

SPRITZER®

ANNUAL REPORT 2024



Rediscover Beauty
in its Purest,
Sustainable Essence



What is Silica?

Silica or silicon dioxide (a combination of silicon and oxygen) is an essential nutrient that helps us produce collagen in our body. Collagen is needed to ensure optimal health in our everyday lives and with benefits ranging from smoother skin to a steeper gut.



Smoother Skin



Smoother,
Shinier Hair



Stronger Nails



Healthier Heart



Bone & Joint Care



Sharper Mind



Healthier Gut

GLOBAL WATER FACTS



Safe Drinking Water,
Sanitation and Hygiene

**STILL OUT OF REACH
FOR BILLIONS**

IN 2022



2.2 BILLION PEOPLE

lacked safely
managed drinking water



3.5 BILLION PEOPLE

lacked safely
managed sanitation



2.2 BILLION PEOPLE

lacked basic hand washing
facilities



2.4 BILLION PEOPLE

live in water-stressed
countries (2020)



81% OF SPECIES

dependent on inland
wetlands have
declined since 1970

Integrated
Water-Resources-Management
Implementation

NEEDS ACCELERATION

Number of Countries
Per Progress Level



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32ND ANNUAL
GENERAL
MEETING

FRIDAY,
MAY 30, 2025
10.30 a.m.

Lot 898, Jalan Reservoir,
Off Jalan Air Kuning, 34000 Taiping,
Perak Darul Ridzuan, Malaysia

Corporate Information

BOARD OF DIRECTORS

Non-Independent
Non-Executive Chairman
**Dato' Seri Lim A Heng @
Lim Kok Cheong,
SPMP, DPMP, JSM, JP**

Managing Director
Dato' Lim Kok Boon, DPMP

Executive Director and
Group Chief Executive Officer
Lim Seng Lee

Executive Director
Lam Sang

Non-Independent
Non-Executive Director
**Chok Hooa @ Chok Yin Fatt, PMP
Tan Chow Yin**

Independent
Non-Executive Directors
**Loh Chooi Ngan
Ir Nik Marni
binti Nik Mohamad Pena
Hanani Hayati binti Mohd Adhan**

AUDIT COMMITTEE

Chairman
Loh Chooi Ngan

Members
**Chok Hooa @ Chok Yin Fatt, PMP
Ir Nik Marni
binti Nik Mohamad Pena
Hanani Hayati binti Mohd Adhan**

NOMINATION COMMITTEE

Chairman
Loh Chooi Ngan

Members
**Ir Nik Marni
binti Nik Mohamad Pena
Hanani Hayati binti Mohd Adhan**

REMUNERATION COMMITTEE

Chairman
Loh Chooi Ngan

Members
**Tan Chow Yin
Ir Nik Marni
binti Nik Mohamad Pena**



EMPLOYEES' SHARE GRANT PLAN COMMITTEE

Chairman
Lim Seng Lee

Members
**Dr Chuah Chaw Teo
Tan Chow Yin**

EXECUTIVE COMMITTEE

Chairman
Lim Seng Lee

Members
**Tan Chow Yin
Lam Sang
Dr Chuah Chaw Teo
Lim Hock Lai
Chong Mee Yoong
Chan Shiao Chew
Chow Shan Lee**
(Appointed on November 14, 2024)
Sow Yeng Chong
(Retired on September 30, 2024)

COMPANY SECRETARIES

Chow Shan Lee
SSM PC NO. 202308000610
(MIA 17136)

Tan Boon Ting
SSM PC NO. 202008002544
(MAICSA 7056136)

STOCK EXCHANGE LISTING

Listed on Main Market of
Bursa Malaysia Securities Berhad
Stock Code : 7103
Stock Name : SPRITZER

REGISTERED OFFICE

Lot 85, Jalan Portland
Tasek Industrial Estate
31400 Ipoh, Perak Darul Ridzuan
Tel number : 05-2911055
Fax number : 05-2919962
E-mail : info@spritzer.com.my
Website : www.spritzer.com.my

SHARE REGISTRAR

**Tricor Investor & Issuing House
Services Sdn Bhd**
197101000970 (11324-H)
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel number : 03-27839299
Fax number : 03-27839222

AUDITORS

**Deloitte PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)**
Level 12A, Hunza Tower
163E, Jalan Kelawei
10250 Pulau Pinang
Tel number : 04-294 5500
Fax number : 04-218 9278

PRINCIPAL BANKERS

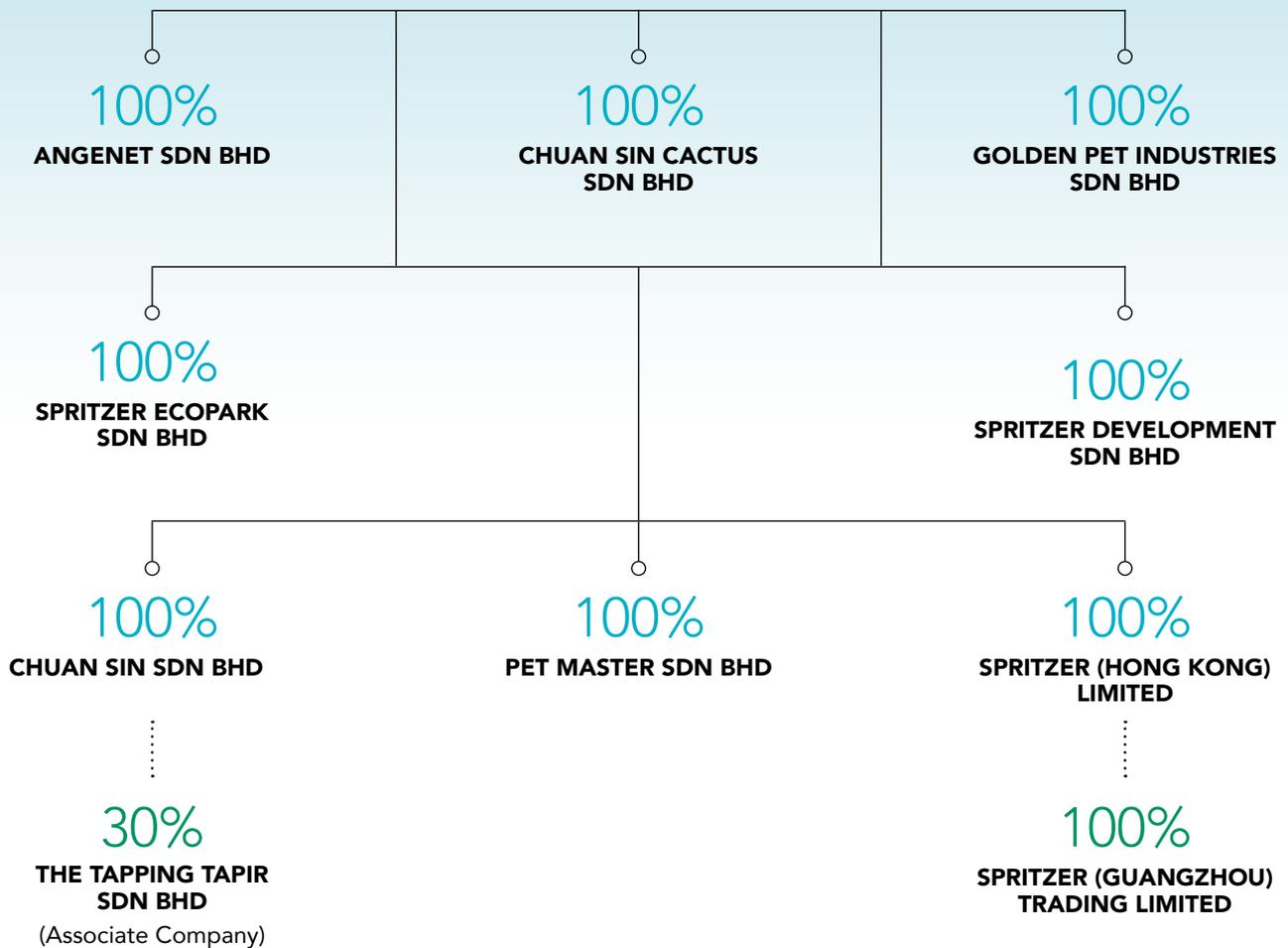
HSBC Bank Malaysia Berhad
RHB Bank Berhad
OCBC Bank (Malaysia) Berhad
AmBank (M) Berhad

Corporate Structure

As of December 31, 2024



SPRITZER BHD



Financial Highlights



Revenue

RM579.0 million
(2023: RM490.7 million)



Profit Before Tax

RM79.4 million
(2023: RM65.9 million)



Profit After Tax

RM71.1 million
(2023: RM49.5 million)



Financial year ended	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
Revenue (RM'000)	578,988	490,675	433,300	331,026	308,450
Revenue growth (%)	18.0	13.2	30.9	7.3	(17.6)
Profit before interest, tax, depreciation and amortisation (RM'000)	113,153	89,790	65,532	49,944	53,609
Finance costs (RM'000)	2,500	1,613	858	526	555
Profit before tax (RM'000)	79,361	65,924	45,200	30,345	34,644
Profit for the year attributable to owners of the Company (RM'000)	71,111	49,486	36,965	24,239	35,660
Earnings per share (sen)					
- Basic	22.3	15.5	11.8 #	11.5	17.0
- Diluted	22.0	15.2	11.4 #	11.2	16.6
Dividend per share (sen)	8.00 *	5.50	4.17 #	4.50	4.50
Dividend payout ratio (%)	36	35	36	39	26
No. of shares in issue (less treasury shares) ('000)	318,369	316,291	313,304 #	209,969	209,969
Total equity (RM'000)	581,998	527,031	493,480	462,750	444,003
Net debt to equity ratio (*) (%)	4.6	3.3	-	-	-
Net assets per share (RM)	1.83	1.67	1.58 #	2.20	2.11
Share price at 31 December	3.07	1.83	1.48 #	2.10	1.97
Market capitalisation (RM'000)	977,393	578,813	463,690	440,934	413,638

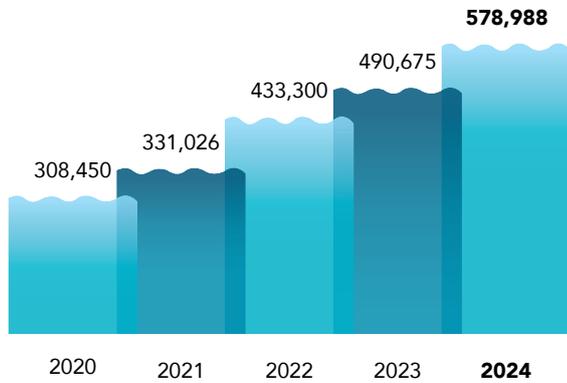
* Restated to incorporate the effects of the bonus issue of 1 bonus share for every 1 existing share held, completed in February 2025 for comparative purpose.

Restated to incorporate the effects of the bonus issue of 1 bonus share for every 2 existing shares held, completed in June 2023 for comparative purpose.

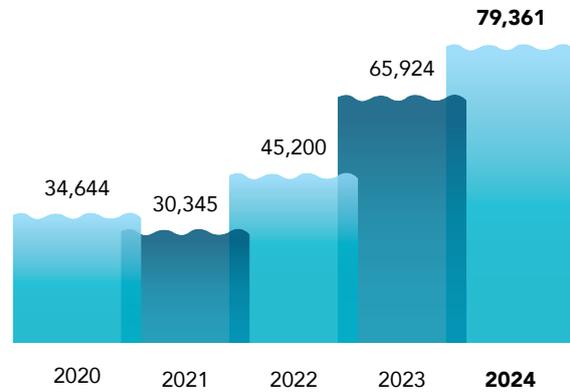
(*) Based on net debt (total borrowings less cash and cash equivalents) expressed as a percentage of total equity.

Financial Highlights

Revenue
(RM'000)



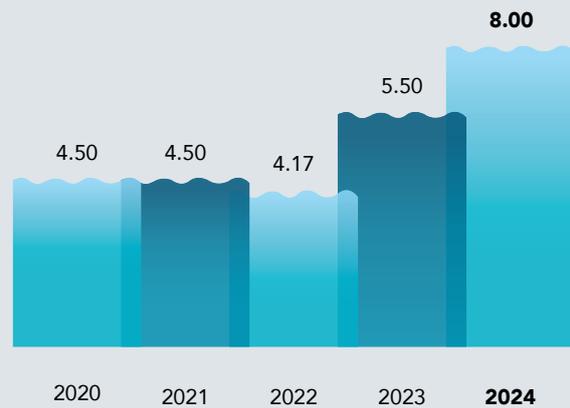
Profit Before Tax
(RM'000)



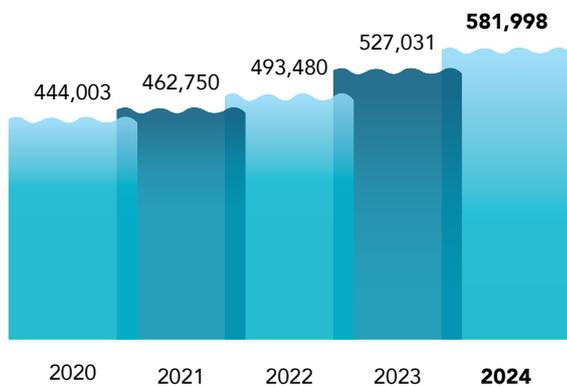
Profit for the Year Attributable to Owners of the Company
(RM'000)



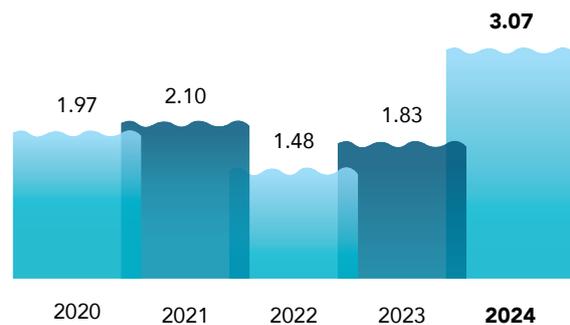
Dividend per share
(Sen)



Total Equity
(RM'000)



Share Price
(RM)



Chairman's Statement

On behalf of the Board of Directors of Spritzer Bhd, I am pleased to present the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended December 31, 2024.

Malaysia's GDP grew from 3.7% in 2023 to 5.1% in 2024, driven by stronger domestic demand and higher investment. This marked a shift from the slower growth in 2023, which was affected by weaker global demand and tighter monetary conditions. In 2024, better investor confidence, a rebound in tourism and construction, and easing inflation boosted household spending. Overall, improved local and global conditions helped Malaysia recover and strengthen its economic performance compared to the previous year.

Our Group's revenue continued to reflect this economic strength, achieving an encouraging 18.0% (2023: 13.2%) growth to a new record high of RM579.0 million for 2024.

Revenue



RM579.0 million
(2023: RM490.7 million)

Profit Before Tax



RM79.4 million
(2023: RM65.9 million)

Dividend



8.00 sen
(2023: 5.50 sen)

Profit After Tax



RM71.1 million
(2023: RM49.5 million)



FINANCIAL PERFORMANCE

The Group delivered a strong financial performance in 2024, with revenue rising to RM579.0 million (2023: RM490.7 million), representing a notable increase of 18%. Profit before tax grew by 20% to RM79.4 million (2023: RM65.9 million), driven primarily by higher sales volume of our bottled water products. This was supported by sustained consumer demand, increased travel and tourism activity, and prolonged hot weather conditions. Our continued investment in branding and marketing also played a key role in reinforcing our market position and sales growth.

Net profit for the year rose significantly by 44% to RM71.1 million (2023: RM49.5 million), resulting in an improved net margin of 12.3% (2023: 10.1%). This was further supported by a lower effective tax rate arising from reinvestment allowances on new plant and equipment installed during the year. Reflecting our strong performance, earnings per share rose to 22.31 sen (2023: 15.54 sen).

DIVIDEND

The Directors have proposed a first and final dividend of 4.00 sen per ordinary share, under the single tier system, in respect of the current financial year ended December 31, 2024. This proposed dividend of 4.00 sen represents a 45% increase from the 2.75 sen (5.50 sen per ordinary share restated based on enlarged share capital after bonus issue on February 12, 2025) paid during the year in respect of the previous financial year ended December 31, 2023. The proposed dividend is in line with the Company's Dividend Policy which targets a dividend payout ratio of at least 35% of its audited group profit attributable to shareholders for the financial year, after excluding non-operating income that is capital in nature.

This first and final dividend is subject to the approval of the shareholders by the Company at the forthcoming Annual General Meeting to be convened on May 30, 2025.

Chairman's Statement



ACQUISITION OF PROPERTY, PLANT AND MACHINERY

During the year, we expanded our warehouses in Shah Alam and Yong Peng and commissioned three new water bottling production lines—along with supporting machinery—at our Taiping and Yong Peng plants. These additions have boosted the Group's total production capacity by approximately 25%.

We also strengthened our long-term operational footprint by acquiring seven parcels of land totalling RM9.3 million, adding twenty-seven acres in Taiping and twelve acres in Yong Peng. As at the end of the financial year, the land areas of our mineral water plants now stand at approximately 433 acres in Taiping and fifty-four acres in Yong Peng, respectively.

BONUS ISSUE

To reward our shareholders and enhance trading liquidity, the Company proposed a 1-for-1 Bonus Issue of up to 319,314,145 new ordinary shares. The Bonus Issue was first announced on November 27, 2024, and Bursa Securities approved the listing application on December 12, 2024.

The shareholders approved the Bonus Issue at the Extraordinary General Meeting held on January 22, 2025. Subsequently, 319,314,145 Bonus Shares were issued on February 12, 2025, and the Bonus Issue was completed following the successful listing and quotation of these shares on Bursa Securities on February 13, 2025.

PUTRA BRAND AWARDS 2024

We are proud to announce that Spritzer has won the Platinum Award in the Non-Alcoholic Beverage category at the Putra Brand Awards 2024.

This recognition is especially meaningful as the Putra Brand Awards are voted by the Malaysian public, reflecting genuine consumer trust and preference. Organised by the Association of Accredited Advertising Agents Malaysia and endorsed by MATRADE, it is one of the country's most respected brand awards.

Spritzer has grown from a modest mineral water brand into Malaysia's leading natural mineral water producer, known for its quality, innovation, and sustainability. We have expanded our product range to meet evolving consumer needs, while committing to environmental goals such as becoming a circular brand by 2030. With advanced technology and a protected 430-acre plus rainforest water source, Spritzer continues to deliver trusted, high-quality products that stand for health, sustainability, and innovation.

PROSPECTS

Looking ahead into 2025, the Malaysian economy is expected to remain resilient, underpinned by steady domestic demand and sustained investment activity. Household spending boosted by the upward revision of the minimum wage and civil servant salaries. The tourism sector is also poised for continued growth, supported by Malaysia's role as ASEAN Chair and the lead-up to Visit Malaysia 2026. Against this positive backdrop, we remain focused on strengthening operational efficiency and business excellence. Our strategic priorities include continued investment in our core brands, increased automation, and further enhancement of production processes. We are also intensifying our marketing and sales efforts in Singapore to broaden our regional presence.

Sustainability continues to be a key pillar of our business. We are steadily increasing the use of recycled PET in our Spritzer bottles and actively exploring innovative, sustainable packaging solutions. These initiatives reflect our long-term commitment to responsible environmental practices. Backed by strong brand equity and forward-looking strategies, I am confident in our Group's ability to sustain its market leadership in the bottled water industry.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to express our deepest gratitude to our loyal consumers and customers. Your continued trust in our products inspires us every day and remains at the heart of everything we do. To our employees—your unwavering dedication, hard work, and resilience have been the driving force behind our achievements this year. Thank you for your commitment, passion, and belief in our shared purpose. We also extend our sincere appreciation to our shareholders, business partners, bankers, financiers, and the relevant government authorities for their ongoing support, collaboration, and guidance.

Together, your contributions have shaped a stronger and more resilient Spritzer.

Dato' Seri Lim A Heng @ Lim Kok Cheong,
SPMP, DPMP, JSM, JP

Chairman

April 2, 2025

Management Discussion and Analysis

For the Year Ended December 31, 2024

BUSINESS AND OPERATIONS OVERVIEW

The Malaysian economy grew by 5.0% in the fourth quarter of 2024. This performance was supported by strong expansion in investment activities, growth in export of goods and services and sustained household spending. For the overall 2024, Malaysia's economy had achieved 5.1% growth marking a significant growth from the 3.7% achieved in 2023 driven by stronger domestic demand and higher investment. This marked a shift from the slower growth in 2023, which was affected by weaker global demand and tighter monetary conditions. In 2024, better investor confidence, a rebound in tourism and construction, and easing inflation boosted household spending. Overall, improved local and global conditions helped Malaysia recover and strengthen its economic performance compared to the previous year.

Our Group's revenue continued to reflect this economic strength, achieving an encouraging 21% growth in the current quarter and 18% for overall 2024. The sales of our bottled water products remained robust throughout the year, fuelled by strong demand, a surge in travel and tourism activities, and the persistently hot weather conditions. Additionally, our strategic branding and marketing investments have significantly bolstered our sales performance.

We are a pioneer and the industry leader with 36 years of manufacturing, branding, marketing, and distribution excellence in the Malaysian bottled water industry. Our Group consist of an investment holding company with nine subsidiaries. The Group is principally involved in the manufacturing, marketing, and distribution of a comprehensive range of bottled water products and plastic packaging products. Details of the principal activities of individual subsidiaries can be found in the audited financial statements in this annual report.

Our Group is the largest and most integrated bottled water producer in Malaysia with a commanding market share of above 40%. Our core brands are Spritzer, Spritzer Sparkling, Spritzer Tinge, Spritzer So Tinge, Cactus, Desa and Summer which are also the leading brands in their respective market segments in the Malaysian bottled water industry. Our Group operates in three main business segments, namely, manufacturing, trading and others. "Others" encompasses mini golf course and recreational park, investment and properties holding and property development activities.

Our Group has three bottled water plants and one plastic packaging manufacturing plant in Malaysia. Our main mineral water plant is located in Taiping, Perak with the second mineral water plant in Yong Peng, Johor and the third drinking water plant in Shah Alam, Selangor. Our plastic packaging manufacturing plant is located in Ipoh, Perak. The Group has an annual production capacity of about 1.25 (2023: 1.00) billion litres of bottled water as of December 31, 2024. Our operations are primarily in Malaysia and our export sales currently make up of less than 10% of our Group's revenue.

We have two wholly owned trading companies, one operating in Taiping, Perak and another in Guangzhou, China which has, in April 2016, started its operations of selling and wholesale distribution of bottled water products in Guangzhou and other parts of China. The Group operates a minigolf and recreational park called Spritzer EcoPark next to our main mineral water plant in Taiping, Perak. Spritzer EcoPark is one of the Group's initiatives to give back to local community and at the same time to promote tourism in Taiping, the home of Spritzer, to the rest of Malaysia. During the current financial year, the Group started to venture into housing development by entering into a joint venture agreement with a third party to jointly develop a piece of land measuring approximately 5.78 acres, located in Taiping, Perak into a residential housing project. The property development activities are not expected to be material to the Group and the Group focus is still on its core business that is bottled water and beverage sector.

The Group has acquired a 30% equity interest in an associated company, The Tapping Tapir Sdn Bhd ("TTT") in January 2023, a company principally involved in the manufacturing, producing and distribution of beverages, namely naturally flavoured sparkling sodas. The contribution from TTT is immaterial to the Group.



Vision and Strategic Direction

Spritzer's vision is to be recognised and respected as Malaysia's leading bottled water producer. We are committed to delivering high-quality bottled water that promotes healthy consumption and meets the evolving preferences and hydration needs of our consumers.

As the largest and most integrated bottled water company in Malaysia, we continue to expand our product offerings, enhance operational efficiency, and strengthen our market presence both locally and internationally. We are also exploring new business and investment opportunities within the beverage sector to support long-term growth.

Management Discussion and Analysis

In line with our innovation agenda, we have begun adopting generative artificial intelligence (“AI”) within the past year to support functions, content creation, market analysis, and customer engagement, with employees using tools like Copilot and ChatGPT to improve productivity. While still in the early stages, this technology is expected to enhance operational efficiency and decision-making over time. We are also exploring the potential of agentic AI to further automate routine processes and optimise resource utilisation, with the goal of improving productivity and responsiveness across our operations.

Sustainability remains a strategic priority. We have introduced eco-friendly packaging and are collaborating with partners to reduce packaging waste and improve recycling rates, contributing to a greener and more sustainable future.

Our strategies are guided by trustworthiness, integrity, respect, and open collaboration—values that drive innovation, excellence, and inclusive growth in the competitive bottled water industry.

Financial Highlights

The Group	2024	2023	Change	%
Revenue (RM'000)	578,988	490,675	88,313	18
Other gains and losses (RM'000)	(2,576)	3,628	(6,204)	(171)
Profit before tax (RM'000)	79,361	65,924	13,437	20
Profit for the year (RM'000)	71,111	49,486	21,625	44
Profit before tax margin (%)	13.7	13.4	0.3	
Net profit margin (%)	12.3	10.1	2.2	
Basic earnings per share (sen)	22.3	15.5	6.8	44
Diluted earnings per share (sen)	22.0	15.2	6.8	45
Dividend per share (sen)	8.0 *	5.5	2.5	45
Dividend payout ratio (%)	36	35	1	
Total assets (RM'000)	772,116	687,910	84,206	12
Total liabilities (RM'000)	190,118	160,879	29,239	18
Current ratio (time)	1.7	2.0	(0.3)	
Quick ratio (time)	1.4	1.6	(0.2)	
No. of shares in issue (less treasury shares) ('000)	318,369	316,291	2,078	1
Total equity (RM'000)	581,998	527,031	54,967	10
Net debt to equity ratio (%)	4.6	3.3	1.3	39
Net assets per share (RM)	1.83	1.67	0.16	10
Market capitalisation (RM'000)	977,393	578,813	398,580	69
Share price (RM)	3.07	1.83	1.24	68

* Restated to incorporate the effects of the bonus issue of one bonus share for every one existing share held, completed in February 2025 for comparative purpose.

Management Discussion and Analysis

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITIONS

Revenue

The Group recorded a revenue of RM579.0 million in the year ended December 31, 2024, which is a 18% increase from the RM490.7 million recorded in the previous year. The Group's current year revenue from manufacturing segment of RM554.3 million represents an increase of 18% from RM468.6 million in the previous year. Revenue from trading segment increased 11% from RM20.9 million to RM23.1 million in the year ended December 31, 2024.

The increase in the Group's sales revenue in the year ended December 31, 2024, is due to the increase in sales volume of bottled water from the manufacturing segment. Trading segment's revenue for the year ended December 31, 2024, increased due to higher sales volume.

Other gains and losses

Included in other gains and losses for the year ended December 31, 2024, are income from sale of fresh fruit bunches ("FFB") totalling RM2.6 million (2023: RM1.8 million) and property, plant and equipment written off amounting to RM6.3 million (2023: RM0.8 million).

Income from sale of FFB consist of proceeds from sale of oil palm fresh fruit bunches net of direct estate operating cost. The increase during the year is due to increase in yield and average price per ton which is in line with the increase in crude palm oil ("CPO") prices.

The property, plant and equipment written off were attributed to writing off idle and obsolete plant and equipment. During the year, many plant and machinery were written off as they were replaced and became obsolete as part of the Group's expansion program, rendering them no longer operational.

Employee benefit expenses

The Group's current year employee benefit expenses has increased 32% to RM105.4 million (2023: RM79.7 million). The increase primarily is due to the expansion of the workforce in line with business growth, annual salary increments, and performance-based bonuses and incentives. The increase also reflects the Group's adjustment of employee salaries to align with market rates as part of its talent management strategy.

Profit before tax, net profit, and earnings per share

The Group's current year profit before tax rose by 20% to RM79.4 million (2023: RM65.9 million), mainly attributed to increased sales revenue driven by higher bottled water sales volume.

The Group's profit for the year rose by 44% to RM71.1 million (2023: RM49.5 million), driven by higher sales revenue and a lower income tax expense. The decrease in income tax expense in 2024 compared to 2023 was primarily due to reinvestment allowances claimed on new plant and machinery that were installed and used during the year. Additionally, there was no derecognition of deferred tax brought forward in 2024, whereas RM4.5 million was derecognised and charged to profit and loss in 2023.

In line with the higher earnings, The Group's basic earnings per share and diluted earnings per share for the year stood at 22.3 sen and 22.0 sen (2023: 15.5 sen and 15.2 sen) respectively.

Total comprehensive income

The Group's total comprehensive income for the year attributable to owners of the Company is RM71.6 million (2023: RM48.7 million), included in other comprehensive income is gain on exchange difference on translating the Group's foreign subsidiaries with reporting currency in Chinese Renminbi and Hong Kong Dollar amounting to RM0.5 million (2023: loss of RM0.1 million).

Management Discussion and Analysis

Financial position

The Group's financial position remained strong in 2024, underpinned by higher net earnings of RM71.1 million for the year. Total assets increased by RM84.2 million, or 12%, from RM687.9 million as of December 31, 2023, to RM772.1 million as of December 31, 2024. This growth was primarily driven by the acquisition of property, plant, and machinery to support the expansion of our production facilities, along with a 27% rise in trade and other receivables to RM121.5 million (2023: RM96.0 million), in line with the significant increase in sales during the year.

Total liabilities rose by RM29.2 million, or 18%, from RM160.9 million as of December 31, 2023, to RM190.1 million as of December 31, 2024. This increase was mainly attributable to a 46% rise in other payables to RM32.4 million (2023: RM22.2 million), related to ongoing investments in property, plant, and machinery. Short-term bank borrowings also increased by 33% to RM23.0 million (2023: RM17.3 million), to finance working capital requirements. In addition, accrued expenses rose by 53% to RM59.8 million (2023: RM39.0 million), primarily comprising employee benefit expenses, sales rebates, and volume discounts.

The Group continues to maintain a strong liquidity position, with a current ratio of 1.7 times (2023: 2.0 times) and a comfortable quick ratio of 1.4 times (2023: 1.6 times) as of December 31, 2024, reflecting its ability to meet short-term financial and debt obligations.

Total equity, SGP and market capitalisation

Resulting from the comprehensive income of RM71.6 million generated during the year, the recognition of the share-based payment of RM3.3 million, after the paying the dividend of RM17.6 million and spending RM2.4 million on purchase of own shares, total equity has increased by RM55.0 million or 10% from RM527.0 million on December 31, 2023 to RM582.0 million on December 31, 2024. As of December 31, 2024, the net asset value per share of the Company stood at RM1.83 (2023: RM1.67).

On November 20, 2019, the Company awarded a total of 10,234,000 ordinary shares of the Company under the Employees' Share Grant Plan ("SGP") to Eligible Employees of the Group. The number of SGP shares awarded to Eligible Directors of the Company under the SGP is 2,937,000. The SGP shares will be allotted and vested with the Eligible Employees on the third anniversary date from the end of the relevant financial year in which the earnings target has been achieved.

During the year ended December 31, 2024, a total of 3,010,800 SGP shares vested, and the Company transferred an equivalent number of treasury shares to eligible employees and Executive Directors of the Group. There were no new SGP shares granted during the year ended December 31, 2024. The SGP shares balance outstanding as of December 31, 2024, is 4,593,600.



As of December 31, 2024, the total shares held as treasury shares stands at 945,000 (2023: 3,022,800) with the value of RM2.4 million (2023: RM5.0 million) and the number of ordinary shares in issue after excluding the treasury shares is 318,369,145 and the corresponding paid-up share capital is RM224.4 million (2023: RM223.2 million).

As of December 31, 2024, the Company's market capitalisation rose by 69% to RM977.4 million, compared to RM578.8 million as at the end of the previous year, driven by an increase in the market price per share to RM3.07 (2023: RM1.83).

Bonus issue

On November 27, 2024, UOB Kay Hian Securities (M) Sdn Bhd ("UOBKH") had, on behalf of the Board, announced that Spritzer proposed to undertake a bonus issue of up to 319,314,145 new ordinary shares in Spritzer ("Spritzer Shares") on the basis of 1 Bonus Share for every 1 existing Spritzer Share held on an entitlement date to be determined later. The Bonus Shares will upon allotment and issuance, rank pari passu with the then existing Shares and would be issued as fully paid, at zero consideration and without capitalisation of the Company's reserves.

On December 12, 2024, UOBKH had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated December 12, 2024, resolved to approve the listing of and quotation for 319,314,145 new Spritzer Shares to be issued pursuant to the Proposed Bonus Issue, subject to the conditions as set out in Section 6 of the Circular to Shareholders in relation to the Proposed Bonus Issue dated December 30, 2024.

The Bonus Issue was approved by the shareholders in the Extraordinary General Meeting of the Company held on January 22, 2025. A total of 319,314,145 Bonus Shares were issued on February 12, 2025, and the Bonus Issue was completed following the listing of and quotation for the Bonus Shares on Bursa Securities on February 13, 2025. The number of ordinary shares in issue after the Bonus Issue is 638,628,290, inclusive of 1,890,000 treasury shares and 636,738,290, less treasury shares.

Management Discussion and Analysis

Cash Flows

The Group	2024 RM'000	2023 RM'000
Profit for the year after adjusting for depreciation and other items	123,349	93,456
Movements in working capital	(11,621)	(7,765)
Income tax paid (net) and interest received	(9,709)	(6,325)
Cash flows from operating activities	102,019	79,366
Capital investment	(81,124)	(89,785)
Net investments in money market and fixed income funds	(8,530)	8,605
Subscription of shares in an associated company	-	(2,252)
Others	723	1,309
Cash flows after investing activities	13,088	(2,757)
Dividend paid	(17,562)	(13,303)
Finance costs paid	(2,500)	(1,613)
Purchase of own shares	(2,356)	(4,941)
Net proceeds from bankers' acceptance and revolving credits	859	32,048
Others	(647)	(827)
Net (decrease)/increase in cash and cash equivalents	(9,118)	8,607

The Group's cash flow has remained healthy as we continued to generate positive cash flow from our business activities. In year 2024, the Group generated a net cash of RM102.0 million (2023: RM79.4 million) from its operating activities. Our net earnings continued to be supported by a corresponding operating cash flow. The cash outflow for the purchase of plant, property and equipment in 2024 amounted to RM81.1 million (2023: RM89.8 million) which included the payment for the acquisition of land in Taiping and Yong Peng, construction of warehouses in Shah Alam and Yong Peng, as well as procurement of machinery and equipment to support the expansion and modernisation of our manufacturing facilities.

The Company has paid the first and final dividend of 5.5 sen per share, under the single-tier system in respect of the previous financial year ended December 31, 2023, amounting to RM17.6 million to its shareholders on June 21, 2024. During the year, the Company also spent RM2.4 million (2023: RM4.9 million) on purchasing 933,000 units of its own shares, these treasury shares will be reissued in 2026 upon vesting of the remaining shares under the SGP.

As of December 31, 2024, the Group's cash and cash equivalents balance stood at RM21.6 million, compared to RM30.2 million in 2023.

REVIEW OF OPERATING ACTIVITIES

Manufacturing segment

During the year ended December 31, 2024, the Group continued to acquire new land and plant and machinery to boost production. In its efforts to protect the existing and explore and secure new water sources, the Group has acquired thirty-seven acres of land next to its factories at a total cost of RM9.3 million, twenty-seven acres are located in Taiping while twelve acres are located in Yong Peng.

Three new modern bottling line have also been installed and commissioned during the year, two of the production lines, one of which is designated for carbonated ("sparkling") products and non-carbonated flavoured drinks are located in Taiping Plant and one in Yong Peng Plant. With these new machines in place, the production capacity of the Group has increased 25% to RM1.25 billion (2023: RM1.00 billion) litres per annum.

Management Discussion and Analysis

To cope with higher volume of products, the Group also built two new warehouses, one in Shah Alam factory another in Yong Peng factory to ease the storage constraints.

The Group advanced energy efficiency by replacing traditional lighting with LEDs, optimising air systems, and installing 1,902 kWp of solar PV system in Taiping. HQ office in Taiping was renovated per Green Building Index guidelines, featuring smart lighting, VRF air conditioning, and ERV systems. As of December 31, 2024, the solar energy generation capacity of the Group is 5,062 kWp (2023: 3,160 kWp).

On January 18, 2025, a wholly owned subsidiary, Angenet Sdn Bhd entered into five separate Sale and Purchase Agreements with two individuals to acquire approximately twenty-seven acres of agricultural land next to its Yong Peng plant for a total consideration of RM5.7 million.

The Group has also committed to acquiring another new production line for manufacturing of big pack size products, as well as adding 33% storage to its existing ASRS warehouse in 2025. Both projects are expected to complete by the last quarter of 2025.

The Group has committed to installing additional 632 kWp solar PV panels at its Shah Alam plant in 2025.

Property development

During the financial year, on February 8, 2024, Spritzer Development Sdn Bhd ("SD"), a wholly-owned subsidiary entered into a Joint Venture Agreement ("JVA") with KNP Development Sdn Bhd ("KNP"), a company incorporated in Malaysia, to jointly develop a piece of land located in Perak measuring approximately 5.78 acres into a housing development project to build residential houses subject to and upon the terms and conditions contained in the JVA. SD will be the Developer and KNP the Landowner. This project is estimated to commence in the final quarter of 2025.

Human capital

As of December 31, 2024, the Group has a workforce of 1,101 employees (2023: 1,036).

ANTICIPATED AND KNOWN RISKS

The Group is sensitive to various risks which include reputational risk, business/operations risks, financial risks, cybersecurity risks, sustainability risks and regulatory risks. The Group's risk management framework is designed to enable the material risks to be identified, analysed, assessed, and managed in order to prevent or minimise losses.

Reputation Risk

Being the leading bottled water company with dominant market share, our core brands have high brand equity. To sustain and to enhance the image and reputation of the Group and our branded products, we are committed to high product quality and cultivate strong discipline to improve continuously. We cultivate ethical and responsible business behaviour with a strong culture to manage and to ensure compliance with the applicable standards, internal policies and procedures, external rules and regulations, and good practices. We invest in and focus on effective communication, image, and brand building. We are also mindful of the emergence of certain brand boycott activities in Malaysia.

Business Operations Risks

Our significant business operations risks include the risk of adequacy and suitability of water supply, supply chain risk, customer/consumer loyalty risk, regulatory risk, anti-bribery, and corruption risks. We have suitably qualified and experienced personnel to manage our business operations and we have established proper business processes to ensure the proper mitigation and management of our business operations risks. We constantly strive to improve the efficiency and effectiveness of our entire value chain.

Financial Risks

Our key financial risks are credit risk and liquidity and cash flow risk. We have established proper credit evaluation and control processes to manage the credit risk of our receivables. We practise prudent liquidity risk management to minimise the mismatch of our financial assets and financial liabilities and we have adequate credit facilities and resources for contingency funding requirement. The Group has a healthy balance sheet and strong financial capability to manage its financial risk.

Cybersecurity Risks

As digital reliance grows, the Group faces increased cybersecurity risks including data breaches and unauthorised access. To address this, we have implemented comprehensive safeguards such as antivirus software, firewalls, and 24/7 threat monitoring. Data is protected through strong password policies, multi-factor authentication, and restricted access. Regular system updates, data backups, and a disaster recovery plan ensure resilience. Employee training and physical security measures further strengthen our defences. These efforts are underpinned by strict adherence to the Personal Data Protection Act 2010 to ensure data privacy and regulatory compliance.

Management Discussion and Analysis

Sustainability Risks

The Group recognises sustainability risks as increasingly critical, particularly in relation to environmental regulations, climate change, and resource management. Water scarcity and regulatory limits may affect production, while extreme weather events—such as floods and prolonged droughts—pose risks to supply chains and manufacturing operations. To enhance resilience, we are diversifying sourcing and strengthening operational safeguards. In response to stricter environmental regulations, we continue adopting energy-efficient practices and waste reduction initiatives. We also prioritise responsible sourcing and have increased the use of recycled PET in our bottles, aligning our packaging with growing consumer demand for sustainable, eco-friendly products.



AWARDS AND RECOGNITIONS

In 2024, the Group received several prestigious awards, underscoring our product quality, innovation, and consumer trust:

- Putra Brand Awards 2024 – Beverage (Non-alcoholic), Platinum Winner: Our 10th win, and first Platinum, based on nationwide consumer preferences.
- Superior Taste Award 2024 – International Taste and Quality Institute (Belgium): Awarded 3 stars by Michelin chefs and sommeliers.
- Reader's Digest Trusted Brand 2024: Spritzer received the Platinum Award for the 23rd consecutive year, while Cactus won the Gold Award for the 11th time.
- Brand of the Year 2024 – World Branding Forum: National Award winner in the water category, determined through brand valuation and public voting.
- MSMA (Malaysia Smart Manufacturing) Awards 2023: Our Taiping factory was recognised for Leadership in Smart Manufacturing. Organised by MIDF, Bizsphere Brand & Marketing Group, and Smart4word, and endorsed by MITI (Ministry of Investment, Trade, and Industry), this award recognises companies advancing smart manufacturing. The initiative promotes Industry 4.0 adoption, innovation, and collaboration to establish Malaysia as a global leader in smart manufacturing.

These recognitions reaffirm our commitment to excellence and innovation.

DIVIDEND

The Company has a Dividend Policy which targets a dividend pay-out ratio of at least 35% of its audited consolidated profit after taxation attributable to shareholders for each financial year, after excluding non-operating income that is capital in nature.

After considering the cash flow requirement of the Group, the directors have proposed a first and final dividend of 4.0 sen per share, under the single tier system, based on 636,738,290 shares in issue, net of treasury shares as of February 28, 2025 for the financial year ended December 31, 2024, which represents a 45% increase from the 2.75 sen (5.50 sen per ordinary share, restated based on enlarged share capital after bonus issue) paid during the year in respect of the previous financial year ended December 31, 2023. The current dividend payout ratio is at 36% (2023: 35%). The Company has been consistently making annual dividend payout since its shares were first listed in September 2000.

PROSPECTS

Malaysia's GDP is projected to grow between 4.5% and 5.5% in 2025, driven primarily by resilient domestic consumption and a continued recovery in tourism. Strong labour market conditions, including a low unemployment rate of 3.2% and rising wages, alongside policy measures such as higher minimum wages and civil servant salary revisions, will support household spending. Increased tourist arrivals are also anticipated to boost demand in retail and food and beverage segments. While external risks such as the US tariff on global goods may impact certain sectors, stable inflation and sustained domestic momentum provide a favourable environment for consumer-focused industries like bottled water and beverages.

Even with the favourable outlook, we remain committed to enhancing operational efficiency and excellence. Our focus includes continued investment in our core brands, automation, and further improvement of production processes as well as increased efforts in promoting and selling of our products in Singapore.

Sustainability also remains a cornerstone of our operations. We are progressively increasing the use of recycled PET in our Spritzer bottles and actively exploring innovative sustainable packaging solutions. These efforts align with our long-term commitment to environmental stewardship.

With our strong brand equity and strategic initiatives, the Board trusts the Group's ability to maintain its market leadership position in the bottled water industry.

Sustainability Statement

We are pleased to present our Sustainability Statement ("Statement"), which outlines our Group's sustainability strategies, practices, initiatives, and performance milestones for the reporting period from January 1 to December 31, 2024, unless stated otherwise. Spritzer Bhd ("Spritzer" or "Company") and its subsidiaries ("the Group") are dedicated to managing our Environmental, Social, and Governance ("ESG") impact responsibly across our operations in Malaysia.

This Statement should be read in conjunction with Spritzer's 2024 Annual Report, as well as the relevant policies and procedure documents available on our corporate website at www.spritzer.com.my.

Sustainability Progress in 2024

At Spritzer, sustainability is a cornerstone of our operations, and we are dedicated to shaping a sustainable future. Guided by the Triple Bottom Line ("TBL") approach, we focus on three key pillars: Profit, People, and Planet, ensuring that our business creates value across all dimensions.

Profit: We strive for financial success through sustainable practices that deliver long-term value. By fostering innovation, implementing cost-effective strategies, and making ethical investments, we ensure profitability that benefits both shareholders and stakeholders.

People: We are committed to the well-being of our employees, customers, and communities. Our focus on ethical sourcing, fair labour practices, and community engagement underpins our efforts to improve lives, while promoting a diverse and inclusive workplace.

Planet: We aim to reduce our environmental impact by adopting renewable energy, minimising waste, and utilising sustainable materials. These initiatives support our ongoing efforts to protect the environment and contribute to a greener future.

Our sustainability actions in 2024 reflect these priorities, ensuring alignment with global frameworks like the United Nations Sustainability Development Goals while adhering to national regulations.

