SPRITZER®

SPRITZER BHD

必勝有限公司

(265348-V)

25 YEARS OF SPRITZERLY NATURAL

1989 - 2014

Annual Report 2014


TINGE

Spritzer 25 years of Quality

trendy
natural
amusing
best selling
excitement

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 non-carbonated and refreshing flavoured drink with no added colouring specially created for teens who adore celebrities.


SPRITZER
POP
Apple
Berries

Spritzer 25 years of Healthy Living

talent
trend-setting
energetic
stylish
cool & fun

Spritzer POP

Spritzer Pop is a delightful and all-natural refreshment. It is lightly carbonated with absolutely no added artificial colouring that is definitely a favourite among kids and parents. So take your pick from five exotic fruit flavours: Honeydew, Apple, Lemon, Mixed Berries and Orange.

Spritzer 25 years of History

bold
reliable
influential
impactful
popular

Spritzer+ FIBRE

Spritzer+ FIBRE is a healthy beverage that contains soluble dietary fibres for optimal intestinal functions with its prebiotics effect. It also enhances calcium absorption for an increases bone mineral density. Choose Spritzer+ Fibre for a functional drink that ultimately contributes back to you that leads to a healthier and happier you.


SPRITZER

Spritzer 25 years of Excellence

integrated

taping, perak

professional

manufacturer

passionate

Spritzer Natural Mineral Water

Truly a gift of nature, Spritzer Natural Mineral Water is extracted from an aquifer located 420 feet underground within a lush tropical rainforest. This clear and refreshing thirst-quencher is produced and bottled out of a vast 330-acres private protected reserve. Reaching the aquifer after travelling through natural rocks formations over many years, this pure water contains many beneficial trace minerals, including OSA, a naturally occurring form of bioactive and bio-available silicon.

25

YEARS OF

SPRITZERLY

NATURAL

1989 - 2014

rate Social
sponsibility

#AWESOMEPOSTER

SPRITZER®

PERFECT BY NATURE ENRICH BY US.

We are located at
TAIPING, PERAK
the wettest town in all of PENINSULAR MALAYSIA.

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

Originates
SPRITZER
NATURAL MINERAL WATER
containing
43 mg/l
of silicon ambience of the tropical rainforest

30,000
Newly Invested in a Fully Automated and High Speed Line Capable to Produce 30,000 Bottles Per Hour

OPERATION IN EXISTENCE FOR
25 YEARS

ACCORDED READER'S DIGEST TRUSTED BRAND PLATINUM AWARD FOR OVER 13 CONSECUTIVE YEARS

0 HUMAN CONTACT WITH WATER

ZERO

330 ACRES
SUSTAINABILITY CONSERVED WITHIN OUR VAST LAND BANK OF PRISTINE RAINFOREST

Strict adherence to certifications of world recognized standards in safety and quality of food:
ISO 9001:2000, HACCP, KOSHER, HALAL AND GMP

PURITY OF WATER COMES FROM
420 FT
UNDERGROUND SOURCE

Making SPRITZER
NO.1 IN MALAYSIA

Spritzer products are covered by product liability insurance of
RM4,000,000

To show our commitment, our share capital exceeds
USD20,000,000

why we need to drink lots of
WATER

Did you know that our bodies are made up of two thirds water and that the systems in our bodies need water to function? Without water, we would be able to live for only three days as our bodies would start shutting down very quickly due to dehydration. In fact, for those of us in tropical climates, experts recommend that we consume around two litres of water per day for optimal health. Be a smart consumer and choose Spritzer natural mineral water for your hydration needs and also obtained the OSA collagen benefits and brain health today!

advantages of
DRINKING SPRITZER NATURAL MINERAL WATER

- mineral water helps us relieve arthritis and rheumatism
- helps promote digestion
- for healthier heart
- for healthier bones
- 0 calories
- good for the skin

1989
The first SPRITZER bottling plant was established in Tupai Light Industrial Area, Taiping.

SPRITZER Natural Mineral Water was launched.

