

FDI NEWSLETTER

GOOD NEWS

SECURED OUR FIRST EXPORT ORDER TO KOREA

We are delighted to announce that we've secured our very **first export order to Korea**. The order is **7500KG of live frozen tiger prawns** with a value of **USD 64,050.00 (approximately RM 305,000)**. The order is targeted to ship to Korea in **early May** by sea, and it is estimated to hit the Korean market by the **end of May**.

A big thumbs up to our sales team in securing our first export order, and our production team in fulfilling the order with the highest quality. This order not only signifies a successful transaction but also marks the beginning of a potentially successful partnership with our Korean counterparts. We are confident that this collaboration will not only strengthen our presence in the Korean market but also open doors to new opportunities for growth and expansion. As we embark on this journey, we remain committed to upholding the values of integrity, reliability, and excellence, ensuring that we deliver nothing but the best to our partners and customers alike. Together, we look forward to building a long-lasting and mutually beneficial relationship, laying the foundation for continued success in the international arena.



DIFFERENT TYPE OF SEAFOOD PRODUCTS

Since the operation of Makmur Farm and the processing plant within, we are able to produce a range of value add products **Live Black Tiger Prawns, Live Frozen Tiger Prawns, Live Frozen Vannamei** . Additionally, we provide **Peeled & Deveined Tiger Prawn, Peeled & Deveined Vannamei ,Live Cooked Vannamei , Live Cooked Tiger Prawns** . For those seeking convenient options, we offer **Skewered Tiger Prawns** and **Ezy Peel Tiger Prawns** ensuring ease of preparation without compromising on quality. We takes pride in offering a different **type of seafood products** to meet our **customers needs**. With a diverse range of products, and the freeze and store capability that comes with the processing plant, we are able to secure or **increase our margin by 5% to 8%**.