Way Forward

As we continue to advance our sustainability journey, we remain focused on driving positive change, creating value for all stakeholders, and reinforcing Spritzer's position as a responsible leader in the industry.

Frameworks and Guidelines

Our Statement has been prepared, as best we can, in accordance with the guidelines and framework outlined below:

Reporting Period	January 1 – December 31, 2024
Reporting Framework & Guidelines	<ul style="list-style-type: none">Bursa Malaysia's Sustainability Reporting Guide, 3rd EditionGlobal Reporting Initiative ("GRI") StandardsUnited Nations Sustainable Development Goals ("UNSDGs")FTSE4Good Bursa Malaysia Index's Environmental, Social and Governance ("ESG") Indicator

Sustainability Statement

Scope of Our Sustainability Reporting

The scope of this report includes information that covers all the Group’s primary business activities.

Business Segment	Business Activity	Entities
Manufacturing	Natural mineral water, carbonated flavoured water, distilled water, drinking water, non-carbonated flavoured water, preforms & bottles made of polyethylene terephthalate (“PET”), caps, toothbrushes & other plastic products	<ul style="list-style-type: none"> • Chuan Sin Sdn Bhd • PET Master Sdn Bhd • Angenet Sdn Bhd • Golden PET Industries Sdn Bhd
Trading	Bottled water and other consumer products	<ul style="list-style-type: none"> • Chuan Sin Cactus Sdn Bhd • Spritzer Ecopark Sdn Bhd
Others	Mini golf course and recreational park, investment & properties holding and property development	<ul style="list-style-type: none"> • Spritzer Development Sdn Bhd

The abovementioned entities within the reporting scope report on their sustainability performance across all our material topics, including environmental and social performances.



While no internal or external assurance exercises were conducted on the information presented in this Statement for 2024, we are committed to enhancing our sustainability reporting processes and delivering meaningful value to our stakeholders. We plan to secure assurance on our disclosures in the next financial year.

The information provided in this report reflects our best efforts and is subject to further refinement in future reporting cycles.

We encourage our stakeholders to share their feedback on the Statement and the topics covered by reaching out to slchow@spritzer.com.my.

SUSTAINABILITY GOVERNANCE

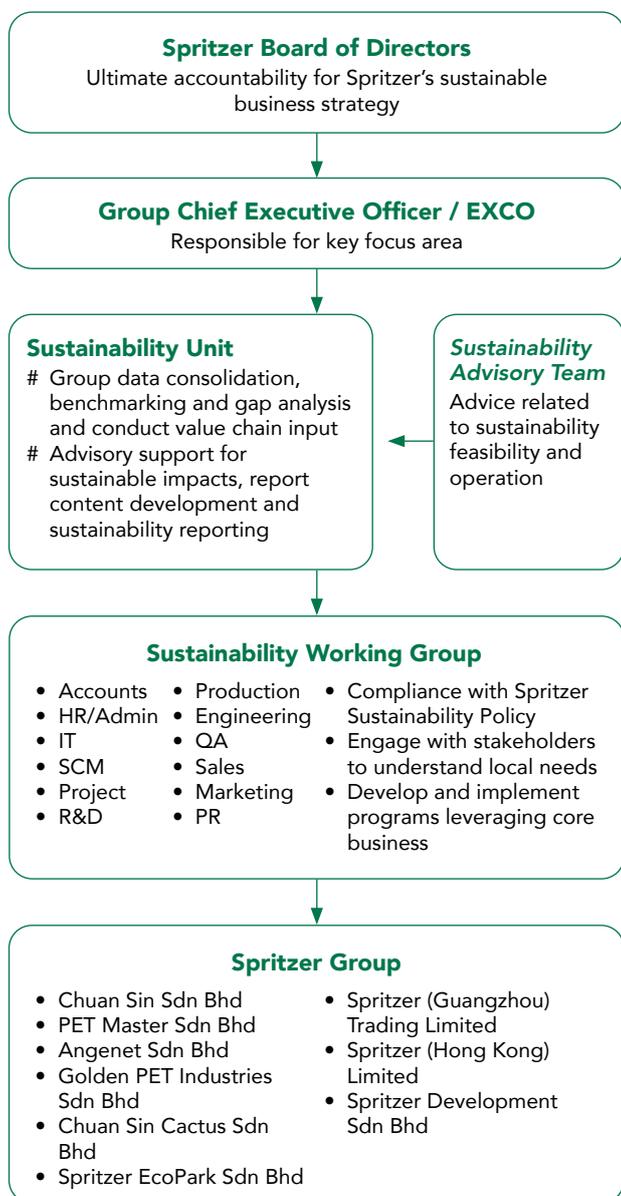
Roles and Responsibilities

Our Sustainability Governance framework clearly defines the roles and responsibilities to oversee our sustainability endeavours.

The Board of Directors (“Board”) holds ultimate responsibility for sustainability matters, including climate change considerations, and provides strategic direction for the Group. Supporting the Board, the Executive Committee (“EXCO”) oversees the integration and monitoring of sustainability strategies, ensuring their effective execution across the Group. The Group Chief Executive Officer (“GCEO”) drives the implementation of the Board’s sustainability vision, ensuring that sustainability goals are met. The Sustainability Advisory Team evaluates the feasibility and impact of long-term sustainability initiatives, offering guidance to ensure strategies are practical and aligned with the Company’s objectives.

Sustainability Statement

The diagram below outlines the roles and responsibilities at each organisational level, highlighting our commitment to upholding principled and effective sustainability practices:



Board	The Board exercises supreme authority in shaping and approving policy amendments and strategic directions for the Group. It plays a pivotal role in endorsing and supervising the efforts of the Sustainability Unit, focusing on stakeholder value creation and ensuring alignment with our overarching sustainability commitments.
GCEO	As an integral member of the Board, the GCEO is instrumental in initiating, guiding, and implementing the Board's sustainability vision and goals. This role involves steering the Group towards realising its sustainability agenda, ensuring that strategies are not only envisioned but effectively put into action.
EXCO	Tasked with the critical role of identifying, overseeing, and tracking the progress of sustainability strategies, the EXCO ensures that these initiatives are seamlessly integrated across all Group policies and operations. This committee plays a crucial part in translating sustainability objectives into tangible plans and measurable outcomes.
Sustainability Advisory Team	This specialised team advises the sustainability division, providing expert insights into the practicality and implementation of long-term sustainability initiatives. Their role is central to assessing the feasibility and impact of proposed sustainability strategies, ensuring that they are both viable and effective.
Sustainability Unit	At the core of our sustainability efforts, this unit is responsible for managing and executing all aspects of sustainability reporting and initiatives within Spritzer. They ensure that our sustainability practices are transparent, consistent, and align with our commitment to social and environmental responsibility.

At Spritzer, our Sustainability Strategy is supported by corporate policies that convey our commitment to a holistic and coherent approach to sustainability within the Group.

The list of policies and guidelines is as below:

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

The Company's ABC Policy outlines our zero-tolerance stance against bribery and corruption for all staff. Aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the policy will be updated as needed to reflect regulatory changes and improvements suggested by assurance providers.

This policy applies to all Directors and employees of the Group. Anti-corruption awareness is incorporated into induction training, and employees must sign an acknowledgment upon joining.

There were no reports of bribery or corruption in 2024, and as a result, no employees were penalised or terminated for non-compliance with the ABC Policy during the year.

Sustainability Statement

- **Whistleblower Policy**

The Company has implemented a comprehensive whistleblowing policy, offering a safe and confidential channel for reporting concerns. Employees and stakeholders can anonymously report potential breaches of sustainability commitments and ethical conduct via postal mail.

The Company is dedicated to safeguarding the identity of whistleblowers, ensuring strict confidentiality throughout the investigation process. We take all necessary measures to protect individuals' identities, fostering open communication without fear of reprisals and enabling us to address issues swiftly and effectively.

- **Board and Senior Management Gender Diversity Policy**

The Company recognises the importance of diversity within the Board and Senior Management in advancing our sustainability efforts. We are committed to building a team that embraces diverse perspectives, backgrounds, and experiences, as we believe this is crucial for driving innovation and fostering an inclusive culture.

The Nomination Committee regularly reviews the composition of the Board and Senior Management. The Board comprises qualified and experienced members, with a diverse mix of skills, age, and gender. The Board believes its current composition ensures a balanced range of skills and perspectives, supporting well-considered decisions that address both short- and long-term objectives.

- **Fit and Proper Policy**

The Company recognises the importance of ensuring that the Board possesses the necessary qualities to effectively lead the organisation. This policy is designed to ensure that individuals in these roles have the appropriate skills, experience, integrity, and judgment to make sound decisions. We are committed to maintaining a team that is capable of upholding the highest standards of governance and ethical conduct.

The policy is regularly reviewed to align with evolving regulatory requirements and best practices, ensuring that the Board remains fit to carry out their responsibilities in the best interests of the Group.

- **Conflict of Interest Policy ("Col Policy")**

The Company is committed to maintaining transparency and integrity in all decision-making processes. The Col Policy ensures that the Board and Key Senior Management avoid situations where their personal interests may conflict with the interests of the Company and outlines the procedures for identifying, disclosing, and managing any potential conflicts, ensuring that all decisions are made impartially and in the best interests of the organisation.

Regular reviews of the Col Policy ensure that the Board and Key Senior Management continue to operate with the highest level of professionalism and ethical standards, safeguarding the Company's reputation and trust with stakeholders.

- **Social Compliance Policy**

The Company recognises the importance of upholding social compliance across its operations to ensure ethical and responsible business practices. This policy is designed to promote fair labour standards, safe working conditions, and respect for human rights while preventing child labour, forced labour, and discrimination. We are committed to fostering a work environment that upholds integrity, accountability, and sustainability in alignment with industry regulations and best practices.

The policy is regularly reviewed to adapt to evolving legal requirements and ethical standards, ensuring that our commitments to social compliance remain strong and effective in safeguarding the well-being of our employees and stakeholders.

We encourage our customers, employees, suppliers, and contractors to familiarise themselves with and adhere to our policies. Our corporate policies are available from our website: <https://www.spritzer.com.my/investor#corporate-governance>.

Sustainability Statement

SUSTAINABILITY FRAMEWORK



The Group is committed to a carbon-neutral and socially ethical future, integrating sustainability into every aspect of our operations. Our framework is built on four core pillars: Go! Green Packaging, Customers' Needs are Our Priority, Climate Change Actions and Our People, Our Strength, ensuring that we minimise our carbon footprint while upholding ethical business practices, and empowering our employees by investing in them through skill development.

GO! Green Packaging

We are committed to reducing our environmental footprint by enhancing sustainable packaging solutions. This includes increasing the use of recycled and/or biodegradable materials, if applicable, expanding plastic collection and recycling programmes, and collaborating with industry bodies such as Malaysian Recycling Alliance ("MAREA") to drive circular economy practices. Additionally, we continue to invest in innovative packaging solutions to minimise waste and promote sustainability. Our goal is to reduce plastic waste, enhance recyclability, and set higher sustainability standards for our packaging operations.

Customers' Needs are Our Priority

Customer satisfaction remains a top priority. We are dedicated to strengthening customer engagement through enhanced service and feedback mechanisms, ensuring clear and transparent product labelling, and maintaining strict quality assurance measures. By doing so, we aim to build greater trust, provide reliable product information, and uphold the highest safety and quality standards in our offerings.

Sustainability Statement

Climate Change Actions

As part of our commitment to environmental responsibility, we are implementing energy-efficient production processes to reduce carbon emissions and expanding renewable energy sources. Our carbon sequestration efforts, including tree-planting initiatives and conservation programmes, help mitigate climate impact. These initiatives support our overarching goal of lowering our carbon footprint, transitioning to sustainable energy, and contributing to long-term climate resilience.

Our People, Our Strength

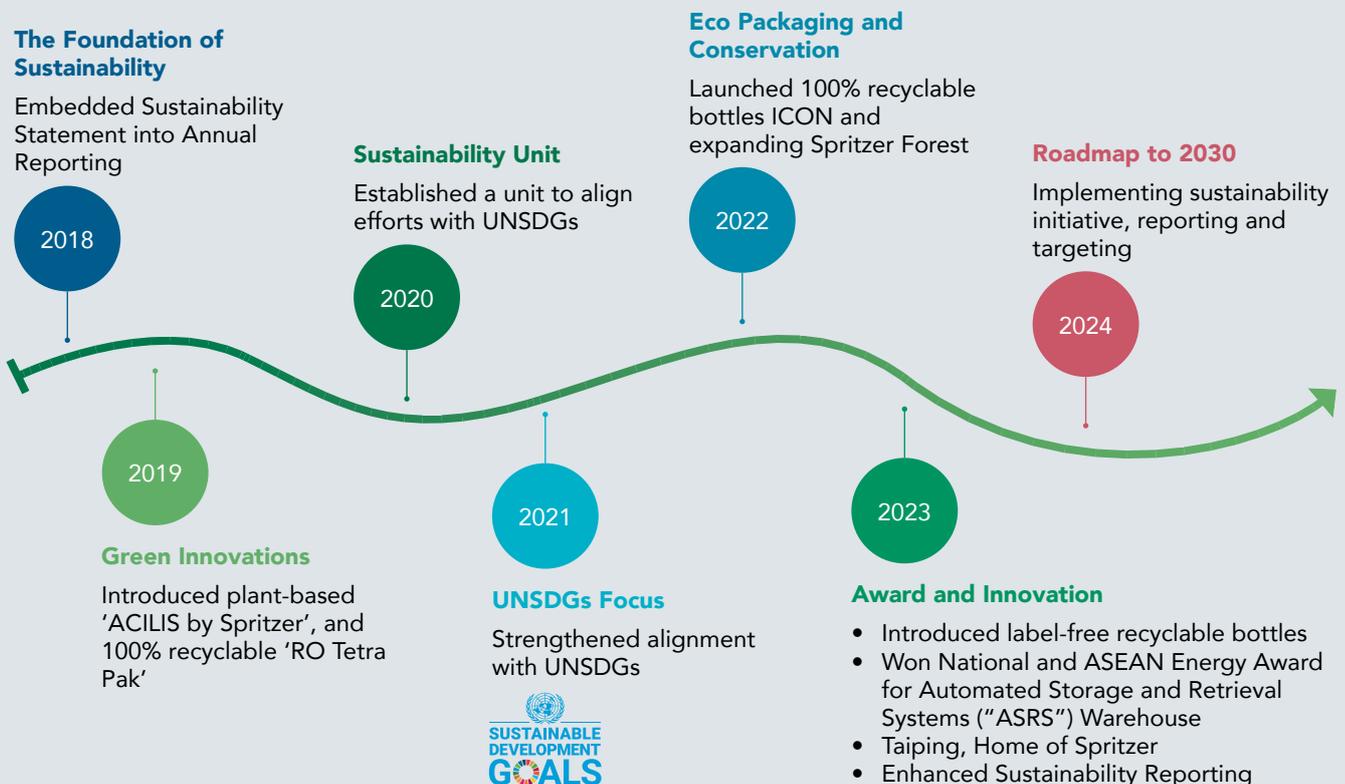
Our employees, communities, and governance practices form the backbone of our sustainability journey. We continue to prioritise employee well-being through occupational health programmes, fair wages, and career development opportunities. Strong corporate governance remains at the heart of our operations, ensuring transparency, ethical leadership, and regulatory compliance. In addition, we actively engage in community development programmes and strategic partnerships that foster positive social impact. Through these efforts, we strive to build a motivated workforce, strengthen ethical business practices, and contribute meaningfully to society.

These four pillars define our sustainability commitment, ensuring long-term value creation for our stakeholders while addressing key environmental and social challenges.

As a provider of desirable water products that prioritise purity, health benefits, and sustainability, we are dedicated to ensuring safe, high-quality, and sustainable hydration for all. Consumers seek naturally mineral-rich water that meets safety standards while delivering functional health benefits. Spritzer Natural Mineral Water, rich in silica, supports collagen production for healthier skin, hair, and nails. Sustainable packaging, such as recycled polyethylene terephthalate ("rPET"), appeals to eco-conscious buyers, while ethical sourcing ensures responsible water stewardship and builds consumer trust. By prioritising quality, health benefits, and sustainability, the Group can meet evolving consumer expectations, enhance market positioning, and contribute to a healthier, more sustainable future.

Through continuous innovation and responsible sourcing, we aim to create lasting value for our stakeholders, while advancing towards a greener and more equitable future.

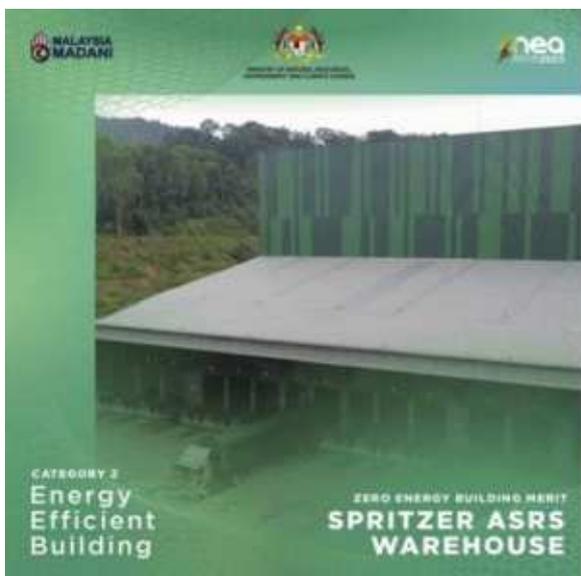
SUSTAINABILITY JOURNEY OF SPRITZER



Sustainability Statement



In 2024, the Group unwavering dedication to sustainability and innovation was recognised through several prestigious awards:



Energy-Efficient Building Award (“EEBA”): This accolade recognises Spritzer’s ASRS warehouse for its outstanding energy efficiency, securing awards at both national and ASEAN levels.

Competing against 114 nominees in Malaysia, the warehouse won in the zero-energy building sub-category at the National Energy Awards. Additionally, as Malaysia’s representative at the 2023 ASEAN Energy Awards in Bali, Indonesia, it became the first Green Building Index (“GBI”)-certified building with a negative Building Energy Index due to its surplus solar energy generation.

Sustainability Statement



Malaysia Smart Manufacturing Award (“MSMA”): This accolade highlights the Group’s commitment to integrating advanced manufacturing technologies that enhance efficiency and reduce environmental impact.



Top 5 in AmBank BizRACE IR4.0 and ESG: Achieving this position underscores the Group’s excellence in implementing Industry 4.0 practices alongside robust ESG standards.

These achievements are a testament to Group’s strategic focus on sustainable practices, technological advancement, and corporate responsibility, reinforcing its position as a leader in the industry.

STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is a core component of our sustainability strategy. Stakeholders, individuals or groups who influence or are impacted by our operations-provide invaluable feedback that helps us understand their needs and concerns. This input allows us to prioritise issues effectively and respond quickly, ensuring that our business strategy aligns with both our sustainability goals and stakeholder expectations.

Similar to past years, we have identified eleven key stakeholder groups, representing both internal and external stakeholders, which may be affected by the Group’s business operations and activities. During the year under review, through various communication channels, we facilitate knowledge sharing, exchange best practices, and foster connections with market players and industry experts.

Over the year, we actively engaged in industry forums, sustainability conferences, and stakeholder dialogues to advance responsible business practices. Our participation in the AmBank BizRACE IR4.0 & ESG programme, MAREA, and government-led sustainability initiatives-alongside collaborations with associations such as Malaysia External Trade Development Corporation (“MATRADE”), Malaysian Consortium of Mid-Tier Companies (“MCMTC”), and key industry bodies-reinforces our commitment to knowledge sharing and collective progress toward a more sustainable future.

Our proactive engagement with stakeholders not only helps address key sustainability issues but also enables us to refine our initiatives.

Our Board provides strategic oversight, ensuring governance and accountability, while government and regulatory bodies set the framework for compliance and responsible business practices.

Customers drive demand for sustainable products, guiding our innovation in packaging and responsible sourcing. Employees are central to our operations, and we prioritise their well-being, development, and workplace safety. Suppliers and vendors support ethical sourcing and sustainable production, while business partners enhance collaboration and operational efficiency.

Sustainability Statement

Media and analysts influence public perception and investor confidence, reinforcing the importance of transparent ESG reporting. Investors and shareholders expect long-term value creation aligned with sustainability principles. Industry associations and professional bodies provide insights and best practices, helping us stay ahead of evolving trends.

Beyond business, we engage with local communities through employment, education, and environmental initiatives, while partnerships with Non-Governmental Organisations (“NGOs”) strengthen our corporate social responsibility efforts. By maintaining strong stakeholder relationships, we ensure our sustainability strategy remains relevant, impactful, and aligned with broader societal and environmental goals.

By continually reviewing our engagement channels and focus areas, we demonstrate our commitment to meaningful dialogue, ensuring that our sustainability efforts remain aligned with stakeholder priorities and create long-term value.

Type of Stakeholders	Engagement Channel	Focus Area
Board	<ul style="list-style-type: none"> • Board meetings • Annual General Meeting (“AGM”) • Corporate/Group events • Email correspondences • Conference calls • Stakeholder Engagement Survey 	<ul style="list-style-type: none"> • Financial performance • Environmental practices • Human capital management • Corporate governance • Corporate strategy • Quality of products & services • Business development/partnerships • Societal contributions
Government/ Regulatory Authorities	<ul style="list-style-type: none"> • Site visits • Inspections • Conferences • Ad-hoc invitations • Programmes organised by the authorities 	<ul style="list-style-type: none"> • Corporate governance • Compliance with applicable laws/ regulatory requirements • Information security
Customers	<ul style="list-style-type: none"> • Official website • Social media platforms • Conventional telecommunication • Customer Satisfaction Surveys • Conferences/Roadshows/Exhibitions 	<ul style="list-style-type: none"> • Quality of products & services • Environmental practices
Employees	<ul style="list-style-type: none"> • Group memos • Email correspondences • Recreational events • Meetings/Briefings/Townhalls • Social media platforms • Training programmes • Stakeholder Engagement Surveys • Annual employee performance discussions 	<ul style="list-style-type: none"> • Occupational safety & health • Fair remuneration • Fair employment practice • Training & development • Diversity & inclusion • Information security • Career development • Societal contributions • Environmental practices • Financial performance
Suppliers/Vendors	<ul style="list-style-type: none"> • One-to-one meetings • Periodic performance evaluations • Conferences 	<ul style="list-style-type: none"> • Agreeable contracts • Terms of payments • Business development/partnerships • Corporate governance
Media/Analysts	<ul style="list-style-type: none"> • Meetings/Briefings • Press releases/Conferences • Media releases/Interviews 	<ul style="list-style-type: none"> • Open & transparent communication • Environmental practices • Corporate strategy • Human rights • Future business aspirations
Business Partners	<ul style="list-style-type: none"> • Ongoing meetings • Conference calls • Site visits 	<ul style="list-style-type: none"> • Quality of products & services • Production capacity • Open & transparent communication • Business development/partnerships • Collaboration & market synergy

Sustainability Statement

Type of Stakeholders	Engagement Channel	Focus Area
Investors/Shareholders	<ul style="list-style-type: none"> • AGM • Official website • Media releases • Investor relations • Public announcements • Ad-hoc discussion sessions • Annual reports 	<ul style="list-style-type: none"> • Financial performance • Human rights • Corporate governance • Quality of products & services • Societal contributions • Open & transparent communication
Industry Associations/ Professional Bodies	<ul style="list-style-type: none"> • Official website • Group discussions • Conferences/Roadshows/Exhibitions • Public announcements 	<ul style="list-style-type: none"> • Quality of products & services • Business development/partnerships • Collaboration & market synergy
Local Communities	<ul style="list-style-type: none"> • Community development programmes • Conferences/Roadshows/Exhibitions 	<ul style="list-style-type: none"> • Societal contributions • Environmental practices
NGOs	<ul style="list-style-type: none"> • Meetings/Discussions • Site visits • Conferences/Roadshows/Exhibitions 	<ul style="list-style-type: none"> • Societal contributions • Environmental practices

MATERIALITY ASSESSMENT

Spritzer remains committed to identifying and managing key sustainability matters through a structured materiality assessment. This process ensures that our focus aligns with business priorities, stakeholder expectations, and regulatory requirements.

Development of Material Matters

Since 2018, Spritzer has periodically reviewed its material matters to ensure they remain relevant. In 2022, a comprehensive reassessment was conducted based on stakeholder engagement and business impact analysis. This process identified Employee Well-being, Cradle to Gate, Gate to Cradle, and Good Governance Practices as key sustainability priorities. These matters continue to guide our approach to ESG initiatives.

Materiality Assessment Process

Spritzer's materiality assessment follows Bursa Malaysia's Sustainability Reporting Guidelines evaluating sustainability risks and opportunities that may impact the Group's operations and stakeholders. The 2022 materiality matrix has served as a basis for directing our sustainability efforts. Upon internal review, the management agrees that the materiality matrix remains relevant for the 2024 reporting period as it continues to reflect our key sustainability priorities.

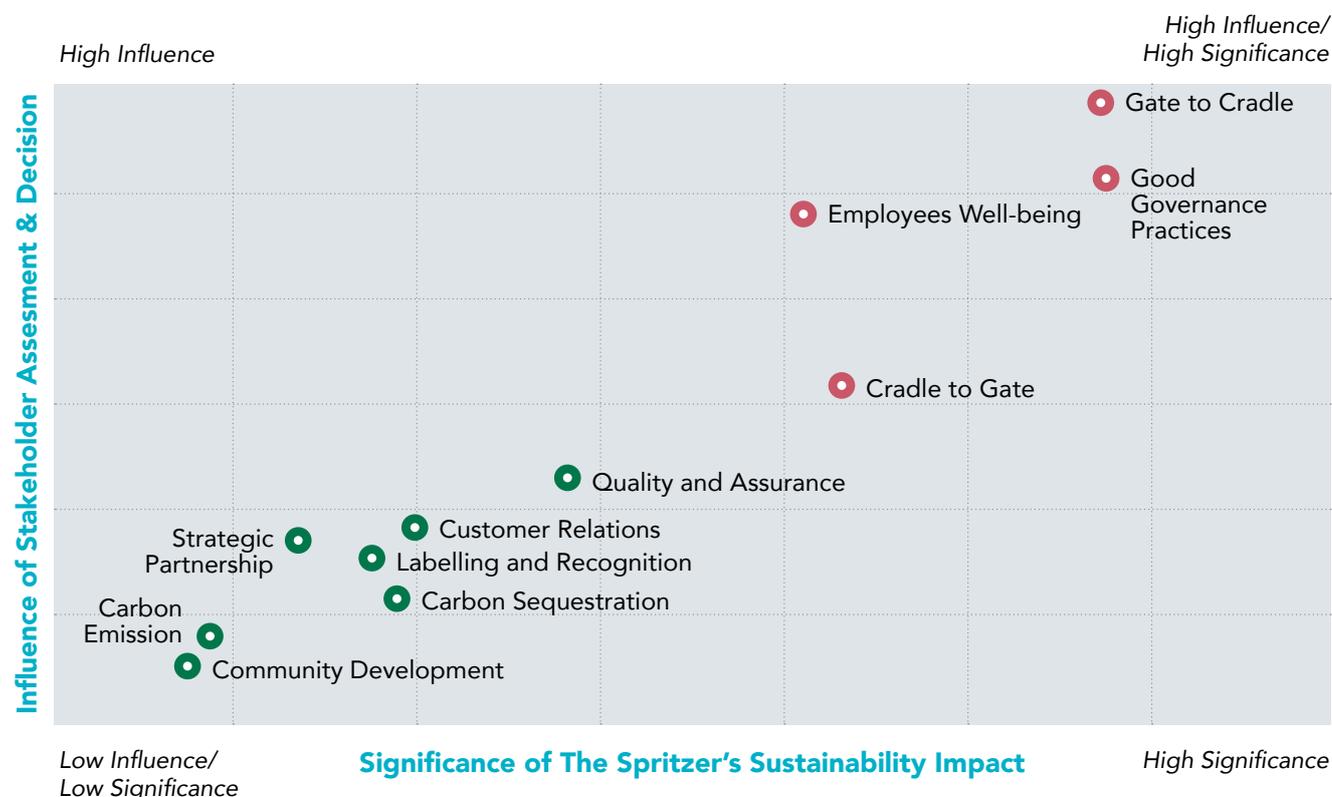
Key factors considered in this review included the evolving landscape of environmental regulations, advancements in sustainable packaging, employee well-being initiatives, and corporate governance requirements. Additionally, stakeholder engagement activities including feedback from employees, customers, investors, regulatory bodies, and industry associations were instrumental in reaffirming our sustainability priorities.

The review reaffirmed that the following four key material topics remain central to our sustainability agenda:

- (1) **Employee Well-being** – Recognising employees as our most valuable asset, we continue to enhance workplace safety, health, and well-being initiatives. This includes strengthening our occupational health and safety programmes, mental health support systems, and upskilling opportunities to foster a resilient and engaged workforce.
- (2) **Cradle to Gate** – We maintain our commitment to responsible resource management and sustainable manufacturing practices. Our focus remains on reducing carbon emissions, optimising water and energy usage, and minimising waste generation across our production processes.
- (3) **Gate to Cradle** – We actively promote circular economy principles by expanding our plastic recycling programmes, sustainable packaging innovations, and Extended Producer Responsibility ("EPR") initiatives in collaboration with industry bodies such as MAREA. Our efforts also extend to consumer education on responsible waste disposal.
- (4) **Good Governance Practices** – Strong governance remains fundamental to our sustainability strategy. We continue to enhance compliance measures, ethical business practices, anti-corruption policies, and transparent reporting frameworks to uphold accountability and build stakeholder trust.

Sustainability Statement

Materiality Matrix



The continued relevance of this matrix ensures that Spritzer maintains focus on critical sustainability areas while addressing emerging ESG considerations.

Way Forward

In 2025, Spritzer will review and reassess its materiality matrix in line with the latest Bursa Malaysia sustainability reporting requirements. This will ensure that our approach remains aligned with evolving industry standards, regulatory expectations, and stakeholder concerns.

RISK MANAGEMENT

Our Enterprise Risk Management ("ERM") framework provides a structured and systematic approach to identifying, assessing, and managing risks across the organisation. This framework is aligned with the principles outlined in the Statement on Risk Management and Internal Control ("SORMIC") 2024, ensuring governance and oversight.

Risk Management Framework

Our approach encompasses the following risk categories

- **Business / Operations Risks:** Governance, regulatory compliance, strategic decision-making, supply chain disruptions, production inefficiencies, cybersecurity threats, and workplace safety.
- **Financial Risks:** Credit risk, liquidity and cash flow risk, market volatility, currency fluctuations, and financial reporting integrity.
- **Cybersecurity Risks:** Cyber threats, data protection challenges, and digital security vulnerabilities.
- **Sustainability Risks:** Environmental impact, regulatory compliance, climate adaptation, water scarcity and resource management, climate-related risks, environmental compliance and carbon regulations, supply chain sustainability, and consumer and market expectations.

Sustainability Statement

The risk management process integrates risk identification, assessment, mitigation, and monitoring through internal control mechanisms and oversight structures as outlined in the SORMIC. The Board provides strategic direction, while the Risk Management Committee (“RMC”) ensures proper implementation of risk mitigation strategies. Additionally, internal audit functions and management teams play a critical role in monitoring risk exposures and control effectiveness.

For a detailed disclosure of our risk management process, governance structures, and control mechanisms, including the roles and responsibilities of key stakeholders, please refer to the SORMIC section in this Annual Report. The SORMIC provides comprehensive insight into the organisation’s risk oversight framework, ensuring alignment with regulatory and best practice standards.

Key Risks and Opportunities

Category	Risks	Opportunities
Economic Performance	Weak financial performance may affect business viability and investor confidence.	Maintaining financial sustainability attracts investment and delivers long-term value.
Anti-Corruption	Poor corporate governance can damage reputation and stakeholder trust.	Strong governance enhances credibility and business integrity.
Health & Safety	Workplace accidents can reduce productivity and lead to legal consequences.	A strong safety culture improves employee well-being and operational efficiency.
Data Privacy & Security	Cyber threats may result in data breaches and reputational harm.	Enhanced cybersecurity measures protect data and strengthen customer trust.
Climate Change	Regulatory non-compliance can lead to financial penalties.	Sustainable practices position the Group for growth in the low-carbon economy.
Customer Satisfaction	Failing to meet customer expectations may impact loyalty and revenue.	Engaging with customers ensures continuous improvement and brand loyalty.
Employee Management	Low engagement affects productivity and retention.	Investing in workforce development attracts and retains top talent.
Diversity, Equity & Inclusion	Discriminatory practices can harm reputation and employee morale.	A diverse and inclusive culture strengthens decision-making and innovation.
Human Rights	Violations can lead to fines, employee dissatisfaction, and reputational damage.	Ethical business practices enhance employer reputation and stakeholder confidence.
Supply Chain Management	Unethical supplier practices can disrupt operations and harm compliance.	Strong procurement policies ensure responsible sourcing and business continuity.
Waste Management	Non-compliance with environmental laws may result in penalties.	Efficient waste management reduces costs and enhances sustainability performance.
Community Development	Poor community relations can affect business operations.	Proactive engagement strengthens corporate reputation and social licence to operate.
Water Management	Poor water management increases costs and supply risks.	Efficient water use reduces operational expenses and environmental impact.

This structured risk management approach aligns with our commitment to transparency, accountability, and corporate resilience, reinforcing the governance principles set out in the SORMIC.

Sustainability Statement

ANTI-CORRUPTION



Spritzer is committed to upholding ethical business practices and ensuring full compliance with anti-corruption laws and regulations. In accordance with the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) and the Guidelines on Adequate Procedures (“T.R.U.S.T”), we are actively working to prevent all forms of corruption and bribery across all operational levels. This includes strictly prohibiting practices such as offering or accepting improper advantages and engaging in collusion or abuse of power.

Our anti-corruption framework is built on structured policies and control measures designed to mitigate corruption risks. These include:

- **Board Oversight:** The Board provides strategic oversight of the ABC Policy, ensuring its integration into the Company’s risk management framework. It reviews and enhances the policy to align with regulatory developments and best practices, oversees risk assessments to mitigate corruption risks, and ensures the implementation of robust internal controls. The Board holds management accountable for policy enforcement, promotes a culture of integrity through transparent reporting and whistleblower protections, and ensures compliance through regular disclosures and stakeholder engagement.
- **Policy Framework:** Adoption of the ABC Policy sets clear expectations for employees and business partners to uphold integrity and avoid misconduct.
- **Whistleblower Mechanism:** Providing a secure and confidential platform for employees and stakeholders to report suspected breaches or unethical behaviour without fear of retaliation.
- **Risk Management:** Assessments are conducted to identify corruption-prone areas and ensure that appropriate controls are in place to mitigate risks.
- **Training:** All new employees undergo onboarding training focused on anti-corruption policies, ethical conduct, and their roles in maintaining a corruption-free workplace. Additionally, annual refresher training sessions and anti-corruption pledge are conducted to reinforce these principles.

OUR PERFORMANCE:

Anti-Corruption	Unit	2022	2023	2024
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	0.00	54.44	85.57
Executive	Percentage	0.00	43.86	85.19
Non-executive/Technical Staff	Percentage	0.00	8.98	64.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00	83.33
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0

Note:

1. Anti-corruption trainings were initiated since 2023 (restated).
2. The practice of operational assessment on corruption-related risks is initiated in 2024.
3. There were no incidents of corruption noted from 2022 to 2024.

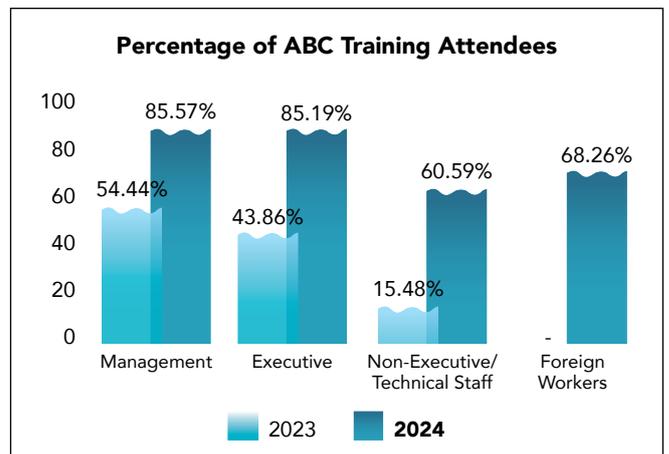
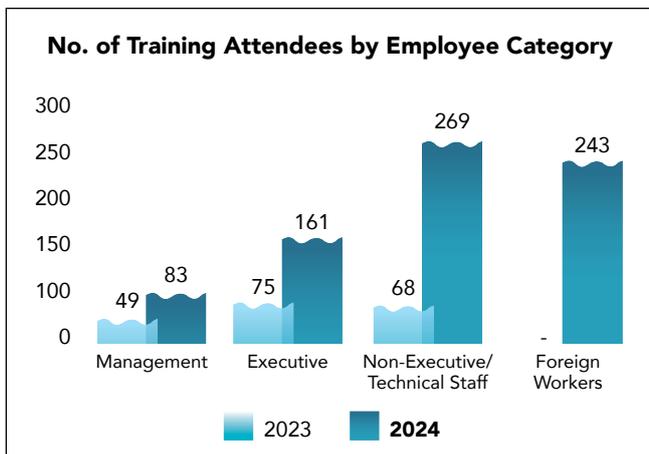
Sustainability Statement

The extension of the ABC briefing to both local and foreign workers is a key initiative in reinforcing the Group’s commitment to ethical business practices and legal compliance across all levels of the workforce. The objective of this expanded programme is to ensure that all employees, regardless of their background, understand the Company’s ABC Policy and the importance of adhering to it in every aspect of their work.

To ensure effective communication, training materials were developed in the national languages, i.e. Burmese, Nepali and Filipino, making it easier for foreign workers to fully understand the content and its implications. This approach helps to bridge any language barriers, ensuring that all employees, irrespective of their origin, are aligned with the Group’s ethical standards.

The ABC briefing covers vital topics, including the identification, prevention, and handling of corruption and bribery issues, as well as the legal and ethical consequences associated with such activities. This training fosters a culture of transparency and integrity across the organisation.

The impact of this extended and linguistically inclusive briefing is significant. It ensures that both general and foreign workers are equally equipped to uphold the Company’s values, mitigating any risks associated with corruption and bribery. By ensuring that all employees are well-informed and aligned with these critical policies, the Group strengthens its commitment to preventing unethical practices and builds a more transparent, trustworthy, and compliant organisation. This initiative not only enhances legal and ethical standards but also contributes to the Company’s long-term success and reputation.



Note:

1. General workers are included in the Non-Executive/Technical Staff category.



Physical and virtual training session and awareness programmes focused on anti-bribery and anti-corruption for employees



Sustainability Statement

HEALTH & SAFETY



Spritzer is dedicated to fostering a safe and healthy work environment across all operations. We actively implement best practices in compliance with the Occupational Safety and Health Act and the Group’s Policy on Safety and Health at Work which is applicable to all employees, contractors, and third party across our operations, covering office environments, manufacturing facilities, project sites, and remote work locations. This approach ensures the well-being of our employees while aligning with our goal of achieving zero work-related injuries and illnesses. Additionally, we have established the Group’s Safety and Health Committee to oversee the implementation of the Group’s safety and health policies, ensuring compliance with the law and regulations to ensure employee and workplace safety.

To support this objective, we are committed to empowering our people through emotional engagement and personalised safety measures. Our initiatives, including mental health talks, free health checks, and workplace safety programmes covering hygiene, food and water safety, worker rights, road safety, and mental health awareness, enhance overall well-being. Interactive safety training and employee participation in safety committees encourage active involvement in workplace safety. Through continuous reinforcement, recognition, and open communication, we cultivate a supportive environment where employees feel valued, motivated, and committed to a culture of safety and well-being. By promoting a culture of safety awareness and providing comprehensive training, we create a workplace where every individual plays an active role in maintaining a safe and healthy environment.

Cultivating a Culture of Safety



Spritzer adopts a systematic approach to identifying work-related hazards, conducting risk assessments, and investigating incidents to ensure a safe workplace. Hazards are proactively identified through workplace inspections, employee reports, and safety audits. A structured risk assessment process evaluates potential risks based on severity and likelihood, allowing for the implementation of control measures to mitigate hazards. In the event of an incident, a thorough investigation is conducted to determine root causes, identify corrective actions, and prevent recurrence. Findings are documented and reviewed to enhance safety protocols, reinforcing a culture of continuous improvement and risk prevention.

OUR PERFORMANCE:

Health & Safety	Unit	2022	2023	2024
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate (“LTIR”)	Rate	24.50	19.10	15.83
Bursa C5(c) Number of employees trained on health and safety standards	Number	158	200	903

Note:

1. No incidents of fatalities as a result of work-related ill health.
2. LTIR is based on DOSH Malaysia JKKP8 “Kadar Kejadian”.
3. Non-manufacturing entities are not included.

Sustainability Statement

The Group has maintained a zero work-related fatality record for three consecutive years, indicating a strong commitment to workplace safety. The LTIR has shown a steady decline from 24.50 in 2022 to 15.83 in 2024, reflecting improved safety measures and incident prevention efforts.

The significant increase in employee training on health and safety standards from 2022 to 2024 has enhanced risk awareness, prevention, and emergency response. Machinery safety, lockout tagout (“LOTO”), and forklift operation training reduce mechanical injuries, while chemical safety and ergonomic training prevent exposure risks and musculoskeletal issues. Fire drills, emergency response training, and first aid preparedness ensure swift incident management, minimising downtime. Regular refresher courses, Personal Protective Equipment (“PPE”) training, and toolbox briefings reinforce a proactive safety culture, reducing workplace hazards and improving overall safety performance. This demonstrates a proactive approach to strengthening safety awareness and compliance across the workforce.

List of Training (Health & Safety Related) 2024

Admin Work Safety (Grass Cutting, Tree Trimming, Wood Art and Construction Work)	Importance Not Bypass Safety Interlock Guards
AED Training	Injection Mould Machine
ASRS Safety Training	Internal Safety, Health & Environment, Noise Conservation Programme, Chemical Handling Training
Automated External Defibrillator Usage Training	<i>Latihan Keselamatan Bahan Kimia</i>
Chemical Safe Handling and Spillage Control	Lock Out Tag Out & Blow Moulding Safety Training
Chemical Safety Training	Machinery Safety Training (LOTO, Blow Moulding & Including All Machinery Training)
Confined Space	Manual Handling Ergonomic Training
Description on How to Use AED	New Chemical Safety Training
Electrical Work Safety Training	Noise Conservation Training
Emergency Evacuation, Emergency Response Team and First Aid	OSH-C
Emergency Response Team (Fire Evacuation)	Overall Warehouse Safety
Emergency Response Training	Overhead Crane Safe Operation
Ergonomic Safety Training	PET Master HIRARC
Essential Chemical Spillage Control	Refresher Safety Training
Excessive Noise Safety Risk Training	Safe Working Procedure for SACMI Labeller Line D
Fire Drill + Fire Extinguisher Training	Safety Induction Training
Fire Mock Drill	Scheduled Waste Management
Forklift Daily Inspection Briefing	<i>Taklimat Latihan Keselamatan Kebakaran</i>
Forklift Operation & Handling of Finished Goods	Toolbox Briefing
Forklift Safety Training	Tractor Safety Training
General Cutting Safety Procedure	Type & Use of Personal Protective Equipment Training

Additionally, through the Systematic Occupational Health Environment (“SOHELP”) programme, we achieved Level 5 (highest implementation level) for noise, chemical, and ergonomics indicators, reflecting our commitment to workplace safety and health excellence.

Sustainability Statement

“ONE FOR ALL, ALL FOR ONE”



Inculcating a culture of safety through active employee engagement, comprehensive training and continuous awareness



Noise, chemical, and ergonomic promotional game booth



ALS lab test booth



Road safety talk (PDRM Taiping)



Motorbike inspection

Sustainability Statement

DATA PRIVACY & SECURITY



At Spritzer, safeguarding data and ensuring robust cybersecurity measures are integral to our commitment to sustainability, transparency, and trust. As a responsible corporate entity, we recognise that data protection is essential to maintaining stakeholder confidence and aligning with evolving digital demands. Our approach is guided by key Malaysian regulations, including the Personal Data Protection Act 2010 (“PDPA”), Cybersecurity Framework 2020, and guidelines issued by the Malaysian Communications and Multimedia Commission (“MCMC”).