1993
SPRITZER Distilled Drinking Water was launched.

1994
A new bottling facility was established in Air Kuning, Taiping.

1996
SPRITZER Fun-PET was launched.

1997
Received ISO 9002 certification.

SPRITZER POP natural fruit flavoured carbonated drink was launched.

1999
Received **AQUA AWARDS** from The International Bottled Water Association.

2000
SPRITZER Bhd was listed in Main Market of BURSA Malaysia Securities Bhd. Malaysia. Consolidated the two bottling plants as one in AIR KUNING, TAIPING.

2002
SPRITZER Sparkling was launched.

2006
SPRITZER Love was launched.

2007
SPRITZER Tinge was launched.

25 YEARS OF SPRITZERLY NATURAL 1989 - 2014

2010
SPRITZER+ FIBRE was launched.

The new SPRITZER website **http://www.spritzer.com.my** was launched and offers a more efficient and convenient purchase experience.

Started online business with **SPRITZER E-Commerce** which offers online shopping of SPRITZER products and free delivery to doorstep.

Established another drinking water bottling plant in Shah Alam, Selangor.

2011
SPRITZER water was recognized by ITQi Brussels in the Superior Taste category.

Frost & Sullivan awarded SPRITZER the title **"Asia Pacific Bottled water company of the year".**

Received Certificate of Malaysia Brand by SIRIM QAS International Sdn. Bhd. Received the BrandLaureate Award.

2012
Received BrandLaureate Award

2013
Expanded in phase and today have acquired land bank of **330 ACRES** of natural pristine surrounding admist natural tropical rainforest.

Frost & Sullivan awarded SPRITZER the title **"ASIA PACIFIC BOTTLED WATER COMPANY OF THE YEAR".**

Spritzer-Silicon(OSA) Rich Natural Mineral Water was discovered in a clinical trial by Keele University from United Kingdom published in Journal of Alzheimers Disease(2013) to be very effective in removing the neurotoxin, aluminium from the body, resulting in some individuals improving their cognition function.

2014
CELEBRATING

25th Anniversary

AWARDS WINNING

Reader's Digest Trusted Brand Platinum Award 2014 (13th year)

Reader's Digest Trusted Brand Gold Award 2014 (Cactus)

Frost & Sullivan Asia Pacific Bottled Water Company of the Year 2014 (5th year)

International Taste & Quality Institute (ITQi) - Superior Taste Award 2014 for Remarkable (4th year)

Asia Excellent Brand Award 2014 (1st year)

Spritzer has been formally recognised by the Malaysia Book of Records as The Largest Bottled Water Producer in Malaysia.

milestone 1989-2014

25

YEARS OF

SPRITZERLY

NATURAL

1989 - 2014

FEATURES

CONTENTS

Annual Report 2014 /// Spritzer Bhd

NOTICE OF 21ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT

the Twenty-First (**21st**) Annual General Meeting ("**AGM**") of Spritzer Bhd ("**Spritzer**" or "**Company**") will be held at Rooms 4 & 5, Level 1, Impiana Hotel Ipoh, No. 18, Jalan Raja Dr. Nazrin Shah, 30250 Ipoh, Perak Darul Ridzuan on Monday, November 24, 2014 at 11.00 a.m. for the transaction of the following business:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended May 31, 2014 and the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note A

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 May 31, 2014.
Resolution 1

3. To approve the payment of Directors' fees in respect of the financial year ended May 31, 2014.
Resolution 2

4. To re-elect the following Directors who retire by rotation in accordance with Article 85 of the Company's Articles of Association and, being eligible, offer themselves for re-election:-

(i) Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP **Resolution 3**
(ii) Dato' Ir . Nik Mohamad Pena Bin Nik Mustapha, DIMP **Resolution 4**
(iii) Dato' Mohd Adhan Bin Kechik, DJMK, SMK **Resolution 5**

5. To re-appoint Messrs. Deloitte (formerly known as Deloitte KassimChan) as Auditors of the Company and to authorise the Directors to fix their remuneration.
Resolution 6

