge for easy identification. The participants are rewarded handsomely through prize money, vouchers and products.

RAYA EDITION

22TH APR - 16TH MAY



1st Runner Up
Hanim Nur Suhaidah
(RM500 Cash +
Products worth RM300)

Winner
Nor Fatihah
(RM1,000 Cash +
Products worth RM500)

2nd Runner Up
Nur Shamira
(RM300 Cash +
Products worth RM200)



1st Runner Up
Gan Xin Jie
(RM300 Cash +
Products worth RM300)

Winner
Nor Fatihah
(RM1,000 Cash +
Products worth RM500)

2nd Runner Up
Jeannette Yip
(RM200 Cash +
Products worth RM200)



Consolations (RM150 Cash + Products worth RM50)



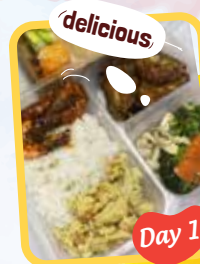
NEW 1125 CAR

*Did you know the benefit of having a 1125 plate number?

NEW BORN

It has truly been a privilege to welcome baby Elisabeth to the family. As a dad with 2 daughters, the work life balance has become even more crucial.

MARCUS LOW'S
BABY DAUGHTER



3 days of meals rezeki from 8-10 February, sponsored by company for employees who have to work from office.

A small gesture by the management towards the staff welfare during the pandemic.