Our Approach

We implement cybersecurity and data protection strategy to secure sensitive information, ensure business continuity, and protect against cyber threats. Key elements of our approach include:

- **Network & Endpoint Security** – Deployment of antivirus protection, firewalls, and secured WiFi networks to safeguard IT infrastructure. 24 hours and seven days monitoring and detection is implemented across the Group’s infrastructure.
- **Data Protection & Access Control** – Strong password policies, restricted system access, and multi-factor authentication to prevent unauthorised access.
- **Backup & Disaster Recovery** – Routine data backups and a disaster recovery plan to minimise the impact of cyber incidents.
- **System Updates & Patch Management** – Regular updates and security patches for IT systems to address vulnerabilities.
- **Employee Awareness & Training** – Ongoing cybersecurity education to mitigate risks from phishing, social engineering, and other cyber threats.
- **Physical Security** – Restricted access to server rooms and critical ICT equipment to prevent unauthorised tampering.
- **Compliance** – Safeguarding Data Protection and implementing cybersecurity controls are our commitment to ESG as a listed company.



OUR PERFORMANCE:

Data Privacy & Security	Unit	2022	2023	2024
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0

From 2022 to 2024, there were no substantiated complaints concerning breaches of customer privacy or losses of customer data. By prioritising data privacy and security, we uphold stakeholder trust, ensure regulatory compliance, and safeguard both business continuity and customer privacy.

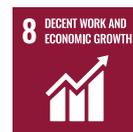
As part of our ongoing commitment to strengthening cybersecurity, we have enhanced our endpoint protection by migrating to Sangfor’s advanced detection and response tool. This transition improves our ability to detect, prevent, and respond to potential threats more effectively. Additionally, we have activated the Security Operations Centre (“SOC”) across all workstations operating on Windows, ensuring real-time monitoring and a more robust defence against cyber risks. These initiatives reflect our dedication to safeguarding our digital infrastructure, protecting sensitive data, and maintaining a secure working environment.

Way Forward

We aim to enhance data security by continuously improving our cybersecurity measures, monitoring potential risks, and regular awareness among employees. Compliance with data protection regulations remains a priority to ensure business resilience and stakeholder trust.

Sustainability Statement

LABOUR PRACTICES AND STANDARDS



At Spritzer, we are committed to upholding fair and ethical labour practices that promote a safe, inclusive, and respectful working environment for all employees. Our policies align with national labour laws and international best practices, ensuring equitable treatment and opportunities across all levels of the organisation.

We foster a diverse and inclusive workforce by ensuring equal opportunities in hiring, career development, and leadership roles. We invest in continuous learning and development to empower our employees with the skills and knowledge necessary for career advancement. Through structured training programmes, leadership development initiatives, and mentorship opportunities, we cultivate a high-performing workforce that drives innovation and operational excellence.

SPRITZER CORE VALUES



Our core values shape a workplace culture built on accountability, collaboration, and ethical conduct. By fostering trust, we strengthen relationships; through integrity, we uphold ethical standards; with respect, we create an inclusive environment; and by encouraging open discussions, we drive continuous improvement. These principles guide our daily operations, ensuring a responsible and engaged workforce committed to sustainability and long-term success.

OUR APPROACH:



HUMAN RIGHTS

We are committed to upholding human rights and ethical labour practices as outlined in our Social Compliance Policy. This ensures a workplace free from forced or child labour, discrimination, and any form of unfair treatment. We prioritise fair wages, safe working conditions, and equal opportunities for all employees. Beyond compliance, we actively promote a culture of respect, open communication, and community engagement, reinforcing our dedication to social responsibility and sustainable workforce development.

We have confidential reporting channels in place to address bullying and workplace harassment, ensuring a safe and respectful work environment. Employees can report concerns through anonymous whistleblowing hotlines, HR grievance mechanisms, or designated reporting officers. All cases are handled with strict confidentiality, and thorough investigations are conducted to ensure fair resolution.

In 2024, no workplace harassment cases were reported, reflecting our commitment to maintaining a respectful and inclusive work environment. Should any incidents occur, we have processes in place to ensure prompt investigation and appropriate action, including mediation, disciplinary measures, and policy reinforcement. Our zero-tolerance approach underscores our dedication to fostering a culture of respect, accountability, and workplace safety.

Sustainability Statement

OUR PERFORMANCE:

Labour Practices and Standards	Unit	2022	2023	2024
Bursa C6(a) Total hours of training by employee category				
Management	Hours	1,392	2,271	4,159
Executive	Hours	3,957	5,379	5,998
Non-executive/Technical Staff	Hours	2,465	3,822	4,128
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	0.00	0.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	6	9	11
Executive	Number	35	33	44
Non-executive/Technical Staff	Number	180	96	138
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0

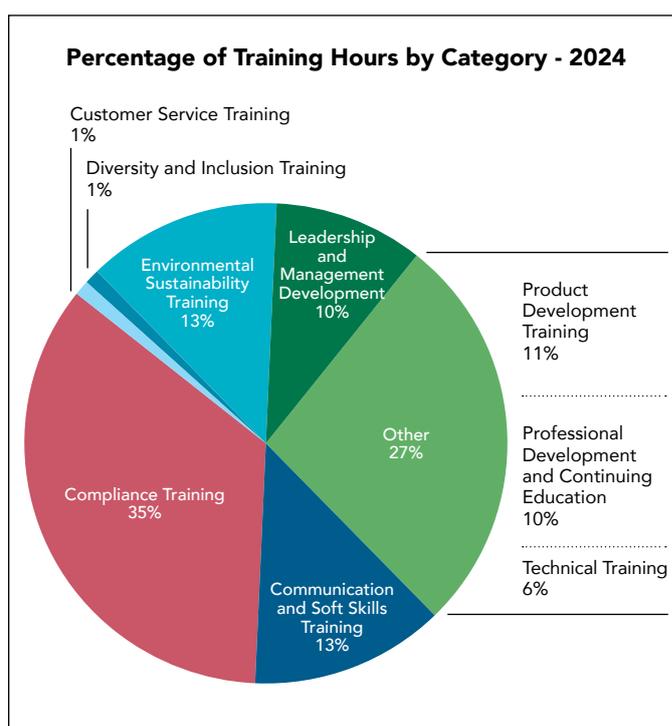
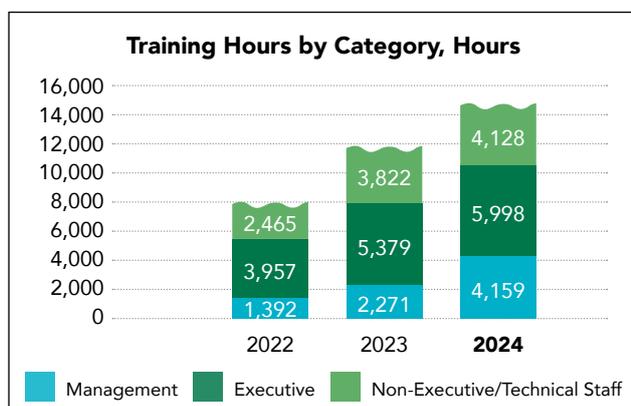
Note:

1. No contractors or temporary staff were employed.
2. No substantiated complaints were received concerning human rights violation from 2022 to 2024. While no formal human rights assessment is in place, we ensure compliance with ethical labour practices and international standards through external audits required by our customers.

In 2024, training hours increased across all employee categories, reflecting the Group's commitment to employee development.

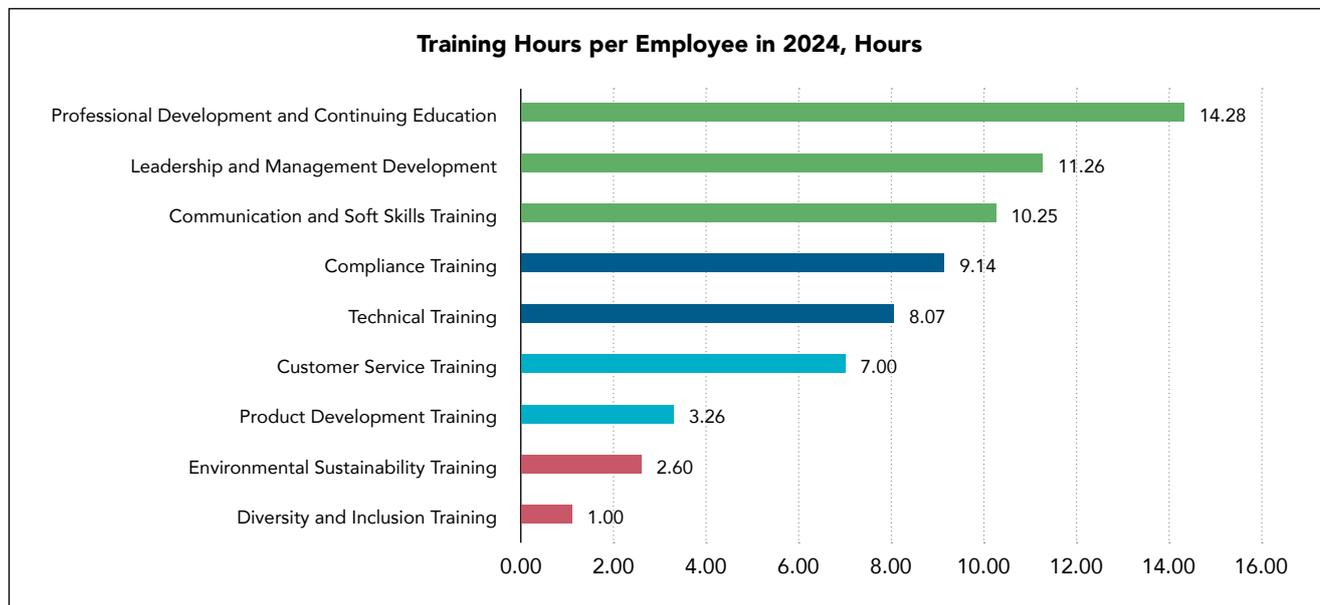
Management training saw the most significant rise, nearly doubling from 2,271 hours in 2023 to 4,159 hours in 2024. Executive training grew by 11.50% to 5,998 hours, while non-executive/technical staff training increased by 8% to 4,128 hours. This upward trend reflects the Group's commitment to continuous employee development across all categories.

Total hours of Training by Employee Category	Hours/employee
Management	10.56
Executive	11.71
Non-Executive/Technical Staff	5.79
General Workers	1.27
Average training hours	8.37



Sustainability Statement

Our emphasis on Compliance Training (35%) ensures strong regulatory adherence, while Leadership Development (10%) and Professional Growth (10%) equip our workforce with essential skills for long-term success. Moving forward, we aim to strengthen sustainability training, integrating responsible practices into our operations and corporate strategy.



TRAINING /SEMINAR TITLE

19th BFM Brandfest 2024

2025 Budget and Tax Conference

A Review of All Amendments and New Legislations Related to Malaysia's Employment Laws

AI in Supply Chain

AutoCount POS+Pro Training for SEP

Big Data Dashboard Visualisation Excel to Power BI Mastery: Bridging the Gap for Digital Insights

Certificate Env. Professional in Scheduled Waste Management

Certified Professional Manager Programme

CIP System in Malaysia

Colourant / Bahan Masak-Resin / GMP-Hair Control

Communication & Negotiation Skill

Compitia A+ Training

Course For Certified Environmental Professional in Scheduled Waste Management

Dasar & Pelaksanaan Gaji Minimum

Design Thinking Workshop

Dismissal and Termination of Contracts

Effective Clerical & Administrative Development Skills

Effective Creative & Problem Solving

Effective Root Cause Analysis (RCA)

E-Invoicing Impact on Human Resources Transaction and Employment Benefit

Sustainability Statement

TRAINING /SEMINAR TITLE

Environmental Monitoring Programme Training for Food Facilities

ePLKS for Foreign Workers in Various Sectors

Ergonomics Risk Assessment Training for Ergonomics Trained Person, Level: 1 (Initial)

Executive Development Programme

FMM Energy Efficiency & Conservation Conference 2024: Efficiency, Decarbonisation, Conservation

FMM Managing Customs' Audits: Understanding Audit Process and Compliance

FMM Occupational Safety and Health Coordinator (OSH-C)

FMM Seminar on Taking Advantage of Customs Trade Facilities to Benefit Your Business

Food & Feed Safety Conference 2024

Food Additive and Contaminant Toxicology

Food Handling

Food Management System & Safety Refresh Training

Food Packaging Requirements and Hands On

Forum Masterclass Management of Returning to Work

FSSC 22000 Food Manufacturing - Interpretation Document & Implementation

FSSC 22000 V6 Transition

FSSC 22000 Version 6 Awareness

FSSC 22000 Version 6 Internal Auditor

General QA & QC Procedures for Training Laboratories 2024

GMP & ISO/TS 22002-1:2009 Awareness

GMP Awareness (MS1514:2022)

GMP Briefing for Operators at Line D

GMP, Safety, HALAL & Anti-Bribery Refresher

GOOGLE Tag Management and Analytics

Grid Connected Photovoltaic (GCPV) for Wireman and Chargeman

HALAL Assurance System

Halal Competency Training

Halal Internal Audit Workshop

Handling Misconduct, Dismissal and Domestic Inquiry

HR For Non-HR Managers

HYPET Access Operation and Preventive Maintenance

IFN COMPTIA Network+

Interviewing Skill with Behaviour Assessment for Managers

Introduction to Carbon Footprint Assessment and Waste Management

ISO 14001:2015 Env. Management System - Legal Awareness Evaluation of Compliance

ISO 14001:2015 Lead Auditor

Sustainability Statement

TRAINING /SEMINAR TITLE

ISO/IEC 17025:2017 Awareness

ISO/IEC 17025:2017 Documentation

Journey to Seamless Compliance: Managing e-Invoicing & Employer Tax Reporting

Kesedaran Alam Sekitar

Lean Six Sigma Green Belt

Mastering Effective Communication & Emotional Intelligence

MEF Conference on Challenges & Opportunities in Implementation of the Trade Unions (Amendment) Act 2024 (Act A1700)

MIA Conference

Microsoft Office Excel - Intermediate Level

Negotiating With the Devil, The Sun Tzu's Way

PDPA Compliance

Personal Data Protection Act (PDPA) Compliance

Placing Finished Goods Pallet

Powerful Visualisation Using Power BI

Professional Purchasing Skills

Risk Analysis and Reduction

RMCD - FMM Handholding Seminar on Sales & Service Tax (SST)

Safety Competency - Ergonomic Trained Person

Scheduled Waste Analysis & Characterisation (SWAC)

Seminar Keselamatan & Kualiti Makanan

Seminar Pengukuhan Halal Assurance System (HAS)

Seminar Penyelarasan Perakuan Penginapan Pekerja ke Arah Perumahan yang Kondusif

Spritzer Design Thinking Workshop

Supercharge Your Business Apps Experience with Copilot for Microsoft 365

SWOT Analysis Workshop

Taklimat HRDF

The Significance of Energy Efficiency

TwinCAT 3 Training: Basic PLC Programming

Understanding Modern and Smart Warehousing

Unlock the Power of AI & Cloud vs E-invoice

Warehouse Management - Understanding Modern & Smart Warehousing

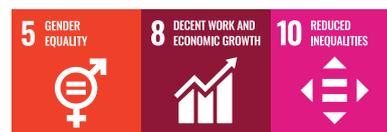
WCA Internal Audit

Webinar on Harmonised System Overview, Classification & Code Application

Webinar on the Guidelines and Implementation of E- invoicing

Sustainability Statement

DIVERSITY



Spritzer values diversity as a key driver of a strong and inclusive workplace. A diverse workforce fosters innovation, enhances decision-making, and strengthens business resilience. We are committed to equal opportunities, fair treatment, and a work environment free from discrimination, ensuring that all employees, regardless of race, religion, gender, age, sexual orientation, disabilities, nationality, or any other characteristic, feel respected and valued.

In alignment with national labour policies and international diversity frameworks, the Group upholds principles of non-discrimination and equal opportunity for all individuals. We promote gender balance, inclusive leadership, equitable career growth, and fair treatment across all dimensions of diversity. We continue to enhance diversity through fair hiring practices, employee development programmes, and initiatives that support an inclusive workplace culture.

By embracing diversity, we reinforce our commitment to sustainable growth, employee well-being, and a responsible corporate culture.

In 2024, our internship programme expanded, increasing participation to 29 interns, up from 14 in 2023. Our efforts to support marginalised communities are reflected in the employment of 15 *Orang Di Selia* ("ODS") workers, contributing to social reintegration. Additionally, we continue to promote workplace accessibility and inclusion, employing two (2) staff members with disabilities.

OUR PERFORMANCE:

Diversity	Unit	2022	2023	2024
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	3.50	1.10	5.15
Management Between 30-50	Percentage	65.50	70.00	72.16
Management Above 50	Percentage	31.00	28.90	22.68
Executive Under 30	Percentage	26.60	26.70	33.86
Executive Between 30-50	Percentage	63.90	63.30	61.38
Executive Above 50	Percentage	9.50	10.00	4.76
Non-executive/Technical Staff Under 30	Percentage	43.60	42.10	40.88
Non-executive/Technical Staff Between 30-50	Percentage	47.00	47.50	50.13
Non-executive/Technical Staff Above 50	Percentage	9.40	10.40	9.00
Gender Group by Employee Category				
Management Male	Percentage	52.90	53.30	51.55
Management Female	Percentage	47.10	46.70	48.45
Executive Male	Percentage	44.30	42.80	42.33
Executive Female	Percentage	55.70	57.20	57.67
Non-executive/Technical Staff Male	Percentage	76.90	78.90	81.00
Non-executive/Technical Staff Female	Percentage	23.10	21.10	19.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	66.70	66.70	66.67
Female	Percentage	33.30	33.30	33.33
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	44.40	44.40	33.33
Above 50	Percentage	55.60	55.60	66.67

Note:

1. Figures stated for Age Group by Category may not add up due to rounding of decimals.

Sustainability Statement

ENERGY MANAGEMENT



Spritzer is dedicated to integrating energy efficiency and renewable energy across its operations of manufacturing entities to reduce environmental impact and enhance operational resilience. Our approach focuses on optimising processes, upgrading equipment, and adopting innovative technologies to improve energy performance in our production facilities, ASRS warehouse, and supporting infrastructure. Key initiatives include retrofitting lighting systems, optimising compressed air systems, and expanding the use of solar energy.

In 2024, significant strides were made in energy management to enhance sustainability and reduce environmental impact. Efforts involved the efficient use of energy by replacing old machines with higher energy-efficient new machine and unused machines and auxiliary equipment were also removed from the production floor.

Additionally, the Group made notable progress in energy efficiency by replacing induction lights and fluorescent tubes with energy-saving LED alternatives, optimising air compressor settings, and enhancing air conditioning systems. Street lighting at one of our manufacturing plants was replaced with solar-powered LED lights, eliminating the need for grid energy. The installation of an additional 1902.4 kWp of PV system further supported our commitment to greener energy.

Office renovations were carried out in accordance with GBI guidelines, emphasising energy efficiency. Smart lighting systems and Variable Refrigerant Flow (“VRF”) air conditioning systems were installed, enabling automated operation based on occupancy and schedules. Energy Recovery Ventilation (“ERV”) systems further enhanced air quality while minimising energy usage.

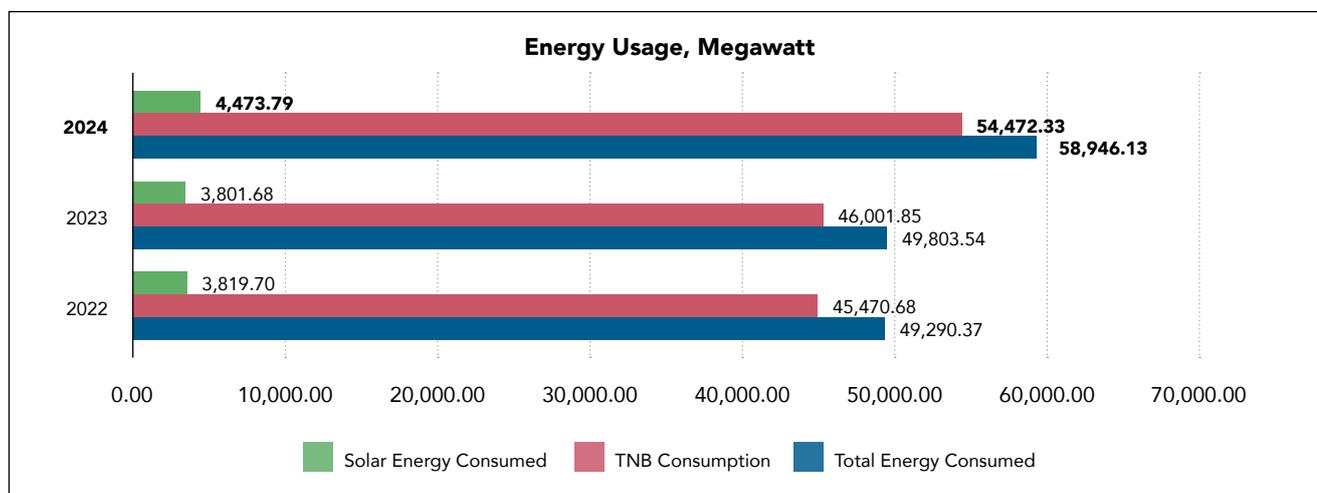
By 2025, one of our manufacturing plants will expand its solar PV capacity to 1,703.22 kWp through the installation of an additional 632.22 kWp system at the new warehouse rooftop. Advanced solutions such as Battery Energy Storage Systems (“BESS”) with AI and VRF air conditioning systems are under study to further optimise energy use.

OUR PERFORMANCE:

Energy Management	Unit	2022	2023	2024
Bursa C4(a) Total energy consumption	Megawatt	49,290.37	49,803.54	58,946.13
Renewable Energy Generation (Solar Panel PV)	Megawatt	3,959.67	4,088.33	4,663.19

Note:

1. Total Energy consumption refers to electricity from TNB and solar panels.
2. Figures for 2022 and 2023 are restated to include street lightings and solar energy generation.



Note:

1. Figures stated may not add up due to rounding of decimals.

Sustainability Statement

EMISSIONS MANAGEMENT



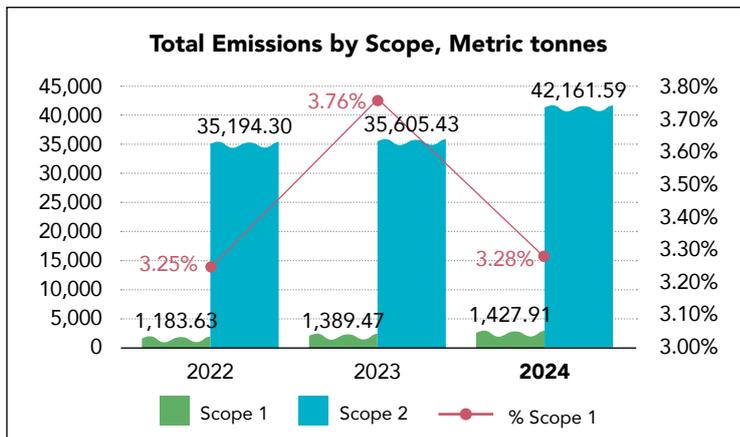
Spritzer is committed to reducing carbon emissions in alignment with Malaysia’s National Energy Transition Roadmap (“NETR”), New Industrial Master Plan 2030 (“NIMP”), and the nation’s goal of achieving net-zero emissions by 2050. Our efforts also contribute to global climate goals, including the UNSDGs. By continuously enhancing energy efficiency, adopting renewable energy, and optimising operations, we support Malaysia’s transition to a low-carbon economy and global climate action efforts.

OUR PERFORMANCE:

Carbon Emissions	Unit	2022	2023	2024
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	1,183.63	1,389.47*	1,427.91
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	35,194.30	35,605.43*	42,161.59
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employees commuting)	Metric tonnes	N/A	N/A	N/A

Note:

- Our calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standard using the operational control consolidation approach.
- Scope 1 is sourced from the GHG Conversion Factors for Company Reporting version 2.0 (2022), published by the UK Department for Environment, Food & Rural Affairs (“DEFRA”).
- Scope 2 emissions factors for electricity grids in Peninsular Malaysia, Sabah and Sarawak are sourced from the Energy Commission (“EC”).
- Restatement for 2022 and 2023 was due to:
 - * Inclusion of emissions from LPG and diesel boiler and changes in Grid Emission Factor (“GEF”) from EC- GEF 2017 - 2022 (rev 25.11.24).



Way Forward

We are committed to reducing carbon emissions by improving energy efficiency, expanding renewable energy adoption, and optimising operational processes. To enhance our carbon management efforts, Spritzer has subscribed to Bursa Malaysia’s Central Sustainability Intelligence (“CSI”) platform for better decision-making and sustainability reporting. Looking ahead, we plan to incorporate external assurance on carbon emissions, reinforcing our commitment to accountability and continuous improvement.

Additionally, we plan to assess Scope 3 emissions from employee commuting and/or business travel in the near term.

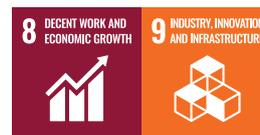


Our participation in the AmBank BizRACE IR4.0 and ESG reflects our commitment to driving sustainable growth through innovation and industry best practices.

This initiative aligns with our sustainability strategy, focusing on enhancing operational efficiency, reducing environmental impact, and integrating smart manufacturing solutions.

Sustainability Statement

SUPPLY CHAIN MANAGEMENT



At Spritzer, we recognise that building a sustainable future begins with responsible choices - both within our operations and throughout our entire value chain. Ethical, transparent, and environmentally conscious practices are fundamental to how we do business.

Sustainable sourcing is central to our commitment to responsible procurement. We integrate environmental and social compliance into our daily procurement activities to ensure our suppliers meet the Group's expectations in responsible sourcing, hygiene, and traceability. Our due diligence process includes desktop audits, self-assessment questionnaires, and compliance declarations, to ensure alignment with legal requirements, industry standards, and sustainability objectives.

To formalise commitment to the Group's sustainability and ethical business conduct, all suppliers must sign the Supplier Code of Conduct which outlines key responsibilities, including:

- Ensuring fair wages, reasonable working hours, and a safe, discrimination-free workplace.
- Prohibiting child labour, forced labour, bribery, and corruption.
- Complying with all relevant environmental regulations.
- Maintaining transparency in business operations and supply chain practices.

By signing this declaration, suppliers affirm their alignment with Spritzer's sustainability objectives, reinforcing a shared commitment to responsible, ethical and sustainable business practices.

Supplier Evaluation and Compliance

To ensure appropriate scrutiny and compliance, suppliers are categorised by risk level based on the nature of supply of materials:

- **High Risk** – Suppliers providing critical packaging materials, ingredients, or components that have direct contact with the product, such as cartons, labels, and caps. These suppliers undergo audits annually to ensure strict compliance with quality, safety, and sustainability requirements.
- **Medium Risk** – Suppliers of secondary packaging materials that do not have direct contact with the product. These suppliers are audited every two years to monitor ongoing adherence to standards.
- **Low Risk** – Suppliers with minimal sustainability and compliance risks are subject to audits every three years unless significant issues arise.

Suppliers of critical materials must hold relevant certifications, such as ISO 9001, HACCP, ISO 22000, FSSC 22000, GMP, and/or Halal. Beyond technical competence and quality systems, we evaluate prospective suppliers based on their sustainability commitments, focusing on:

- **Environmental Compliance** – Waste and resource management, emissions control, and circular economy principles.
- **Health & Safety** – Workplace safety, emergency preparedness, and occupational health measures.
- **Ethical Labour Practices** – Fair wages, non-discrimination, and adherence to labour laws.

The corresponding audit assessment and frequency will be assigned to the suppliers according to their respective risk categorisation.

Our Prospective External Provider Evaluation process and Desktop Audit Checklist are key tools in assessing supplier performance against environmental, social, and operational benchmarks. This process includes:

- **Qualification and Routine Audits** – Conducted based on supplier risk level and performance history.
- **Desktop Audits (Self-Assessment)** – Suppliers complete structured questionnaires to evaluate their compliance.
- **Onsite/Remote Audits (Facility Inspections)** – Physical or virtual inspections to verify adherence to labour, safety, and environmental standards.

Core Areas of Assessment include:

- **Document and Data Control** – Ensuring suppliers maintain up-to-date, approved documentation and processes to support traceability, compliance, and sustainability.
- **Cleaning and Sanitation** – Verifying structured cleaning programmes with clear responsibilities and verified records to safeguard hygiene and minimise environmental impact.
- **Programme Verification and Compliance** – Ensuring that documented procedures are effectively implemented and verified, reinforcing accountability and sustainability principles.
- **Continuous Improvement and Alignment** – Identifying opportunities for suppliers to enhance their practices, aligning with global sustainability standards.

Where necessary, corrective action plans are introduced to address non-compliance, fostering stronger, more resilient partnerships.

Sustainability Statement

OUR PERFORMANCE:

Supply Chain Management	Unit	2022	2023	2024
Bursa C7(a) Proportion of spending on local suppliers	Percentage	78.00	63.00	67.88

The proportion of spending on local suppliers declined in 2023 before improving in 2024. Changes in raw material cost, supply availability and cost competitiveness were key factors influencing these shifting sourcing patterns.

Way Forward

We remains committed to promoting sustainable practices within the supply chain to reduce disruption, enhance supply chain resilience, and create long-term value. We prioritise ethical and transparent procurement practices, support the local economy, reduce environmental impact, and integrate circular economy principles in our sourcing strategies.

COMMUNITY DEVELOPMENT



At Spritzer, we are dedicated to supporting the communities we serve through impactful contributions in education, community well-being, and sports development. Our initiatives focus on empowering future generations, strengthening community resilience, and promoting active lifestyles. By collaborating with local organisations, we foster growth, enhance well-being and drive meaningful change that aligns with our sustainability vision.

Empowering Education Through Support & Fundraising

We believe in nurturing future generations by supporting schools in their academic and extracurricular activities. Education-focused contributions account for 9% of our total initiatives, spanning fundraising efforts, sporting events, and infrastructure enhancements to foster well-rounded student development. Key efforts include:

- Fundraising and infrastructure support for Sekolah Semangat Maju, Sekolah Menengah Jenis Kebangsaan Hua Lian, and Sekolah Menengah Poi Lam ("SUWA").
- Backing major school sports championships, including Sekolah Menengah Kebangsaan Dato' Wan Rasdi's 30th Annual Sports Meet and Sekolah Menengah Kebangsaan Kampung Jambu's MSSD District Championship.
- Enhancing learning environments through audio system upgrades and teacher training programmes.



Sustainability Statement

Strengthening Community Resilience & Well-Being

With community and government collaborations making up 62% of our total contributions, we are committed to addressing societal needs and fostering resilience. Our initiatives include:

- Natural disaster relief efforts, particularly in the East Coast and Johor - regions most affected by floods.
- Support for frontline workers, including Perak Police officers during festive and national celebrations.
- Community-driven programmes, such as mosque-led *gotong-royong* initiatives, village-led cleanups, and blood donation campaigns.
- Public safety awareness partnerships, including collaborations with Jabatan Pencegahan Jenayah dan Keselamatan Komuniti, to reinforce crime prevention and community security.



Driving Sports Excellence & Community Engagement Through Fitness

Recognising the role of sports in promoting health and wellness, 29% of our contributions are dedicated to sports development. Our involvement includes:

- Supporting grassroots and professional sports, such as the Spritzer Badminton Open, Kota Kinabalu Basketball Association ("KKBA"), Spritzer U15 Basketball Tournament, and Malaysia Basketball Association ("MABA") Agong Cup.
- Encouraging mass participation in fitness events, including the Spartan Race Malaysia and the Merdeka Foodie Run 2024.
- Backing diverse sporting activities, from golf tournaments to air festivals, ensuring broader access to recreational opportunities.



Sustainability Statement

Preserving Culture, Empowering Ecotourism & Conserving Biodiversity

Recognising the significance of cultural heritage and environmental stewardship, we remain committed to continuing our annual tradition of celebrating Malaysia’s rich heritage and natural ecosystems. Our efforts include:

1. Championing cultural preservation through programmes that highlight Malaysia’s diverse heritage, ensuring traditional practices and local craftsmanship continue to thrive.
2. Empowering local ecotourism by promoting sustainable travel experiences at Spritzer EcoPark, fostering community engagement while boosting local economies.
3. Conserving biodiversity through habitat protection and environmental initiatives that contribute to climate change mitigation and ecosystem restoration.



A Sustainable Future Through Meaningful Contributions

Our ongoing efforts - spanning education (9%), community & government (62%), and sports (29%) demonstrate our belief that sustainability extends beyond environmental conservation. Through strategic partnerships and sustained engagement, we are committed to building a stronger, healthier, and more connected society for future generations.

As a testament to our commitment to quality, sustainability, and community development, we are proudly recognised as “Taiping, Home of Spritzer” by Tourism Perak. This recognition highlights our role in fostering local economic growth, preserving Taiping’s rich natural heritage, and strengthening community resilience. Furthermore, our initiatives in cultural preservation, ecotourism, and biodiversity conservation at Spritzer EcoPark reinforce our mission to create long-term environmental and social impact.

OUR PERFORMANCE:

Community Investment	Unit	2022	2023	2024
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	582,000.00	1,221,000.00	997,640.38
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	56	62	71

Sustainability Statement



In November 2024, our Chairman, Dato' Lim Kok Cheong was awarded the *Darjah Dato' Seri Paduka Mahkota Perak (SPMP)*, which grants the title of Dato' Seri. This prestigious honour is the highest state title conferred by the Ruler, recognising individuals who have made significant contributions to the nation or state.



WASTE MANAGEMENT



Spritzer recognises that effective waste management is crucial for long-term business resilience and reducing environmental impact. Our initiatives align with the Circular Economy Roadmap, Malaysia's Waste Management Framework, and EPR, emphasising waste reduction, recycling, and responsible disposal.

As a founding member of MAREA, we actively champion EPR and plastic recycling, reinforcing our commitment to a circular economy. Since MAREA's inception in 2021, we have engaged in key discussions on EPR in Malaysia, collaborating with government agencies such as the Ministry of Natural Resources, Environment, and Climate Change ("NRES") and the Ministry of Housing and Local Government ("KPKT"). Through these partnerships, we support policies that drive responsible waste management and sustainable packaging solutions.

In 2024, through the PULL Jimzheng Collection Project, Spritzer helped facilitate the collection and recycling of 100.29 metric tonnes of PET materials. This initiative reflects our efforts to reduce plastic waste and support recycling programmes.



Sustainability Statement



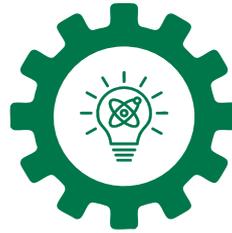
PARTNERSHIP

Collaborate with industry partners to amplify sustainability efforts for post consumer collection plastic pollution



CIRCULAR ECONOMY

Reduce plastic waste by closing the loop on materials



INNOVATION

Reduce virgin material consumption by efficient weight reduction and the use of recycled materials and label-free bottle



MANAGE

Biocomposting to reduce organic waste and intensify waste separation at source for recycling

To further minimise waste generation, Spritzer is exploring biocomposting as a solution to reduce general waste while promoting circular economy practices. Other initiatives include optimising resource use, improving internal waste segregation, and raising awareness among employees on sustainable waste practices. The Group also engages with relevant stakeholders to identify opportunities for continuous improvement in waste management.

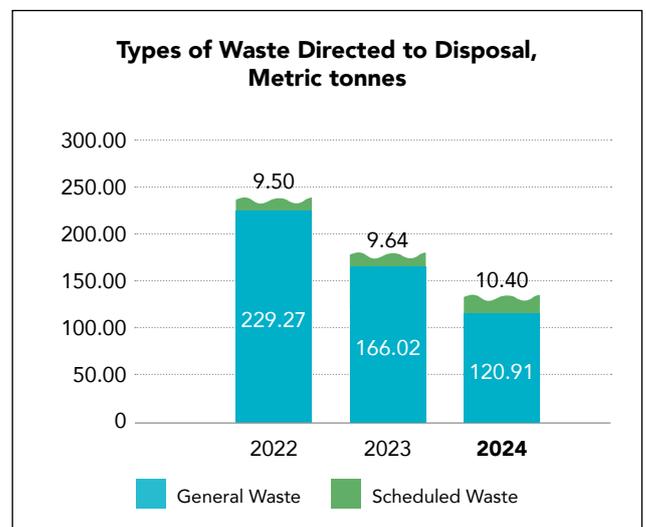
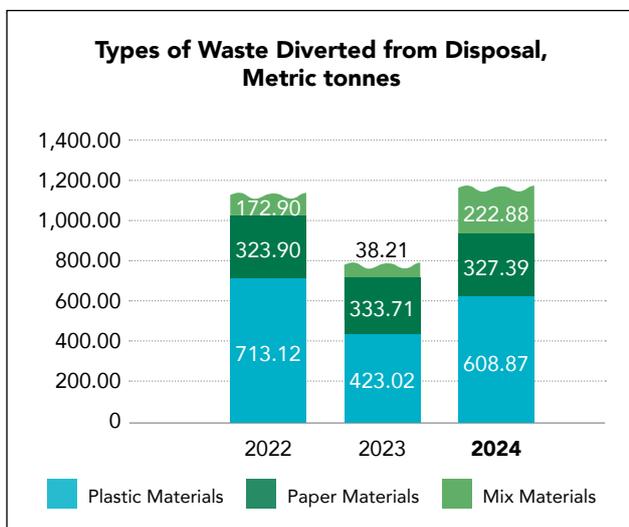
Hazardous waste, such as scheduled waste generated from operations, is managed in accordance with regulatory guidelines. Disposal is carried out through certified waste contractors to ensure compliance with environmental and safety standards.

OUR PERFORMANCE:

Waste Management	Unit	2022	2023	2024
Bursa C10(a) Total waste generated	Metric tonnes	1,448.68	970.61	1,290.45
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,209.92	794.94	1,159.14
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	238.77	175.67	131.31
Total Hazardous/Scheduled Waste	Metric tonnes	9.50	9.64	10.40

Note:

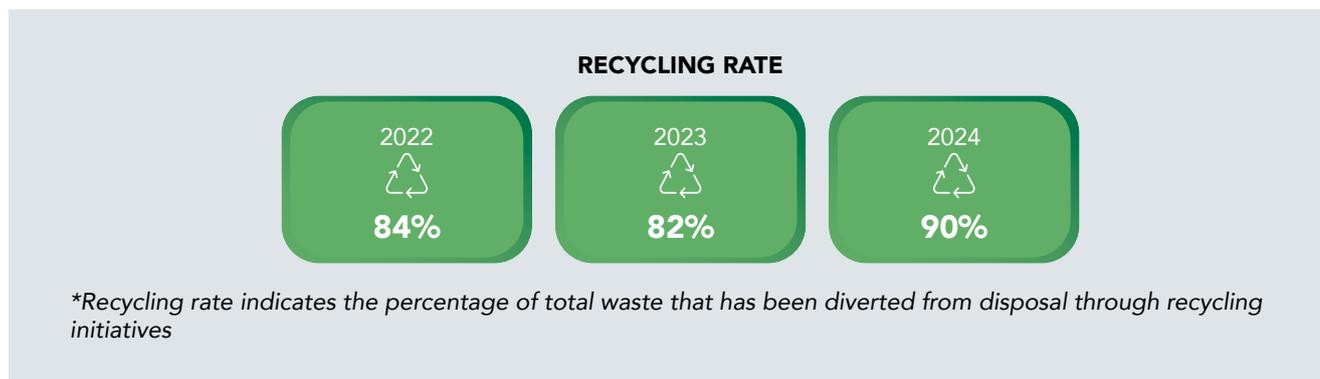
- Total waste generated for 2022 and 2023 has been restated.
- Figures stated may not add up due to rounding of decimals.



Sustainability Statement

Despite an increase in total waste in 2024, primarily due to higher production levels, we remain committed to sustainable waste management. Our efforts have resulted in a greater volume of waste being diverted from disposal compared to the previous year, achieving a 90% recycling rate, an improvement from 82% in 2023. As a result, total waste directed to disposal was reduced to 10%, down from 18% in 2023, reinforcing our commitment to minimising environmental impact through responsible waste practices.

Additionally, Spritzer does not generate industrial wastewater, as its operations do not produce liquid industrial discharge. We uphold stringent standards in waste management to minimise environmental impact, ensuring full compliance with key regulatory requirements.



Internally, we foster a culture of sustainability through our 'Reduce, Reuse, and Recycle' ("3R") initiatives, encouraging employees to take an active role in waste reduction. The strategic placement of recycling bins throughout our offices further reinforces our commitment to responsible waste disposal and environmental stewardship.

WATER MANAGEMENT



At Spritzer, we recognise the essential role of water in both our operations and the environment. Our commitment to water stewardship drives us to enhance efficiency, reduce wastage, and safeguard water availability for future generations.

To optimise water use, we have integrated water-saving technologies, including smart sensor taps, alongside efficiency-enhancing systems across our operations. Our rainwater harvesting system further supports these efforts by reducing reliance on external sources. These initiatives resonate with our dedication to responsible water management and long-term environmental protection.

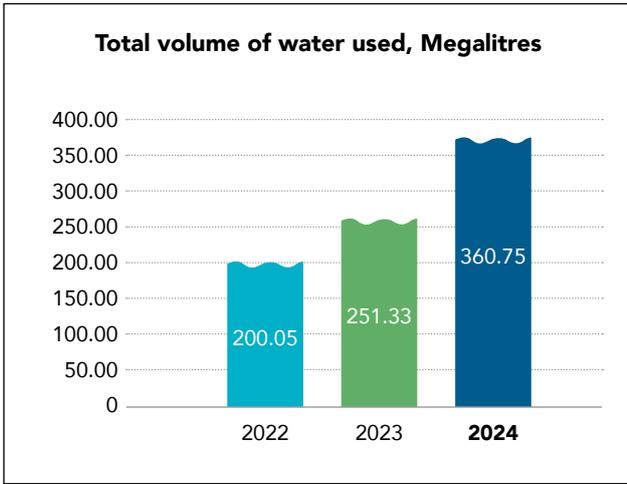
In addition, we responsibly source our mineral water from a protected 433-acre rainforest landbank in Taiping, Perak ensuring that water extraction remains in balance with natural replenishment rates. Our careful management of this natural resource prioritises pollution prevention, ensuring sustainable extraction practices that safeguard water quality, preserve ecological balance, and maintain the natural purity and richness of our mineral water.

OUR PERFORMANCE:

Water	Unit	2022	2023	2024
Bursa C9(a) Total volume of water used	Megalitres	200.05	251.33	360.75

The reported water used, primarily from municipal supply, supports facility maintenance and hygiene, utility operations, as well as sanitation and workplace needs.

Sustainability Statement



These essential functions contribute to the overall efficiency, cleanliness, and well-being of our facilities and employees.

The increase in water consumption aligns with business growth, expanded production capacity, and enhanced workplace facilities. This rise is driven by higher production volumes to meet growing consumer demand and the implementation of new processes that prioritise product quality and operational efficiency.

While our water demand has grown, we remain committed to responsible consumption through efficiency measures, conservation efforts, and continuous monitoring to optimise usage while minimising environmental impact.

In 2024, our Taiping factory, equipped with a single rainwater harvesting system, met 48% of its total water consumption through harvested rainwater.

Way Forward

We aim to further strengthen water efficiency measures across our operations, expand our rainwater harvesting capacity for non-potable usage, and explore innovative solutions for enhanced water conservation.

In the coming year, we plan to extend rainwater harvesting to the hostel toilets in Taiping, further enhancing our sustainable water management efforts and reducing reliance on municipal water for non-potable use.



RESPONSIBLE PRODUCTION



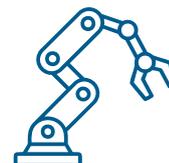
Spritzer is dedicated to producing bottled water that is safe, suitable for consumption, and consistently meets the food safety requirements of customers and regulatory authorities. Adherence to and continuous improvement of the Food Safety Management System ("FSMS") is a shared commitment across all stages of operations, from extraction and receiving to processing, bottling, packing, storage, and delivery. The FSMS is implemented in accordance with FSSC 22000 which is a Global Food Safety Initiative ("GFSI") benchmarked food safety standard. FSSC 22000 is based on the widely recognised Food Management System Standard ISO 22000, the industry relevant Pre-Requisite Programme ("PRP") and FSSC defined additional requirements.

We have obtained and renewed internationally recognised certifications that demonstrate consistent performance in quality assurance and food safety. These achievements underscore our commitment to maintaining high standards across our operations.