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:-

6. Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, the Articles of Association of the Company and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares of the Company, from time to time, 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 per cent (10%) of the total issued share capital of the Company for the time being, and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."
Resolution 7

7. Proposed Renewal of Existing Shareholders' Mandate for 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 to Shareholders dated October 31, 2014 subject to the followings:-

(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 financial year 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 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

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."
Resolution 8

NOTICE OF 21ST ANNUAL GENERAL MEETING

8. Proposed Renewal of Authority to Purchase its Own Shares by Spritzer Bhd

“THAT, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association 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 Malaysia Securities Berhad (“**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 per cent (10%) of the total issued and paid-up share capital 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 share premium account and/or the retained profits of the Company; and

(iii) Upon completion of buy-back by the Company of its own shares, the Directors of the Company are authorised to deal with the shares so bought-back in any of the following manners:-

(a) cancel the shares so purchased; or

(b) retain the shares so purchased as treasury shares and held by the Company; or

(c) retain part of the shares so purchased as treasury shares and cancel the remainder, and the treasury shares may be distributed as dividends to the shareholders of the Company and/or resold on Bursa Securities and/or subsequently cancelled or any combination of the three.

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 following the AGM at which such resolution was passed 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.

AND THAT authority be and is hereby unconditionally and generally given to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid buy-back with full power to assent to any conditions, modifications, revaluations, variations and/ or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the shares bought-back) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements and all other relevant governmental and/or regulatory authorities.”

Resolution 9

21ST ANNUAL GENERAL MEETING

ROOMS 4&5, LEVEL 1
IMPIANA HOTEL IPOH
NO. 18
JALAN RAJA DR. NAZRIN SHAH
30250 IPOH, PERAK

NOV 24 MONDAY 11AM

9. Continuing in Office as Independent Non-Executive Directors

 (i) "THAT authority be and is hereby given to Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP who has served as the Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."
 Resolution 10

 (ii) "THAT authority be and is hereby given to Dato' Mohd Adhan bin Kechik, DJMK, SMK who has served as the Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."
 Resolution 11

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

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 May 31, 2014, subject to the approval of the shareholders at the 21st AGM will be paid on December 18, 2014 to Depositors whose names appear in the Record of Depositors at the close of business on December 4, 2014.

A Depositor shall qualify for entitlement to the dividends only in respect of:-

(a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on December 4, 2014 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

SOW YENG CHONG (MIA 4122)
TAN BOON TING (MAICSA 7056136)
Company Secretaries

Ipoh, Perak Darul Ridzuan
October 31, 2014

Notes:-

1. Appointment of Proxy

(i) A member of the Company entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. A proxy may but need not be a member of the Company and the provisions of Section 149 (1)(b) of the Companies Act, 1965 shall not apply to the Company.

(ii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an attorney.

(iii) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.

(iv) Where a member of the Company 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 must be deposited at the Registered Office of the Company at Lot 85, Jalan Portland, Tasek Industrial Estate, 31400 Ipoh, Perak Darul Ridzuan not less than forty-eight (48) hours before the time appointed for holding the meeting.

(vi) Only a depositor whose name appears on the Record of Depositors as at November 17, 2014 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his behalf.

2. Explanatory Notes

(A) This agenda item is intended for discussion only as under Section 169(1) of the Companies Act, 1965, the Audited Financial Statements do not require formal approval of shareholders. As such, this agenda item will not be put forward for voting.

FOR SPECIAL BUSINESS

(B) (i) The proposed Resolution 7, 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 per cent (10%) of the Company's total issued share capital 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.
As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on November 26, 2013 which will lapse at the conclusion of the forthcoming AGM.

(ii) The proposed Resolution 8, 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.

(iii) The proposed Resolution 9, if passed, will empower the Company to purchase its own shares up to ten per cent (10%) of the issued and paid-up share capital of the Company at any given point in time through Bursa Securities.