**LIVE BLACK
TIGER PRAWN**



**LIVE FROZEN
TIGER PRAWNS**



**LIVE FROZEN
VANNAMEI**



**LIVE COOKED
TIGER PRAWNS**



**LIVE COOKED
VANNAMEI**



**PEELED & DEVEINED
TIGER PRAWN**



**PEELED & DEVEINED
VANNAMEI**



**EZY PEEL TIGER
PRAWNS**

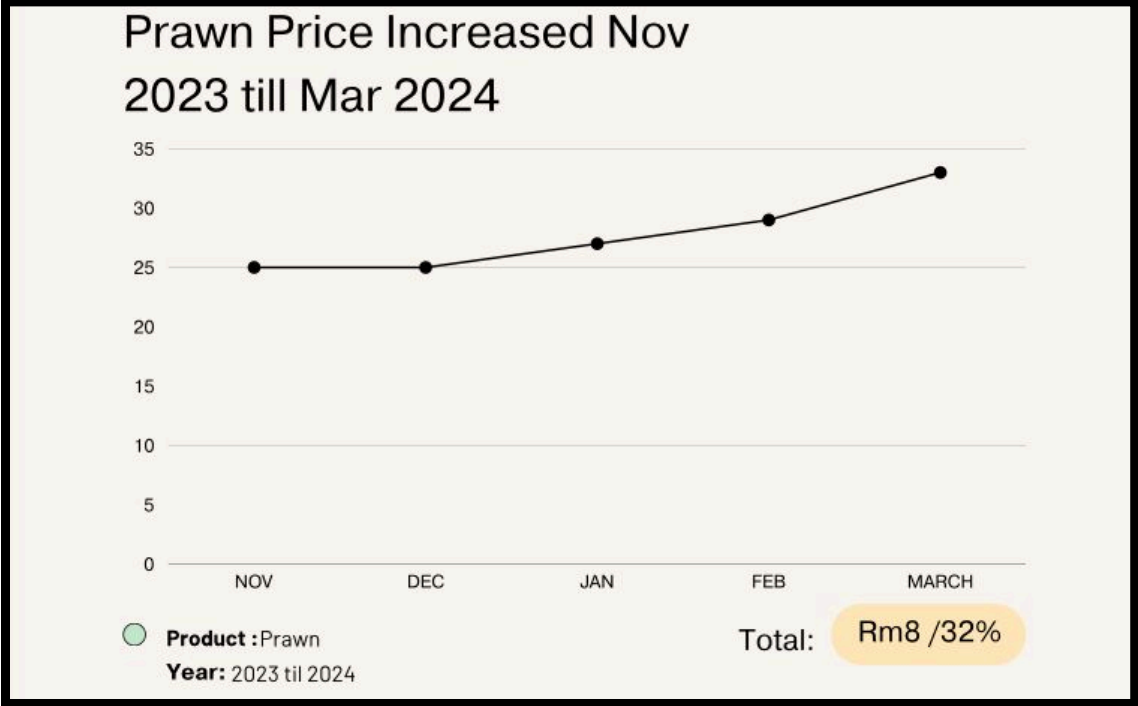


**SKEWERED TIGER
PRAWNS**

PRAWN PRICE INCREASE NOVEMBER 2023 TILL MARCH 2024



After a slow 2023, we are seeing a steady price recovery in Q4 2023 and Q1 of 2024. Price for Black Tiger Prawn at 25pcs / kg was at all time low of RM 24 in October '23, and it went up steadily to RM 25 in November and December, follow by RM 27 in January and continue on an upward trend to RM29 in February and finally RM 33 in March. Marking a 32% increase since November. Albeit still below our normal price of RM 37.5, we are positive that it will continue this upward trend for the next few months. The increase in prawn prices can actually reflect positively on the quality of the prawns we offer. When prices rise steadily, it often indicates that consumers are willing to pay more for what they perceive as higher quality products. In our case, the consistent price increase suggests that customers value the quality of our prawns. They might be willing to pay a premium because they trust that our prawns are fresher, tastier, or sourced sustainably.



A WORD FROM CHIEF OFFICER EXECUTIVE STEVEN TAN



After operating the Makmur farm and its processing plant, and leveraging on **Sin Soon Onn's Frozen Food Sdn.Bhd** distribution channel, we are gearing towards product diversification into the seafood market, focusing mainly on shrimps.

This strategically structured direction comes after a series of comprehensive market researching into demand and pricing as well as weighing in Sin Soon Onn Frozen Food Sdn.Bhd's and FDI's synergy in raw material, value-add then distribute.

The shrimp industry in Malaysia experienced a **notable 32% growth** in sales over the past few months, suggesting a strong demand ahead, and with our value add products, we are able to penetrate the market easily.

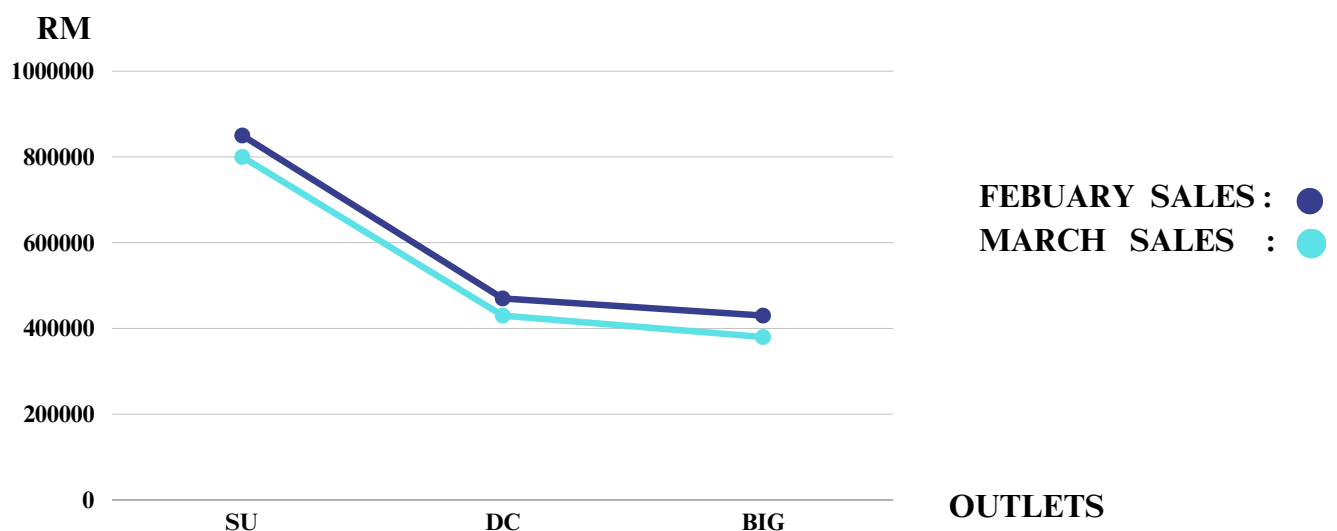
Our sales team managed to secure **7 customers in January, added 8 more customers in February, gained 15 customers in March and April.** We're seeing an increase in momentum towards the **end of April**, which will greatly contribute to our revenue and ultimately our profits.