Sustainability Statement

Certification Body	Certifications
Ministry of Health Malaysia ("MOH")	HACCP MS 1480:2019
	Good Manufacturing Practice ("GMP")
	MeSTI
	Healthier Choice Logo ("HCL")
JAKIM	HALAL MS 1500:2019
SIRIM QAS International Sdn Bhd	Quality Management System ISO 9001:2015
	HACCP MS 1480:2019
SGS (Malaysia) Sdn Bhd	HACCP ("GHPs") – The General Principles of Food Hygiene CXC 1-1969 (2022)
	HACCP MS 1480:2019
	Food Safety System Certification FSSC 22000
	ISO 22000:2018
OK Kosher Certification	Kosher Certificate

Throughout our value chain, we emphasise initiatives that enhance product quality and improve business operations.



Ensure QMS and FSMS are applied across operations

Regular inspection of manufacturing equipment and facility

Ensure adequate supervision and training provided throughout the design & production process

Hiring experienced personnel and leverage on advanced technology and automation

Product quality is at the heart of everything we do, driven by rigorous raw material selection, continuous employee training, and thorough quality assurance processes. We conduct strict supplier audits and raw material testing to ensure only the finest ingredients are used, while our first-in, first-out ("FIFO") inventory system maintains freshness and consistency throughout production.

We believe a well-trained workforce is essential, which is why we invest in comprehensive training programmes and hands-on supervision, ensuring our teams uphold the highest standards of food safety, hygiene, and operational excellence. Every product undergoes extensive quality testing, including microbiological analysis and sensory evaluations, guaranteeing it meets our stringent benchmarks before reaching consumers. Additionally, we actively engage with customer feedback, using insights to refine our processes and drive continuous improvement.

By incorporating innovative technological solutions into our manufacturing processes, we have improved operational efficiency and ensured the consistent delivery of high-quality products.

Sustainability Statement

OUR PERFORMANCE:

Indicator	Unit	2022	2023	2024
S1(a) Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Percentage	NA	NA	NA
S1(b) Total number of incidents of non-compliance with regulations or voluntary codes concerning health and safety impacts of products and services within the reporting period	Number	0	0	0
S1(c) Number of recalls issued and total units recalled for health and safety reasons	Number	0	0	0

Note:

1. There are no incidents / recalls during the reporting periods.

The Group is committed to ensuring the health and safety of our products and services. We have zero incidents of non-compliance and no product recalls, reflecting our dedication to customer safety.



Since 2021, we have conducted tests with SIRIM to ensure that Spritzer Natural Mineral Water remains free from microplastics. SIRIM, an independent laboratory results have consistently confirmed that Spritzer Natural Mineral Water contains zero microplastics, even in particle sizes up to 1µm. This reflects our unwavering commitment to stringent quality standards and product integrity.

Way Forward

We will continue to uphold industry best practices in responsible production by enhancing food safety, maintaining globally recognised certifications, and integrating sustainable innovations. Our focus remains on continuous improvement, leveraging technology, and reinforcing responsible sourcing to ensure the highest standards of quality, safety, and sustainability in our operations.

RESPONSIBLE MARKETING



Spritzer is committed to responsible marketing by ensuring transparency, ethical communication, and compliance with industry regulations, and we uphold the highest standards in advertising and labelling, providing consumers with accurate, non-misleading information about our product’s natural source, mineral composition, and health benefits.

Our marketing adheres to local regulatory requirements, including the MOH’s regulations (“HCL Guidelines”) and Advertising Standards Malaysia (“ASA Malaysia”). Every campaign and product label are designed to ensure that consumers receive clear, reliable details on safe consumption, proper storage, and sustainable disposal to minimise environmental impact.

We take a responsible and respectful approach to advertising, ensuring all marketing materials and communications are free from objectionable content and do not include discriminatory or offensive references to religious, political, ethnic, cultural, or social groups. Additionally, we actively support the Malaysian government’s health initiatives, educating consumers on proper hydration and environmental responsibility through social media campaigns, educational collaborations, and sustainability programmes.

Sustainability Statement

Through responsible labelling, ethical marketing, and continuous consumer education, we build trust and empower consumers to make informed, health-conscious, and environmentally responsible choices.

OUR PERFORMANCE:

Indicator	Unit	2022	2023	2024
Total number of incidents of non-compliance with regulations concerning product, service information and labelling resulting in a fine or penalty	Number	0	0	0
Total number of incidents of non-compliance with regulations concerning marketing communication (i.e., advertising, promotion and sponsorship) resulting in a fine or penalty	Number	0	0	0

Note:

- We did not receive any complaints with regards to non-compliance with regulations nor concerning marketing communications.

Spritzer Plastic Reimagined @ IOI City Mall May 22 to 26, 2024

Plastics Recycling + Consumers Engagement + Workshop



Education on processing recycled plastics



Upcycling Art Exhibition



Marketplace



Spritzer's Plastic Reimagined 2024 is part of our ongoing commitment to sustainability, aiming to reshape perceptions of plastic waste and promote responsible recycling. The initiative encourages an eco-conscious mindset by demonstrating how used plastic can be repurposed and given a second life.

Through interactive exhibits, educational workshops, and creative upcycling activities, Spritzer inspires communities to rethink waste management and adopt sustainable habits. By fostering greater awareness and engagement, Plastic Reimagined supports the transition towards a circular economy, reinforcing the belief that every piece of plastic has value and purpose beyond single use.

Sustainability Statement

Spritzer Plastic Reimagined Event @ Pavilion KL August 12 to 18, 2024



As part of the Pavilion Loves Sustainability campaign, Spritzer collaborated with Pavilion Kuala Lumpur to promote eco-conscious living through an interactive recycling initiative. Visitors were encouraged to collect and return used plastic bottles in exchange for exclusive rewards, reinforcing the importance of responsible waste management. This initiative aimed to educate and inspire the community to adopt sustainable habits while demonstrating the value of recycling. Through its participation, Spritzer continues to champion environmental responsibility, fostering greater awareness and action towards a greener future.

Spritzer @ Garmin Run Asia Series 2024, Putrajaya October 27, 2024

Spritzer participated as a product sponsor for the Garmin Asia Run 2024, providing hydration for runners throughout the event. As part of our commitment to sustainability, we also placed designated recycling bins around the venue, encouraging participants to dispose of their empty bottles responsibly. This initiative aimed to promote environmental awareness while supporting an active and healthy lifestyle.



Sustainability Statement

CUSTOMER SATISFACTION



At Spritzer, customer satisfaction drives our commitment to quality and excellence. We continuously refine our products and services to resonate with consumer expectations, ensuring the highest standards in safety, taste, and sustainability. We adapt to evolving preferences through active feedback and engagement, improving packaging, distribution and eco-friendly practices. Our dedication is reflected in strong brand loyalty and industry recognition, reaffirming Spritzer as a trusted choice.

OUR PERFORMANCE:

Customer Satisfaction	Unit	2022	2023	2024
Customer satisfaction index	Percentage	87	86	84

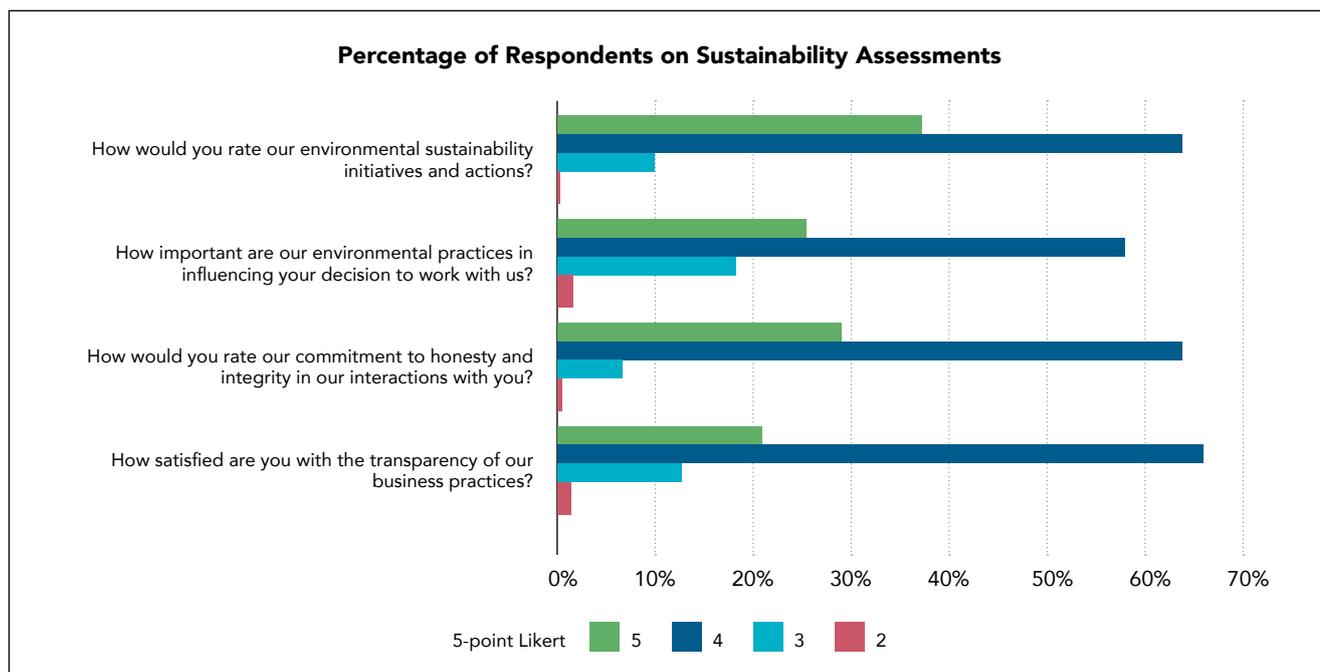
The Customer Satisfaction Survey covered key aspects of Quality, Delivery, Service, and Sustainability through a total of 10 questions, ensuring a comprehensive assessment of our performance. Customers provided feedback on:

- **Quality:** Ensuring products are packed in good condition and properly arranged during transport.
- **Delivery:** Evaluating timely delivery and accuracy of orders.
- **Service:** Measuring ease of communication with the team and our ability to provide technical or product information.
- **Sustainability:** Assessing transparency, integrity, and the impact of our environmental practices on customer decisions.

The Customer Satisfaction Index (“CSI”) is derived from survey responses with each category including multiple rating-based questions, typically scored on a 5-point Likert scale (1 = Very Dissatisfied, 5 = Very Satisfied). The index is calculated as:

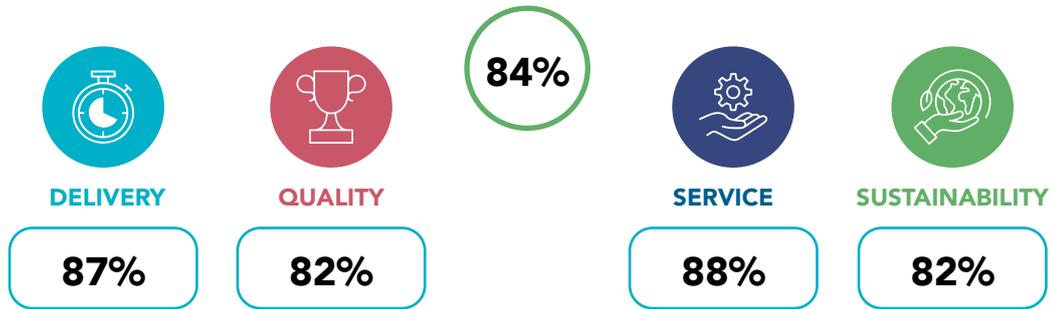
$$CSI = \frac{\sum (\text{Individual Question Scores})}{(\text{Total Respondents} \times \text{Total Questions})}$$

In 2024, the CSI saw a slight decline, primarily due to the expansion of the survey to include sustainability assessments. This broader evaluation highlights our commitment to enhancing sustainability initiatives, increasing transparency, and strengthening customer engagement.



Sustainability Statement

The below visual presents an overall performance score of 84%, evaluated across four key areas:



To ensure accountability and effective resolution, relevant teams meticulously review each response, assigning responsibility to the appropriate departments. Investigation outcomes are analysed, and corrective actions are implemented to address concerns and enhance service standards. We firmly believe that by aligning more closely with customer expectations, we can drive continuous improvement in service quality and responsible business practices, reinforcing our commitment to excellence and sustainability.

We continue to leverage social media platforms to drive brand engagement and reinforce its commitment to sustainability and product quality. The brand launched key initiatives and activations to connect with a wider audience, increase awareness, and build a stronger brand presence.

Influencer Collaborations: We partnered with social media influencers to highlight the benefits of Spritzer Natural Mineral Water, particularly its high silica content, which is known for its health benefits. These collaborations helped boost credibility and expand brand reach to a broader audience.

User-Generated Content (“UGC”) & Community Engagement: The brand actively encouraged consumers to share their experiences with Spritzer, leading to a surge in user-generated content on platforms like Instagram, TikTok, and X (formerly Twitter). Consumers enthusiastically posted about their preference for Spritzer, emphasising taste, quality, and health benefits.

Educational Campaigns on Product Benefits: We capitalised on social media to educate consumers about the unique properties of its mineral water, such as the presence of silica, which aids in collagen production for skin, hair, and nails. Engaging content helped position Spritzer as a premium and health-conscious brand.

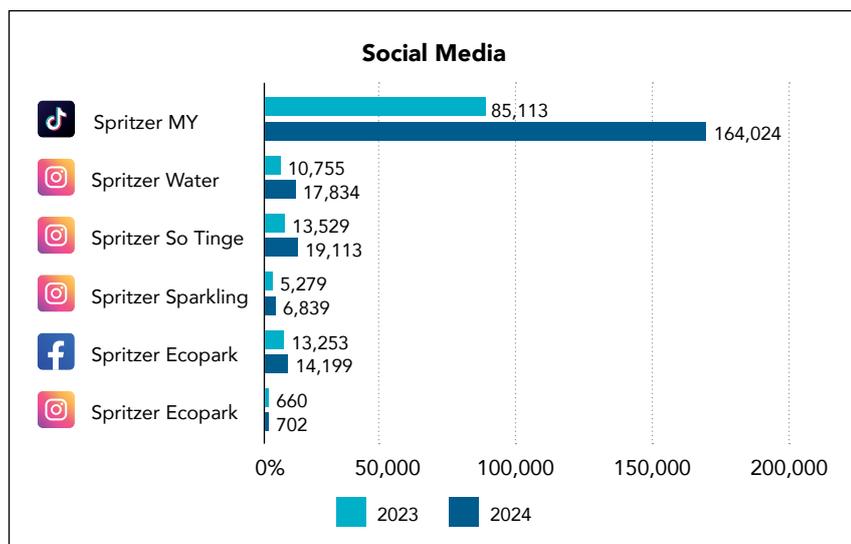
Viral Trends & Challenges: The brand tapped into trending social media formats, such as short-form videos and interactive challenges, to encourage participation and drive organic conversations around Spritzer. This approach enhanced brand visibility and engagement.

Real-Time Customer Interaction & Engagement: We strengthened its digital presence by promptly responding to consumer inquiries and feedback on social media. By actively engaging with users, the brand reinforced its commitment to customer satisfaction and transparency.



Through these targeted social media activations, Spritzer successfully amplified brand awareness, reinforced product benefits, and fostered a stronger community of loyal consumers, as reflected in the notable increase in followers across various platforms. By leveraging interactive content, influencer collaborations, and compelling brand storytelling, Spritzer has strengthened its connection with a growing audience, further solidifying its presence in the digital space.

Sustainability Statement



	Spritzer MY	▲ 92.71%
	Spritzer Water	▲ 65.82%
	Spritzer So Tinge	▲ 41.27%
	Spritzer Sparkling	▲ 29.55%
	Spritzer Ecopark	▲ 7.14%
	Spritzer Ecopark	▲ 6.37%

Growth of Spritzer's social media platforms and percentage of followers 2024

A Testament Through Prestigious Awards

Customer satisfaction is not just about delivering quality products and services-it is about creating an experience that resonates with consumers and builds lasting trust. One of the most tangible ways to measure this success is through industry recognition and prestigious awards.

Award	Criteria	Recognition
International Taste Institute ("ITQI") – Superior Taste Award (3 Stars)	Blind taste tests by world-class chefs and sommeliers based on flavour, texture, aftertaste, and overall sensory experience.	Awarded to Spritzer Natural Mineral Water for exceptional taste and quality.
World Branding Awards ("WBA")	Brands are judged based on brand valuation, consumer market research, and public online voting.	Recognised for strong branding, trust, and consistent consumer engagement.
Putra Brand Awards – Platinum Winner (Beverage - Non-Alcoholic)	Voted by Malaysian consumers, considering brand relevance, accessibility, innovation, and emotional connection.	Celebrated for brand excellence and sustained consumer preference.
Reader's Digest Trusted Brand Award 2024 – Platinum Winner	Consumer survey based on trustworthiness, quality, value, understanding customer needs, and innovation.	Recognised as the most trusted brand in the natural mineral water category, reaffirming consumer confidence.
JCI Malaysia Sustainable Development Award 2024	Assessment based on corporate social responsibility ("CSR"), environmental impact, and contributions toward the UNSDGs.	Acknowledged for Spritzer's sustainability initiatives, community engagement, and responsible business practices.

Each of these awards serves as a testament to our unwavering dedication to customer satisfaction, quality, transparency, and sustainability. They validate our efforts in providing superior products and services while reinforcing our mission to innovate and evolve to meet the expectations of our growing consumer base. Through these achievements, Spritzer continues to strengthen its legacy as a trusted and beloved brand across generations.

Sustainability Statement

SUSTAINABILITY PERFORMANCE REPORT 2024

This ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform and is included in this Sustainability Statement as mandated by Bursa Malaysia's enhanced sustainability reporting requirements within the Main Market Listing Requirements. The figures below have not been internally or externally assured, as labelled accordingly for each of the indicators.

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	0.00	54.44*	85.57
Executive	Percentage	0.00	43.86*	85.19
Non-executive/Technical Staff	Percentage	0.00	8.98*	64.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00	83.33
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	24.50	19.10	15.83
Bursa C5(c) Number of employees trained on health and safety standards	Number	158	200	903
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	1,392	2,271	4,159
Executive	Hours	3,957	5,379	5,998
Non-executive/Technical Staff	Hours	2,465	3,822	4,128
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	0.00	0.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	6	9	11
Executive	Number	35	33	44
Non-executive/Technical Staff	Number	180	96	138
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	3.50	1.10	5.15
Management Between 30-50	Percentage	65.50	70.00	72.16
Management Above 50	Percentage	31.00	28.90	22.68
Executive Under 30	Percentage	26.60	26.70	33.86
Executive Between 30-50	Percentage	63.90	63.30	61.38
Executive Above 50	Percentage	9.50	10.00	4.76
Non-executive/Technical Staff Under 30	Percentage	43.60	42.10	40.88
Non-executive/Technical Staff Between 30-50	Percentage	47.00	47.50	50.13
Non-executive/Technical Staff Above 50	Percentage	9.40	10.40	9.00

Sustainability Statement

Gender Group by Employee Category					
Management Male	Percentage	52.90	53.30	51.55	
Management Female	Percentage	47.10	46.70	48.45	
Executive Male	Percentage	44.30	42.80	42.33	
Executive Female	Percentage	55.70	57.20	57.67	
Non-executive/Technical Staff Male	Percentage	76.90	78.90	81.00	
Non-executive/Technical Staff Female	Percentage	23.10	21.10	19.00	
Bursa C3(b) Percentage of directors by gender and age group					
Male	Percentage	66.70	66.70	66.67	
Female	Percentage	33.30	33.30	33.33	
Under 30	Percentage	0.00	0.00	0.00	
Between 30-50	Percentage	44.40	44.40	33.33	
Above 50	Percentage	55.60	55.60	66.67	
Bursa (Energy management)					
Bursa C4(a) Total energy consumption	Megawatt	49,290.37	49,803.54*	58,946.13	
Bursa (Emissions management)					
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	1,183.63	1,389.47*	1,427.91	
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	35,194.30	35,605.43*	42,161.59	
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	0.00	0.00	
Bursa (Supply chain management)					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	78.00	63.00	67.88	
Bursa (Community/Society)					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	582,000.00	1,221,000.00	997,640.38	
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	56	62	71	
Bursa (Waste management)					
Bursa C10(a) Total waste generated	Metric tonnes	1,448.68	970.61*	1,290.45	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,209.92	794.94*	1,159.14	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	238.77	175.67*	131.31	
Bursa (Water)					
Bursa C9(a) Total volume of water used	Megalitres	200.050000	251.330000*	360.750000	

Internal assurance

External assurance

No assurance

(*) Restated

Board of Directors



from left to right

First row

CHOK HOOA @
CHOK YIN FATT,
PMP

LIM SENG LEE

DATO' SERI LIM A HENG @
LIM KOK CHEONG,
SPMP, DPMP, JSM, JP

DATO' LIM KOK BOON,
DPMP

LAM SANG

Second row

LOH CHOOI NGAN

TAN CHOW YIN

IR NIK MARNI BINTI
NIK MOHAMAD PENA

HANANI HAYATI
BINTI MOHD ADHAN

Directors' Profile



DATO' SERI LIM A HENG @ LIM KOK CHEONG,

SPMP, DPMP, JSM, JP

Non-Independent Non-Executive Chairman

Malaysian | Male | Age 80



Dato' Seri Lim Kok Cheong, was appointed to the Board on June 22, 2000. He was being conferred Darjah Dato' Seri Paduka Mahkota Perak (S.P.M.P.) which carries the title of Dato' Seri by DYMM Sultan Nazrin Muizzuddin Shah of Perak in conjunction with His Royal Highness' 68th birthday celebration in November 2024.

He has more than 50 years of experience in the trading and manufacturing of edible oils and consumer products industry.

He is the Life Honorary President of both the Associated Chinese Chambers of Commerce and Industry of Malaysia and the Perak Chinese Chamber of Commerce and Industry. He is the Chairman of Poi Lam High School (Suwa) and the Honorary President of Perak Hock Kean Association and the Federation of Hokkien Associations of Malaysia.

He is the Executive Chairman of Yee Lee Corporation Bhd and Yee Lee Organization Bhd.

He is a director and major shareholder of Yee Lee Corporation Bhd, a director of Yee Lee Holdings Sdn Bhd, and the spouse of Datin Seri Chua Siok Hoon, all of whom are the major shareholders of the Company. Besides, he is a brother of Dato' Lim Kok Boon, the Managing Director of the Company and the uncle of Mr Lim Seng Lee, the Group Chief Executive Officer of the Company and Mr Lim Hock Lai.



**SILICA RICH
NATURAL MINERAL WATER**

Directors' Profile

DATO' LIM KOK BOON, DPMP

Managing Director

Malaysian | Male | Age 70



Dato' Lim Kok Boon, was appointed to the Board on June 22, 2000.

He is a Past President/Consultant of the Asia Middle East Bottled Water Association (ABWA). He is also the adviser to the Board of Governors of Hua Lian High School, Taiping.

He has been involved in the sales and distribution of biscuits, confectionery, and bottled drinks since 1979. He was instrumental in the growth of Chuan Sin Sdn Bhd, a wholly-owned subsidiary of the Company, when it successfully switched to the production of bottled water in 1988. Since then, he has been overseeing the entire day-to-day operations of Spritzer Bhd Group.

He is a brother of Dato' Seri Lim Kok Cheong and the brother-in-law of Datin Seri Chua Siok Hoon, both are the major shareholders of the Company. He is the spouse of Datin Lai Yin Leng and the father of Mr Lim Seng Lee, the Group Chief Executive Officer of the Company and Mr Lim Hock Lai.



SPRITZER SPARKLING WATER

Spritzer Sparkling fizzes with sparkles and promises more fun and excitement in every refreshing sip. It blends delightfully well with fruit punches and any specialty drinks of your choice. Spritzer Sparkling is indeed a natural & lifestyle drink.

Directors' Profile



LIM SENG LEE

Executive Director and
Group Chief Executive Officer

Malaysian | Male | Age 49



Lim Seng Lee, was appointed to the Board on October 15, 2015. He graduated with a Bachelor of Science in Business Administration (International Business) from San Francisco State University, United States in August 2002.

He joined Spritzer Bhd as a Sales Executive in December 2003, and was later promoted to Senior Manager in January 2008. He was mainly involved in carrying out sales and marketing activities of bottled water. Subsequently in March 2008, he took the position of Deputy General Manager where he was responsible for assisting the Managing Director and General Manager in strategic planning and implementing corporate social responsibility activities for the Group. In March 2011, he was promoted to Group General Manager where he was responsible for overseeing the overall operational activities and ensure that they are in accordance with the Group's policies and objectives. In April 2016, he was redesignated to Group Chief Executive Officer and since then, he has been responsible for the overall strategic planning and business direction of the Group.



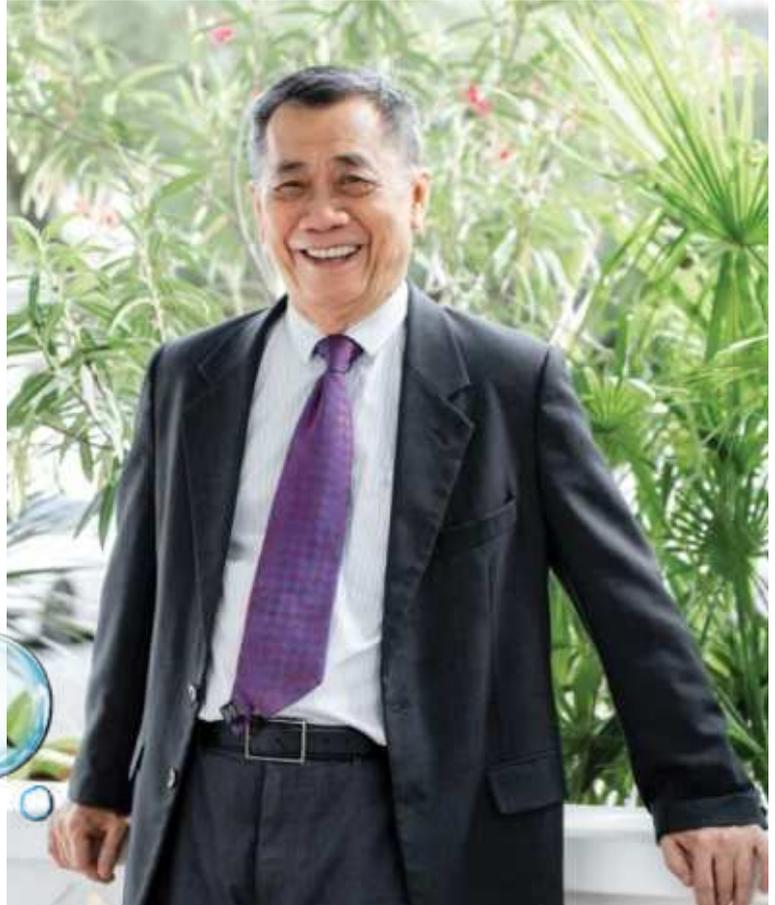
He is currently the Vice President of North Perak Chinese Chamber of Commerce and Industry and the Head of Small Medium Enterprise Division. He is also the Deputy Chairman of the Board of Governors of Hua Lian High School, Taiping. In April and September 2024 respectively, he has been elected as a Council Member of Malaysian Consortium of Mid-Tier Companies ("MCMTC") and National Council Member and Deputy Chair of Internal Trade & Expo Committee of The Associated Chinese Chambers of Commerce and Industry of Malaysia ("ACCCIM").

He was appointed as the independent non-executive chairman of Vanzo Holdings Berhad on April 16, 2024, a company listed on the ACE Market of Bursa Malaysia Securities Berhad. He is also a director of Malaysian Recycling Alliance Berhad.

He is the Chairman of the Employees' Share Grant Plan Committee and Executive Committee of the Company.

He is a son of Dato' Lim Kok Boon, the Managing Director of the Company and Datin Lai Yin Leng. He is also a nephew of Dato' Seri Lim Kok Cheong, the Chairman of the Company and Datin Seri Chua Siok Hoon, both of whom are the major shareholders of the Company. He is also the brother of Mr Lim Hock Lai.

Directors' Profile



LAM SANG

Executive Director

Malaysian | Male | Age 75



Lam Sang, was appointed to the Board on December 28, 2001. He has more than 40 years of experience in the manufacturing and marketing of plastic products and toothbrush. He is the President of Perak Hock Kean Association, Deputy Chairman of Poi Lam High School (SUWA) and Chairman of Poi Lam Primary School.

Prior to joining Golden PET Industries Sdn Bhd, a wholly-owned subsidiary of the Company, he was the Sales Manager of United Plastic Sdn Bhd, a plastic manufacturing company from 1973 to 1980.

He is an EXCO member of the Company.



SPRITZER DISTILLED DRINKING WATER

Enjoy the benefits of Spritzer Distilled Drinking Water – so clean that it contains no microorganisms, minerals, or chemicals. For its pure nature, it helps bring out the best and natural flavour of all beverages and juices. You might be pleased to find out that Spritzer is produced using a U.S. patented process that meets or exceeds FDA, EPA and other industry standards.

Directors' Profile



CHOK HOOA @ CHOK YIN FATT, PMP

Non-Independent Non-Executive Director
Malaysian | Male | Age 78



Chok Yin Fatt, was appointed to the Board on December 28, 2001. He graduated with a Bachelor Degree in Business Studies from Curtin University of Technology, Australia and Master in Business Administration from University of Strathclyde, United Kingdom. He is a Chartered Accountant of the Malaysian Institute of Accountants, fellow members of CPA Australia and Malaysian Institute of Chartered Secretaries and Administrators and a member of the Malaysian Institute of Certified Public Accountants.

He has extensive experience in the field of financial management, accounting and corporate secretarial functions. He was attached to UAC Berhad from 1974 to 1982. In 1982, he joined Yee Lee Corporation Bhd as Chief Accountant and was promoted to the Board as an Executive Director in 1990.

Currently he sits on the Board of other public companies which are not listed on the Bursa Malaysia Securities Berhad, namely Yee Lee Corporation Bhd and Yee Lee Organization Bhd. He is also a member of the Audit Committee of the Company.



SPRITZER SO TINGE

Spritzer So Tinge! Our NEW carbonated drink using natural mineral water with real natural fruity flavour. Comes in three flavours which are Watermelon Lychee, Grape and Lemon Citrus. This drink is for the unlikely you!

Directors' Profile



TAN CHOW YIN

Non-Independent Non-Executive Director
Malaysian | Male | Age 51



Tan Chow Yin, was appointed to the Board on December 15, 2017. He graduated with Master of Engineering with First Class Honours from Imperial College, London, United Kingdom in 1997 and Master of Science from Massachusetts Institute of Technology, United States of America in 1998. He has been a CFA (Chartered Financial Analyst) charterholder since 2011.

He is a Managing Partner and Investment Committee Member of Dymon Asia Private Equity ("Dymon"). He has investment experience across a wide spectrum of sectors including manufacturing, agro-food, consumer products and retail, education, F&B services, aged care, capital equipment and entertainment. Prior to Dymon, he spent 10 years with Navis Capital and left as a Senior Partner, where he focused on investments in Southeast Asia and China. Mr Tan was also a management consultant with The Boston Consulting Group.

He is a member of the Remuneration Committee, SGP Committee and EXCO of the Company.



SPRITZER TINGE

Spritzer TINGE is the exciting natural mineral water that comes with a choice of Grape, Lemon or Fruit Fusion flavour. Unlike most flavoured drinks in the market, TINGE is a non-carbonated and refreshing flavoured drink with no added colouring specially created for teens who adore celebrities.

Directors' Profile



LOH CHOOI NGAN

Independent Non-Executive Director

Malaysian | Female | Age 62



Loh Chooi Ngan, was appointed to the Board on January 21, 2022. She graduated with a Bachelor of Arts degree in Economics (Hon) from University of Malaya.

She has more than 20 years of experience in FMCG industry. She joined Yee Lee Trading Co Sdn Bhd ("YLT") in 1986 as Management Trainee and had held various senior positions in Sales & Marketing and Product Development covering supermarkets, chain stores, Petromarts & HORECA outlets. Her last stint was the National Sales Manager of YLT until her retirement in 2011.

She is a Chairman of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.



SPRITZER PUMP DISPENSER

The all-new Spritzer Water Pump Dispenser allows you to enjoy Spritzer Natural Mineral Water at the push of a button anytime, anywhere! Welcome convenient hydration, rich in silica & sweet to the taste into your living, working or outdoor spaces.

Directors' Profile

IR NIK MARNI BINTI NIK MOHAMAD PENA

Independent Non-Executive Director
Malaysian | Female | Age 40



Ir Nik Marni binti Nik Mohamad Pena, was appointed to the Board on March 27, 2023. She obtained a Degree of Bachelor of Civil Engineering (Honours) from University of Technology Malaysia in 2008 and admitted as Professional Engineer to the Board of Engineers Malaysia in 2019.

Ir Nik Marni started her career as a trainee Engineer at Nik Jai Associates Sdn Bhd in 2010 and after a year she was accepted as a Civil Engineer. She was promoted to Senior Executive Engineer in 2018 and after that was appointed as a Director of Nik Jai Associates Sdn Bhd in 2019 until to date.

During her service as a Civil and Structural Engineer, she was in charge of planning, design and supervision of projects specialise in Road and Highways, Water Supply and Geotechnical Works.

She is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.



SPRITZER DISPENSER

Premium water doesn't have to be hard to come by, bring home a Spritzer Dispenser series curated for your exact purpose. From the Spritzer Hot & Cold dispenser perfect for home, office or hotel use to our lightweight Spritzer Mini Dispenser, there's something for everyone.

Directors' Profile

HANANI HAYATI BINTI MOHD ADHAN

Independent Non-Executive Director

Malaysian | Female | Age 34



Hanani Hayati binti Mohd Adhan, was appointed to the Board on March 27, 2023. She graduated with a Bachelor of Laws (Honours) Degree from University of Malaya in 2015.

She started her career as a trainee solicitor in March 2015 at Messrs Azmi & Associates. She was called to the Malaysian Bar and admitted to the role of Advocate and Solicitor in January 2016 and was thereafter promoted as a Senior Associate in July 2020. She continued to serve at Messrs Azmi & Associates as a Senior Associate until July 2021.

She then moved to Messrs Adhan & Yap as a Senior Associate in August 2021. She has been promoted as Managing Partner and has been managing the firm's branch at Tanah Merah since January 2023.

She was appointed as the independent non-executive director of DS Sigma Holdings Berhad on March 1, 2024, a company listed on the ACE Market of Bursa Malaysia Securities Berhad.

She is a member of the Audit Committee and Nomination Committee of the Company.

Note:-

Save as disclosed, none of the above Directors has:

1. any directorship in public companies and listed issuers;
2. any family relationship with any Director and/or major shareholder of the Company;
3. any conviction for offences within the past five years other than traffic offences, if any;
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year; and
5. any conflict of interest with the Company, other than the permitted recurrent related party transactions and share buy-back authority as disclosed in the Circular/Statement to Shareholders.

Key Senior Management's Profile

For Key Senior Management's Profiles of Dato' Lim Kok Boon, Lim Seng Lee and Lam Sang, kindly refer to the Directors' Profile in this Annual Report.

DR CHUAH CHAW TEO

R&D Director

Chuah Chaw Teo, aged 73, male, a Malaysian and was appointed as R&D Director of Spritzer Group on December 15, 2017. He graduated with a Bachelor of Science (Honours) Degree in 1975 and Doctorate in Applied Organic Chemistry in 1979 from University of Otago, New Zealand.

He worked as a teaching assistant in Polymer Laboratory, State University of New York from 1980 to 1982 and as a Research Associate in University of Malaya in 1982. From 1983 to June 1997, he worked for Yee Lee Corporation Bhd in various capacities as Chief Chemist, Research and Development Manager and later as General Manager of Research and Development Department. He joined Chuan Sin Sdn Bhd as its General Manager in July 1997 and responsible for the product development, quality control and improvement of Chuan Sin Sdn Bhd's products. In addition, he was also the Executive Director of the Company where he oversaw the overall management and

operations of the group and research department and was involved in strategic decision making between 1994 and 2017. He was later re-designated as the Research & Development Director in Chuan Sin Sdn Bhd after 2017.

He was a member of the Committee set up by the Standards and Industrial Research Institute of Malaysia ("SIRIM") in 1991 to produce a draft on Malaysian Standards Specification on Natural Mineral Water. He is a Fellow of the Institute of Kimia Malaysia ("IKM") since September 2014. He was a former member of the Industry Advisory Panel for Applied Chemistry Programme at the Universiti Teknologi Petronas ("UTP").

He is the Independent Non-Executive Chairman of Kawan Renergy Berhad, a company listed in the ACE market of Bursa Malaysia Securities Berhad.

He is a member of the Employees' Share Grant Plan ("SGP") Committee and Executive Committee ("EXCO") of the Company.

LIM HOCK LAI

Sales and Operations Director

Lim Hock Lai, aged 47, male, a Malaysian and graduated with Bachelor of Information System from Swinburne University of Technology, Australia. He joined Chuan Sin Sdn Bhd in September 2008 as the Business Manager. He was promoted to Sales and Operations Director since July 1, 2013 and is responsible for the overall Sales and Operations of Spritzer Bhd bottled water and beverages business.

He is an EXCO member of the Company.

He is a son of Dato' Lim Kok Boon, the Managing Director of the Company and Datin Lai Yin Leng. He is also a nephew of Dato' Seri Lim Kok Cheong, the Chairman of the Company and Datin Seri Chua Siok Hoon, both of whom are the major shareholders of the Company. He is also the brother of Mr Lim Seng Lee, the Group Chief Executive Officer of the Company.

CHONG MEE YOONG

Deputy General Manager

Chong Mee Yoong, aged 60, female, a Malaysian and joined Chuan Sin Sdn Bhd in 1991 as a Food Technologist and currently holding the position as the Deputy General Manager of Chuan Sin Sdn Bhd since July 2013. She oversees the plant operations and Quality Assurance Department of Chuan Sin Sdn Bhd.

She graduated with a Bachelor of Science (Hons) in Food Science and Nutrition from the National University of Malaysia. Prior to joining Chuan Sin Sdn Bhd, she worked as a Food Technologist with Yee Lee Corporation Bhd in 1990.

She is an EXCO member of the Company.

Key Senior Management's Profile

TAN ENG BONG

Head of Production & Engineering

Tan Eng Bong, aged 59, male, a Malaysian and joined Chuan Sin Sdn Bhd in August 1997 as Engineer. He was promoted to Production and Maintenance Manager on March 1, 2004 and subsequently promoted to the current position on July 1, 2013.

He graduated in Electrical Technology from Feng Chia University at Taiwan.

CHAN SHIAO CHEW

Head of Marketing

Chan Shiao Chew, aged 43, female, a Malaysian and joined Chuan Sin Sdn Bhd in June 2021 as Head of Marketing. She graduated with a Bachelor of Economics in University of Malaya in Malaysia.

She has over 20 years of brand marketing experience in the FMCG Industry covering Asia such as Malaysia, SEA and China. She has worked in both local and regional MNCs such as Arla Foods, Unilever etc managing various F&B brands and categories. Over the years, she has also played numerous roles as a brand consultant, a facilitator, a trainer, a speaker and presenter in various regional and local summits and workshops.

She is an EXCO member of the Company.



CHOW SHAN LEE

Group Financial Controller and Joint Company Secretary

Chow Shan Lee, aged 54, female, a Malaysian and was appointed as Joint Company Secretary on November 27, 2023 and promoted as Group Financial Controller of Spritzer Bhd on October 1, 2024. She graduated from Victoria University of Wellington, New Zealand with the Degree of Bachelor of Commerce and Administration (Major in Accountancy). She is a member of the Malaysian Institute of Accountants ("MIA") and Chartered Accountants Australia & New Zealand ("CA ANZ").

She started her career as an Audit Assistant in Ernst & Young and her last position in the firm was Audit Manager. She then joined two glove manufacturers as Group Accountant and Group Financial Controller, respectively.

Since 2012, she has served as the Group Accountant of Spritzer Group and over the past decade, her role has involved a variety of responsibilities that have supported the Group's financial health and growth. She has overseen the preparation of financial statements, managed budgets, and ensured compliance with regulatory requirements as well as actively involved Groups digital transformation. As the Group Accountant, she has mentored and developed a cohesive accounting team, fostering an environment of continuous learning and professional growth.

She was appointed as an EXCO member of the Company on November 14, 2024.

Additional Information:-

1. Save for Dr Chuah Chaw Teo, none of the other Key Senior Management has any directorship in public companies and listed issuers.
2. Save for Dato' Lim Kok Boon, Lim Seng Lee and Lim Hock Lai, none of the other 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:-
 - (i) been convicted for offences within the past five years, other than traffic offences, if any;
 - (ii) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year; and
 - (iii) any conflict of interest with the Company.

Audit Committee Report

The Board of Directors of Spritzer is pleased to present the Audit Committee (“AC”) Report for the financial year ended December 31, 2024.

The purpose, authority, composition, membership, meetings, and responsibilities of the AC are set out in the AC Charter which can be viewed at the Company’s website at <https://www.spritzer.com.my>.

MEMBERS OF THE AUDIT COMMITTEE

The AC comprises the following four (4) non-executive Board members:

Chairman

Loh Chooi Ngan
Independent Non-Executive Director

Members

Chok Hooa @ Chok Yin Fatt
Non-Independent Non-Executive Director

Nik Marni binti Nik Mohamad Pena
Hanani Hayati binti Mohd Adhan
Independent Non-Executive Directors

Composition

The AC, appointed by the Board from amongst its members, comprises four (4) Non-Executive Directors, with a majority being independent directors. The Independent Directors satisfy the test of independence under Paragraph 1.01 of the Listing Requirements. The Chairman is elected from among the members and is an independent director pursuant to Paragraph 15.10 of the Listing Requirements.

Mr Chok Hooa @ Chok Yin Fatt is a member of the Malaysian Institute of Accountants. In this respect, the Company is in compliance with Paragraph 15.09(1)(c)(i) of the Listing Requirements.

Meetings

During financial year ended December 31, 2024, five (5) meetings were held and the details of attendance of each AC members are as follows:

AC Members	Attendance
Loh Chooi Ngan	5/5
Chok Hooa @ Chok Yin Fatt	5/5
Nik Marni binti Nik Mohamad Pena	5/5
Hanani Hayati binti Mohd Adhan	5/5

Audit Committee Report

SUMMARY OF WORKS OF THE AUDIT COMMITTEE

During financial year ended December 31, 2024, the AC had discharged its duties and responsibilities by carrying out the following works and activities:

Financial Reporting

1. Reviewed the quarterly financial results including the draft announcements pertaining thereto, and make recommendations to the Board for approval of the same as follows:-

Date of meetings	Review of unaudited quarterly financial results and audited financial statements
February 28, 2024	Fourth quarter unaudited financial results as well as the audited financial statements of the Group for the financial year ended December 31, 2023
May 30, 2024	First quarter unaudited financial results ended March 31, 2024
August 29, 2024	Second quarter unaudited financial results ended June 30, 2024
November 27, 2024	Third quarter unaudited financial results ended September 30, 2024
February 28, 2025	Fourth quarter unaudited financial results as well as the audited financial statements of the Group for the financial year ended December 31, 2024

The above review is to ensure that the Company's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia; and

2. Reviewed with the Management on any significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understood their impact on the financial statements and steps taken to address the matters.

Risk Management and Internal Control

1. Deliberated and reviewed on the Group's risk profile, the key risks identified and the risk management process to ensure that all high and critical risk areas are being addressed;
2. Reviewed with the Management and internal auditors on the adequacy and effectiveness of the internal control system to ensure compliance with the internal controls and procedures set up within the Group and adequate scope coverage over the activities of the Group;
3. Reviewed and deliberated internal audit reports and to monitor/follow-up on remedial action. The internal audit team had tested, assessed and obtained reasonable assurance that the internal controls within the financial and operational system had remain intact; and
4. Reviewed the Statement on Risk Management and Internal Control and recommended to the Board for approval prior to the inclusion in the Company's Annual Report 2024.

Audit Committee Report

External Audit

1. Reviewed with the External Auditors at the meeting held on November 29, 2024, their audit plan in respect of the financial year ended December 31, 2024, outlining the responsibilities of Audit Committee, materiality level of the Group, significant risks and areas of audit focus, internal control plan, involvement of internal auditors, involvement of internal specialists, involvement of audit data analytics, timing of audit, technical updates on financial reporting & other updates, fraud responsibilities and representations, engagement quality control and independence policies and procedures;
2. Discussed and considered the significant accounting and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The AC also had a private discussion with the External Auditors on February 28, 2025 without the presence of Management during the review of the Progress Report to those charged with governance for the financial year ended December 31, 2024 to discuss any fraudulent case and/or problems/issues arising from the audit;
3. Reviewed and evaluated the performance, competency, professionalism and the confirmation of independence from the External Auditors. In respect of the financial year ended December 31, 2024, Deloitte PLT has confirmed their independence to act as the Company's External Auditors in accordance with the relevant professional and regulatory requirements.