(iv) Continuing in Office as Independent Non-Executive Directors
Pursuant to the Malaysian Code of Corporate Governance 2012, the Board of Directors has via the Nomination Committee assessed the independence of Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Dato' Mohd Adhan bin Kechik, DJMK, SMK who each has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommend them to continue to act as Independent Non-Executive Directors of the Company.
The Board strongly believes that a director's independence cannot be determined arbitrarily with reference only to the tenure of service. To qualify as independence, a director must be independent in character and judgment, independent of management and free from any relationships or circumstances as set out in Chapter 1 of the Listing Requirements, which are likely to affect or appear to affect their independent judgment. The Board thus concluded that the two (2) Directors' length of service does not interfere with their exercise of independent judgment and ability to act in the best interests of the Company and shareholders. In addition, the Board believes that their knowledge of the Group's business and their proven commitment, experience and competence will greatly benefits the Company. The two (2) Directors concerned had declared their independence and their desire to continue to act as Independent Non-Executive Directors of the Company.
The proposed Resolutions 10 and 11, if passed, will enable Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Dato' Mohd Adhan bin Kechik, DJMK, SMK to continue to act as Independent Non-Executive Directors of the Company.

Please refer to the Circular to Shareholders dated October 31, 2014 for further information on Resolutions 8 and 9.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS

No individual is seeking new election as a Director at the forthcoming 21st AGM of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Non-Independent Non-Executive Chairman

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

Managing Director

DATO' LIM KOK BOON, DPMP

Executive Directors

DR. CHUAH CHAW TEO
LAM SANG

Non-Independent Non-Executive Director

CHOK HOOA @ CHOK YIN FATT, PMP

Independent Non-Executive Directors

DATO' IR. NIK MOHAMAD PENA BIN NIK MUSTAPHA, DIMP
DATO' MOHD ADHAN BIN KECHIK, DJMK, SMK
KUAN KHIAN LENG

AUDIT COMMITTEE

Chairman
Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP

Members
Chok Hooa @ Chok Yin Fatt, PMP
Dato' Mohd Adhan bin Kechik, DJMK, SMK
Kuan Khian Leng

NOMINATION COMMITTEE

Chairman
Dato Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP

Members
Dato' Mohd Adhan bin Kechik, DJMK, SMK
Kuan Khian Leng

REMUNERATION COMMITTEE

Chairman
Chok Hooa @ Chok Yin Fatt, PMP

Members
Dato' Mohd Adhan bin Kechik, DJMK, SMK
Kuan Khian Leng

ESOS COMMITTEE

Chairman
Dr. Chuah Chaw Teo

Members
Lam Sang
Lim Seng Lee

COMPANY SECRETARIES

Sow Yeng Chong (MIA 4122)
Tan Boon Ting (MAICSA 7056136)

STOCK EXCHANGE LISTING

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

REGISTERED OFFICE

Lot 85, Jalan Portland,
Tasek Industrial Estate,
31400 Ipoh, Perak Darul Ridzuan.
Tel. no : 05-2911055
Fax no : 05-2919962
E-mail : info@spritzer.com.my
Website : www.spritzer.com.my

SHARE REGISTRAR

Tricor Investor Services Sdn Bhd
(118401-V)
41, Jalan Medan Ipoh 6,
Bandar Baru Medan Ipoh,
31400 Ipoh, Perak Darul Ridzuan.
Tel. no : 05-5451222
Fax no : 05-5459222

AUDITORS

Messrs. Deloitte (AF 0080)
(Formerly known as Deloitte KassimChan)
Chartered Accountants
87, Jalan Sultan Abdul Jalil,
30450 Ipoh, Perak Darul Ridzuan.
Tel. no : 05-2531358
Fax no : 05-2530090

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
RHB Bank Berhad
OCBC Bank (Malaysia) Berhad
AmBank (M) Berhad
CIMB Bank Berhad
Bank Muamalat Malaysia Berhad
Hong Leong Bank Berhad

CORPORATE STRUCTURE

AS AT MAY 31, 2014

SPRITZER BHD

100% ANGENET SDN BHD	100% CHUAN SIN SDN BHD	100% CHUAN SIN CACTUS SDN BHD
100% GOLDEN PET INDUSTRIES SDN BHD	100% PET MASTER SDN BHD	100% HIDRO DINAMIK SDN BHD