CHALLENGES



During the month of Ramadan and the festive period of Raya, we encounter various challenges. One significant obstacle arises as retail sales drop across all outlets. Specifically, at **MY A1 Saujana Utama (SU)**, the sales drop from **RM 850k to RM 800k**; at **MY A1 Desa Coalfields (DC)**, it drops from **RM 470k to RM 430k**, and at **BIG Frozen**, it drops from **RM 430k to RM 380k**. Consequently, our economic landscape suffers a downturn. This decline underscores the multifaceted nature of our challenges during these occasions, highlighting the need for strategic responses to alleviate adverse impacts and encourage sustainable growth.

To address these issues, we are implementing strategic measures to stabilize our economic standing and ensure the long-term sustainability of our business. This includes cost-cutting initiatives, optimizing our resources, and exploring new revenue streams. We are also focusing on enhancing our product offerings and improving customer satisfaction to remain competitive in the market place. While the road ahead may be challenging, we are committed to overcoming these economic obstacles and emerging stronger than ever. By staying adaptable, innovative, and resilient, we believe we can navigate through these tough times and position our company for future success.





SOLUTION

During this period, our company is exploring additional avenues for expansion. Instead of simply **concentrating on cafes and restaurants** as initially planned, we are **focusing on wholesaling**. For instance, we're excited to announce our **upcoming new outlet at Taman Sri Muda**, featuring the same concept with a heightened emphasis on **wholesale offerings**.

We'll be rolling out **promotions aligned** with different events such as **Hari Raya, Chinese New Year, Deepavali, and more**. These initiatives aim to attract a wider audience and enhance our sales opportunities. By understanding the preferences and shopping habits of the local community, we can tailor our promotions effectively to maximize customer engagement and satisfaction.



UPCOMING...

To effectively export our shrimp products internationally, it is essential to secure a diverse range of licenses and permits, encompassing export permits, health certificates, and requisite customs documentation, thereby ensuring regulatory compliance and facilitating smooth operations within global markets. For the factory, we need to obtain **MESTI**, **HACCP**, **HALAL**, **GMP**, **FOSIM**, and **LKIM** certifications. For the farm, we require **MYGAP** and **FQC** certifications.

With our team in Pahang working tirelessly to obtain the necessary licenses and certifications, we have already received our **LKIM** license in **mid-April** and expect to acquire the rest of the certifications by **mid-June**.

FACTORY



- **MESTI** is a food safety protection and food quality and safety.



- **HACCP** is a food safety to identify and control hazards that may occur in the food production process.



- The products consumers purchase are safe and permissible to consume by Islamic law.



- **GMP** is a system for ensuring that products are consistently produced to quality system.



- Monitors, governs and presents traceability information about food products from farm to fork.



- Establish and supervise credit facilities for fish production and ensure that these facilities are fully utilized.

FARM



- Final safeguard of our quality control journey, designed to leave no stone .



- Ensure reliable and repeatable valid assays through pre-qualification of samples ahead of more extensive and expensive testing.

UPCOMING



NEW OUTLET COMING SOON !

We are happy to announce that in **April 2024**, we will receive the keys for our new outlet. Additionally, we plan to undertake **45 days** of decoration and renovation, including setting up a cold room. With these preparations in place, we estimate that we will be ready to commence operations by **June 2024**.

For this outlet, our primary focus will be on catering to **wholesale customers**. We understand the unique needs and requirements of businesses buying in bulk, and we're committed to providing a wide range of products to meet those needs. From essential everyday items to specialty products, our goal is to offer a diverse selection that appeals to a variety of wholesale customers. Additionally, we will ensure that our inventory is stocked with high-quality goods at competitive prices, maintaining our reputation as a reliable supplier in the wholesale market. By focusing on wholesale customers and offering a comprehensive product range, we aim to become their preferred choice for all their sourcing needs.

In addition to catering to wholesale customers, we will also be open to **walk-in customers**. While our primary focus will be on serving businesses buying in bulk, we welcome individual shoppers who may be looking for quality products in smaller quantities. By opening our doors to walk-in customers, we aim to provide a convenient shopping experience for all, offering the same high-quality products and attentive service that we provide to our wholesale clients. Whether you're a business looking to stock up or an individual shopper seeking top-notch goods, our outlet will be ready to serve your needs.

STAY TUNE FOR MORE UPDATES NEXT MONTH