The AC, having been satisfied with the performance, independence and suitability of Deloitte PLT, had recommended to the Board for approval of the re-appointment of Deloitte PLT as the External Auditors for the financial year ending December 31, 2025 at its meeting held on February 28, 2025 at a fee to be determined later.

Internal Audit

1. Reviewed and approved the Internal Audit Plan for the financial year ended December 31, 2024 to ensure that the scope and coverage of the internal audit of the Group is adequate and comprehensive;
2. Reviewed the quarterly internal audit reports and considered the findings and recommendations made including the Management's responses and the corrective action, if necessary. The outsourced Internal Auditors monitored the implementation of Management's action plans on outstanding issues through follow up audits to ensure that all key risks and weaknesses were being properly addressed;
3. Reviewed the performance, effectiveness and independence of the internal audit functions. The AC, having satisfied that the outsourced Internal Auditors has maintained a high degree of independence and professionalism in carrying out their duties as the internal auditors, had agreed that the internal audit function is effective and able to provide value added services to the Group.

Other activities

1. Reviewed on a quarterly basis, the recurrent related party transactions entered into by the Group and by the Company to ascertain that the transactions are conducted at arm's length and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders;
2. Reviewed and/or updated the Group's Code of Conduct, Anti-Corruption and Bribery Policy, Corporate Disclosure Policy, Whistle Blowing Policy, AC Charter and Board Diversity Policy prior recommendation to the Board for approval;
3. Reviewed the AC Report and Corporate Governance Overview Statement for inclusion in the Annual Report 2024 before recommendation to the Board for approval.

The Group does not have an internal audit department of its own and had therefore engaged the services of a related party to carry out such tasks. Total costs incurred for the internal audit function of the Group for the financial year ended December 31, 2024 amounted to RM50,186.

Audit Committee Report

SUMMARY OF WORKS UNDERTAKEN BY A RELATED PARTY ENGAGED TO CARRY OUT INTERNAL AUDIT FUNCTION

The Company has previously engaged a related party, Yee Lee Edible Oils Sdn Bhd (“YLEO”), to perform internal audit function for the Group. With effect from June 1, 2024, the internal audit function has been transferred to YL Central Services Sdn Bhd (“YLCS”), a related company of YLEO. The internal audit services for Spritzer Bhd Group will remain unchanged, but the internal audit engagement agreement and audit fee may be revised subject to both parties’ review at year-end.

The outsourced internal auditors have performed routine audit on most operating units within the Group, with emphasis on principal risk areas. The planning and conduct of audits based on the risk profile of the business units of the Group is in line with the approach adopted in the Enterprise Risk Management of the Group. Their audit scopes include regular independent assessments and systematic review of the adequacy, efficiency and effectiveness of the Group’s internal control system. The internal auditors also undertake to conduct special audits from time to time as requested by the senior management.

Audit assignments were performed during the year on subsidiary companies of the Group covering review of inventory and assets management, accounting system, credit control system, purchasing and sales function, production and equipment maintenance system, adherence to quality management system and regulatory compliance. The internal audit also includes areas such as risk management system and anti-bribery & corruption system. Audit reports incorporating the findings and recommendations for corrective actions on the systems and control weaknesses are presented to the Management concerned and thereafter to the AC for appraisal and review. The Management ensures all remedial actions have been taken to resolve the audit issues as highlighted in the audit reports within a reasonable time frame. Significant issues are brought up by the AC to the Board’s attention on quarterly basis.

Corporate Governance Overview Statement

Spritzer Bhd (“Spritzer” or “Company”) adheres to high standards of corporate governance practices under the leadership of the Board of Directors (“Board”), as guided by the new Malaysian Code on Corporate Governance (“MCCG”). It is being applied as a fundamental part of discharging the directors’ responsibilities to protect and enhance shareholders’ value.

The Board of Directors of Spritzer presents this statement to provide shareholders and investors with an overview of the corporate governance (“CG”) practices of the Company under the leadership of the Board during the financial year 2024. This statement takes guidance from the key CG principles as set out in the MCCG. The detailed application for each practice as set out in the MCCG is disclosed in the Corporate Governance Report 2024 (“CG Report 2024”) which is available on the Company website at <https://www.spritzer.com.my>.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

Part I – Board Responsibilities

1. Board’s Leadership on Objectives and Goals

1.1 Company’s strategic aims, values and standards

The Board is always mindful of its responsibilities to the Company’s shareholders and other stakeholders for creating and delivering sustainable value and long-term success through its leadership and management of the Company’s businesses, in pursuing the commercial, social and governance objectives of the Company.

For the foregoing, the Board is responsible for formulating the strategic plans, and establishing visions and goals for delivery of such long-term value, and ensures effective leadership through oversight on management and continuously monitoring, overseeing and evaluating the Group’s strategies, policies and performance so as to protect and enhance shareholders’ and other stakeholders’ value.

The Managing Director, Group Chief Executive Officer and Executive Director are primarily responsible for the implementation of the strategies set by the Board and manage the day-to-day operations and administrative functions. The Management supports the Executive Directors and implements the running of the financial and general operations of the Company.

The Independent Non-Executive Directors provide objective and independent judgement to the decision making of the Board which provides an effective check and balance to the Board’s decision-making process.

The Board does not actively manage but rather oversees the management of the Group. To ensure the effective discharge of its functions and responsibilities, the Board delegates some of its authorities and discretion to the Managing Director, Group Chief Executive Officer, representing the Management as well as the Board Committees, namely the Audit Committee (“AC”), Nomination Committee (“NC”), Remuneration Committee (“RC”), Executive Committee (“EXCO”) and Employees’ Share Grant Plan (“SGP”) Committee, which are entrusted with specific responsibilities to oversee the Group’s affairs, with authorities to act on behalf of the Board in accordance with their respective Terms of Reference.

The ultimate responsibility for the final decision on all matters deliberated in these Committees, however, lies with the Board. Besides that, the Chairman of the relevant Board Committees also reports to the Board on key issues deliberated by the Board Committees at their respective meetings.

Further details on the Spritzer Group risk governance and sustainability governance are set out in the Statement on Risk Management and Internal Control and Sustainability Statement of this Annual Report.

1.2 The Chairman

The Chairman holds a Non-Executive position and is primarily responsible for matters pertaining to the Board and is responsible for its overall effectiveness in directing the Company and Group. The Chairman is committed to good corporate governance practices and has been leading the Board towards high performing culture.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I – Board Responsibilities (Cont'd)

1. Board's Leadership on Objectives and Goals (Cont'd)

1.3 Separation of Positions of the Chairman and Group Chief Executive Officer

The roles and responsibilities of the Chairman and Group Chief Executive Officer are separated to ensure a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness and conduct whilst the Group Chief Executive Officer has the overall responsibilities over organizational effectiveness and the implementation of Board's policies and decisions.

The separation of responsibilities between the Chairman and Group Chief Executive Officer are set out in the Board Charter which can be viewed at the Company's website at <https://www.spritzer.com.my>.

1.4 Chairman of the Board and Board Committees

The Non-Executive Chairman of the Board, namely Dato' Seri Lim Kok Cheong assumes his position as the Chairman of the Board only and is not appointed as a member of any of the Board Committees to ensure there is check and balance and objective review by the Board.

1.5 Qualified and Competent Company Secretaries

The Board is supported by two (2) professionally qualified Company Secretaries, who are suitably qualified and competent. To ensure that Directors are well supported by accurate, complete and timely information, all Directors have unrestricted direct access to the services of the Company Secretaries to enable them to discharge their duties and responsibilities effectively.

The Company Secretaries are responsible to provide clear and professional advice to the Board on all governance matters and assist the Board on the implementation of an effective corporate governance system. In order to ensure uniformity of Board's conduct, the Company Secretaries also have oversight of the overall corporate secretarial functions of the Group, both locally and in the countries where its subsidiaries are operating.

The Company Secretaries had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the same regulatory environment, through continuous training and industry updates.

1.6 Meeting Materials

All Directors are provided with the Board meeting agenda and Board papers which contain among others, the Company's financial performance and business outlook prior to the Board meeting. The Board papers are issued in advance and in a timely manner to facilitate informed decision-making process. The Managing Director, Group Chief Executive Officer and Executive Director would lead the presentation of Board papers and provide comprehensive explanations of strategy and business plans, business performance, potential mergers and acquisitions and other pertinent issues. Any proposals and recommendations by Management will be discussed at the EXCO level and then the recommendation from EXCO will be put forth to the Board and seek approval from the Board. All matters raised, deliberations, decisions and conclusions including dissenting views made at the Board meetings with clear actions to be taken by responsible parties are recorded in the minutes.

Senior management and advisers are invited to attend Board Meetings, where necessary, to provide additional information and insights on the relevant agenda items tabled at Board Meetings.

The Company Secretaries attend and ensure that the deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I – Board Responsibilities (Cont'd)

2. Demarcation of Responsibilities

2.1 Board Charter

The Board is guided by the Board Charter which sets out the roles, functions, authority, responsibilities, membership, key matters reserved for the Board, relationships with management and other matters.

The Board will review the Board Charter periodically and updates it 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 to ensure its effectiveness. The Board Charter can be viewed at the Company's website at <https://www.spritzer.com.my>.

3. Good Business Conduct and Healthy Corporate Culture

3.1 Code of Ethics and Conduct

The Board has formalised a Directors' Code of Ethics and Conduct that is incorporated in the Board Charter, which sets out the standard of conduct expected of Directors, with the aim to cultivate good ethical conduct that permeates throughout the Group through transparency, integrity and accountability.

Directors are required to disclose any conflict of interest situations or any material personal interest that they may have in the affairs of the Group as soon as they become aware of the interest and abstain themselves from any deliberations on the matter.

The Board has on February 28, 2024 adopted the Policy on Conflict of Interest to ensure that the proper processes and procedures are adhered to and undertaken by the Directors and Key Senior Management of the Group in respect of circumstances which could give rise to conflicts of interest including circumstances which, arising from such interest, could entail the entry by the Group into Related Party Transactions.

3.2 Whistleblower Policy

The Company's Whistleblower Policy provides a mechanism for its Board members, all levels of employees, contractors, suppliers, bankers, customers and business associates to report suspected or instances of wrongdoing in the conduct of its business, whether in matters of financial reporting or other malpractices, at the earliest opportunity and in an appropriate way.

The Whistleblower Policy is available on the Company's website at <https://www.spritzer.com.my>.

4. Sustainability

4.1 Governance of Sustainability

Spritzer has adopted a structured approach to formalise a sustainability framework as part of our ongoing commitment to enhancing sustainability practices and meeting the Main Market Listing Requirements ("Listing Requirements") on Sustainability Reporting issued by Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board of Directors, together with Senior Management, oversees the governance of sustainability across the Group. This includes integrating Economic, Environmental, and Social ("EES") factors into our strategic decision-making processes and day-to-day operations to drive long-term operational efficiencies.

Sustainability risks and opportunities are incorporated into the Group's strategic planning, risk management, and major initiatives. Senior management plays a key role in driving the strategic management of material sustainability matters, ensuring alignment with our long-term goals and stakeholder expectations.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I – Board Responsibilities (Cont'd)

4. Sustainability (Cont'd)

4.2 Communication of Company's Sustainability Strategies, Priorities, Targets and Performance

The Company actively engages with stakeholders through formal and informal channels to maintain open, ongoing communication. Since 2018, it has published annual sustainability reports to enhance transparency and accountability. Regular stakeholder engagement helps the Company stay informed about market trends, address key issues, and adapt to changing expectations. This process strengthens relationships with customers, employees, suppliers, investors, and the community, enabling better decision-making and execution of sustainability and operational goals. Overall, stakeholder engagement is vital for identifying opportunities, managing risks, and creating long-term value.

4.3 Board Keep Abreast of the Relevant Sustainability Issues

During the financial year, the Group Financial Controller updated the Board on the Environmental, Social and Governance ("ESG") risks and opportunities together with the proposed mitigation plans during the Board meeting. This ensures that the Board is well-informed and able to assess the impact of sustainability-related factors on the company's operations and strategic direction.

The Board keeps fully abreast of latest regulations and guidance applicable to the business including current and emerging environment problems. This knowledge enables the Board to integrate environmental considerations into the decision-making process effectively. By continuously refining practices for addressing sustainability risks, the Board ensures that environmental issues are incorporated into both long-term strategies and day-to-day operational decisions.

4.4 Board and Management Accountability for Sustainability

The Board recognises the importance of sustainability in all its business operations and had included sustainability as one of the criteria in its annual board evaluations. The criteria pertaining to sustainability matters in annual board evaluations would be reviewed from time to time to ensure its continued relevance.

Part II – Board Composition

5. Board's Objectivity

5.1 NC

The NC oversees and reviews on an on-going basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NC on an annual basis.

5.2 Composition of the Board

The Board has nine (9) members, comprising three (3) Executive Directors and six (6) Non-Executive Directors for the financial year ended December 31, 2024. The role of Chairman is held by a Non-Independent Non-Executive Director, namely Dato' Seri Lim Kok Cheong. Out of the nine (9) Directors, three (3) are independent.

This Board composition complies with the Listing Requirements to have at least one third of the Board consisting of Independent Directors.

5.3 Tenure of Independent Directors

The Board recognises the importance of independence and objectivity in the decision-making process. For FY2024, the Board comprised of three (3) Independent Directors. The MCCG recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and if the Board continues to retain the Independent Director after the ninth (9th) year, a two-tier voting process should be applied. For FY2024, none of the Independent Directors of the Company has served for a cumulative term of more than nine (9) years.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II – Board Composition (Cont'd)

5. Board's Objectivity (Cont'd)

5.4 Policy on Independent Director's Tenure

The Company has not adopted a policy which limits the tenure of its Independent Directors to nine (9) years, being a step-up practise.

5.5 Diverse Board and Senior Management

Appointment of Board and Senior Management are based on objective criteria, merit, skills and experiences and not driven by age and gender.

Please refer to the Directors' Profile and Key Senior Management's Profile in this Annual Report for further information.

5.6 New Candidates for Board Appointment

The Board acknowledges the importance of not solely relying on recommendations from existing Board members, Management or major shareholders in identifying candidates for appointment of Directors, but trust that such nomination has its merits.

The Board had use variety of approaches and sources to ensure it is able to identify the most suitable candidates and will consider independent sources as and when required.

5.7 Annual Evaluation on Retiring Directors

The performance of retiring Directors who are recommended for re-election at the forthcoming 32nd AGM have been assessed through the Board and the NC evaluations.

5.8 Chairman of the NC

The NC is chaired by Ms Loh Chooi Ngan, the Independent Non-Executive Director appointed by the Board. The Chairman of the NC has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.

5.9 Board Diversity

The Board recognises that a gender-diverse Board could offer greater depth and breadth. Where candidates are relatively equivalent in their level of required skills, knowledge, experience and competency, the Board is committed to giving preference to female candidates in order to enhance diversity and add a broader perspective on the Board.

5.10 Gender Diversity Policy

The Board is supporting of gender diversity policy and the recommendation of the MCCG pertaining to the establishment of a gender diversity policy to support the participation of women on the board as well as senior management.

The Board Diversity Policy of the Company is to have at least 30% female directors as its members. For the financial year ended December 31, 2024, the Board comprised three (3) female directors, representing 30% of its total membership.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II – Board Composition (Cont'd)

6. Overall Board Effectiveness

6.1 Annual Evaluation and Directors Training

The Directors are aware of the time commitment expected from each of them to attend to the matters of the Group generally, including attendance at Board, Board Committee and other types of meetings. None of our Directors are directors of more than two (2) public listed companies. The Board is satisfied that the present directorships in external organizations held by the Directors do not give rise to any conflict of interests nor impair their ability to discharge their responsibilities to the Group. The Directors would notify the Company prior to accepting any new directorship in a public listed company.

The Board has committed to meet at least four (4) times a year, usually before the announcement of quarterly results to Bursa Securities, with additional meetings convened when necessary. In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, Board approvals are obtained via circular resolutions which are supported with information necessary for an informed decision. To facilitate Directors' planning and time management, an annual meeting calendar is prepared and given to Directors before the beginning of the new financial year.

During the financial year ended December 31, 2024, four (4) Board meetings were held and the attendance is as follows:

Directors	Attendance
Dato' Seri Lim A Heng @ Lim Kok Cheong	4/4
Dato' Lim Kok Boon	4/4
Lim Seng Lee	4/4
Lam Sang	4/4
Chok Hooa @ Chok Yin Fatt	4/4
Tan Chow Yin	4/4
Loh Chooi Ngan	4/4
Ir Nik Marni binti Nik Mohamad Pena	4/4
Hanani Hayati binti Mohd Adhan	4/4

The Board acknowledges that continuous education is vital in keeping the Directors abreast with developments in the market place and with new statutory and regulatory requirements, besides enhancing professionalism and knowledge in enabling them to discharge their roles in an effective manner.

Relevant training programmes were arranged to facilitate knowledge building for Directors. The Directors may also attend additional training courses according to their individual needs, to equip themselves for the discharge of their responsibilities as directors of a public listed company and in the Board Committees on which they serve.

All Directors have attended the Mandatory Accreditation Programme ("MAP") Part I on corporate governance and director's roles, duties and liabilities and have registered for the MAP Part II on sustainability, aiming to complete by August 1, 2025 as required under the Listing Requirements.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II – Board Composition (Cont'd)

6. Overall Board Effectiveness (Cont'd)

6.1 Annual Evaluation and Directors Training (Cont'd)

All the Directors have attended development and training programmes during the financial year ended December 31, 2024. The conferences, seminars, workshops and training programmes attended by the Directors, collectively and individually, were as follows:

- i. Cybersecurity Awareness Talk
- ii. The Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees
- iii. Webinar on Daen Raid: Practical aspects on how law firm can manage dawn raids
- iv. Extended Producer Responsibility for Post-Consumer Packaging - From Voluntary to Mandatory
- v. Sharing of 'The Power of Sentiment Analysis'
- vi. Industry Networking Session
- vii. Strategic Innovation and Global Alliances: Propelling Malaysia to the Forefront of Global Economy.
- viii. E-Invoicing Briefing
- ix. MTS-MSME Perak Benchmarking Programme
- x. Benchmarking Programme: Global Branding and Sustainability
- xi. A Day of Disruption with David Roberts
- xii. Family Business Succession Planning
- xiii. System Walkthrough - Electronic Beneficial Ownership System (E-BOS)
- xiv. Seminar on "National Climate Governance Summit"
- xv. Annual Cayman Islands-Specific Anti-Money Laundering / Counter-Financing of Terrorism (AML/CFT)
- xvi. Conflicts of Interest
- xvii. Cybercrime 2024

Part III – Remuneration

7. Level and Composition of Remuneration

7.1 Remuneration Policy

The Board believes that competitive remuneration is important to attract, retain and motivate Directors with necessary calibre, expertise and experience to lead the Group in the long term. The Board had adopted policy and procedures to determine the remuneration of Directors and Senior Management which takes into account the demands, complexities and performance of the Group as well as skills and experience required to determine the remuneration of Directors and Senior Management.

The Remuneration Policy is available on the Company's website at <https://www.spritzer.com.my>.

7.2 RC

During the financial year ended December 31, 2024, the RC comprised three (3) members, all of whom are Non-Executive Directors with a majority of them are Independent Directors.

Meetings of the RC are held as and when necessary, and at least once a year. During the financial year ended December 31, 2024, the RC convened meeting on February 28, 2024. Full attendances of the members were recorded for the meetings.

The Terms of Reference of the RC is available on the Company's website at <https://www.spritzer.com.my>.

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III – Remuneration (Cont'd)

8. Remuneration of Directors

8.1 Directors' Remuneration

The details of the remuneration of the Directors of the Company (comprising of remuneration received and/or receivable from the Company and its subsidiaries) during the financial year ended December 31, 2024 are categorised as follows:

The Company

Non-Executive Directors	Fees RM'000	Meeting Allowance RM'000	Salaries RM'000	Bonus RM'000	Equity-settled Share-based Payment RM'000	Benefits in-kind RM'000	Other Emoluments RM'000	Total RM'000
Dato' Seri Lim Kok Cheong	40.0	2.0	-	-	-	-	-	42.0
Chok Yin Fatt	36.0	5.5	-	-	-	-	-	41.5
Loh Chooi Ngan	38.0	6.1	-	-	-	-	-	44.1
Ir Nik Marni binti Nik Mohamad Pena	36.0	6.3	-	-	-	-	-	42.3
Hanani Hayati binti Mohd Adhan	36.0	5.8	-	-	-	-	-	41.8
Tan Chow Yin	-	-	-	-	-	-	-	-
Executive Directors								
Dato' Lim Kok Boon	36.0	2.0	-	-	-	-	-	38.0
Lim Seng Lee	36.0	2.0	-	-	-	-	-	38.0
Lam Sang	36.0	2.0	-	-	-	-	-	38.0
Total	294.0	31.7	-	-	-	-	-	325.7

Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III – Remuneration (Cont'd)

8. Remuneration of Directors (Cont'd)

8.1 Directors' Remuneration (Cont'd)

The Group

Non-Executive Directors	Fees RM'000	Meeting Allowance RM'000	Salaries RM'000	Bonus RM'000	Equity-settled Share-based Payment RM'000	Benefits in-kind RM'000	Other Emoluments RM'000	Total RM'000
Dato' Seri Lim Kok Cheong	84.5	2.0	-	-	-	43.5	579.0	709.0
Chok Yin Fatt	36.0	5.5	-	-	-	-	56.4	97.9
Loh Chooi Ngan	38.0	6.1	-	-	-	-	-	44.1
Ir Nik Marni binti Nik Mohamad Pena	36.0	6.3	-	-	-	-	-	42.3
Hanani Hayati binti Mohd Adhan	36.0	5.8	-	-	-	-	-	41.8
Tan Chow Yin	-	-	-	-	-	-	-	-
Executive Directors								
Dato' Lim Kok Boon	71.0	2.0	1,504.0	2,460.0	421.3	80.8	296.9	4,836.0
Lim Seng Lee	37.0	4.0	1,235.6	2,695.0	421.3	49.4	332.2	4,774.5
Lam Sang	50.5	4.0	523.7	306.4	333.0	18.6	131.7	1,367.9
Total	389.0	35.7	3,263.3	5,461.4	1,175.6	192.3	1,396.2	11,913.5

8.2 Top Five Senior Management's Remuneration

The Board is of the view that it is inappropriate to disclose the remuneration of the top five (5) senior management's remuneration taking into consideration the sensitivity, security, and issue of staff morale.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I – AC

9.1 Chairman of the AC

During the financial year ended December 31, 2024, the AC is chaired by an Independent Director, namely Ms Loh Chooi Ngan, who is distinct from the Chairman of the Board.

9.2 AC Charter

The AC Charter of the Company stated that no former key audit partner of the external auditors of the Company shall be appointed as a member of the AC before observing a cooling-off period to ensure the person does not exert influence over the audit and preparation of financial statements.

9.3 Assessment of Suitability & Independence of External Auditor

The AC has conducted an evaluation session with Deloitte PLT to evaluate their independency and professionalism as external auditors in respect of the financial year ended December 31, 2024. The Audit Partner has on behalf of Deloitte PLT, accepted the evaluation session and informed that they have not identified any breach of independence and they are in compliance with the independence requirements set out in the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (*including International Independence Standards*).

The AC and the Board having been satisfied with the performance, independence and suitability of Deloitte PLT, proposed and recommended that Deloitte PLT be re-appointed as the external auditors of the Company and this was approved by the shareholders of the Company at the 31st AGM of the Company based on the credentials and resources of Deloitte PLT.

9.4 Composition of AC

For the financial year ended 31st December 2024, the AC of the Company comprises four (4) Non-Executive Directors, with a majority being independent directors.

9.5 Financial Literacy

Mr Chok Hooa @ Chok Yin Fatt is a member of the Malaysian Institute of Accountants. In this respect, the Company is in compliance with the Listing Requirements.

All members of the AC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.

Part II – Risk Management and Internal Control Framework

10. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10.1 Risk Management and Internal Control Framework

The Board acknowledges the importance in maintaining sound internal controls and effective risk management practices to mitigate and to manage potential adverse impact arising from unfavourable future events or condition, as good corporate governance in the pursuit of the Group's business objectives.

The Board affirms its overall responsibility for the Group's risk management and internal control system which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity. The Board is taking appropriate initiatives to further strengthen the transparency, accountability and efficiency of the Group's operations.

The Board also recognises that a sound system of internal control can only provide reasonable, but not absolute assurance against material loss or failure. The internal control system is thus designed to minimise rather than to completely eliminate the risk of failure in achieving the Group's business objectives. This denotes that the internal control system has been applied to manage risks within cost levels appropriate to the significance of the risks.

Corporate Governance Overview Statement

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

Part II – Risk Management and Internal Control Framework (Cont'd)

10. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

10.2 Features, Adequacy and Effectiveness of Risk Management and Internal Control Framework

The Board has adopted a systematic approach to oversee the actual performance and provides guidance to the Management on measures to improve the business performance and minimise risk impacts. The Group has an adequate and effective risk management framework, and a sound internal control system in place. A summary of significant risks is submitted to the AC for its attention. The AC will review and monitor the effectiveness of the Group's risk management system and advises the Board accordingly. The Group Financial Controller also serves as the Group's Risk Officer who is responsible for enabling the efficient and effective governance of significant risks, and related opportunities, to the Group.

The Board remains committed towards improving the system of internal control and risk management process to meet its corporate objectives and to support all types of businesses and operations within the Group. The Board is of the opinion that the Group's present system of internal controls is sound and sufficient to safeguard the Group's interest and its business operations. It is also satisfied that the risks taken are at an acceptable level within the control of the business environment of the Group.

The features of risk management and internal control framework are adequately disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

11. EFFECTIVE GOVERNANCE, RISK MANAGEMENT & INTERNAL CONTROL

11.1 Internal Audit Function

The internal audit function of the Company is carried out by an independent Internal Audit Team that assists the AC in managing the risks and establishment of the internal control system and processes of the Company by providing an independent assessment on the adequacy, efficiency and effectiveness of the Company's internal control system and processes.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the AC Report of this Annual Report.

11.2 Credential of the Internal Audit Team

The Internal Audit Team has carried out their duties objectively, impartially and independently in accordance with the International Professional Practice Framework for Internal Auditing and Code of Ethics for Internal Auditors.

The Internal Audit Team is free from any relationships or conflicts of interest, which could impair their objectivity and independence. The staff involved in the internal audit reviews hold Bachelor's Degrees. The Head of Internal Audit Team has extensive experience in the field of internal audit, accounting and risk management functions.

The Internal Audit Team has and will continue to keep abreast with developments in the profession, relevant industry and regulations.

Corporate Governance Overview Statement

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

Part I – Engagement with Stakeholders

12. Continuous Communication between the Company and Stakeholders

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value. The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Company's business and corporate development and ensures that the Company's communication with them is transparent and timely. Announcements, news, promotions and all relevant updates are posted on the Company's website regularly. The Group Financial Controller oversees investor relations and where appropriate and practicable, will engage with research analysts, fund managers and institutional shareholders based on mutual understanding of objectives and entertains visits from such groups.

Part II – Conduct of General Meetings

13.1 Notice of AGM

The notice of the 31st AGM was issued at least 28 days before the AGM date to give shareholders a good lead time to read and consider the resolutions to be resolved.

13.2 Attendance of Directors in AGM

All the Directors of the Company attended the 31st AGM physically on May 30, 2024.

The said AGM included an avenue for questions by and answers to shareholders and proxies. The Chairman had invited shareholders and proxies to raise their questions on the Company's financial statements and all other resolutions related to the 31st AGM. All members of the Board, Group Financial Controller, Company Secretaries and external auditors were present at the 31st AGM to respond to questions raised by the shareholders or proxies.

13.3 Leverage Technology in convening AGM

The Board strives to ensure that shareholders are able to participate effectively in the Company's AGMs. In circumstances where there are movement controls and travel restrictions imposed by the Government, the Company has the option to conduct its general meetings virtually and entirely via remote voting using the Remote Participation and Voting Facilities.

13.4 Interaction platform during and after AGM

The Chairman of the Board ensured that sufficient opportunities were given to shareholders and proxies to raise questions for all the agendas related to the 31st AGM of the Company and that adequate responses were given.

Shareholders were also encouraged to send in their questions prior to the AGM via email or through the online platform provided by the Company.

During the 31st AGM, the Group Financial Controller gave a presentation on the brief overview of Spritzer's performance for the financial year 2023 to the shareholders. To ensure transparency, questions submitted in advance by the Minority Shareholders Watch Group were presented to the shareholders at the 31st AGM together with the Group's response.

All suggestions and comments given by the shareholders were noted by the Board for consideration.

13.5 Ensuring Effective Shareholder Engagement and Option to Participate via Virtual AGM

The Company conducted its 31st AGM physically at a venue familiar to shareholders instead of virtual AGM. The Board believed that physical meetings allow shareholders to interact face-to-face with Board members, Senior Management, and External Auditors, fostering a more personal connection and clearer communication. Shareholders can engage in meaningful dialogue, ask questions, and receive immediate feedback.

13.6 Outcome and Minutes of AGM

The Chairman announced the voting results of all the resolutions tabled before the closure of the 31st AGM and the outcome of the 31st AGM was announced to Bursa Securities on the same meeting day. The summary of the AGM proceedings and the Q&A posted during the AGM were available on the Company's website at <https://www.spritzer.com.my>.

This CG Overview Statement was approved by the Board on April 2, 2025.

Corporate Governance Overview Statement

OTHER INFORMATION

1. Utilisation of Proceeds raised from Corporate Proposals

There were no proceeds raised from any corporate proposal during the financial year ended December 31, 2024.

2. Audit and Non-audit Services Fees

For the financial year ended December 31, 2024, the amount of audit and non-audit fees paid/payable to the Company's external auditors and its member firms are as follows:

	The Group RM'000	The Company RM'000
Audit fees	267	60

There were no non-audit fees paid to the external auditors during the financial year ended December 31, 2024.

3. Material Contracts

There was no material contract which has been entered into by the Group, involving the Directors' and major shareholders' interests, since the end of the previous financial year and at the end of the financial year.

4. Employee Share Scheme

Employees' Share Grant Plan ("SGP")

The Company's SGP was approved by the shareholders of the Company at the Extraordinary General Meeting held on May 30, 2019. The Company granted up to 5% of its issued share capital (excluding treasury shares) to eligible employees and Executive Directors of the Company and its subsidiaries, which are not dormant (collectively referred to as "Eligible Employees") of the Group. The SGP is administered by the SGP Committee and governed by a set of by-laws.

The number of SGP Shares outstanding as of December 31, 2024 is 4,593,600. During the financial year, 3,010,800 units of the SGP shares were vested and the Company transferred 3,010,800 treasury shares to the Eligible Employees on January 2 and 10, 2024, respectively.

The details of SGP Shares awarded to the Eligible Employees are as follows:

	As of 1.1.2024 '000 units	Vested '000 units	As of 31.12.2024 '000 units
Executive Directors	2,725	(1,090)	1,635
Key management personnel	2,490	(966)	1,524
Others	2,389	(955)	1,434
Total	<u>7,604</u>	<u>(3,011)</u>	<u>4,593</u>

Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors of Spritzer Bhd (“Board”) is pleased to provide the following Statement on Risk Management and Internal Control pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”). The Board is committed towards fulfilling its responsibility on the Group’s compliance with the Principle and the related Practices in relation to risk management and internal control as stipulated in the Malaysian Code on Corporate Governance. The Statement outlines the key features of risk management and internal control system of the Group during the year under review.

BOARD RESPONSIBILITIES

The Board acknowledges the importance in maintaining sound internal controls and effective risk management practices to mitigate and to manage potential adverse impact arising from unfavourable future events or condition, as good corporate governance in the pursuit of the Group’s business objectives.

The Board affirms its overall responsibility for the Group’s risk management and internal control system which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity. The Board is taking appropriate initiatives to further strengthen the transparency, accountability, and efficiency of the Group’s operations.

The Board also recognises that a sound system of internal control can only provide reasonable, but not absolute assurance against material loss or failure. The internal control system is thus designed to minimise rather than to eliminate the risk of failure in achieving the Group’s business objectives. This denotes that the internal control system has been applied to manage risks within cost levels appropriate to the significance of the risks.

RISK MANAGEMENT FRAMEWORK

The Group recognises that effective Risk Management is an integral part of corporate governance and continuously strives for excellence to ensure effective and systematic protection of its personnel, assets and stakeholders. The effectiveness of the risk management is monitored and evaluated by all levels of management on an ongoing basis. The Group’s Enterprise Risk Management (“ERM”) Framework provides for regular review and reporting.

The Group’s Executive Committee (“EXCO”) which is headed by the Group Chief Executive Officer and include other members from Senior Management, including the Group Financial Controller provides direction and counsel to the risk management process as well as involves in the evaluation of the structure for the Group’s risk management processes and support system. In addition, it also reviews and approves actions developed to mitigate key risks and advises the Board on risk related issues.

Companies within the Group has their own Risk Management Committee (“RMC”) chaired by Managing Director or R&D Director of the respective companies and the members (Risk Management Representatives) are departmental heads of various business units. Risks identified are raised for attention in the Risk Action Plan (“RAP”). The RAPs include an assessment of the degree of risk, and an evaluation of the effectiveness of the risk mitigating and treatment measures. RAPs are compiled by the Risk Management Representative, reviewed by the Group Risk Officer and approved by the RMC Chairman. RAPs are discussed during RMC meetings that are held at least twice a year, where possible. RAPs are reported to EXCO and discussed during its meetings.

A summary of significant risks is submitted to the Audit Committee for its attention. The Audit Committee reviews and monitors the effectiveness of the Group’s risk management system and advises the Board accordingly.

The Group Financial Controller also serves as the Group’s Risk Officer who is responsible for enabling the efficient and effective governance of significant risks, and related opportunities, to the Group.

The risk management programme has served the Group with structured, consistent approaches and methodologies in responding to the uncertainties in its operating environment. This warrants the strategic and rapid response by the management to impede the impact on its key risks to achieve the Group’s business objectives.

Statement on Risk Management and Internal Control

CONTROL ENVIRONMENT

- The Board Charter sets out the responsibilities and functions of the Board.
- Board committees such as the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee (“EXCO”) are established by the Board, and they are governed by clearly defined terms of reference and authority for areas within their scope.
- The Employee Handbook of Spritzer Bhd provides for the corporate philosophy, core values and milestones of the Group and at the same time sets out the ethical standards and expected code of conduct to achieve the Group’s vision and support the business objectives, risk management and internal controls.
- The Group has also written Environment, Safety and Health and Information Technology policies and procedures which are also incorporated into the Employee Handbook.
- The Group has organisational structures which are aligned with its business and operational requirements setting out clearly defined levels of authority and responsibilities. Job descriptions for all levels of employees are also clearly documented and updated on a timely basis.
- The Group complies with ISO 9001:2015 Quality Management System and has established Risk Matrix and Risk & Opportunity (“R&O”) Register.
- Anti-Corruption and Bribery Policy sets out the Group’s commitment in rejecting any forms of corruption and bribery activities.

INTERNAL AUDIT FUNCTION

The Group engages an independent Internal Audit Team to conduct scheduled internal audit visits to business units and carries out its functions in monitoring the effective application of policies, procedures and activities related to internal controls, risk management and governance processes.

The Internal Audit Team conducts risk-based audit with focus on effective risk management practices. Its primary function is to provide objective and independent assurance of the Group’s system of internal controls as well as reviewing the adequacy and effectiveness of risk management, governance and control processes that are in place. It also monitors compliance with applicable laws and regulations, policies, and guidelines to ensure these are adhered to by the Group. Internal control weaknesses, if any together with audit recommendation for improvement shall be reported to management for corrective and/or preventive actions. Significant audit findings and corrective measures are highlighted to EXCO and to the Audit Committee.

CONTROL ACTIVITIES

The control activities carried out by the Group include the following:

- The Group has in place policies and procedures in the form of Standard Operating Procedures – SOP and Operational Manuals in key business processes and support functions which include financial reporting, human capital, procurement, and information systems. Policies and procedures are also established relating to delegation of authority and segregation of duties.
- The ISO Risk Matrix, R&O and improvement plans are reviewed by respective Head of Departments during monthly meetings and updates are presented to and discussed in RMC meetings.
- The Audit Committee reviewed and approved the internal audit plan at the start of the year and reviewed the internal audit reports and other internal control issues identified by the Internal Auditors.
- The EXCO, which consists of three Board members and other Senior Management of the Group, met regularly to deliberate on key business decisions, assessed ongoing business performance and made recommendations to the Board.
- The Group’s Sustainability Advisory Team which is made up of Senior Management of the Group held meetings with Sustainability Unit members and working groups to discuss and advise on sustainability matters and to ensure compliance with Listing Requirements on sustainability reporting.
- Major capital expenditures and investments are reviewed and approved by the EXCO and the Board. All other purchases and payments are approved by reference to formalised limits of authority.
- The Group has in place insurance coverage where it is available on economically acceptable terms to minimise related financial impacts.
- The Group’s business units set annual Key Performance Indices (“KPI”) for improvement and performance evaluation purpose. KPIs are reviewed regularly at subsidiary levels in Departmental Head KPI meetings.
- Internal audits are carried out to ensure compliance with KPIs, and audit findings are presented to the Senior Management for review. Corrective actions are carried out to ensure KPIs are achieved.

Statement on Risk Management and Internal Control

CONTROL ACTIVITIES (CONT'D)

- Annual operating and financial budgets are prepared by the Group's business and operating units and are approved by the Managing Directors and submitted to the Board. The review of budget against actual performance are performed on monthly and quarterly basis and are presented to the Senior Management and certain directors. In the process, significant variances are investigated, and necessary remedial actions taken to minimise variances in future. Group sales and financial budget is presented to and reviewed by EXCO. Sales performance review is done in EXCO meetings. The Group's Safety and Health Committee held regular meetings to discuss about related issues and to ensure that the Group's safety and health policies are carried out in compliance with the law and regulations to ensure employee and workplace safety.
- The Group's Sales and Finance teams met fortnightly and monthly to discuss customer collections, ageing and other credit control matters.

INFORMATION AND COMMUNICATIONS

- Monthly and quarterly management reports and other relevant financial information containing key financial results, ratio analysis and operational performance indicators are submitted to the Senior Management and the Board for review on a timely basis.
- The Group has an Enterprise Resource Planning ("ERP") system that can capture, compile and analyse data to produce relevant reports for management decision making purposes.
- The Whistleblower policy is established to provide secured communication channel which facilitate whistleblowing in a transparent and confidential manner. The policy sets out mechanism in which genuine whistleblowers will be able to raise concerns about suspected or actual improprieties in matters of financial reporting, violation or non-compliance with the law and regulations and the Group's policy and ethical standards in carrying out its business.
- The Group's Anti-Corruption & Bribery Policy is clearly communicated to all stakeholders in particularly the employees to send a clear message that no such practices are tolerable within the Group.
- The Group utilises BI and AI Tools and Data Analytics to report up-to-date sales information to directors and Senior Management to provide insight and to facilitate a prompt and accurate business decision process.

MONITORING

Board meetings are held at least on a quarterly basis where the Board is kept up to date on significant changes in the business and the external environment in which the Group operates and to review the performance of the Group.

EXCO meetings are held in appropriate intervals, i.e. four times in the current year under review to strategise and to monitor on matters relating to the relevant areas under their scope.

The Group's management team comprising executive directors and departmental heads carries out periodic meetings with agendas on matters for discussion and communicates regularly to monitor operational and financial performance as well as to formulate action plans to address areas of concern.

The independent Internal Audit Team reports to the Audit Committee on the findings of the audit, including risk and control matters of significance that could adversely affect the Group's financial position or reputation. The internal audit function will provide the Board with an independent assessment on the adequacy, efficiency, and effectiveness of the Group's internal control system in anticipating potential risk exposures over key business processes and in controlling the proper conduct of business within the Group.

REVIEW OF EFFECTIVENESS

The Board remains committed towards improving the system of internal control and risk management process to meet its corporate objectives and to support all types of businesses and operations within the Group. The Board is of the opinion that the Group's present system of internal controls is sound and sufficient to safeguard the Group's interest and its business operations. It is also satisfied that the risks taken are at an acceptable level within the control of the business environment of the Group.

Statement on Risk Management and Internal Control

MAIN RISK AREAS

The main risk areas identified and managed by the Group on an on-going basis are as follows:

(a) Business / Operations risks

- The Group continuously seeks new water sources and collaborates with the local water board to ensure a steady and reliable water supply to meet demand and production requirements.
- The Group proactively identifies and addresses both the threats and opportunities presented by the digital era and Industry 4.0. Key areas of focus include smart factory transformation, digital transaction integration, big data analytics, and the recruitment of specialised talent.
- As part of its policy, the Group invests in the modernisation and automation of production facilities and machinery to enhance productivity, mitigate labour shortages, and maintain operational costs at sustainable levels.
- To address talent shortages, the Group offers competitive remuneration packages and implements HR policies aimed at attracting and retaining skilled employees.
- The operations teams engage in discussions through emails and social media platforms, while regular meetings physical and virtual, are conducted to manage existing risks and identify emerging risks affecting business operations.
- Newly identified risks are escalated to operations heads and general managers through electronic communications, meeting minutes, and written reports.
- RAPs are developed for significant risks and submitted to the Risk Management Representative for further action.

(b) Financial risks

The key financial risks facing the Group are credit risk, and liquidity and cash flow risks.

The Group has continued to employ a more conservative cash flow management approach to ensure it has sufficient cash flow to operate smoothly throughout these challenging times.

Credit risk

- Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss which affects negatively the profitability and cash flows of the Group. The exposure of the Group to credit risk arises principally from its trade receivables.
- The Group has adopted a policy of only dealing with creditworthy counterparties as a mean of mitigating the risk of financial loss from customer defaults.
- The Group has in place an account opening verification and credit application process to ensure credit worthiness of potential new customers are properly evaluated before acceptance. Cash term or secured payment terms such as with financial guarantee and letter of credit will always be demanded for new customer accounts, with credit limit, where applicable.
- The Group has ageing reports for collection and monitoring purpose. Prompt action, which included orders and delivery suspension will be taken against long overdue accounts.
- The Group's other investments are in highly liquid, money market funds where the risk is limited because the counter parties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity and cash flow risks

- The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.
- The Group's principal source of liquidity has historically been cash flows from operations and funds obtained from long and short-term borrowings.
- The Group expects that the cash generated from its operations, its existing credit facilities and the trade terms provided by its suppliers will be sufficient to meet the Group's currently anticipated capital expenditure and working capital needs for at least the next 12 months.

Statement on Risk Management and Internal Control

MAIN RISK AREAS (CONT'D)

(c) Cybersecurity risks

As the Group increases its reliance on digital systems, ICT infrastructure, and online communication platforms, cybersecurity threats such as data breaches, malware attacks, and unauthorised access pose significant risks. Ensuring the protection of sensitive data and maintaining business continuity are key priorities.

Cybersecurity measures

- Network and endpoint security – Deployment of antivirus protection, firewalls, and secured WiFi networks to safeguard IT infrastructure. Continuous monitoring and threat detection are enforced across the infrastructure system, operating 24 hours a day, 7 days a week.
- Data protection and access control – Strong password policies, restricted system access, and multi-factor authentication to prevent unauthorised access.
- Backup and disaster recovery – Routine data backups and a disaster recovery (DR) plan to minimise the impact of cyber incidents.
- System updates and patch management – Regular updates and security patches for IT systems to address vulnerabilities.
- Employee awareness and training – Ongoing cybersecurity education to mitigate risks from phishing, social engineering, and other cyber threats.
- Physical security – Restricted access to server rooms and critical ICT equipment to prevent unauthorised tampering.
- Compliance – Implementing policies and procedures to ensure compliance with Personal Data Protection Act 2010.

(d) Sustainability Risks

The Group acknowledges the growing significance of sustainability risks, particularly those related to environmental regulations, climate change, and responsible resource management. These risks may impact production costs, supply chain stability, and long-term operational resilience.