FINANCIAL HIGHLIGHTS

REVENUE (RM'000)

238,750

18.2% GROWTH FROM 2013

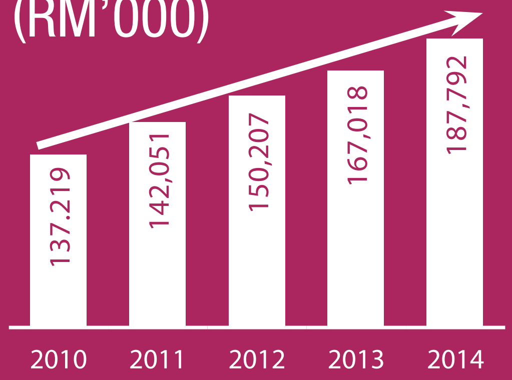
BASIC EARNINGS PER SHARE

16.3sen

(+10.9%)

2013: 14.7sen

TOTAL EQUITY (RM'000)

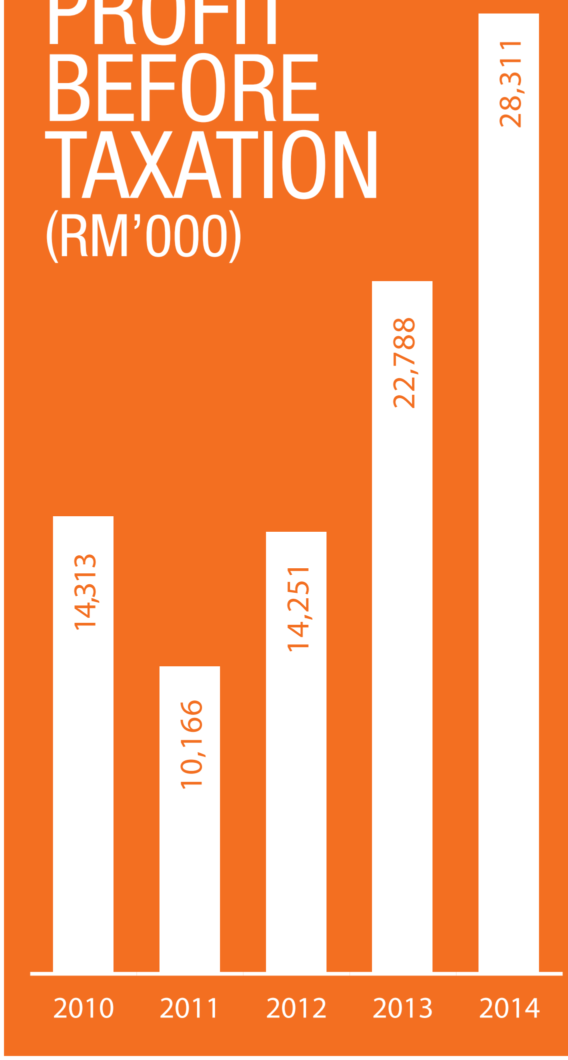


SHARE PRICE (31 MAY)

RM1.80

2013: RM1.42

PROFIT BEFORE TAXATION (RM'000)



Dividend per Share

4.0sen

2013: 4.0 sen

FINANCIAL HIGHLIGHTS

Financial year ended 31 May	2014	2013	2012	2011	2010
Revenue (RM'000)	**238,750**	201,935	178,208	147,682	131,636
Revenue growth (%)	**18.2**	13.3	20.7	12.2	21.6
Profit before interest, tax, depreciation and amortisation (RM'000)	**42,758**	37,116	29,542	22,202	23,005
Profit before taxation (RM'000)	**28,311**	22,788	14,251	10,166	14,313
Profit attributable to owners of the Company (RM'000)	**21,566**	19,233	10,586	8,098	12,541
Basic earnings per share (sen)	**16.3**	14.7	8.1	6.2	9.6
Dividend per share (sen)	**4.0**	4.0	3.0	2.5	2.5
Dividend pay out ratio (%)	**25**	27	37	40	26
Share capital (RM'000)	**67,427**	65,942	65,329	65,329	65,329
Total equity (RM'000)	**187,792**	167,018	150,207	142,051	137,219
Net debt to equity ratio (*) (%)	**33**	40	54	60	48
Net assets per share (RM)	**1.39**	1.27	1.15	1.09	1.05
Share price at 31 May (RM)	**1.80**	1.42	0.83	0.92	0.93
Market capitalisation (RM'000)	**242,694**	187,241	108,447	120,206	121,513