Key sustainability risks and measures

- Water scarcity and resource management – As water is a critical input in beverage production, risks related to water availability, quality, and regulatory constraints may affect operations.
- Climate-related risks – Extreme weather events, such as floods and prolonged droughts, may disrupt raw material supply chains and manufacturing operations. The Group is looking into climate resilience through supply chain diversification and operational safeguards.
- Environmental compliance and carbon regulations – Stricter environmental laws, including carbon emission targets and waste management regulations, may increase compliance costs. The Group monitors regulatory changes and adopts energy-efficient and waste reduction initiatives.
- Supply chain sustainability – Disruptions in raw material supply due to environmental factors or non-compliance with ESG standards by suppliers may affect production. The Group prioritises responsible sourcing and procurement diversification.
- Consumer and market expectations – Growing demand for sustainable and eco-friendly products requires adaptation in packaging, production methods, and ingredient sourcing. The Group is exploring sustainable packaging and production efficiencies to align with market trends.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the External Auditors, Deloitte PLT, have reviewed this Statement, in accordance with the Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants, for inclusion in the Annual Report for the financial year ended December 31, 2024. Deloitte PLT had reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

Statement on Risk Management and Internal Control

CONCLUSION

The Board has received assurance from the Group Chief Executive Officer and Group Financial Controller that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group. For the financial year under review, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control processes in safeguarding the shareholders' investment as well as other stakeholders' interests.

There were no material or significant losses incurred during the financial year as a result of deficiencies in internal control that would require separate disclosure in this Annual Report.

This Statement has been approved by the Board on April 2, 2025.

Directors' Responsibility Statement

In Respect of the Audited Financial Statements for the Financial Year Ended December 31, 2024

The Directors are responsible for the preparation, integrity and fair representation of the financial statements of Spritzer Bhd Group. As required by the Companies Act 2016 ("Act") in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements for the financial year ended December 31, 2024 have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act in Malaysia.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- applied the going concern basis.

The Directors are satisfied that the information contained in the financial statements give a true and fair view of the financial position of the Group and of the Company as of December 31, 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

The Directors are responsible to ensure that the Group and the Company keep proper accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling the Directors to ensure that the financial statements are drawn up in accordance with the requirements of the Act.

The Directors are responsible for taking reasonably steps to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

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Directors' Report

The directors of **SPRITZER BHD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended December 31, 2024.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The subsidiaries are principally involved in the production and sale of natural mineral water, carbonated flavoured water, distilled water, drinking water and non-carbonated flavoured water, manufacturing and selling of PET preforms, PET bottles, caps, toothbrushes and other plastic products, distribution of bottled water and other consumer products, operator of a mini golf course, recreational park and retail of consumer products, property development and investment holding. The information on the name, country of incorporation/principal place of business, principal activities, and proportion of ownership interest and voting power held by the holding company in each subsidiary is as disclosed in Note 17 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM'000	The Company RM'000
Profit for the year attributable to owners of the Company	71,111	22,112

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

DIVIDENDS

Since the end of the previous financial year, the amounts of dividends paid or proposed by the Company are in respect of the following:

A first and final dividend of 5.50 sen per share, under the single-tier system, amounting to RM17,561,615, proposed in the previous financial year and dealt with in the previous directors' report was paid on June 21, 2024.

The directors have proposed a first and final dividend of 4.00 sen per share, under the single-tier system, in respect of the current financial year. The proposed dividend of 4.00 sen per share is a 45% increase from 2.75 sen per share (5.50 sen per share, restated based on enlarged capital after bonus issue on February 12, 2025) paid during the year in respect of the previous financial year ended December 31, 2023. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the dividend will be accounted for in equity as an appropriation of retained earnings during the financial year ending December 31, 2025.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issue any new shares or debentures during the financial year.

Treasury Shares

During the financial year, the Company repurchased 933,000 of its own shares at a total consideration of RM2,356,683. As of December 31, 2024, the Company held a total of 945,000 shares as treasury shares at a carrying amount of RM2,376,357. Further relevant details are disclosed in Note 27(b) to the financial statements.

Directors' Report

ISSUE OF SHARES AND DEBENTURES (CONT'D)

Share Options

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 of the end of the financial year, there were no unissued shares of the Company under options.

Employees' Share Grant Plan

Under the Company's Employees' Share Grant Plan ("SGP") which was implemented on September 30, 2019, of up to 5% of the Company's issued share capital (excluding treasury shares) to Eligible Employees and Executive Directors of the Company and its subsidiaries. The SGP shares allotment is subject to the SGP grantee satisfying the performance and service conditions. The salient features of the SGP are as disclosed in Note 35 to the financial statements.

During the financial year, 3,010,800 units of the SGP shares were vested on January 2, 2024 and the Company transferred 3,010,800 treasury shares to Eligible Employees and Executive Directors of the Group on January 10, 2024.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, 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 allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount written off as bad debts or the amount of allowance 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 of the Group and of the Company 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 and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.

Directors' Report

DIRECTORS

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

Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP
Y Bhg Dato' Lim Kok Boon, DPMP
Mr Lim Seng Lee
Mr Lam Sang
Mr Chok Hooa @ Chok Yin Fatt, PMP
Mr Tan Chow Yin
Ms Loh Chooi Ngan
Ir. Nik Marni binti Nik Mohamad Pena
Cik Hanani Hayati binti Mohd Adhan

The directors who hold office in the subsidiaries of the Company during the financial year and up to the date of this report are:

Name of Directors	Subsidiaries
Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP	AG, CS, CSC, GPI, PM, SEP
Y Bhg Dato' Lim Kok Boon, DPMP	AG, CS, CSC, PM, SD, SEP, SPR HK, SPR GZ
Mr Lim Seng Lee	SD, SEP, SPR HK, SPR GZ
Mr Lam Sang	GPI, PM
Dr Chuah Chaw Teo	AG, CS, GPI, PM, SEP
Y Bhg Datin Seri Chua Shok Tim @ Chua Siok Hoon	CS, CSC
Mr Lim Ee Young	SPR GZ

Denotes:

AG	Angenet Sdn Bhd
CS	Chuan Sin Sdn Bhd
CSC	Chuan Sin Cactus Sdn Bhd
GPI	Golden PET Industries Sdn Bhd
PM	PET Master Sdn Bhd
SD	Spritzer Development Sdn Bhd
SEP	Spritzer EcoPark Sdn Bhd
SPR GZ	Spritzer (Guangzhou) Trading Limited
SPR HK	Spritzer (Hong Kong) Limited

Directors' Report

DIRECTORS' INTERESTS

The interests in shares in the Company of those who were directors at the end of the financial year according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

	Number of ordinary shares			As of 31.12.2024
	As of 1.1.2024	Bought	Sold	

Shares in the Company

Registered in the name of directors

Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP	18,230,460	1,426,600	-	19,657,060
Y Bhg Dato' Lim Kok Boon, DPMP	11,768,700	2,047,550	-	13,816,250
Mr Lim Seng Lee	2,757,399	351,750	-	3,109,149
Mr Lam Sang	2,347,273	933,050	-	3,280,323
Mr Chok Hooa @ Chok Yin Fatt, PMP	285,750	35,000	-	320,750
Ir. Nik Marni binti Nik Mohamad Pena	-	10,000	-	10,000

Deemed interests by virtue of shares held by companies in which the directors have interests

Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP	140,956,140	1,206,600	-	142,162,740
Y Bhg Dato' Lim Kok Boon, DPMP	5,110,500	-	-	5,110,500
Mr Lim Seng Lee	5,110,500	-	-	5,110,500

Deemed interests by virtue of shares held by immediate family members of the directors

Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP	4,354,745	415,800	-	4,770,545
Y Bhg Dato' Lim Kok Boon, DPMP	3,801,448	703,500	-	4,504,948
Mr Lim Seng Lee	539,250	87,900	-	627,150

	Number of share grants		
	As of 1.1.2024	Vested	As of 31.12.2024

Share grants in the Company

Registered in the name of directors

Y Bhg Dato' Lim Kok Boon, DPMP	879,450	(351,750)	527,700
Mr Lim Seng Lee	879,450	(351,750)	527,700
Mr Lam Sang	703,350	(281,250)	422,100

Directors' Report

DIRECTORS' INTERESTS (CONT'D)

By virtue of Y Bhg Dato' Seri Lim A Heng @ Lim Kok Cheong, SPMP, DPMP, JSM, JP's interests in the shares of the Company, he is also deemed to have an interest in the shares of all the subsidiaries to the extent that the Company has interests.

None of the other directors in office at the end of the financial year held shares in the Company during or at the beginning and end of the financial year. Under the Company's Constitution, the directors are not required to hold shares in the Company.

The directors in office at the end of the financial year did not hold shares or have beneficial interest in the shares of its related corporations during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company have received or become entitled to receive a benefit (other than a benefit included in the aggregate of remuneration received or due and receivable by directors or the fixed salary of a full-time employee of the Company as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the transactions between the Company and certain companies in which certain directors of the Company are also directors and/or shareholders as disclosed in Note 24 to the financial statements.

Directors' remuneration

	The Group RM'000	The Company RM'000
Directors of the Company		
Fees	389	294
Equity-settled share-based payments	1,175	-
Other emoluments	10,157	32
	<u>11,721</u>	<u>326</u>
Benefits-in-kind*	<u>192</u>	<u>-</u>

* Represents estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains directors' liability insurance for purpose of Section 289 of the Companies Act 2016 throughout the financial year, which provides appropriate insurance cover for the directors and/or officers of the Group and of the Company. The amount of insurance premium paid during the financial year is as follows:

	The Group RM'000	The Company RM'000
Insurance premium paid	<u>6</u>	<u>2</u>

There was no indemnity given to or insurance effected for auditors of the Company in accordance with Section 289 of the Companies Act 2016.

Directors' Report

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors for the financial year ended December 31, 2024 is as follows:

	The Group RM'000	The Company RM'000
Auditors' remuneration - audit fees	267	60

SUBSEQUENT EVENTS

(a) Acquisition of land

On January 18, 2025, a wholly-owned subsidiary, AG entered into five separate Sales and Purchase Agreements with two individuals to acquire approximately 27 acres of agricultural land in the District of Batu Pahat for a total consideration of RM5,703,100.

(b) Approval of bonus issue

At an Extraordinary General Meeting held on January 22, 2025, the shareholders approved a bonus issue of up to 319,314,145 new ordinary shares in Spritzer ("Spritzer Share(s)") ("Bonus Share(s)") on the basis of 1 Bonus Share for every 1 existing Spritzer Share issued as fully paid shares at nil consideration and without capitalisation of the Company's reserves.

A total of 319,314,145 Bonus Shares was issued on February 12, 2025 and the Bonus Issue was completed following the listing of and quotation for the 319,314,145 Bonus Shares on Bursa Malaysia Securities Berhad on February 13, 2025. The Bonus Shares rank pari passu with the existing ordinary shares of the Company.

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the Directors,

Y BHG DATO' LIM KOK BOON, DPMP
Managing Director

MR LIM SENG LEE
Executive Director

April 2, 2025

Independent Auditors' Report

To The Members of Spritzer Bhd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SPRITZER BHD**, which comprise the statements of financial position of the Group and of the Company as of December 31, 2024, and the statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 171.

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 of December 31, 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matter

Key audit matter is a matter that, in our professional judgement, is of most significance in our audit of the financial statements of the Group and of the Company for the current year. The matter is 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 the matter.

Key audit matter of the Group	Our audit performed and responses thereon
<p>Trade receivables, including other related parties, represent 50% of the Group's current assets and management exercises high level of judgements regarding the collectability of aged or impaired receivables and the determination of the loss allowance less than 12 months or lifetime expected credit losses. The estimation of expected credit losses ("ECL") involves making assumptions on historical loss rates, macroeconomic factors, and forward-looking information. Inadequate assessment of these factor can lead to an overstatement of assets and an understatement of impairment losses. Refer to Note 23 to the financial statements for further information on trade receivables.</p> <p>The recognition and measurement of impairment of trade receivables, critical judgements involved and key sources of estimation uncertainty are disclosed in Notes 3 and 4 to the financial statements.</p>	<p>We have:</p> <ul style="list-style-type: none">• tested the relevant controls surrounding management's assessment and recognition of impairment losses of receivables.• reviewed management's written policies and procedures to estimate the expected credit losses allowance and observed that approval is granted by the appropriate level of management.• evaluated management's assessment to support the collectability of receivables.• evaluated the reasonableness of the methods and assumptions used by management to estimate the allowance and re-computed the estimated allowance based on expected losses model.• assessed and evaluated the adequacy of allowance for doubtful debts on long outstanding debtors and those who exceeded credit period or limit.

We have determined that there is no key audit matter to be communicated in our current year's report on the financial statements of the Company.

Independent Auditors' Report

To The Members of Spritzer Bhd

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 Directors' Report and in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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.

Independent Auditors' Report

To The Members of Spritzer Bhd

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

- 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 activities within the Group as a basis to forming an opinion on the Group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

Other Matters

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

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

ALVIN CHANG SHU-WEI
Partner - 03840/01/2026 J
Chartered Accountant

Penang,
April 2, 2025

Statements of Profit or Loss

For The Year Ended December 31, 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	5	578,988	490,675	19,200	11,185
Other gains and losses	7	(2,576)	3,628	4,667	3,951
Changes in inventories of finished goods, trading merchandise and work-in-progress		1,488	(735)	-	-
Purchase of finished goods and trading merchandise		(6,795)	(6,765)	-	-
Raw materials consumed		(181,693)	(172,899)	-	-
Employee benefit expenses	7	(105,395)	(79,663)	(326)	(411)
Depreciation and amortisation	8	(31,561)	(22,544)	-	-
Finance costs	11	(2,500)	(1,613)	(76)	(78)
Other expenses	7	(170,398)	(144,225)	(338)	(284)
Share of results of an associated company		(197)	65	-	-
Profit before tax		79,361	65,924	23,127	14,363
Tax expense	12	(8,250)	(16,438)	(1,015)	(790)
Profit for the year attributable to owners of the Company		71,111	49,486	22,112	13,573
Earnings per share					
Basic (sen)	13	22.31	15.54		
Diluted (sen)	13	21.99	15.18		

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

Statements of Other Comprehensive Income

For The Year Ended December 31, 2024

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the year	71,111	49,486	22,112	13,573
Other comprehensive income				
Items that will not be reclassified subsequently to the statements of profit or loss:				
Fair value loss on investment in equity instrument designated at fair value through other comprehensive income ("FVTOCI")	-	(644)	-	-
Items that may be reclassified subsequently to the statements of profit or loss:				
Exchange differences on translating foreign entities	<u>505</u>	<u>(135)</u>	<u>-</u>	<u>-</u>
Other comprehensive income/(loss) for the year	<u>505</u>	<u>(779)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to owners of the Company	<u>71,616</u>	<u>48,707</u>	<u>22,112</u>	<u>13,573</u>

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

Statements of Financial Position

As of December 31, 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	14	526,144	473,406	-	-
Right-of-use assets	15	1,683	1,956	-	-
Investment properties	16	5,580	5,537	-	-
Investment in subsidiaries	17	-	-	158,888	111,170
Investment in an associated company	18	2,120	2,317	-	-
Other investments	19	2,577	2,577	-	-
Goodwill on consolidation	20	40	40	-	-
Other intangible asset	21	218	222	-	-
Trade and other receivables	23	-	-	3,615	-
Total non-current assets		538,362	486,055	162,503	111,170
Current assets					
Other investments	19	21,897	12,993	21,635	12,740
Inventories	22	45,152	41,445	-	-
Trade and other receivables	23	121,502	95,992	65,486	113,164
Current tax assets		5,196	3,864	-	-
Other assets	25	18,430	17,317	3	3
Fixed deposits, cash and bank balances	26	21,577	30,244	177	7,163
Total current assets		233,754	201,855	87,301	133,070
Total assets		772,116	687,910	249,804	244,240

Statements of Financial Position

As of December 31, 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	27(a)	224,399	223,239	224,399	223,239
Treasury shares	27(b)	(2,376)	(4,956)	(2,376)	(4,956)
Reserves	28	359,975	308,748	27,200	25,477
Total equity		581,998	527,031	249,223	243,760
Non-current liabilities					
Lease liabilities	29	879	1,187	-	-
Borrowings	30	25,622	30,438	-	-
Deferred tax liabilities	31	29,698	29,756	-	-
Total non-current liabilities		56,199	61,381	-	-
Current liabilities					
Trade and other payables	32	50,222	41,450	30	5
Lease liabilities	29	487	558	-	-
Borrowings	30	22,961	17,286	-	-
Current tax liabilities		315	831	179	135
Other liabilities	33	59,934	39,373	372	340
Total current liabilities		133,919	99,498	581	480
Total liabilities		190,118	160,879	581	480
Total equity and liabilities		772,116	687,910	249,804	244,240

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

Statements of Changes In Equity

For The Year Ended December 31, 2024

The Group	Note	Non-distributable Reserves					Total Equity RM'000	
		Share Capital RM'000	Treasury Shares RM'000	Equity-Settled Employee Benefits Reserve RM'000	Investment Revaluation Reserve RM'000	Translation Reserve RM'000		Distributable Reserve - Retained Earnings RM'000
As of January 1, 2023		216,571	(2,248)	12,903	1,419	(251)	265,086	493,480
Profit for the year		-	-	-	-	-	49,486	49,486
Other comprehensive loss for the year		-	-	-	(644)	(135)	-	(779)
Total comprehensive (loss)/income for the year		-	-	-	(644)	(135)	49,486	48,707
Recognition of share-based payments		-	-	3,088	-	-	-	3,088
Payment of dividend	34	-	-	-	-	-	(13,303)	(13,303)
Own shares acquired during the year	27(b)	-	(4,941)	-	-	-	-	(4,941)
Employees share grant plan shares vested		6,668	2,233	(8,722)	-	-	(179)	-
As of December 31, 2023		223,239	(4,956)	7,269	775	(386)	301,090	527,031
Profit for the year		-	-	-	-	-	71,111	71,111
Other comprehensive income for the year		-	-	-	-	505	-	505
Total comprehensive income for the year		-	-	-	-	505	71,111	71,616
Recognition of share-based payments		-	-	3,269	-	-	-	3,269
Payment of dividend	34	-	-	-	-	-	(17,562)	(17,562)
Own shares acquired during the year	27(b)	-	(2,356)	-	-	-	-	(2,356)
Employees share grant plan shares vested		1,160	4,936	(4,936)	-	-	(1,160)	-
As of December 31, 2024		224,399	(2,376)	5,602	775	119	353,479	581,998

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

Statements of Changes In Equity

For The Year Ended December 31, 2024

The Company	Note	Share Capital RM'000	Treasury Shares RM'000	Non-distributable Reserve - Equity-Settled Employee Benefits Reserve RM'000	Distributable Reserve - Retained Earnings RM'000	Total Equity RM'000
As of January 1, 2023		216,571	(2,248)	12,903	18,117	245,343
Profit and total comprehensive income for the year		-	-	-	13,573	13,573
Recognition of share-based payments		-	-	3,088	-	3,088
Payment of dividend	34	-	-	-	(13,303)	(13,303)
Own shares acquired in the year	27(b)	-	(4,941)	-	-	(4,941)
Employee share grant plan shares vested		6,668	2,233	(8,722)	(179)	-
As of December 31, 2023		223,239	(4,956)	7,269	18,208	243,760
Profit and total comprehensive income for the year		-	-	-	22,112	22,112
Recognition of share-based payments		-	-	3,269	-	3,269
Payment of dividend	34	-	-	-	(17,562)	(17,562)
Own shares acquired during the year	27(b)	-	(2,356)	-	-	(2,356)
Employee share grant plan shares vested		1,160	4,936	(4,936)	(1,160)	-
As of December 31, 2024		224,399	(2,376)	5,602	21,598	249,223

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

Statements of Cash Flows

For The Year Ended December 31, 2024

	Note	The Group	
		2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Profit for the year		71,111	49,486
Adjustments for:			
Depreciation of property, plant and equipment		31,086	22,263
Tax expense recognised in the statement of profit or loss		8,250	16,438
Property, plant and equipment written off		6,313	829
Equity-settled share-based payments		3,269	3,088
Finance costs		2,500	1,613
Inventories written off		920	245
Depreciation of right-of-use assets		541	297
Inventories written down		341	-
Share of results of an associated company		197	(65)
Unrealised loss/(gain) on foreign exchange		119	(122)
Credit loss allowance/(Reversal of credit loss allowance)		32	(19)
Impairment loss recognised on receivables		13	907
Amortisation of intangible asset		4	5
Receivables written off		2	-
Interest income		(447)	(529)
Investment revenue		(394)	(407)
Gain on disposal of:			
Property, plant and equipment		(362)	(257)
Other investments		(2)	(32)
Fair value gain on:			
Other investments		(92)	(139)
Investment properties		(43)	-
Inventories written back		(9)	(143)
Reversal of impairment loss on receivables		-	(2)
		123,349	93,456
Movements in working capital:			
(Increase)/Decrease in:			
Inventories		(4,959)	2,550
Trade and other receivables		(25,662)	(14,699)
Other assets		(3,607)	(720)
Increase/(Decrease) in:			
Trade and other payables		2,639	(53)
Other liabilities		19,968	5,157
Cash Generated From Operations		111,728	85,691
Interest received		447	529
Income tax refunded		202	1,986
Income tax paid		(10,358)	(8,840)
Net Cash From Operating Activities		102,019	79,366

Statements of Cash Flows

For The Year Ended December 31, 2024

	Note	The Group	
		2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Proceeds from disposal of other investments		12,700	33,855
Proceeds from disposal of property, plant and equipment		609	1,364
Investment revenue		114	102
Purchase of property, plant and equipment	37(a)	(70,941)	(78,042)
Placement of other investments		(21,230)	(25,250)
Deposits paid for purchase of property, plant and equipment		(10,183)	(11,743)
Subscription of shares in an associated company		-	(2,252)
Purchase of investment property		-	(157)
Net Cash Used In Investing Activities		(88,931)	(82,123)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from/(Repayment of) bankers' acceptances - net	37(b)	1,300	(2,586)
Dividend paid		(17,562)	(13,303)
Finance costs paid		(2,500)	(1,613)
Purchase of own shares		(2,356)	(4,941)
Repayment of lease liabilities	37(b)	(647)	(408)
(Repayment of)/Proceeds from revolving credits - net	37(b)	(441)	34,634
Repayment of multi-currency trade loan	37(b)	-	(419)
Net Cash (Used In)/From Financing Activities		(22,206)	11,364
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(9,118)	8,607
CASH AND CASH EQUIVALENTS AS OF JANUARY 1		30,244	21,691
Effect of exchange rate changes on the balance of cash held in foreign currencies		451	(54)
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	37(c)	21,577	30,244

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

Statements of Cash Flows

For The Year Ended December 31, 2024

	Note	The Company	
		2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Profit for the year		22,112	13,573
Adjustments for:			
Tax expense recognised in the statement of profit or loss		1,015	790
Finance costs		76	78
Dividend income		(19,200)	(11,185)
Interest income		(4,302)	(3,565)
Investment revenue		(280)	(305)
Fair value gain on other investments		(83)	(56)
Gain on disposal of other investments		(2)	(25)
		<u>(664)</u>	<u>(695)</u>
Movements in working capital:			
Increase/(Decrease) in:			
Trade and other payables		25	(71)
Other liabilities		32	44
		<u>(607)</u>	<u>(722)</u>
Cash Used In Operations		(607)	(722)
Dividends received from subsidiaries		19,200	11,185
Interest received		4,204	3,584
Income tax paid		(971)	(822)
Income tax refunded		-	16
		<u>21,826</u>	<u>13,241</u>
Net Cash From Operating Activities		21,826	13,241
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Proceeds from disposal of other investments		12,700	28,855
Recharge of share-based payments to subsidiaries		4,936	8,548
Placement of other investments		(21,230)	(25,250)
Subscription of shares in a subsidiary		(3,000)	-
Advances to subsidiaries		(2,224)	(16)
		<u>(8,818)</u>	<u>12,137</u>
Net Cash (Used In)/From Investing Activities		(8,818)	12,137
CASH FLOWS USED IN FINANCING ACTIVITIES			
Dividend paid		(17,562)	(13,303)
Purchase of own shares		(2,356)	(4,941)
Finance costs paid		(76)	(78)
		<u>(19,994)</u>	<u>(18,322)</u>
Total Cash Used In Financing Activities		(19,994)	(18,322)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,986)	7,056
CASH AND CASH EQUIVALENTS AS OF JANUARY 1		7,163	107
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	37(c)	177	7,163

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

Notes to the Financial Statements

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally involved in investment holding.

The subsidiaries are principally involved in the production and sale of natural mineral water, carbonated flavoured water, distilled water, drinking water and non-carbonated flavoured water, manufacturing and selling of PET preforms, PET bottles, caps, toothbrushes and other plastic products, distribution of bottled water and other consumer products, operator of a mini golf course, recreational park and retail of consumer products, property development and investment holding. The information on the name, country of incorporation/principal place of business, principal activities, and proportion of ownership interest and voting power held by the holding company in each subsidiary is as disclosed in Note 17.

The registered office of the Company is located at Lot 85, Jalan Portland, Tasek Industrial Estate, 31400 Ipoh, Perak Darul Ridzuan.

The principal place of business of the Company is located at Lot 898, Jalan Reservoir, Off Jalan Air Kuning, 34000 Taiping, Perak Darul Ridzuan.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution of the directors on April 2, 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

(a) Adoption of amendments to MFRSs

In the current year, the Group and the Company adopted all of the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatorily effective for an accounting period that begins on or after January 1, 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(b) Standards in issue but not yet effective

The Group and the Company have not elected for early adoption of the relevant new and amendments to MFRSs which have been issued but not yet effective until future periods, at the date of authorisation for issue of these financial statements. The directors anticipate that the adoption of these new and amendments to MFRSs when they become effective will have no material impact on the financial statements of the Group and of the Company in the period of initial application:

Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards - Volume 11 ²
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to MFRS 121	Lack of Exchangeability ¹
MFRS 18	Presentation and Disclosure in Financial Statements ³
MFRS 19	Subsidiaries without Public Accountability: Disclosures ³

¹ Effective for annual periods beginning on or after January 1, 2025, with earlier application permitted.

² Effective for annual periods beginning on or after January 1, 2026, with earlier application permitted.

³ Effective for annual periods beginning on or after January 1, 2027, with earlier application permitted.

⁴ Effective date deferred to a date to be announced by MASB.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Accounting

The financial statements of the Group and of the Company have been prepared on the historical cost basis except for financial instruments that are measured at amortised cost or at fair value.

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

Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Subsidiaries and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the subsidiaries controlled by the Company. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The acquisitions of subsidiaries are accounted for using the acquisition method. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Revenue Recognition

The Group recognises revenue from the following major sources:

- Sale of goods; and
- Income from mini golf operation.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or a service to a customer.

Sale of goods

Revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customers' specific location. Following delivery, the customer has full ownership of the goods and bears the risks of loss and damage in relation to the goods. The Group recognises a receivable when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Rebates and volume discounts are given to eligible customers, and are taken up as variable considerations in determining the transaction prices contracted.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Revenue Recognition (Cont'd)

Income from mini golf operation

Revenue from mini golf entrance is recognised when tickets are sold.

Revenue from package events service fees is recognised when services are rendered.

Dividend income

Dividend income represents gross dividends from unquoted investments and is recognised when the shareholder's rights to receive payment is established.

Other income

Rental income is recognised on a straight-line basis over the term of the relevant agreements.

Interest income is recognised on an accrual basis that reflects the effective yield on the assets.

Employee Benefits

Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave is recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave is recognised when the absences occur.

Defined contribution plans

The Group makes statutory contributions to approved provident funds and the contributions are charged to the statement of profit or loss as incurred. The approved provident funds are defined contribution plans. Once the contributions have been paid, there are no further payment obligations.

Share-based compensation benefits

The Company operates an equity-settled, share-based compensation plan, where share grants are issued by the Company to eligible directors and employees of the Group and of the Company. The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense with a corresponding entry to reserve over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares granted at the grant date and the number of shares vested by vesting date, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in the estimates of the number of the share grant that are expected to become exercisable. The share grant by the Company over its equity instruments to the directors and employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Foreign Currencies

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia, which is the functional currency of the Company, and also the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entity, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and monetary liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Foreign Currencies (Cont'd)

Exchange differences are recognised in the statement of profit or loss in the year in which they arise except for exchange differences arising on the retranslation of non-monetary items carried at fair value in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, the exchange component of that gain or loss is also recognised in other comprehensive income.

Financial statements of foreign operations denominated in functional currencies other than Ringgit Malaysia

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the translation reserve of the Group. Such exchange differences are reclassified to the statement of profit or loss in the year in which the foreign incorporated subsidiaries are disposed of.

Taxation

Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability of the Group and of the Company for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses, unused tax credits and unutilised reinvestment allowances to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, unused tax losses, unused tax credits and unutilised reinvestment allowances can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors of the Group reviewed the Group's investment properties portfolio and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the "sale" presumption set out in the amendments to MFRS 112 is not rebutted. As a result, the Group has recognised deferred taxes on changes in fair values of investment properties based on the expected tax rate that would apply on disposal of the investment properties.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Taxation (Cont'd)

Deferred tax (Cont'd)

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and current tax liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. When the current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Earnings per Share

Basic earnings per share ("EPS") is calculated by dividing the consolidated profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the consolidated profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Bearer plants are defined as living plants that are used in the production or supply of agriculture produce and for which there is only a remote likelihood that the plant will also be sold as agriculture produce.

Bearer plants of the Group consist of immature durian trees and durian nursery. Immature durian trees and durian nursery are carried at cost less any accumulated impairment losses. Cost includes the cost incurred for the preparation of the nursery, procurement of new seeds, maintenance of nurseries for a period of seven years until maturity. On maturity (i.e., when the bearer plants are ready for their intended use), these costs are classified under mature durian trees. Depreciation of mature durian trees commence when they are ready for their intended use. Estimated useful lives of the mature durian trees has been determined to be 30 years.

Freehold land, leasehold land with remaining lease period exceeding 500 years and capital work-in-progress are not amortised/depreciated.

Included in freehold land are leasehold land with remaining lease period ranging from 866 to 871 years (2023: 867 to 872 years).

Capital work-in-progress comprises buildings under construction and plant, machinery and equipment under installation. Depreciation on assets under work-in-progress commences when the assets are ready for their intended use.

Leasehold land is amortised over the lease periods ranging from 74 to 93 years. Depreciation of other property, plant and equipment is computed on the reducing balance method to write off the cost of the various property, plant and equipment over their estimated useful lives at the following annual rates:

Buildings and factory extension	2% to 5%
Staff quarters	2% to 10%
Plant and machinery	5% to 10%
Motor vehicles	20%
Furniture, fixtures and equipment	5% to 20%
Electrical installation	10%
Water dispensers	10%

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Investment Properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Fair value is arrived at by reference to market evidence of transaction prices for similar properties. Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the period in which they arise.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the period in which the property is derecognised.

Investment in an Associated Company

An associated company is an entity over which the Group has significant influence and that is neither a subsidiary company nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of the associated company is incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investment in an associated company is carried in the consolidated statement of financial position at cost and adjusted for post-acquisition changes in the Group's share of the net assets of the associated company, less any impairment in the value of individual investments. Losses of an associated company in excess of the Group's interests in that associated company (which includes any long-term interests that, in substance, form part of the Group's net investment in the associated company) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associated company.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associated company recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the consolidated statement of profit or loss.

When a group entity transacts with an associated company of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associated company.

Intangible Assets

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the intangible assets. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible asset represents software development cost and is amortised over a period of 5 years.

Investments in Subsidiaries

Investments in subsidiaries are stated in the Company's financial statements at cost less accumulated impairment losses, if any.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment of Property, Plant and Equipment and Intangible Assets excluding Goodwill

At the end of each reporting period, the Group and the Company review the carrying amounts of property, plant and equipment and intangible assets to determine whether there is any indication that these assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Where the asset does not generate cash flows that are independent from other asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

Interest in Joint Operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Group undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenue and expenses relating to its interests in a joint operation in accordance with the MFRS Standards applicable to the particular assets, liabilities, revenue and expenses.

When the Group transacts with a joint operation in which the Group is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's financial statements only to the extent of other parties' interests in the joint operation.

When the Group transacts with a joint operation in which the Group is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined principally on the "First-in, First-out" method. Cost of raw materials, trading merchandise, packing materials, spare parts and goods-in-transit comprise the original purchase price plus cost incurred in bringing the inventories to their existing location and condition. Cost of finished goods and work-in-progress comprise the cost of direct and packing materials, direct labour and a proportion of production overheads. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

Property development costs

Property development costs are determined on a specific identification basis. Property development costs comprise direct costs attributable to development activities or that meet the definition of inventories are recognised as an asset and stated at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses. The asset is subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

Financial Instruments

Financial assets and financial liabilities are recognised in the Group's and the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets of the Group and the Company, measured subsequently at amortised cost, are refundable deposits, fixed deposits, cash and bank balances, trade receivables, other receivables and inter-company indebtedness.

Financial assets of the Group and the Company measured subsequently at FVTPL are investments in money market and fixed income funds.

Equity instruments designated at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI.

Financial assets of the Group measured subsequently at FVTOCI are investment in unquoted shares.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments (Cont'd)

Financial assets (Cont'd)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Exchange differences are recognised in the statement of profit or loss.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables, as well as on financial guarantee contracts. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company recognise lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's and the Company's 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.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the end of the reporting period.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument at the end of the reporting period with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's and the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's and the Company's core operations.

Irrespective of the outcome of the above assessment, the Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 120 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

(ii) Definition of default

The Group and the Company consider information developed internally or obtained from external sources that indicates the debtor is unlikely to pay its creditors, including the Group and the Company, in full (without taking into account any collateral held by the Group and the Company) as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets are generally not recoverable.

Irrespective of the above analysis, the Group and the Company consider that default has occurred when a financial asset is more than 180 days past due unless the Group and the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(iv) Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Any recoveries made are recognised in the statement of profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the end of the reporting period, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's and the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Group and the Company are required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group and the Company expect to receive from the holder, the debtor or any other party.

The Group and the Company recognise a reversal of impairment loss or an impairment loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Financial liabilities of the Group and of the Company are trade and other payables, refundable deposits received, accrued expenses, lease liabilities, borrowings and inter-company indebtedness.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the financial liabilities. These foreign exchange gains and losses are recognised in the statement of profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

Segment Reporting

For management purposes, the Group is organised into operating segments that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Group's other components. The Group's reporting segments were identified based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group's reportable segments are strategic business operations that are managed separately based on the Group's management and internal reporting structure.

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risks of changes in value.

Notes to the Financial Statements

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the accounting policies of the Group and of the Company which are described in Note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement made in applying the Group's and the Company's accounting policies

The following is the critical judgement, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying accounting policies of the Group and of the Company and that have the most significant effect on the amounts recognised in the financial statements.

Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolio and concluded that the Group's investment properties are not being held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax on investment properties, the directors have determined that the presumption that the carrying amounts of the investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has recognised deferred tax liabilities on changes in fair values of investment properties based on the expected rate that would apply on disposal of the investment properties.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Estimated useful lives of property, plant and equipment

The Group regularly reviews the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment.

The carrying amounts of property, plant and equipment are disclosed in Note 14.

(b) Loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancement.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of trade receivables, net of loss allowance, are disclosed in Note 23.

Notes to the Financial Statements

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Key sources of estimation uncertainty (Cont'd)

(c) Income taxes

The Group is subject to income taxes of numerous jurisdictions. 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. 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 provision in the period in which such determination is made.

The carrying amounts of the related tax expense, current tax assets/liabilities and deferred tax liabilities are disclosed in the statements of profit or loss and the statements of financial position respectively.

(d) Impairment of investment in subsidiaries and an associate

Management reviews the investment in subsidiaries and an associate for impairment when there is an indication of impairment. The recoverable amounts of the investment in subsidiaries and an associate are assessed by reference to the fair value less cost to sell of the underlying assets or the value in use of the respective subsidiaries and an associate.

The value in use is the net present value of the projected future cash flows derived from the business operations of the respective subsidiaries and an associate discounted at an appropriate discount rate. Significant estimation has been applied in determining the key assumptions used in the cash flow projections, which include revenue growth rates, discount rate and terminal year growth rate. Impairment losses are recognised when the carrying amount of the investment in subsidiaries and an associate exceed their recoverable amount.

The details of the carrying amount of the investment in subsidiaries and an associate of the Company are disclosed in Notes 17 and 18 respectively.

5. REVENUE

The Group derives its revenue from contracts with customers from transfer of goods and services at a point in time, which represents a promise to transfer to the customer a series of distinct goods that are substantially the same and have the same pattern of transfer to the customers.

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Sale of goods	577,407	489,444	-	-
Income from mini golf operation*	1,581	1,231	-	-
Dividend income from subsidiaries	-	-	19,200	11,185
	578,988	490,675	19,200	11,185

* Income from mini golf operation consists of mini golf entrance fee, packaged events service fee, sale of trading merchandise, income from rental of cafeteria and other related services fee.

Notes to the Financial Statements

6. SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The chief operating decision maker and senior management of the Group reviews the operating segment results regularly to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Group has three reportable segments, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately as they require different technology and marketing strategies. The chief operating decision maker and senior management review the management reports of each of the strategic units on a monthly basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Goodwill is allocated to reportable segment as described in Note 20. Unallocated items mainly comprise corporate assets and corporate liabilities, such as current tax assets/liabilities and deferred tax liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one period.

Segments comprise:

Segment	Products and services
Manufacturing	Natural mineral water, carbonated flavoured water, distilled water, drinking water, non-carbonated flavoured water, PET preforms, PET bottles, caps, toothbrushes and other plastic products
Trading	Bottled water and other consumer products
Others	Mini golf course, recreational park and retail of consumer products, investment and properties holding and property development

For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment considering the following factors:

- the production of the products is similar; and
- the methods used to distribute the products to the customers are the same.

6. SEGMENT REPORTING (CONT'D)

Notes to the Financial Statements

The Group 2024	Manufacturing RM'000	Trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
External sales	554,325	23,082	1,581	-	578,988
Inter-segment sales	160,274	385	19,395	(180,054)	-
Total revenue	714,599	23,467	20,976	(180,054)	578,988
Results					
Segment results	83,125	(955)	23,278	(23,784)	81,664
Finance costs					(2,500)
Investment revenue					394
Share of results of an associated company					(197)
Profit before tax					79,361
Tax expense					(8,250)
Profit for the year					71,111
Other information					
Capital additions	90,299	12	74	-	90,385
Interest income	401	34	4,302	(4,290)	447
Gain/(Loss) on disposal of property, plant and equipment	373	(11)	-	-	362
Fair value gain on other investments	9	-	83	-	92
Fair value gain on investment properties	-	-	43	-	43
Inventories written back	9	-	-	-	9
Gain on disposal of other investments	-	-	2	-	2
Depreciation of property, plant and equipment	(30,939)	(114)	(33)	-	(31,086)
Property, plant and equipment written off	(6,292)	(2)	(19)	-	(6,313)
Equity-settled share-based payments	(3,344)	75	-	-	(3,269)
Inventories written off	(833)	(87)	-	-	(920)
Realised loss on foreign exchange	(669)	-	-	-	(669)
Depreciation of right-of-use assets	(541)	-	-	-	(541)
Inventories written down	(341)	-	-	-	(341)
Unrealised loss on foreign exchange	(118)	-	(1)	-	(119)
Credit loss allowance	(31)	(1)	-	-	(32)
Impairment loss on receivables	(13)	-	-	-	(13)
Amortisation of intangible asset	(4)	-	-	-	(4)
Receivables written off	-	(2)	-	-	(2)
Assets					
Segment assets	763,883	6,060	292,350	(297,493)	764,800
Investment in an associated company					2,120
Unallocated segment assets					5,196
Consolidated total assets					772,116
Liabilities					
Segment liabilities	255,734	10,858	732	(107,219)	160,105
Unallocated segment liabilities					30,013
Consolidated total liabilities					190,118

Notes to the Financial Statements

6. SEGMENT REPORTING (CONT'D)

	The Group 2023	Manufacturing RM'000	Trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	468,585	20,859	1,231	-		490,675
Inter-segment sales	138,851	563	11,436	(150,850)		-
Total revenue	607,436	21,422	12,667	(150,850)		490,675
Results						
Segment results	69,108	(2,359)	14,412	(14,096)		67,065
Finance costs						(1,613)
Investment revenue						407
Share of results of an associated company						65
Profit before tax						65,924
Tax expense						(16,438)
Profit for the year						49,486
Other information						
Capital additions	85,457	209	1	-		85,667
Insurance proceeds from flood damage	717	-	-	-		717
Interest income	490	27	3,565	(3,553)		529
Realised gain on foreign exchange	353	-	-	-		353
Gain on disposal of property, plant and equipment	237	20	-	-		257
Inventories written back	143	-	-	-		143
Fair value gain on other investments	-	-	139	-		139
Unrealised gain/(loss) on foreign exchange	123	-	(1)	-		122
Gain on disposal of other investments	-	-	32	-		32
Reversal of credit loss allowance	11	8	-	-		19
Reversal of impairment loss on receivables	2	-	-	-		2
Depreciation of property, plant and equipment	(22,119)	(111)	(33)	-		(22,263)
Equity-settled share-based payments	(2,804)	(284)	-	-		(3,088)
Impairment loss on receivables	(907)	-	-	-		(907)
Property, plant and equipment written off	(829)	-	-	-		(829)
Depreciation of right-of-use assets	(297)	-	-	-		(297)
Inventories written off	(142)	(103)	-	-		(245)
Amortisation of intangible asset	(5)	-	-	-		(5)
Assets						
Segment assets	688,730	5,915	283,494	(296,410)		681,729
Investment in an associated company						2,317
Unallocated segment assets						3,864
Consolidated total assets						687,910
Liabilities						
Segment liabilities	271,391	12,644	737	(154,480)		130,292
Unallocated segment liabilities						30,587
Consolidated total liabilities						160,879

Notes to the Financial Statements

6. SEGMENT REPORTING (CONT'D)

Geographical segments

Information on the Group's operations and analysis of the carrying amounts of segment assets and capital additions by geographical segment has not been provided as the segment assets and capital additions of the Group located outside Malaysia is less than 10% of its total segment assets and capital additions respectively.

The Group's analysis of the segment revenue from external customers by geographical area based on the geographical location of its customers has not been provided as the export sales of the Group is less than 10% of its total revenue.

7. OTHER GAINS AND LOSSES, OTHER EXPENSES AND EMPLOYEE BENEFIT EXPENSES

Included in other gains and losses and other expenses are the following:

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gain on sale of fresh fruit bunches		2,569	1,830	-	-
Interest income on financial assets classified at amortised cost		447	529	4,302	3,565
Investment revenue	9	394	407	280	305
Gain on disposal of:					
Property, plant and equipment		362	257	-	-
Other investments		2	32	2	25
Income from rental of:					
Premises		337	366	-	-
Motor vehicles		35	-	-	-
Fair value gain on:					
Other investments		92	139	83	56
Investment properties		43	-	-	-
Inventories written back	22	9	143	-	-
Reversal of impairment loss on receivables	23	-	2	-	-
Property, plant and equipment written off		(6,313)	(829)	-	-
Rental expenses relating to short-term lease/low value assets:					
- Plant and equipment		(2,933)	(2,584)	-	-
- Premises		(304)	(350)	-	-
- Motor vehicles		(12)	-	-	-
Inventories written off	22	(920)	(245)	-	-
(Loss)/Gain on foreign exchange:					
- Realised		(669)	353	-	-
- Unrealised		(119)	122	-	-
Inventories written down	22	(341)	-	-	-
Auditors' remuneration:					
By Deloitte PLT and its member firms:					
- Audit fees		(248)	(233)	(60)	(56)
- Non-assurance services		-	(1)	-	-
By Non-Deloitte member firms:					
- Audit fees		(19)	(19)	-	-
Depreciation of property, plant and equipment included in other gains and losses	14	(70)	(21)	-	-

Notes to the Financial Statements

7. OTHER GAINS AND LOSSES, OTHER EXPENSES AND EMPLOYEE BENEFIT EXPENSES (CONT'D)

Included in other gains and losses and other expenses are the following: (Cont'd)

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Credit loss allowance)/Reversal of credit loss allowance	23	(32)	19	-	-
Impairment loss recognised on receivables	23	(13)	(907)	-	-
Receivables written off		(2)	-	-	-
Insurance proceeds from flood damage		-	717	-	-

Included in the gain on sale of fresh fruit bunches are cost incurred amounting to RM2,835,194 (2023: RM2,169,296).

Included in employee benefit expenses are the following:

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors' remuneration	10	12,670	7,501	326	411
Contributions to Employees' Provident Fund ("EPF")		7,636	5,192	-	-
Equity-settled share-based payments		1,968	1,991	-	-
Rental of hostels relating to short-term lease		93	112	-	-

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 which includes Executive Directors of the Company and certain members of senior management of the Group and of the Company.