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

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Spritzer Bhd, I have great pleasure in presenting to you the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended May 31, 2014.

ECONOMIC OVERVIEW

The year 2013 saw the Malaysian economy grew at moderate rate of 4.7% amid a mild recovery in the global economy. The resilient domestic demand together with the improved exports have enabled Malaysia's GDP to grow by 6.3% in the first half of 2014. However, the fiscal policy and various subsidy cuts to address the Malaysian Budget deficit have raised the costs of doing business and affect earnings growth.

During the financial year under review, aided by the resilient domestic consumption and the prolonged hot weather, demand for our various bottled water products had remained strong throughout the year. Our sales of bottled water in second half of the year were further improved when a few states in Malaysia were experiencing water rationing. Our Group's revenue increased significantly by 18% from RM202 million in financial year 2013 to RM239 million in financial year 2014.

FINANCIAL REVIEW

The growth in revenue to RM239 million was achieved through the higher sales volume and a better average selling price due to better sales mix.

REVENUE

RM239 (million)

ACHIEVED IN YEAR 2014

The Group's profit before tax jumped by about 24% to RM28.3 million from RM22.8 million previously. Despite the higher costs of labour, logistics and utility, gross margins have improved significantly due mainly to the lower unit cost achieved through greater economies of scale and the lower raw material cost. The higher sales of the better-margin, big-pack-size products during the period of water rationing have enabled us to achieve a better average selling price for our products thus contributed to the overall improvement of our profit before tax. With a higher effective tax rate of 24% in the financial year under review (2013: 16%), the profit attributable to shareholders has increased by 12% to RM21.6 million from RM19.2 million recorded in 2013. The earnings per share in year 2014 stood at 16.3 sen as compared to 14.7 sen previously.

EARNINGS PER SHARE (SEN)

16.3

COMPARED TO 14.7 SEN IN 2013

With the better profit and the higher cash flow generated in year 2014,

and notwithstanding the significant capital expenditure of RM23.7 million incurred, our Group's financial position has been further strengthened with our net gearing stood at 0.33 time as at May 31, 2014 (2013: 0.40 time). As at the financial year end, our total shareholders' equity stood at RM187.8 million (2013: RM167.0 million) with total group assets of RM307.6 million (2013: RM284.1 million) and the net assets per share has increased to RM1.39 (2013: RM1.27).

DIVIDEND

The Directors have proposed a first and final dividend of 4.0 sen per share, under the single tier system, in respect of the financial year ended May 31, 2014 (2013: interim dividend of 4.0 sen, tax-exempt) which is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. Though the Company does not have a formal dividend policy, it has consistently paid out annual cash dividends since it was listed on the Bursa Malaysia in the 2000. The directors will endeavour to reward our shareholders with dividend payment which is in line with our earnings and cash flow requirement.