The remuneration of key management personnel of the Group during the year, other than remuneration of directors as disclosed above are as follows:

	The Group	
	2024 RM'000	2023 RM'000
Short-term employee benefits	8,121	7,337
Equity-settled share-based payments	1,175	1,046
Post-employment benefits - contributions to EPF	741	890
	10,037	9,273

The estimated monetary value of benefits-in-kind received and receivable by other members of key management personnel otherwise than in cash from the Group amounted to RM115,327 (2023: RM92,961).

Notes to the Financial Statements

8. DEPRECIATION AND AMORTISATION

	The Group	
	2024 RM'000	2023 RM'000
Depreciation of property, plant and equipment (Note 14)	31,016	22,242
Depreciation of right-of-use assets (Note 15)	541	297
Amortisation of intangible asset (Note 21)	4	5
	31,561	22,544

9. INVESTMENT REVENUE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income from other investments	280	305	280	305
Rental income from investment properties	114	102	-	-
	394	407	280	305

The following is an analysis of investment revenue earned by category of assets:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Investment income earned on:				
Non-derivative financial assets carried at FVTPL	280	305	280	305
Non-financial assets	114	102	-	-
	394	407	280	305

Notes to the Financial Statements

10. DIRECTORS' REMUNERATION

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of the Company:				
Fees	389	367	294	278
Equity-settled share-based payments	1,175	991	-	-
Other emoluments	10,157	5,292	32	133
	11,721	6,650	326	411
Directors of the subsidiaries:				
Fees	64	61	-	-
Equity-settled share-based payments	126	106	-	-
Other emoluments	759	684	-	-
	949	851	-	-
	12,670	7,501	326	411

Included in directors' other emoluments are contributions made to EPF:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of:				
The Company	713	587	-	-
The subsidiaries	17	23	-	-
	730	610	-	-

The estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of:				
The Company	192	157	-	-
The subsidiaries	36	42	-	-
	228	199	-	-

Notes to the Financial Statements

11. FINANCE COSTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest on:				
Revolving credits	1,908	1,220	-	-
Bankers' acceptances	207	41	-	-
Lease liabilities (Note 15)	35	27	-	-
Multi-currency trade loan	11	13	-	-
Total interest expense for financial liabilities not classified at FVTPL	2,161	1,301	-	-
Other finance costs	339	312	76	78
	2,500	1,613	76	78

12. TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian income tax:				
Current year	8,003	9,144	1,014	824
Prior year	305	48	1	(34)
	8,308	9,192	1,015	790
Deferred tax (Note 31):				
Relating to origination and reversal of temporary differences	(341)	3,153	-	-
Relating to crystallisation of deferred tax liabilities on revaluation surplus	(17)	(17)	-	-
Prior year	300	4,110	-	-
	(58)	7,246	-	-
	8,250	16,438	1,015	790

Notes to the Financial Statements

12. TAX EXPENSE (CONT'D)

The Group's and the Company's income tax rate remained at 24% (2023: 24%) except for its foreign subsidiaries whose income tax rates range from 16.5% to 25% (2023: 16.5% to 25%).

The tax expense for the year can be reconciled to the accounting profit as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	79,361	65,924	23,127	14,363
Tax at the applicable statutory income tax rate of 24% (2023: 24%)	19,047	15,822	5,550	3,447
Tax effects of:				
Expenses not deductible in determining taxable profit	3,101	932	160	81
Expenses allowed for double tax deductions	(185)	(266)	-	-
Income not taxable in determining taxable profit	(135)	(187)	(4,696)	(2,704)
Current year unutilised tax losses and unabsorbed capital allowance not recognised as deferred tax assets	3	708	-	-
Unutilised Reinvestment Allowance ("RA") recognised as deferred tax assets	(2,641)	(225)	-	-
Utilisation of RA claimed in current year	(10,078)	(2,617)	-	-
Share-based payment allowed for tax deductions	(934)	(1,838)	-	-
Utilisation of deferred tax assets not recognised in prior year	(533)	(49)	-	-
Income tax - prior year	305	48	1	(34)
Deferred tax - prior year	300	4,110	-	-
Tax expense recognised in the statements of profit or loss	8,250	16,438	1,015	790

Notes to the Financial Statements

13. EARNINGS PER SHARE

The basic and diluted earnings per ordinary share are calculated as follows:

	The Group	
	2024	2023
Profit for the year attributable to owners of the Company (RM'000)	71,111	49,486
Number of ordinary shares in issue as of January 1 ('000)	319,314	314,989
Shares repurchased and held as treasury shares as of January 1 ('000)	(3,023)	(1,685)
	316,291	313,304
Weighted average number of ordinary shares issued/(repurchased) during the year ('000)	2,449	5,054
Weighted average number of ordinary shares in issue ('000)	318,740	318,358
Basic earnings per ordinary share (sen)	22.31	15.54
Weighted average number of shares used in the calculation of basic earnings per share ('000)	318,740	318,358
Shares deemed to be issued for no consideration in respect of SGP ('000)	4,594	7,604
Weighted average number of shares used in the calculation of diluted earnings per share ('000)	323,334	325,962
Diluted earnings per ordinary share (sen)	21.99	15.18

Notes to the Financial Statements

14. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land		Leasehold land		Buildings		Factory extension		Staff quarters		Plant and machinery		Motor vehicles		Furniture, fixtures and equipment		Electrical installation		Water dispensers		Bearer plants - immature		Capital work-in-progress		Total				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Cost																													
As of January 1, 2023	146,126	4,809	91,007	7,008	2,594	299,097	20,822	26,303	3,876	5	599	6,992	609,238																
Additions	2,608	-	2,361	1,119	35	14,677	6,484	2,256	86	-	77	55,964	85,667																
Disposals	-	-	-	-	-	(22)	(4,771)	-	-	-	-	-	(4,793)																
Write offs	-	-	(88)	-	-	(4,784)	-	(637)	(178)	-	-	-	(5,687)																
Reclassification	-	-	11	-	-	4,548	-	1,686	-	(5)	-	(6,240)	-																
Translation difference	-	-	-	-	-	-	1	6	-	-	-	-	7																
As of December 31, 2023	148,734	4,809	93,291	8,127	2,629	313,516	22,536	29,614	3,784	-	676	56,716	684,432																
Additions	8,496	827	5,082	1,476	489	48,989	5,134	3,267	1,197	-	154	15,274	90,385																
Disposals	-	-	-	-	-	-	(2,801)	(25)	-	-	-	-	(2,826)																
Write offs	-	-	(1,241)	-	-	(40,114)	(352)	(758)	(447)	-	-	-	(42,912)																
Reclassification	(757)	757	26,522	-	7	40,952	-	480	219	-	-	(68,180)	-																
Translation difference	-	-	-	-	-	-	-	(14)	-	-	-	-	(14)																
As of December 31, 2024	156,473	6,393	123,654	9,603	3,125	363,343	24,517	32,564	4,753	-	830	3,810	729,065																
Accumulated depreciation																													
As of January 1, 2023	-	1,003	15,280	2,059	588	147,825	12,778	15,418	2,349	2	-	-	197,302																
Charge for the year	-	57	1,653	278	70	16,340	2,088	1,559	218	-	-	-	22,263																
Disposals	-	-	-	-	-	(14)	(3,672)	-	-	-	-	-	(3,686)																
Write offs	-	-	(14)	-	-	(4,265)	-	(421)	(158)	-	-	-	(4,858)																
Reclassification	-	-	-	-	-	-	-	2	-	(2)	-	-	-																
Translation difference	-	-	-	-	-	-	-	5	-	-	-	-	5																
As of December 31, 2023	-	1,060	16,919	2,337	658	159,886	11,194	16,563	2,409	-	-	-	211,026																
Charge for the year	-	58	2,051	329	71	22,434	2,871	3,018	254	-	-	-	31,086																
Disposals	-	-	-	-	-	-	(2,570)	(9)	-	-	-	-	(2,579)																
Write offs	-	-	(386)	-	-	(35,159)	(84)	(580)	(390)	-	-	-	(36,599)																
Translation difference	-	-	-	-	-	-	-	(13)	-	-	-	-	(13)																
As of December 31, 2024	-	1,118	18,584	2,666	729	147,161	11,411	18,979	2,273	-	-	-	202,921																
Carrying amounts																													
As of December 31, 2024	156,473	5,275	105,070	6,937	2,396	216,182	13,106	13,585	2,480	-	830	3,810	526,144																
As of December 31, 2023	148,734	3,749	76,372	5,790	1,971	153,630	11,342	13,051	1,375	-	676	56,716	473,406																

Notes to the Financial Statements

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

During the financial year, depreciation expenses are charged to the following line items in the statement of profit or loss:

	The Group	
	2024 RM'000	2023 RM'000
Depreciation of property, plant and equipment (Note 8)	31,016	22,242
Other gains and losses (Note 7)	70	21
	31,086	22,263

15. RIGHT-OF-USE ASSETS

Office equipment	The Group	
	2024 RM'000	2023 RM'000
Cost		
As of January 1	2,873	1,052
Additions	268	1,821
Derecognition upon expiry	(710)	-
As of December 31	2,431	2,873
Accumulated depreciation		
As of January 1	917	620
Charge for the year (Note 8)	541	297
Derecognition upon expiry	(710)	-
As of December 31	748	917
Carrying amount		
As of December 31	1,683	1,956

The average lease term of the right-of-use assets is 2 to 5 years (2023: 2 to 5 years). The maturity analysis of lease liabilities is presented in Note 29.

	The Group	
	2024 RM'000	2023 RM'000
Amounts recognised in the statement of profit or loss		
Expenses relating to short-term lease/low value assets	3,342	3,046
Depreciation expense on right-of-use assets (Note 8)	541	297
Interest expense on lease liabilities (Note 11)	35	27
Total cash outflows from leases	4,024	3,481

Notes to the Financial Statements

16. INVESTMENT PROPERTIES

The Group	Freehold land and buildings RM'000	Long-term leasehold land RM'000	Short-term leasehold land RM'000	Buildings RM'000	Renovation RM'000	Total RM'000
At fair value						
As of January 1, 2023	890	2,350	590	1,486	64	5,380
Addition	-	157	-	-	-	157
As of December 31, 2023	890	2,507	590	1,486	64	5,537
Fair value adjustments	-	43	-	-	-	43
As of December 31, 2024	890	2,550	590	1,486	64	5,580

The fair values of the Group's investment properties as of December 31, 2024 had been arrived at on the basis of a valuation carried out by independent valuers on December 31, 2024 who have appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

The fair values of the investment properties were determined based on the market comparable approach that reflects recent transacted prices for similar properties.

Details of the Group's investment properties and information about the fair value hierarchy are as follows:

	Fair values		
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
2024			
Freehold land and buildings	-	890	-
Long-term leasehold land	-	2,550	-
Short-term leasehold land	-	590	-
Buildings	-	1,486	-
Renovation	-	64	-
2023			
Freehold land and buildings	-	890	-
Long-term leasehold land	-	2,507	-
Short-term leasehold land	-	590	-
Buildings	-	1,486	-
Renovation	-	64	-

There were no transfers between Level 1 and 2 during the current or prior year.

Notes to the Financial Statements

16. INVESTMENT PROPERTIES (CONT'D)

During the financial year, direct operating expenses incurred relating to the investment properties of the Group are as follows:

	Generate rental income		Do not generate rental income	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Quit rent and assessment	12	12	13	13
Electricity and water charges	-	-	3	3

17. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost:		
As of January 1	111,170	116,630
Subscription of shares	53,000	-
Recharge of share-based payments	(4,936)	(8,548)
Lapse of share-based payments	(346)	-
Deemed investment arising from SGP	-	3,088
As of December 31	158,888	111,170

Notes to the Financial Statements

17. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation/ Principal place of business	Proportion of ownership interest and voting power held by the Company		Principal activities
		2024 %	2023 %	
Direct subsidiaries				
Chuan Sin Sdn Bhd [^]	Malaysia	100	100	Production and sale of natural mineral water, carbonated flavoured water, distilled water, drinking water and non-carbonated flavoured water
Golden PET Industries Sdn Bhd	Malaysia	100	100	Manufacturing and selling of PET preforms, PET bottles, caps, toothbrushes and other plastic products
Chuan Sin Cactus Sdn Bhd	Malaysia	100	100	Distribution of bottled water and other consumer products
PET Master Sdn Bhd	Malaysia	100	100	Manufacturing and selling of PET preforms
Angenet Sdn Bhd	Malaysia	100	100	Manufacturing and selling of bottled water
Spritzer EcoPark Sdn Bhd	Malaysia	100	100	Operator of a mini golf course, recreational park and retail of consumer products
Spritzer Development Sdn Bhd [^]	Malaysia	100	100	Property development and commenced property development activities during the financial year
Spritzer (Hong Kong) Limited*	Hong Kong	100	100	Investment holding
Indirect subsidiary held through Spritzer (Hong Kong) Limited				
Spritzer (Guangzhou) Trading Limited*	People's Republic of China	100	100	Distribution of bottled water and other consumer products

* The financial statements of these companies are examined by auditors other than the auditors of the Company.

[^] During the financial year, the Company subscribed for an additional 50,000,000 new ordinary shares in Chuan Sin Sdn Bhd via debt settlement and 3,000,000 new ordinary shares in Spritzer Development Sdn Bhd via cash. The said additional subscription did not give rise to any change in proportion of ownership interest and voting power held by the Group.

Notes to the Financial Statements

17. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Composition of the Group

Information about composition of the Group at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		2024	2023
Production and sale of natural mineral water, carbonated flavoured water, distilled water, drinking water and non-carbonated flavoured water	Malaysia	2	2
Manufacturing and selling of PET preforms, PET bottles, caps, toothbrushes and other plastic products	Malaysia	2	2
Distribution of bottled water and other consumer products	Malaysia	1	1
	People's Republic of China	1	1
Investment holding	Hong Kong	1	1
Operator of a mini golf course, recreational park and retail of consumer products	Malaysia	1	1
Property development	Malaysia	1	-
Dormant	Malaysia	-	1
		9	9

18. INVESTMENT IN AN ASSOCIATED COMPANY

	The Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	2,252	2,252
Share of post-acquisition results, net of dividends received	(132)	65
	2,120	2,317

Notes to the Financial Statements

18. INVESTMENT IN AN ASSOCIATED COMPANY (CONT'D)

The interests in the associated company of the Group is analysed as follows:

	The Group	
	2024 RM'000	2023 RM'000
Share of net assets	338	535
Goodwill on acquisition	1,782	1,782
	2,120	2,317

The associated company of the Group is as follows:

Name of associated company	Country of incorporation/ Principal place of business	Proportion of ownership interest		Principal activity	Financial year end
		2024 %	2023 %		
The Tapping Tapir Sdn Bhd ("TTT")*	Malaysia	30	30	Manufacturing and sale of carbonated drinks, other beverages and related products.	December 31

* The financial statements are examined by auditors other than the auditors of the Company.

In the previous financial year, a wholly-owned subsidiary, Chuan Sin Sdn Bhd entered into a Subscription Agreement and a Shareholders' Agreement respectively, with TTT, a company incorporated in Malaysia to subscribe for 42,861 ordinary shares, representing 30% of the entire issued capital of TTT for a total consideration of RM2,251,958. The transaction was completed on January 3, 2023 and TTT became an associated company of the Group.

Summarised financial information in respect of the associated company of the Group is set out below:

	The Group	
	2024 RM'000	2023 RM'000
Current assets	2,114	1,812
Non-current assets	351	673
Current liabilities	1,338	702
Revenue	3,402	2,949
(Loss)/Profit for the year	(186)	191

Notes to the Financial Statements

18. INVESTMENT IN AN ASSOCIATED COMPANY (CONT'D)

A reconciliation of the above summarised financial information to the carrying amount of the interests in TTT is recognised in the consolidated financial statements is as follows:

	The Group	
	2024 RM'000	2023 RM'000
Net assets of the associated company	1,127	1,783
Proportion of the Group's ownership interest in TTT	30%	30%
	338	535
Other adjustments:		
Goodwill on acquisition	1,782	1,782
Carrying amount of the Group's interests in TTT	2,120	2,317

19. OTHER INVESTMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Equity instrument designated at FVTOCI:				
Unquoted shares, in Malaysia	2,577	2,577	-	-
Current				
Financial assets measured at FVTPL:				
Investments in money market and fixed income funds, in Malaysia	21,897	12,993	21,635	12,740

Unquoted equity investment represents interest in a company in Malaysia which is engaged in the business-to-business e-commerce/e-procurement and trading related activities. The investment in equity instrument is not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Group has elected to designate this investment in equity instrument at FVTOCI as they believe that recognising short-term fair value fluctuations from the investment in the statement of profit or loss would not be consistent with the Group's strategy of holding this investment for long-term purposes and realising their performance potential in the long run.

There are no disposal of shares during the current reporting period.

Notes to the Financial Statements

19. OTHER INVESTMENTS (CONT'D)

Details of the other investments and information about the fair value hierarchy as of December 31, 2024 are as follows:

	Fair value		
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
The Group			
2024			
Equity instrument designated at FVTOCI:			
Unquoted shares, in Malaysia	-	-	2,577
Financial assets measured at FVTPL:			
Investments in money market and fixed income funds, in Malaysia	21,897	-	-
2023			
Equity instrument designated at FVTOCI:			
Unquoted shares, in Malaysia	-	-	2,577
Financial assets measured at FVTPL:			
Investments in money market and fixed income funds, in Malaysia	12,993	-	-
The Company			
2024			
Financial assets measured at FVTPL:			
Investments in money market and fixed income funds, in Malaysia	21,635	-	-
2023			
Financial assets measured at FVTPL:			
Investments in money market and fixed income funds, in Malaysia	12,740	-	-

There were no transfers between Levels 1 and 2 during the current or prior year.

The valuation methodology for these investments is disclosed in Note 36.

Notes to the Financial Statements

20. GOODWILL ON CONSOLIDATION

	The Group	
	2024 RM'000	2023 RM'000
As of January 1 and December 31	40	40

Impairment tests for cash-generating units ("CGU") containing goodwill

Carrying amount of goodwill is allocated to Chuan Sin Cactus Sdn Bhd's trading operations.

The directors did not test the above goodwill for impairment in the current financial year as the operations of Chuan Sin Cactus Sdn Bhd have not deviated materially from that achieved in the previous financial years and any write down in goodwill, if necessary, to its recoverable amount is unlikely to be material to the Group's financial statements.

21. OTHER INTANGIBLE ASSET

	The Group	
	2024 RM'000	2023 RM'000

Software development cost

Cost

As of January 1 and December 31	234	234
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Accumulated amortisation

As of January 1	12	7
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Amortisation during the year (Note 8)	4	5
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As of December 31	16	12
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Carrying amount

As of December 31	218	222
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Notes to the Financial Statements

22. INVENTORIES

	The Group	
	2024 RM'000	2023 RM'000
At cost:		
Finished goods and trading merchandise	14,611	13,041
Raw materials	11,763	9,745
Spare parts	9,570	9,409
Packing materials	8,340	7,374
Work-in-progress	335	418
Goods-in-transit	252	1,358
	44,871	41,345
At net realisable value:		
Raw materials	96	99
Finished goods	3	1
	99	100
	44,970	41,445
Property development costs	182	-
	45,152	41,445

Property development costs comprise the following:

	The Group	
	2024 RM'000	2023 RM'000
Development costs		
As of January 1	-	-
Incurred during the year	182	-
As of December 31	182	-

On February 8, 2024, a wholly-owned subsidiary, Spritzer Development Sdn Bhd entered into a Joint Venture Agreement ("JVA") with KNP Development Sdn Bhd ("landowner"), a company incorporated in Malaysia, to jointly develop a piece of land located in Perak measuring approximately 5.78 acres into a housing development project to build residential houses subject to and upon the terms and conditions contained in the JVA.

Notes to the Financial Statements

22. INVENTORIES (CONT'D)

	The Group	
	2024 RM'000	2023 RM'000
Recognised as an expense/(income) during the year:		
Cost of inventories	308,688	280,112
Inventories written off (Note 7)	920	245
Inventories written down (Note 7)	341	-
Inventories written back (Note 7)	(9)	(143)

23. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade receivables	32,543	23,642	-	-
Less: Loss allowance	(963)	(918)	-	-
	31,580	22,724	-	-
Amount due from subsidiaries - non-trade	-	-	69,101	113,164
Amount due from other related parties - trade	86,341	72,901	-	-
Other receivables	3,581	367	-	-
	121,502	95,992	69,101	113,164
Less: Current portion	(121,502)	(95,992)	(65,486)	(113,164)
Non-current portion	-	-	3,615	-

Analysis of currency profile of trade and other receivables is as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	118,358	92,154	69,101	113,164
Singapore Dollar	2,320	2,507	-	-
Chinese Renminbi	786	1,143	-	-
United States Dollar	38	169	-	-
British Pound	-	19	-	-
	121,502	95,992	69,101	113,164

Notes to the Financial Statements

23. TRADE AND OTHER RECEIVABLES (CONT'D)

Trade receivables and the trade portions of amount due from other related parties of the Group comprise amounts receivable for the sale of goods. The credit periods granted on sale of goods range from 7 to 120 days (2023: 7 to 120 days). No interest is charged on overdue trade balances.

The current portion of non-trade amount due from subsidiaries is unsecured, bears interests ranging from 3.00% to 4.00% (2023: 3.00%) per annum, repayable on demand and will be settled in cash.

The non-current portion of non-trade amount due from subsidiaries represents equity-settled share-based payments recognised in accordance with MFRS 2 which relates to shares granted to employees of the subsidiaries under the Company's Employees Share Grant Plan ("SGP"). The amount shall be receivable once it is vested in financial year ending December 31, 2026.

Included in other receivables is an amount of RM2,200,000 (2023: Nil) which represents advance payment to landowner.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables and trade portion of amount due from other related parties are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables and trade portion of amount due from other related parties based on the Group provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

2024		Trade receivables						
Ageing of outstanding balances (number of days)	Not past due RM'000	1 - 30 RM'000	31 - 60 RM'000	61 - 90 RM'000	91 - 120 RM'000	>120 RM'000	Total RM'000	
ECL rate	0.15%	-	-	4.09%	-	65.82%		
Total gross carrying amounts	27,834	1,789	703	342	497	1,378	32,543	
Lifetime ECL	(42)	-	-	-	-	-	(42)	
Loss allowance	-	-	-	(14)	-	(907)	(921)	
							31,580	

2024		Amount due from other related parties						
Ageing of outstanding balances (number of days)	Not past due RM'000	1 - 30 RM'000	31 - 60 RM'000	61 - 90 RM'000	91 - 120 RM'000	>120 RM'000	Total RM'000	
Total gross carrying amounts	86,337	4	-	-	-	-	86,341	

Notes to the Financial Statements

23. TRADE AND OTHER RECEIVABLES (CONT'D)

2023		Trade receivables						
Ageing of outstanding balances (number of days)	Not past due RM'000	1 - 30 RM'000	31 - 60 RM'000	61 - 90 RM'000	91 - 120 RM'000	>120 RM'000	Total RM'000	
ECL rate	0.05%	-	-	-	-	68.56%		
Total gross carrying amounts	21,037	579	425	122	156	1,323	23,642	
Lifetime ECL	(11)	-	-	-	-	-	(11)	
Loss allowance	-	-	-	-	-	(907)	(907)	
							<u>22,724</u>	

2023		Amount due from other related parties						
Ageing of outstanding balances (number of days)	Not past due RM'000	1 - 30 RM'000	31 - 60 RM'000	61 - 90 RM'000	91 - 120 RM'000	>120 RM'000	Total RM'000	
Total gross carrying amounts	72,901	-	-	-	-	-	<u>72,901</u>	

The following table shows the movement in loss allowance that has been recognised for trade receivables set out in MFRS 9.

	The Group	
	2024 RM'000	2023 RM'000
As of January 1	918	345
Credit loss allowance/(Reversal of credit loss allowance) (Note 7)	32	(19)
Impairment loss (Note 7)	13	907
Amounts written off	-	(313)
Reversal of impairment loss (Note 7)	-	(2)
As of December 31	963	<u>918</u>

Transactions with related parties are disclosed in Note 24.

24. RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities.

The following details of transactions between the Group and the Company with related parties were carried out under terms and conditions negotiated amongst the related parties.

Notes to the Financial Statements

24. RELATED PARTY TRANSACTIONS (CONT'D)

Related party transactions

Transactions with related parties are as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries				
Subscription of shares	-	-	53,000	-
Dividends received	-	-	19,200	11,185
Recharge of share-based payments	-	-	4,936	8,548
Loan interest received/receivable	-	-	4,290	3,554
Transactions with other related parties being companies in which certain directors/shareholders and/or persons connected with the directors/shareholders have substantial interests				
ASAP International Sdn Bhd				
Rental of premise received	46	46	-	-
Cactus Marketing Sdn Bhd				
Sale of goods	11,905	11,672	-	-
Rental of premise received	135	108	-	-
Sale of property, plant and equipment	15	15	-	-
Transport charges paid	31	2	-	-
Cranberry International Sdn Bhd				
Rental of premise received	68	68	-	-
Sale of goods	10	9	-	-
Kasjaria Kim Huat (M) Sdn Bhd				
Sale of property, plant and equipment	177	-	-	-
Multibase Systems Sdn Bhd				
Secretarial fees paid/payable	42	26	20	10
Sabah Tea Garden Sdn Bhd				
Purchase of goods and services	172	120	-	-
Rental of cafeteria received	88	37	-	-
Sale of goods	10	7	-	-

Notes to the Financial Statements

24. RELATED PARTY TRANSACTIONS (CONT'D)

Related party transactions (Cont'd)

Transactions with related parties are as follows: (Cont'd)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Yee Lee Edible Oils Sdn Bhd				
Sale of goods	7,307	6,971	-	-
Internal audit fee paid	25	53	3	-
Transport charges paid	14	13	-	-
Yee Lee Marketing Sdn Bhd				
Sale of goods	25,021	28,280	-	-
Rental of premise received	-	6	-	-
Yee Lee Oils & Foodstuffs (Singapore) Pte Ltd				
Sale of goods	4,953	4,964	-	-
Yee Lee Organization Bhd				
Rental of premise paid	60	60	-	-
Yee Lee Trading Co Sdn Bhd				
Sale of goods	242,109	195,031	-	-
Purchase of goods	952	818	-	-
Rental of premises received	60	60	-	-
YL Brands Sdn Bhd				
Sale of goods	956	943	-	-
Purchase of goods	-	92	-	-
YLTC Sdn Bhd				
Sale of goods	25,328	25,410	-	-
YL Central Services Sdn Bhd				
Internal audit fee paid	25	-	1	-

Notes to the Financial Statements

24. RELATED PARTY TRANSACTIONS (CONT'D)

Related party transactions (Cont'd)

Transactions with related parties are as follows: (Cont'd)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Associated company				
The Tapping Tapir Sdn Bhd				
Purchase of goods	1	-	-	-

The outstanding balances arising from related party transactions are disclosed in Notes 23 and 32.

25. OTHER ASSETS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits	13,499	14,042	1	1
Prepaid expenses	4,931	3,275	2	2
	18,430	17,317	3	3

Included in deposits of the Group are amounts totalling RM10,188,905 (2023: RM12,682,772) which represent deposits paid for purchase of property, plant and equipment and non-refundable deposit of RM278,251 (2023: Nil) paid to landowner.

26. FIXED DEPOSITS, CASH AND BANK BALANCES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	13,340	16,270	-	-
Cash and bank balances	8,237	13,974	177	7,163
	21,577	30,244	177	7,163

Notes to the Financial Statements

26. FIXED DEPOSITS, CASH AND BANK BALANCES (CONT'D)

The effective interest rates for fixed deposits ranged from 2.00% to 2.10% (2023: 2.00% to 2.20%) per annum with maturity periods of 2 to 9 days (2023: 4 to 14 days).

Analysis of currency profile of fixed deposits, cash and bank balances is as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	19,990	28,681	177	7,163
United States Dollar	1,252	746	-	-
Chinese Renminbi	273	728	-	-
Singapore Dollar	22	29	-	-
Hong Kong Dollar	19	27	-	-
Euro	11	25	-	-
Australian Dollar	10	8	-	-
	21,577	30,244	177	7,163

27. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

The Group and the Company	2024	2023	2024 RM'000	2023 RM'000
	Number of ordinary shares '000 units	Number of ordinary shares '000 units		
Issued and fully paid:				
Ordinary shares				
As of January 1	319,314	209,993	223,239	216,571
Bonus issue	-	106,438	-	-
Employees SGP shares vested	-	2,883	1,160	6,668
As of December 31	319,314	319,314	224,399	223,239

In the previous financial year, the Board of Directors of the Company approved an allotment of a total 2,883,400 shares of the Company at an issue price of RM2.35 pursuant to the Employees' Share Grant Plan. The new issued shares rank pari passu with the existing ordinary shares of the Company.

In the previous financial year, the shareholders approved a bonus issue of up to 106,438,063 new ordinary shares in Spritzer ("Spritzer Share(s)") ("Bonus Share(s)") on the basis of 1 Bonus Share for every 2 existing Spritzer Shares issued as fully paid shares at nil consideration and without capitalisation of the Company's reserves.

Notes to the Financial Statements

27. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

(b) Treasury shares

The Group and the Company	2024	2023	2024	2023
	Number of ordinary shares '000 units	Number of ordinary shares '000 units	RM'000	RM'000
As of January 1	3,023	1,124	4,956	2,248
Purchase of own shares	933	2,986	2,356	4,941
Bonus issue	-	12	-	-
Employees SGP shares vested	(3,011)	(1,099)	(4,936)	(2,233)
As of December 31	945	3,023	2,376	4,956

As of December 31, 2024, there are 945,000 (2023: 3,022,800) treasury shares held by the Company. The number of ordinary shares in issue after excluding the treasury shares is 318,369,145 (2023: 316,291,345).

The mandate given by the shareholders to purchase own shares will expire at the forthcoming Annual General Meeting ("AGM") and an ordinary resolution needs to be tabled at the AGM for shareholders to grant a fresh mandate for another year.

28. RESERVES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-distributable reserve:				
Equity-settled employee benefits reserve	5,602	7,269	5,602	7,269
Investment revaluation reserve	775	775	-	-
Translation reserve	119	(386)	-	-
	6,496	7,658	5,602	7,269
Distributable reserve:				
Retained earnings	353,479	301,090	21,598	18,208
	359,975	308,748	27,200	25,477

Notes to the Financial Statements

28. RESERVES (CONT'D)

(a) *Equity-settled employee benefits reserve*

The equity-settled employee benefits reserve relates to share-based payment expenses recognised under the SGP as disclosed in Note 35.

(b) *Investment revaluation reserve*

The investment revaluation reserve represents the cumulative gains and losses arising on the revaluation of investments in equity instruments designated at FVTOCI, net of cumulative gain/loss transferred to retained earnings upon disposal.

(c) *Translation reserve*

Exchange differences relating to the translation from the functional currency of foreign subsidiaries of the Group into Ringgit Malaysia are recognised directly in other comprehensive income and accumulated in the translation reserve.

(d) *Retained earnings*

The entire retained earnings of the Company as of the end of the financial year is available for distribution as single-tier dividends to the shareholders of the Company.

29. LEASE LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
Maturity analysis:		
Year 1	528	591
Year 2	489	428
Year 3	322	390
Year 4	214	322
Year 5	-	215
	1,553	1,946
Less: Unearned interests	(187)	(201)
	1,366	1,745

	The Group	
	2024 RM'000	2023 RM'000
Analysed as:		
Non-current	879	1,187
Current	487	558
	1,366	1,745

The Group does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's management.

The incremental borrowing rate of the Group at financial reporting date on the obligation under leases ranges from 4.42% to 6.97% (2023: 4.42% to 6.97%).

Notes to the Financial Statements

30. BORROWINGS

	The Group	
	2024 RM'000	2023 RM'000
Secured		
Revolving credits	3,103	4,686
Unsecured		
Revolving credits	43,730	42,588
Bankers' acceptances	1,750	450
	48,583	47,724
Less: Amount due within 12 months (shown under current liabilities)	(22,961)	(17,286)
Non-current portion	25,622	30,438

The non-current portion is repayable as follows:

	The Group	
	2024 RM'000	2023 RM'000
Financial years ending December 31:		
2025	-	7,008
2026	7,008	7,008
2027	7,008	7,008
2028	7,008	6,965
2029	4,598	2,449
	25,622	30,438

The maturity profile of borrowings of the Group is as follows:

	The Group	
	2024 RM'000	2023 RM'000
Within one year	22,961	17,286
One to five years	25,622	30,438
	48,583	47,724

Notes to the Financial Statements

30. BORROWINGS (CONT'D)

Analysis of currency profile of borrowings is as follows:

	The Group	
	2024 RM'000	2023 RM'000
Ringgit Malaysia	45,480	43,038
Chinese Renminbi	3,103	4,686
	48,583	47,724

The average effective interest rates per annum are as follows:

	The Group	
	2024 %	2023 %
Revolving credits	3.95 - 4.90	3.99 - 4.98
Bankers' acceptances	3.54 - 3.74	4.04

The Group obtained banking facilities to the extent of RM101,097,900 (2023: RM99,392,000) from certain licensed banks, of which RM96,297,900 (2023: RM94,592,000) are guaranteed by the Company. The revolving credit facility denominated in Chinese Renminbi is secured by a standby letter of credit issued by the Company.

31. DEFERRED TAX LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
As of January 1	29,756	22,510
Recognised in statement of profit or loss (Note 12)	(58)	7,246
As of December 31	29,698	29,756

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the accounting policy of the Group. The following is the analysis of the deferred tax balance (after offsetting) presented in the statement of financial position:

	The Group	
	2024 RM'000	2023 RM'000
Deferred tax assets	(11,586)	(5,728)
Deferred tax liabilities	41,284	35,484
	29,698	29,756

Notes to the Financial Statements

31. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax (assets)/liabilities recognised in the financial statements are in respect of the tax effects on the following:

	The Group	
	2024 RM'000	2023 RM'000
Deferred tax assets (before offsetting)		
Temporary differences arising from:		
Provisions	(7,883)	(4,464)
Unutilised RA and Green Investment Tax Allowance	(3,414)	(1,027)
Unrealised profit on closing inventories	(246)	(175)
Unutilised tax losses	(43)	(62)
	(11,586)	(5,728)
Offsetting	11,586	5,728
Deferred tax assets (after offsetting)	-	-
Deferred tax liabilities (before offsetting)		
Temporary differences arising from:		
Property, plant and equipment	39,200	33,389
Revaluation reserves	1,874	1,890
Investment properties	210	205
	41,284	35,484
Offsetting	(11,586)	(5,728)
Deferred tax liabilities (after offsetting)	29,698	29,756

As of December 31, 2024, the amounts of unutilised tax losses of the Group which are not recognised in the financial statements are RM24,913,500 (2023: RM26,963,000).

The following deferred tax asset at the applicable tax rate of 24% (2023: 24%) has not been recognised at the end of the reporting period:

	The Group	
	2024 RM'000	2023 RM'000
Tax effect of unutilised tax losses	5,979	6,471

Notes to the Financial Statements

31. DEFERRED TAX LIABILITIES (CONT'D)

The tax effect of the above estimated amount of unutilised tax losses is not recognised in the financial statements due to uncertainty of their realisation. The unutilised tax losses are available for offset against future taxable profit.

In the previous financial year, deferred tax assets brought forward amounted to RM4,495,000 was derecognised in the statement of profit and loss as a result of the tax audit carried out by the Malaysia Inland Revenue Board ("IRBM") on a subsidiary. IRBM had disallowed partially the special RA claim amounting to RM18,730,819 on an automated plant and machinery made by the subsidiary in the year of assessment 2020. On February 14, 2024, the said tax audit was concluded and additional tax payable of RM94,046 had been settled by the subsidiary.

As of December 31, 2024, the expiry of the approximate amounts of unutilised tax losses, unutilised RA and unutilised GITA of the Group which are available for set off against future taxable income are as follows:

	The Group	
	2024 RM'000	2023 RM'000
Year of assessment 2028	338	730
Year of assessment 2031	11,007	902
Year of assessment 2034	13	-
	11,358	1,632

Unutilised GITA of RM3,222,000 (2023: RM3,380,000) arising from a subsidiary and unutilised tax losses of RM24,742,000 (2023: RM26,479,000) arising from a foreign subsidiary have no expiry period.

32. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables	17,824	19,231	-	-
Amount due to other related parties:				
- trade	43	40	-	-
- non-trade	1	2	-	2
Other payables	32,354	22,177	30	3
	50,222	41,450	30	5

Notes to the Financial Statements

32. TRADE AND OTHER PAYABLES (CONT'D)

Analysis of currency profile of trade and other payables is as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	45,947	36,809	30	5
United States Dollar	2,953	3,642	-	-
Euro	554	575	-	-
Chinese Renminbi	515	312	-	-
Singapore Dollar	154	76	-	-
Japanese Yen	99	29	-	-
British Pound	-	7	-	-
	50,222	41,450	30	5

Trade payables and the trade portions of amount due to other related parties comprise amounts outstanding for trade purchases. The credit periods granted to the Group for trade purchases ranged from 30 to 120 days (2023: 30 to 120 days). The amount owing to other payables comprise amounts outstanding for purchase of plant and machinery and ongoing costs. These amounts due are unsecured, interest-free and are repayable upon demand.

Included in other payables of the Group is an amount payable for sales tax of RM4,996,677 (2023: RM3,936,798).

Transactions with related parties are disclosed in Note 24.

33. OTHER LIABILITIES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Accrued expenses	59,807	39,030	372	340
Deposits received	127	343	-	-
	59,934	39,373	372	340

Included in accrued expenses of the Group is an amount of RM17,915,662 and RM183,589 (2023: RM8,906,014 and RM125,869), being refund liabilities arising from rebates and volume discounts, and right to return given to eligible customers respectively.

34. DIVIDEND

	The Group and the Company	
	2024 RM'000	2023 RM'000
First and final dividend paid:		
5.50 sen, single-tier, for financial year ended December 31, 2023 (2023: 6.25 sen, single-tier, for financial year ended December 31, 2022)	17,562	13,303

First and final dividend paid:

5.50 sen, single-tier, for financial year ended December 31, 2023 (2023: 6.25 sen, single-tier, for financial year ended December 31, 2022)

17,562 13,303

The directors proposed a first and final dividend of 4.00 sen per share, under the single-tier system, in respect of the current financial year. This proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements.

Notes to the Financial Statements

35. EMPLOYEES' SHARE GRANT PLAN ("SGP")

The Company's SGP was approved by the shareholders of the Company at the Extraordinary General Meeting held on May 30, 2019. The Company granted up to 5% of its issued share capital (excluding treasury shares) to Eligible Employees and Executive Directors of the Company and its subsidiaries, which are not dormant (collectively referred to as "Eligible Employees") of the Group. The SGP is administered by the SGP Committee and governed by a set of by-laws.

The implementation of SGP would incentivise the Eligible Employees to stay with the Group over a longer term and contribute towards long-term objectives of the Group as well as align their interests to those of the shareholders of the Company. The SGP is expected to achieve the following objectives:

- (i) to recognise and reward the Eligible Employees by giving recognition to their contributions and services that are considered vital to the operations, hence motivating the employees to perform in order to create a sustainable growth and profitability of the Group;
- (ii) to retain, motivate and reward the Eligible Employees by allowing them to participate in the Group's profitability and eventually realise the value of the SGP Shares upon disposal;
- (iii) to align the interest of the employees with that of the shareholders of the Company through the achievement of long-term goals;
- (iv) to attract prospective employees with relevant skills and experience to the Group by making the total compensation package more competitive; and
- (v) to foster and reinforce a greater sense of loyalty and belonging amongst the Eligible Employees upon vesting of the SGP Shares as they will be able to participate directly in the equity of the Company and thereby the SGP provides an incentive for the SGP Eligible Employees to participate more actively in the operations and future growth of the Group and motivate them to further contribute to the growth and success of the Group.

The salient features of the SGP are as follows:

1. Maximum number of SGP Shares available under the SGP

The total number of SGP Shares, which may be made available pursuant to the SGP shall not exceed in aggregate 5% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the SGP period.

2. Maximum allowable allocation and basis of allocation

The aggregate maximum number of SGP Shares that may be offered to an Eligible Employee shall be determined by the SGP Committee after taking into consideration, amongst other factors:

- (i) the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the SGP Period relating to the employees' and/or directors' share issuance schemes;
- (ii) the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Employees; and
- (iii) such other matters which the SGP Committee may in its sole discretion deem fit;

and shall be subject to the following:

- (i) subject to the By-Laws, the aggregate maximum number of SGP Shares that may be allocated to any category and/or designation of employment of the Eligible Employee(s) shall be determined entirely at the discretion of the SGP Committee;
- (ii) not more than 10% of the aggregate number of SGP Shares to be issued under the SGP shall be allocated to any individual Eligible Employee who, either singly or collectively through persons connected with the Eligible Employee, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any);

Notes to the Financial Statements

35. EMPLOYEES' SHARE GRANT PLAN ("SGP") (CONT'D)

2. Maximum allowable allocation and basis of allocation (Cont'd)

- (iii) not more than 80% of the SGP Shares available under the SGP shall be allocated in aggregate to the Eligible Employees who are the directors and senior management of the Group; and
- (iv) no director(s) or Employee(s) shall participate in the deliberation or discussion of their own respective allocations and/or allocations to persons connected with them under the SGP.

The SGP is structured based on a performance structure whereby the SGP Shares will only be allotted to the Eligible Employees upon the key targets and goals being met. The Group has allocated the SGP Shares to departments which are crucial and has identified the marketing and sales department as crucial. Nevertheless, the Company also allocated a portion of the SGP Shares to other departments supporting the performance of the Group (e.g., administration department, human resource department and finance department).

The management also views that the directors and senior management of the Company would play an important role in order to strategise and direct the resources of Spritzer to achieve the key target and goal. As such, the management of Spritzer has decided that up to 80% of the SGP Shares available under the SGP will be allocated to this group of employees. The directors and senior management, who will be the driving force of the Group, will be incentivised by being able to participate directly in the equity of the Company when they manage to meet their respective key target and goals.

3. Eligibility

An Employee shall be eligible for consideration and selection by the SGP Committee to participate in the SGP if as of the date of award, the employee:

- (i) has attained the age of at least 18 years and is not an undischarged bankrupt;
- (ii) is in employment within the Group and has not served a notice to resign nor received a notice of termination; and
- (iii) is under such categories and criteria that the SGP Committee may from time to time decide at its discretion.

In the case of a director or a chief executive or a major shareholder of the Company and/or persons connected with them who will be allotted SGP Shares pursuant to the SGP, their specific allotments under the SGP shall be approved by the shareholders of the Company in a general meeting.

Eligibility, however, does not confer an Eligible Employee a claim or right to participate in the SGP unless the SGP Committee has made an offer to the Eligible Employee in the manner as set out in the By-Laws and the Eligible Employee has accepted the offer in accordance with the terms of the offer for the SGP.

4. Duration

The SGP took effect on January 1, 2019 ("Effective Date") and will be in force for a period of 6 years from the Effective Date and may be extended at the discretion of the Board upon the recommendation of the SGP Committee provided that the SGP Period shall not in aggregate exceed the duration of 10 years from the Effective Date or such longer duration as may from time to time be permitted by the relevant authorities.

All SGP Awards shall lapse on the expiry of the SGP Period.

Notwithstanding anything set out in the By-Laws and subject to compliance with the Listing Requirements in relation to the SGP, the Company may terminate the SGP at any time during the SGP Period.

5. Ranking of the SGP Shares

The SGP Shares shall, upon allotment and issuance, rank pari passu in all respects with the existing issued shares, save and except that the new shares will not be entitled to any dividends, rights, allotment and/or other forms of distribution that may be declared, made or paid to shareholders, for which the entitlement date for the distribution precedes the date of allotment and issuance of the new shares.

Notes to the Financial Statements

35. EMPLOYEES' SHARE GRANT PLAN ("SGP") (CONT'D)

6. Retention period

All new shares issued and allotted pursuant to the SGP may be subject to such reasonable retention period or restriction on transfer (if any/applicable) imposed or determined by the SGP Committee at its discretion. An Eligible Employee may deal with the new shares that are issued and allotted to him/her, after the said new shares have been vested with him/her, in any way he pleases subject to provisions of the By-Laws. However, the Eligible Employees are encouraged to hold the SGP Shares as investments rather than for immediate realisation to yield profit.

7. Amendments and/or modifications

Subject to the compliance with the Listing Requirements and any other applicable regulatory requirements, the SGP Committee may, at any time and from time to time, recommend to the Board any amendment, variation and/or modification of the By-Laws as it shall in its discretion, think fit and the Board shall have the power by resolution to add, amend, vary, modify and/or delete any part of the provisions of the By-Laws upon such recommendation, provided always that no such amendment, variation and/or modification shall be made which will:

- (i) prejudice any rights which have been accrued to any Eligible Employee without his/her prior consent or sanction;
- (ii) increase the number of new shares available under the SGP beyond the maximum allowed by the By-Laws; or
- (iii) alter any matters which are required to be contained in the By-Laws by virtue of the Listing Requirements to the advantage of any Eligible Employee, without the prior approval of shareholders obtained at a general meeting;

unless allowed otherwise by the provisions of the Listing Requirements.

8. Vesting conditions

The SGP Committee shall, as and when it deems practicable and necessary, review and determine at its own discretion the vesting conditions specified in respect of the SGP Award. The SGP Shares or such part thereof as may be specified in the SGP Award will only vest with the Eligible Employee on the vesting date(s) if the vesting conditions are fully and duly satisfied, which includes, amongst others, the following:

- (i) the Eligible Employee must remain an employee as of the vesting date and shall not have given a notice to resign or received a notice of termination as of the vesting date;
- (ii) the Eligible Employee has not been adjudicated a bankrupt;
- (iii) the Performance Targets are fully and duly satisfied; and/or
- (iv) any other conditions which are determined by the SGP Committee.

9. SGP Award

The number of SGP Shares outstanding as of December 31, 2024 is 4,593,600 (2023: 7,604,400).

The details of movements in SGP Shares awarded to Eligible Employees are as follows:

	As of 1.1.2024 '000 units	Vested '000 units	As of 31.12.2024 '000 units
Executive Directors	2,725	(1,090)	1,635
Key management personnel	2,490	(966)	1,524
Others	2,389	(955)	1,434
Total	<u>7,604</u>	<u>(3,011)</u>	<u>4,593</u>

Notes to the Financial Statements

35. EMPLOYEES' SHARE GRANT PLAN ("SGP") (CONT'D)

Fair value of SGP Shares

The fair values of the SGP Shares are RM2.19 and RM2.20 per unit, representing the closing price of Spritzer shares quoted on Bursa Malaysia Securities Berhad on grant dates.

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Categories of Financial Instruments

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets				
At FVTOCI:				
Investment in unquoted shares	2,577	2,577	-	-
At FVTPL:				
Investments in money market and fixed income funds	21,897	12,993	21,635	12,740
At amortised cost:				
Trade and other receivables	121,502	95,992	-	-
Amount due from subsidiaries	-	-	69,101	113,164
Refundable deposits	517	530	1	1
Fixed deposits, cash and bank balances	21,577	30,244	177	7,163
Financial liabilities				
At amortised cost:				
Trade and other payables	45,225	37,513	30	5
Lease liabilities	1,366	1,745	-	-
Borrowings	48,583	47,724	-	-
Accrued expenses	59,807	39,030	372	340
Refundable deposits received	122	174	-	-

Financial Risk Management Objectives and Policies

Risk management is integral to the whole business of the Group and of the Company. Management continually monitors the Group's and the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's and the Company's activities.

There have been no changes to the Group's and the Company's exposure to these financial risks or the manner in which they manage and measure the risks.

Notes to the Financial Statements

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Market risk

(i) Foreign currency risk

The Group's transactions in foreign currencies are in United States Dollar ("USD"), Australian Dollar ("AUD"), Euro ("EUR"), Singapore Dollar ("SGD"), Chinese Renminbi ("RMB"), British Pound ("GBP"), Japanese Yen ("JPY") and Hong Kong Dollar ("HKD") and therefore, are exposed to foreign exchange risk. The Group enters into foreign currency forward contracts to manage its exposure against foreign currency fluctuation on foreign receipts and payments.

The carrying amounts of the foreign currency denominated monetary assets and monetary liabilities of the Group at the end of the reporting period are disclosed in Notes 23, 26, 30 and 32 respectively.

Sensitivity analysis for foreign currency risk

Management does not consider the Group's exposure to foreign currency exchange risk significant as of December 31, 2024. Therefore, sensitivity analysis for foreign currency exchange risk is not disclosed.

(ii) 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 finances its operations by a mixture of internal funds and bank borrowings. The Group regularly reviews the interest rate profile of borrowings against prevailing and anticipated market rates. The repayment and maturity profiles of borrowings are structured after taking into consideration of the cash inflows expected to be generated from the underlying assets or operations and the economic life of the assets or operations being financed.

The policy of the Group is to borrow both on a fixed and floating rate basis. The objective for the mix between fixed and floating rate borrowings is set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

The details of the Group's borrowings are as disclosed in Note 30.

Sensitivity analysis for interest rate risk

Management does not consider the Group's exposure to interest rate risk from bank borrowings and interest-bearing assets significant as of December 31, 2024. Therefore, interest rate sensitivity analysis is not disclosed.

(iii) Other price risk

The Group is exposed to equity price risk arising from equity investment.

Equity investment in unlisted entities are held for strategic rather than trading purposes. The Group does not actively trade this investment.

Sensitivity analysis for other price risk

Management does not consider the Group's exposure to price risk from the equity investment significant as of December 31, 2024. Therefore, price risk sensitivity analysis is not disclosed.

Notes to the Financial Statements

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The exposure of the Group to credit risk arises principally from its receivables, amount due from other related parties and other financial assets. The credit risk exposure of the Company arises from amount due from subsidiaries and financial guarantees given to licensed banks for credit facilities granted to subsidiaries and other financial assets.

Receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Group established policies on credit control involves comprehensive credit evaluations, setting up appropriate credit limits, ensuring the sales are made to customers with good credit history and regular review of customers' outstanding balances and payment trends. The Group considers the risk of material loss in the event of non-performance by the customers to be unlikely.

At the end of the reporting period, the Group has significant concentration of credit risk as 58% (2023: 59%) of its receivable is with a related party.

The Group holds bank guarantees to the extent of RM11,931,460 (2023: RM8,439,350) as securities against any outstanding charges or liabilities incurred by customers. In the previous financial year, the Group also held a personal guarantee and a security deposit of RM906,535 and RM10,000 respectively for the same purpose. Other than these, the Group does not hold any other collateral and the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position, net of the amount of the bank guarantees, personal guarantee and security deposit mentioned above. The Group uses ageing analysis to monitor the credit quality of the trade receivables.

In order to minimise credit risk, the Group and the Company have developed and have maintained credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group and the Company use other publicly available financial information and its own trading records to rate its major customers and other debtors. The Group's and the Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The ageing of trade receivables and amount due from other related parties that are past due are disclosed in Note 23.

Amount Due From Subsidiaries

The credit risk on advances made to subsidiaries that are repayable on demand is managed on a Group basis by management of the Company to ensure that risk of losses incurred by the Company due to non-repayment by subsidiaries is minimal.

At the end of the reporting period, there was no indication that the balances due from subsidiaries are not recoverable.

At the end of the reporting period, the maximum exposure to credit risk of the Company arising from amount due from subsidiaries is represented by the carrying amounts in the statement of financial position.

Financial Guarantee

The Company provides unsecured financial guarantees to licensed banks in respect of banking facilities granted to the subsidiaries. The Company monitors on an ongoing basis the trend of repayments made by the subsidiaries.

The maximum exposure to credit risk amounts to RM48,583,000 (2023: RM47,724,000) representing banking facilities utilised as of the end of the reporting period.

At the end of the reporting period, there was no indication that the subsidiaries would default on repayment.

Notes to the Financial Statements

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(b) Credit risk (Cont'd)

Other Financial Assets

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

(c) Liquidity and cash flow risks

The Group and the Company practise prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

The Group's and the Company's principal source of liquidity has historically been cash flows from operations and funds obtained from long and short-term borrowings.

The Group and the Company expect that the cash generated from their operations, their existing credit facilities and the trade terms provided by its suppliers will be sufficient to meet the Group's and the Company's currently anticipated capital expenditure and working capital needs for at least the next 12 months.

The Group has credit facilities of approximately RM51,859,000 (2023: RM50,477,000) which are unused at the end of the reporting period. The Group expects to meet its financial obligations from its operating cash flows and proceeds from maturing financial assets.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

The contractual maturity is based on the earliest date on which the Group and the Company are required to pay.

	On demand or within one year RM'000	One year to five years RM'000	Over five years RM'000	Total RM'000
The Group				
2024				
Non-derivative financial liabilities:				
Trade and other payables	45,225	-	-	45,225
Refundable deposits received	122	-	-	122
Accrued expenses	59,807	-	-	59,807
Lease liabilities	528	1,025	-	1,553
Borrowings	24,471	28,055	-	52,526
Total undiscounted non-derivative financial liabilities	130,153	29,080	-	159,233

Notes to the Financial Statements

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(c) Liquidity and cash flow risks (Cont'd)

	On demand or within one year RM'000	One year to five years RM'000	Over five years RM'000	Total RM'000
The Group				
2023				
Non-derivative financial liabilities:				
Trade and other payables	37,513	-	-	37,513
Refundable deposits received	174	-	-	174
Accrued expenses	39,030	-	-	39,030
Lease liabilities	591	1,355	-	1,946
Borrowings	18,955	34,209	-	53,164
Total undiscounted non-derivative financial liabilities	96,263	35,564	-	131,827
The Company				
2024				
Non-derivative financial liabilities:				
Trade and other payables	30	-	-	30
Accrued expenses	372	-	-	372
Financial guarantee contracts	24,471	28,055	-	52,526
Total undiscounted non-derivative financial liabilities	24,873	28,055	-	52,928
2023				
Non-derivative financial liabilities:				
Trade and other payables	5	-	-	5
Accrued expenses	340	-	-	340
Financial guarantee contracts	18,955	34,209	-	53,164
Total undiscounted non-derivative financial liabilities	19,300	34,209	-	53,509

The amounts included above for financial guarantee contracts are the maximum amounts of the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterpart to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

The Group and the Company have not committed to any derivative financial instruments in the current financial year.

Notes to the Financial Statements

36. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(d) Capital risk management

The Group and the Company manage their capital to ensure the Group and the Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's and the Company's overall strategy remains unchanged from the previous financial year.

The capital structure of the Group and of the Company consist of net debt and equity of the Group and of the Company.

Fair Values of Financial Instruments

Financial instruments that are carried at fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2 *Share-based Payment*, leasing transactions that are within the scope of MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value in use in MFRS 136 *Impairment of Assets*.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair values of financial assets and financial liabilities at amortised cost

The carrying amounts of short-term financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Fair values of financial assets and financial liabilities at fair value on a recurring basis

(a) Investment in unquoted shares

The fair value of investment in unquoted shares in Malaysia is included in Level 3 category of the fair value hierarchy in accordance with MFRS 7 *Financial Instruments: Disclosure* and has been determined by reference to the latest subscription price paid for the shares in the unquoted investee.

(b) Investments in money market and fixed income funds

The fair values of investments in money market and fixed income funds are included in Level 1 category of the fair value hierarchy in accordance with MFRS 7 and have been determined by reference to the Net Asset Value per unit in an active market at the close of the business at the end of the reporting period.

Notes to the Financial Statements

37. STATEMENTS OF CASH FLOWS

- (a) Purchase of property, plant and equipment

Property, plant and equipment were acquired by the following means:

	The Group	
	2024 RM'000	2023 RM'000
Cash purchase	70,941	78,042
Advance payments made in prior year included in deposits	12,677	220
Included in:		
Other payables	6,174	4,804
Other liabilities	593	2,601
	90,385	85,667

- (b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

The Group	Note	As of 1.1.2024 RM'000	Financing cash flows RM'000	Non-cash changes RM'000	As of 31.12.2024 RM'000
Lease liabilities	29	1,745	(647)	268	1,366
Revolving credits	30	47,274	(441)	-	46,833
Bankers' acceptances	30	450	1,300	-	1,750

The Group	Note	As of 1.1.2023 RM'000	Financing cash flows RM'000	Non-cash changes RM'000	As of 31.12.2023 RM'000
Lease liabilities	29	332	(408)	1,821	1,745
Revolving credits	30	12,640	34,634	-	47,274
Bankers' acceptances	30	3,036	(2,586)	-	450
Multi-currency trade loan		419	(419)	-	-

The non-cash changes consist of additions of right-of-use assets during the financial year.

Notes to the Financial Statements

37. STATEMENTS OF CASH FLOWS (CONT'D)

(c) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	26	13,340	16,270	-	-
Cash and bank balances	26	8,237	13,974	177	7,163
		21,577	30,244	177	7,163

38. CAPITAL COMMITMENTS

As of December 31, 2024, the Group has the following commitments in respect of property, plant and equipment:

	The Group	
	2024 RM'000	2023 RM'000
Approved and contracted for:		
Land and buildings	33	14,396
Plant, machinery and equipment	18,536	29,307
Motor vehicles	238	1,335
	18,807	45,038
Approved but not contracted for:		
Land and buildings	5,703	12,228
Plant, machinery and equipment	-	8,818
	5,703	21,046
	24,510	66,084

Notes to the Financial Statements

39. SUBSEQUENT EVENTS

(a) Acquisition of land

On January 18, 2025, a wholly-owned subsidiary, Angenet Sdn Bhd entered into five separate Sales and Purchase Agreements with two individuals to acquire approximately 27 acres of agricultural land in the District of Batu Pahat for a total consideration of RM5,703,100.

(b) Approval of bonus issue

At an Extraordinary General Meeting held on January 22, 2025, the shareholders approved a bonus issue of up to 319,314,145 new ordinary shares in Spritzer ("Spritzer Share(s)") ("Bonus Share(s)") on the basis of 1 Bonus Share for every 1 existing Spritzer Share issued as fully paid shares at nil consideration and without capitalisation of the Company's reserves.

A total of 319,314,145 Bonus Shares was issued on February 12, 2025 and the Bonus Issue was completed following the listing of and quotation for the 319,314,145 Bonus Shares on Bursa Malaysia Securities Berhad on February 13, 2025. The Bonus Shares rank pari passu with the existing ordinary shares of the Company.

Statement by Directors

The directors of **SPRITZER BHD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of December 31, 2024 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

Signed in accordance with a resolution of the Directors,

Y BHG DATO' LIM KOK BOON, DPMP
Managing Director

MR LIM SENG LEE
Executive Director

April 2, 2025

Declaration by the Officer Primarily Responsible for the Financial Management of the Company

I, **CHOW SHAN LEE (IC No. 700919-07-5890)**, the officer primarily responsible for the financial management of **SPRITZER BHD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

MS CHOW SHAN LEE
MIA 17136

Subscribed and solemnly declared by the abovenamed **CHOW SHAN LEE** at **IPOH** this 2nd day of April 2025.

Before me,

MR WONG KIAN SHYAN
NO.: A292
COMMISSIONER FOR OATHS

Analysis of Shareholdings

As of April 2, 2025

SHARE CAPITAL

Number of Issued Share	: 636,738,290 ordinary shares (excluding 1,890,000 Treasury Shares)
Issued Share Capital	: RM224,399,178
Class of Shares	: Ordinary shares
Voting Rights	: One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders		Number of Issued Shares	
	Number	Percentage	Number	Percentage
Less than 100 shares	106	3.77	2,982	**
100 to 1,000 shares	535	19.00	244,302	0.04
1,001 to 10,000 shares	1,378	48.95	7,611,608	1.20
10,001 to 100,000 shares	599	21.28	20,023,208	3.14
100,001 to less than 5% of issued shares	193	6.86	224,578,216	35.27
5% and above of issued shares	4	0.14	384,277,974	60.35
Total	2,815	100.00	636,738,290	100.00

** Negligible

SUBSTANTIAL SHAREHOLDERS (as per the Company's Register of Substantial Shareholders)

Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	Percentage	Number of Shares	Percentage
1. Yee Lee Corporation Bhd ("YLC")	205,669,486	32.30	-	-
2. Tasik Puncak Holdings Ltd ("TPH") (as a general partner for Tasik Puncak Holdings, LP)	70,161,674	11.02	-	-
3. Yee Lee Holdings Sdn Bhd ("YLH")	68,434,994	10.75	-	-
4. Lim A Heng @ Lim Kok Cheong ("LKC")	40,011,520	6.28	293,866,570 ^a	46.15
5. Lim Kok Boon ("LKB")	27,632,500	4.34	19,230,896 ^b	3.02
6. Chua Shok Tim @ Chua Siok Hoon ("CSH")	8,020,100	1.26	325,857,990 ^c	51.18
7. Lai Yin Leng ("LYL")	699,998	0.11	46,163,398 ^d	7.25
8. Langit Makmur Sdn Bhd ("LM")	-	-	205,669,486 ^e	32.30
9. Yee Lee Organization Bhd ("YLO")	-	-	274,104,480 ^f	43.05
10. Unikampar Credit And Leasing Sdn Bhd ("UCL")	-	-	274,104,480 ^g	43.05
11. Uniyelee Sdn Bhd ("UYL")	-	-	274,104,480 ^g	43.05

Analysis of Shareholdings

As of April 2, 2025

SUBSTANTIAL SHAREHOLDERS (as per the Company's Register of Substantial Shareholders) (Cont'd)

Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	Percentage	Number of Shares	Percentage
12. Yeleta Holdings Sdn Bhd ("YH")	-	-	274,104,480 ^h	43.05
13. Young Wei Holdings Sdn Bhd ("YW")	-	-	274,104,480 ⁱ	43.05
14. Diamond GP Holdings Ltd ("DGP")	-	-	70,161,674 ^j	11.02
15. Dymon Asia Private Equity (S.E. Asia) Ltd ("Dymon SEA")	-	-	70,161,674 ^k	11.02
16. DAPE Ltd ("DAPE")	-	-	70,161,674 ^l	11.02
17. Tan Keng Soon	-	-	70,161,674 ^m	11.02
18. Dymon Asia Capital Ltd ("DAC")	-	-	70,161,674 ^m	11.02
19. Yong Ming Chong	-	-	70,161,674 ⁿ	11.02

Notes:

- ^a Deemed interest by virtue of his shareholdings in Chuan Sin Resources Sdn Bhd ("CSR") and YW pursuant to Section 8 of the Companies Act 2016 ("Act"); and the shares held by his spouse, CSH and sons, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 59(11)(c) of the Act.
- ^b Deemed interest by virtue of his shareholding in CSR pursuant to Section 8 of the Act; and the shares held by his spouse, LYL and sons, Lim Seng Lee and Lim Hock Lai in the Company pursuant to Section 59(11)(c) of the Act.
- ^c Deemed interest by virtue of her shareholding in YW and deemed shareholding in CSR pursuant to Section 8 of the Act; and the shares held by her spouse, LKC and sons, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 59(11)(c) of the Act.
- ^d Deemed interest by virtue of her deemed shareholding in CSR pursuant to Section 8 of the Act; and the shares held by her spouse, LKB and sons, Lim Seng Lee and Lim Hock Lai in the Company pursuant to Section 59(11)(c) of the Act.
- ^e Deemed interest held through YLC pursuant to Section 8 of the Act.
- ^f Deemed interest held through LM and YLH pursuant to Section 8 of the Act.
- ^g Deemed interest held through YLO pursuant to Section 8 of the Act.
- ^h Deemed interest held through UCL pursuant to Section 8 of the Act.
- ⁱ Deemed interest held through YH pursuant to Section 8 of the Act.
- ^j Deemed interest held through TPH pursuant to Section 8 of the Act.
- ^k Deemed interest held through DGP pursuant to Section 8 of the Act.
- ^l Deemed interest held through Dymon SEA pursuant to Section 8 of the Act.
- ^m Deemed interest held through DAPE pursuant to Section 8 of the Act.
- ⁿ Deemed interest held through DAC pursuant to Section 8 of the Act.

Analysis of Shareholdings

As of April 2, 2025

DIRECTORS' SHAREHOLDINGS (as per the Company's Register of Directors' Shareholdings)

Directors	Direct Interest		Deemed Interest	
	Number of Shares	Percentage	Number of Shares	Percentage
1. Lim A Heng @ Lim Kok Cheong	40,011,520	6.28	293,866,570 ^a	46.15
2. Lim Kok Boon	27,632,500	4.34	19,230,896 ^b	3.02
3. Lim Seng Lee	6,218,298	0.98	11,475,300 ^c	1.80
4. Lam Sang	6,755,046	1.06	-	-
5. Chok Hooa @ Chok Yin Fatt	641,500	0.10	-	-
6. Tan Chow Yin	-	-	-	-
7. Loh Chooi Ngan	-	-	-	-
8. Nik Marni binti Nik Mohamad Pena	20,000	**	-	-
9. Hanani Hayati binti Mohd Adhan	-	-	-	-

** Negligible

Notes:

- ^a Deemed interest by virtue of his shareholdings in CSR and YW pursuant to Section 8 of the Act; and the shares held by his spouse, CSH and sons, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 59(11)(c) of the Act.
- ^b Deemed interest by virtue of his shareholding in CSR pursuant to Section 8 of the Act; and the shares held by his spouse, LYL and sons, Lim Seng Lee and Lim Hock Lai in the Company pursuant to Section 59(11)(c) of the Act.
- ^c Deemed interest by virtue of his shareholding in CSR pursuant to Section 8 of the Act; and the shares held by his spouse, Huang Yu Ying in the Company pursuant to Section 59(11)(c) of the Act.

By virtue of Dato' Seri Lim A Heng @ Lim Kok Cheong's interest in the shares of the Company, he is also deemed to have an interest in the shares of all the subsidiary companies to the extent that the Company has interest.

Analysis of Shareholdings

As of April 2, 2025

TOP THIRTY SECURITIES ACCOUNT HOLDERS

Shareholders	Number of Shares	Percentage
1. Yee Lee Corporation Bhd	151,015,998	23.72
2. CGS International Nominees Malaysia (Asing) Sdn Bhd Exempt An for CGS International Securities Singapore Pte. Ltd. (Retail Clients)	70,161,974	11.02
3. Yee Lee Holdings Sdn Bhd	68,434,994	10.75
4. Yee Lee Corporation Bhd	54,653,488	8.58
5. Lim A Heng @ Lim Kok Cheong	40,011,520	6.28
6. Lim Kok Boon	27,632,500	4.34
7. Amanahraya Trustees Berhad Public Strategic Smallcap Fund	16,861,900	2.65
8. Chuan Sin Resources Sdn. Bhd.	10,221,000	1.61
9. CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Unique Bay Sdn. Bhd. (PB)	9,747,400	1.53
10. Chua Shok Tim @ Chua Siok Hoon	8,020,100	1.26
11. Lam Sang	6,775,046	1.06
12. Amanahraya Trustees Berhad PMB Shariah Growth Fund	6,000,000	0.94
13. Citigroup Nominees (Asing) Sdn Bhd Exempt An for Citibank New York (Norges Bank 22)	5,712,200	0.90
14. Nik Mohamad Pena bin Nik Mustapha	5,520,000	0.87
15. Amanahraya Trustees Berhad PB Smallcap Growth Fund	5,496,400	0.86
16. Amanahraya Trustees Berhad Public Islamic Treasures Growth Fund	4,934,800	0.78
17. Amanahraya Trustees Berhad Public Islamic Emerging Opportunities Fund	4,651,900	0.73
18. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Lim Seng Lee (MY4422)	4,389,798	0.69
19. HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for AHAM Aiiman Growth Fund	4,073,800	0.64
20. Citigroup Nominees (Asing) Sdn Bhd Exempt an for Citibank New York (Norges Bank 19)	4,000,000	0.63
21. Amanahraya Trustees Berhad Public Select Treasures Equity Fund	3,935,400	0.62
22. Mohd Adhan Bin Kechik	3,801,894	0.60
23. Affin Hwang Nominees (Tempatan) Sdn Bhd Exempt An for Lim & Tan Securities Pte Ltd (Clients A/C)	3,600,000	0.57
24. Maybank Securities Nominees (Tempatan) Sdn Bhd Pledge Securities Account for Yoong Kah Yin	3,046,000	0.48
25. Jailani bin Abdullah	2,992,124	0.47
26. IFAST Nominees (Tempatan) Sdn Bhd Global Success Network Sdn Bhd	2,620,000	0.41
27. Maybank Nominees (Tempatan) Sdn Bhd Saw Hoe Heng	2,186,300	0.34
28. Ng Tiow Min	2,034,000	0.32
29. Khoo Su Chin	2,010,000	0.32
30. Au Yang Tuan Kah	2,002,000	0.31
Total	536,522,536	84.28

List of Properties

As of December 31, 2024

Location	Tenure	Current Use	Approximate Age of Building	Land/Gross Amount (sq. metres)	Carrying Amount RM'000	Date of Acquisition* / Valuation
Lot 144371 H.S. (D) 127812 (formerly Lot PT 121576), Mukim and District of Klang, Selangor Darul Ehsan.	Freehold	Industrial land / Factory / Office complex	Factory / Office 18 years	31,386 / 18,815	49,152	11.09.2009
PT 7579 Pajakan Negeri No. H.S. (D) 24492 (formerly Lot No. 643 Geran 35453), PT 7580 Pajakan Negeri No. H.S. (D) 24493 (formerly part of Lot No. 129 CT 12779), PT 7581 Pajakan Negeri No. H.S. (D) 24494 (formerly part of Lot No. 129 CT 12779), Lot No.135 Title No. Pajakan Negeri No. 2577, Lot No. 898 Title No. Geran Mukim 300, Lot No. PT 4911 Surat Hakmilik H.S. (D) LM 15332, Lot No. 814 Geran Mukim 313, Lot No. 388 EMR 753, Lot No. 1574 EMR 630, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	<u>Lot 135</u> Leasehold expiring on 31.08.2890 <u>PT 7579,</u> <u>7580</u> <u>& 7581</u> Leasehold expiring on 23.09.2890 <u>Remaining</u> <u>Lots</u> Freehold	Factory / Office / Staff quarters / Agricultural / Development land	Factory / Office 17 to 30 years Warehouse 5 to 26 years Staff quarters 18 to 20 years	212,182 / 48,468	57,921	31.05.2010
Lot No. 454 Pajakan Negeri No. 3176, Lot Nos.1595, 384, 386, 387, 10078, 10079, & (P.T.) 4912, Title Nos. Geran 31600 (formerly C.T. 7366), Geran Mukim 315, EMR 615, EMR 1374 and Surat Hakmilik H.S. (D) LM 15333 respectively, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	<u>Lot 454</u> Leasehold expiring on 28.11.2894 <u>Remaining</u> <u>Lots</u> Freehold	Staff quarters / Minigolf course and building / Agricultural / Development land	Staff quarters 17 years Building 9 years	201,673 / 1,689	8,967	31.05.2010
Lot No. 9535 Pajakan Negeri No. 114421, Lot No. 9538 Pajakan Negeri No. 114424, Lot No. 9539 Pajakan Negeri No. 114425, Lot No. 9540 Pajakan Negeri No. 114426, Lot No. 9545 Pajakan Negeri No. 114431, Lot No. 9546 Pajakan Negeri No. 114432, Lot No. 9547 Pajakan Negeri No. 114433, Lot No. 9548 Pajakan Negeri No. 114434, Title No. H.S. (D) L & M 2361, 2364, 2365, 2366, 2371, 2372, 2373 & 2374, respectively, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 13.11.2084	8 units single storey terrace house	30 years	1,537 / 669	455	31.05.2010
H.S. (M) 4162 No. P.T.D. 6382, H.S. (M) 4163 No. P.T.D. 6383, H.S. (M) 4164 No. P.T.D. 6384, H.S. (M) 4189 No. P.T.D. 6385, H.S. (M) 4188 No. P.T.D. 6386, H.S. (M) 4202 No. P.T.D. 6405, H.S. (M) 4201 No. P.T.D. 6407, H.S. (M) 4160 No. P.T.D. 6409, H.S. (M) 4172 No. P.T.D. 6408, H.S. (M) 4194 No. P.T.D. 6442, H.S. (M) 4193 No. P.T.D. 6443, H.S. (M) 4208 No. P.T.D. 6387, H.S. (M) 4192 No. P.T.D. 6444, H.S. (M) 4191 No. P.T.D. 6445, H.S. (M) 4170 No. P.T.D. 6406, H.S. (M) 17929 No. P.T.D. 6466, H.S. (M) 17930 No. P.T.D. 6467, H.S. (M) 4159 No. P.T.D. 6468, H.S. (M) 4425 No. P.T.D. 6477, H.S. (M) 4427 No. P.T.D. 6478, H.S. (M) 4207 No. P.T.D. 6388, Mukim Tanjong Sembrong, Bukit Jintan, Johor Darul Takzim.	Freehold	Factory / Office / Staff quarters / Agricultural land	7 to 29 years	176,574 / 14,377	18,599	31.05.2010, *17.12.2012, *02.06.2014, *19.12.2017, *06.05.2020, *31.01.2021, *31.05.2021, *01.11.2022, *12.07.2023, *15.02.2024, and *18.11.2024

List of Properties

As of December 31, 2024

Location	Tenure	Current Use	Approximate Age of Building	Land/Gross Amount (sq. metres)	Carrying Amount RM'000	Date of Acquisition* / Valuation
H.S. (M) 16569 No. P.T.D. 4130, Mukim Tanjong Sembrong, Bukit Jintan, Johor Darul Takzim.	Leasehold expiring on 18.05.2113	Agricultural land	N/A	18,170	757	*16.01.2020
H.S. (M) 15678 No. P.T.D. 27800, H.S. (M) 15679 No. P.T.D. 27801, Mukim Tanjong Sembrong, Bukit Jintan, Johor Darul Takzim.	Leasehold expiring on 12.09.2111	Agricultural land	N/A	21,960	827	*04.12.2024
Lot Nos. 181631, 181632, 181633 & 181642, Title Nos. Pajakan Negeri 89482, 89483, 89484 & 89493 respectively, Mukim of Hulu Kinta, District of Kinta, Perak Darul Ridzuan.	Leasehold expiring on 17.10.2089	Factory / Office complex / Vacant industrial land	Factory / Office 31 years Warehouses 12 to 28 years	33,969 / 15,517	11,226	31.05.2010
Lot No. 644 Geran 35454, Lot No. 130 CT 12780, Lot No. 131 CT 2974, Lot No. 902 EMR 663, Lot No. 903 EMR 664, Lot No. 904 EMR 665, Lot Nos. 125, 126, 10083, 10084 & 817, Lot No. 48 EMR 1000, Lot No. 827 EMR 539, Lot No. 1234 EMR 929, Lot No. 1235 EMR 928, Lot No. 1246 EMR 931, Lot No. 1466 EMR 1069, Lot No. 1043 CT 9668, Lot No. 455 Pajakan Negeri No. 2563, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	<u>Lot 125, 130 & 131</u> Leasehold expiring on 31.08.2890 <u>Lot 126</u> Leasehold expiring on 23.09.2890 <u>Lot 455</u> Leasehold expiring on 19.11.2893 <u>Remaining Lots</u> Freehold	Agricultural / Development land	N/A	764,890	10,673	31.05.2010
Lot No. 57253, Mukim of Bandar Kepong, District of Gombak, Selangor Darul Ehsan.	Freehold	Vacant industrial land	N/A	8,266	10,885	31.05.2010
Lot 47439 PN 379994 (formerly Lot No. P.T. 77 Title No. H.S. (D) KA 6980/85), Mukim of Hulu Kinta, District of Kinta, Perak Darul Ridzuan.	Leasehold expiring on 05.04.2066	Industrial / Factory complex	41 to 58 years	4,076 / 2,547	2,550	31.12.2024
Lot No. 10647, Title No. Pajakan Negeri 78371, Mukim of Bidor, District of Batang Padang, Perak Darul Ridzuan.	Leasehold expiring on 05.03.2083	Vacant industrial land	N/A	16,190	1,200	31.12.2024
Lot No. 3729, Title No. H.S. (D) L & M 124/75, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 22.08.2035	Factory / Office complex	30 to 49 years	1,028 / 782	940	31.12.2024
Lot No. 11319 HSM 1854, Lot No. 11320 HSM 1855, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Freehold	Commercial building	16 years	339	890	31.12.2024

List of Properties

As of December 31, 2024

Location	Tenure	Current Use	Approximate Age of Building	Land/Gross Amount (sq. metres)	Carrying Amount RM'000	Date of Acquisition* / Valuation
Lot No. 1044, Title No. Pajakan Negeri 2561 Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 31.08.2891	Agricultural land	N/A	122,190	3,102	*30.09.2013
Lot No.10082, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Freehold	Agricultural land	N/A	11,710	519	*31.08.2017
Geran 44071/M3/8/356, No. Petak 356, Geran 44071/M4/8/492, No. Petak 492 & Geran 44071/M1/7/90, No. Petak 90, Lot 40356, Pekan Hicom, Daerah Petaling, Selangor Darul Ehsan.	Strata title	Staff quarters	21 to 27 years	207	535	*02.06.2017 and *07.11.2024
VIDA Bukit Ceylon Unit D-08-01, B2-08-02 & C3-08-03, No. 1D, Jalan Ceylon, 50200 Kuala Lumpur.	Strata title	Vacant office suites	8 years	351	3,885	*01.10.2018
Lot No.192 & 1594, Lot 758 & Lot 1339, Lot 403, 406, 407 & 1473, Lot 1469 & Lot 199 Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Freehold	Agricultural land	N/A	353,577	11,580	*30.11.2021, *30.04.2022, *31.10.2022, *30.06.2023 and *31.05.2024
Lot 5419, 4294, 4298, 6213, 5763, 2356, 5414 Mukim Sungai Tinggi; Lot 1377, 194, 195, 207, 399, 495, 496, 497, 498, 511, 1090, Mukim Trong; Lot 842, 1019, 1020, 1021, 1022, 1024, 1025, 1027, 1033, 1950, 2014, 3348, 3486, 3959, 5076, 5077, 5078, 5079, 5080, 5081, 5082, 5083, 5084, 5085, 5098, 5099, 5100, 5101, 5102, Mukim Bukit Gantang; District of Larut & Matang, Perak Darul Ridzuan.	<u>Lot 5419,</u> <u>4294,</u> <u>4298, 6213,</u> <u>5763 &</u> <u>1377</u> Leasehold expiring on 01.07.2895 <u>Remaining</u> <u>Lots</u> Freehold	Agricultural land	N/A	4,967,916	79,989	*30.06.2022
Lot 16278 Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 31.08.2890	Agricultural land	N/A	97,580	6,843	*19.01.2024
Geran 44072/M3/9/90, No. Petak 389 Lot 40353, Pekan Hicom, Daerah Petaling, Selangor Darul Ehsan.	Strata title	Staff quarters	20 years	69	236	*01.03.2024

Notice of 32nd Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty-Second (“32nd”) Annual General Meeting (“AGM”) of Spritzer Bhd (“Spritzer” or “Company”) will be held at Lot 898, Jalan Reservoir, Off Jalan Air Kuning, 34000 Taiping, Perak Darul Ridzuan on Friday, May 30, 2025 at 10.30 a.m. for the transaction of the following business:

ORDINARY BUSINESS

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended December 31, 2024 and the Reports of the Directors and Auditors thereon. | Please refer to Explanatory Note 1 |
| 2. To declare a first and final dividend of 4.0 sen per share, under the single tier system, in respect of the financial year ended December 31, 2024. | Resolution 1 |
| 3. To re-elect the following Directors who retire by rotation in accordance with Clause 85 of the Company’s Constitution and, being eligible, offer themselves for re-election:

(i) Lim Kok Boon
(ii) Loh Chooi Ngan
(iii) Hanani Hayati binti Mohd Adhan | Resolution 2
Resolution 3
Resolution 4 |
| 4. To approve the payment of Directors’ fees amounting to RM453,000 in respect of the financial year ended December 31, 2024. | Resolution 5 |
| 5. To approve the payment of other benefits (excluding Directors’ fees) up to RM855,000 to the Non-Executive Directors from May 31, 2025 until the next AGM of the Company. | Resolution 6 |
| 6. To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 7 |

SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolutions with or without modifications:

- | | |
|--|---------------------|
| 7. Authority to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights

“THAT pursuant to the Companies Act 2016 (“Act”), the Constitution of the Company and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company, from time to time at such price, upon such terms and conditions, for such purposes and to such persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being, and that pursuant to Section 85 of the Act read together with Clause 52 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of Spritzer to be offered new shares of the Company ranking equally to the existing issued shares arising from issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act; AND THAT the Directors be and are also empowered to obtain the approval for listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Bursa Securities”); AND FURTHER THAT such authority shall commence immediately upon passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.” | Resolution 8 |
|--|---------------------|

Notice of 32nd Annual General Meeting

8. Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

"THAT approval be and is hereby given to the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations as set out in Section 2.4 of Part A of the Circular/Statement to Shareholders dated April 30, 2025 subject to the followings:

Resolution 9

- (i) the transactions are carried out in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the period with a breakdown of the aggregate value of the recurrent transactions based on the following information:
 - (a) the type of the recurrent transactions made; and
 - (b) the names of the related parties involved in each type of the recurrent transactions and their relationship with the Company.

AND THAT such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed by the shareholders of the Company in a general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company is required 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 a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earliest.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things as they may deemed necessary or expedient to give full effect to the Proposed Shareholders' Mandate."

Notice of 32nd Annual General Meeting

9. Proposed Renewal of Authority to Purchase its Own Shares by Spritzer Bhd

"THAT, subject always to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the extent permitted by law, to buy-back and/or hold such amount of shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of shares bought-back and/or held does not exceed ten percent (10%) of the total number of issued shares of the Company at any point of time;
- (ii) the maximum amount to be allocated for the buy-back of the Company's own shares shall not exceed the retained profits of the Company.

THAT the Directors be and are hereby authorised, at their absolute discretion, to deal with the treasury shares which may be distributed as dividends, resold, transferred, cancelled and/or in any other manners as may be permitted or prescribed by the Act, the Listing Requirements and any applicable laws, rules, regulations, guidelines, requirements and/or orders of any other relevant authorities for the time being in force.

AND THAT the authority conferred by this resolution shall commence upon the passing of this resolution until:

- (i) the conclusion of the next AGM of the Company at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

THAT the Directors of the Company be and are hereby empowered to do all such acts and enter into all such transactions, arrangements and agreements, and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions as may be necessary or expedient in order to give full effect to the proposed share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as the Directors may, in their absolute discretion, deem fit and in the interest of the Company and/or as may be imposed or agreed to by any relevant authorities."

10. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

Resolution 10

Notice of 32nd Annual General Meeting

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT a first and final dividend of 4.0 sen per share, under the single tier system, in respect of the financial year ended December 31, 2024, subject to the approval of the shareholders at the 32nd AGM will be paid on June 20, 2025 to Depositors whose names appear in the Record of Depositors on June 6, 2025.

A Depositor shall qualify for entitlement to the dividends only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on June 6, 2025 in respect of transfers; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

CHOW SHAN LEE
SSM PC NO. 202308000610
(MIA 17136)

TAN BOON TING
SSM PC NO. 202008002544
(MAICSA 7056136)
Company Secretaries

Ipoh, Perak Darul Ridzuan
April 30, 2025

Notice of 32nd Annual General Meeting

Notes:

1. Appointment of Proxy

- (i) In respect of deposited securities, only Members whose name appears on the Record of Depositors as at May 26, 2025 shall be entitled to attend the Meeting or appoint proxies to attend and/or vote on his behalf.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either under Seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorized in writing. A proxy may but need not be a Member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the Member to speak at the Meeting.
- (iii) Where a member entitled to vote on a resolution has appointed more than one (1) proxy, the proxies shall only be entitled to vote on poll provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.
- (iv) Where a Member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one 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 hold.
- (v) The instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manners and must be received by the Company's Share Registrar not less than twenty-four (24) hours before the time appointed for holding the Meeting at which the person named in the appointment proposes to vote:
 - (a) In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (b) In the case of electronic appointment, the proxy form must be deposited via TIIH Online at <https://tiih.online>. Procedures for electronic submission of proxy form can be found in Administrative Guides for the 32nd AGM.
- (vi) Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all the Resolutions set out in the Notice will be put to vote by poll.
- (vii) The Members are advised to refer to the Administrative Guides for the 32nd AGM on the registration process for the Meeting. Kindly check Bursa Securities' and/or the Company's website at <https://www.spritzer.com.my> for the latest updates on the status of the Meeting, if any.

2. Explanatory Note on Ordinary Business

Note 1

This agenda item is intended for discussion only as under Section 340(1)(a) of the Act, the Audited Financial Statements do not require formal approval of shareholders. As such, this agenda item will not be put forward for voting.

Notice of 32nd Annual General Meeting

3. Explanatory Notes on Special Business

Ordinary Resolutions

Resolution 8 – Authority to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights

The proposed Resolution 8, if passed, will give a renewed mandate to the Directors of the Company, from the date of the forthcoming AGM, the authority to allot and issue ordinary shares of the Company up to an amount not exceeding ten percent (10%) of the Company's total number of issued shares for purpose of funding the working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Waiver of Pre-emptive Rights will allow the Directors of the Company to issue new ordinary shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company.

Resolution 9 – Proposed Shareholders' Mandate

The proposed Resolution 9, if passed, will authorise the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business.

Resolution 10 – Proposed Renewal of Authority to Purchase its Own Shares

The proposed Resolution 10, if passed, will empower the Company to purchase its own shares up to ten percent (10%) of the total number of issued shares of the Company at any given point in time through Bursa Securities.

Please refer to the Circular/Statement to Shareholders dated April 30, 2025 for further information on Resolutions 9 and 10.

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SPRITZER BHD
Registration No 199301010611 (265348-V)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No	No of shares held

I/We, _____ Tel: _____
(Full name, NRIC No or Registration No)

of _____
(Address)

being a member of **SPRITZER BHD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No	Proportion of Shareholdings	
		No of Shares	%
Address			

* and/or

Full Name (in Block)	NRIC/Passport No	Proportion of Shareholdings	
		No of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as *my/our proxy/proxies to vote for *me/us and on *my/our behalf at the Thirty-Second Annual General Meeting of the Company to be held on Friday, May 30, 2025 at 10.30 a.m. at Lot 898, Jalan Reservoir, Off Jalan Air Kuning, 34000 Taiping, Perak Darul Ridzuan, and at any adjournment thereof, and to vote as indicated below:

RESOLUTION	DESCRIPTIONS	FOR	AGAINST
ORDINARY BUSINESS			
1	To declare a first and final dividend		
2	To re-elect Lim Kok Boon as Director		
3	To re-elect Loh Chooi Ngan as Director		
4	To re-elect Hanani Hayati binti Mohd Adhan as Director		
5	To approve the payment of Directors' fees		
6	To approve the payment of other benefits (excluding Directors' fees) to the Non-Executive Directors from May 31, 2025 until the next AGM of the Company.		
7	To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
SPECIAL BUSINESS			
8	To authorise the Directors to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights		
9	To approve the Proposed Shareholders' Mandate		
10	To approve the Proposed Renewal of Authority to Purchase its Own Shares by Spritzer Bhd		

* Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. If no specific direction as to voting is given, your proxy will vote or abstain from voting at his discretion.

Dated this _____ day of _____ 2025.

Signature^
Member

* Delete whichever is inapplicable

^ Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are corporate member which has a common seal, this proxy form should be executed under common seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, one (1) of whom shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



Notes:

- (i) In respect of deposited securities, only Members whose name appears on the Record of Depositors as at May 26, 2025 shall be entitled to attend the Meeting or appoint proxies to attend and/or vote on his behalf.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either under Seal or under the hand of two (2) authorised officer, one of whom shall be a director, or of its attorney duly authorized in writing. A proxy may but need not be a Member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the Member to speak at the Meeting.
- (iii) Where a member entitled to vote on a resolution has appointed more than one (1) proxy, the proxies shall only be entitled to vote on poll provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.
- (iv) Where a Member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one 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 hold.
- (v) The instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the Meeting at which the person named in the appointment proposes to vote:
 - (a) In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (b) In the case of electronic appointment, the proxy form must be deposited via TIIH Online at <https://tiah.online>. Procedures for electronic submission of proxy form can be found in Administrative Guides for the 32nd AGM.
- (vi) Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all the Resolutions set out in the Notice will be put to vote by poll.
- (vii) The Members are advised to refer to the Administrative Guides for the 32nd AGM on the registration process for the Meeting. Kindly check Bursa Securities' and/or the Company's website at <https://www.spritzer.com.my> for the latest updates on the status of the Meeting, if any.

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STAMP

Share Registrar for Spritzer Bhd – 32nd AGM

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
Malaysia

Fold here to seal



SPRITZER BHD
必胜有限公司
199301010611 (265348-V)

www.spritzer.com.my