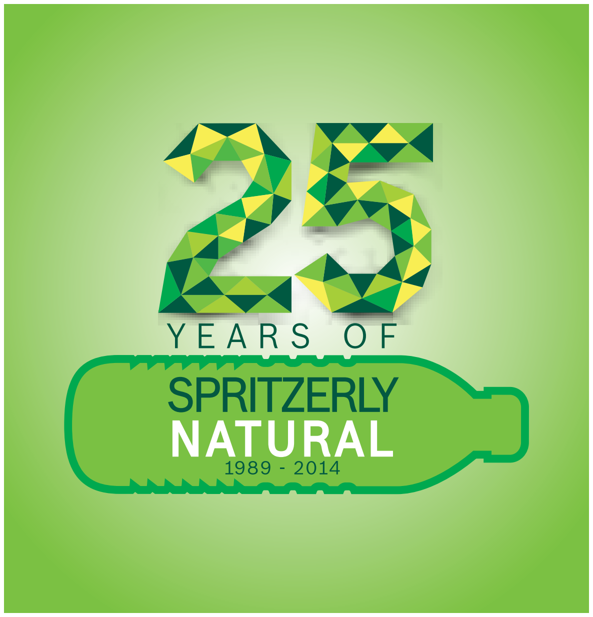
SIGNIFICANT CAPITAL EXPENDITURE

In the financial year ended May 31, 2014, we have spent a total of RM23.7 million in the purchase of plant, property and equipment to upgrade and expand our manufacturing facilities. The capital expenditure was incurred on upgrading some production lines; acquiring a new, fully automated and high speed production line; acquiring additional land in the vicinity of our Taiping mineral water plant; upgrading our warehousing and logistic facilities; and others. The Group currently has an annual production capacity of about 500 million litres of bottled water.

We are currently developing a recreational park with mini-golfing facility in an earmarked site of our vast 330-acre land bank in Taiping. The estimated total development cost of this project will be about RM5 million. We will set up a visitor gallery to showcase our full range of bottled water products and the various interesting facts on mineral water extraction and productions. We also plan to provide guided plant tours to interested visitors and guests. We have been receiving many school children, students, visitors and guests in our natural mineral water plant in Taiping. These plant tours are both educational and insightful as the mineral water extraction and manufacturing processes are explained by trained personnel during the tour and participants are able to physically sight our fully automated, high-speed and quality manufacturing facilities.

It is our intention to provide recreational, educational and tourism related activities to the public and tourists as one of our corporate social responsibility projects.

CHAIRMAN'S STATEMENT



OUTLOOK AND PROSPECTS

We are celebrating our 25th year anniversary in this year. We are now organizing a series of events and activities in conjunction with the Spritzer's 25th year celebrations. The Group first started the production of Spritzer mineral water in the year 1989 and has over the years, achieved significant growth to become the largest and most integrated bottled water producer in the country.

We expect the domestic economy to be positive due mainly to the fairly resilient domestic demand and the support of private investments and public expenditure. The Malaysian economy in 2014 is expected to grow at a moderate rate which is likely to be better than the 2013 GDP growth rate of 4.7%. However, the fiscal policy and the various subsidy cuts to address the Malaysian Budget deficit have raised the costs of doing business. Domestic consumer spending may be affected as inflationary pressure increases. The consumption of bottled water depends on many factors. The steady employment outlook, higher income level, changing lifestyle and a growing economy will all contribute to the increasing demand of bottled water in Malaysia. With our continuous efforts to promote our various brands and with our comprehensive range of quality bottled water products, the enhancement of our production capacity and our upgraded warehousing facilities, we are confident that the volumes of our bottled water products will continue to grow.

We will continue to focus on our operational efficiency and improve on our productivity to remain competitive. We also have plans to grow our export sales which currently account for less than 10% of our revenue. Over the years, we have invested a lot of money in building up our Spritzer and other brands. With our dominant position in the bottled water market and together with our OSA-rich Spritzer natural mineral water, we firmly believe that the prospects of our Group will remain positive.

The directors expect the Group to perform satisfactorily in the year ending May 31, 2015.

ACHIEVEMENTS, AWARDS AND RECOGNITIONS

Over the years, we have received numerous highly acclaimed awards. In 2014, we continue to receive some very prestigious awards and recognitions. We are still as excited each time we receive an award. Subsequent to my previous report to you in October 2013, we are honoured to have received the following awards and accolades:

In May 2014, Spritzer has been formally recognized by the Malaysia Book of Records as the largest bottled water manufacturer in Malaysia.

In June 2014, Spritzer brand has once again, emerged as the Platinum Winner of the Readers' Digest Trusted Brands Award 2014. Besides having Spritzer winning the Platinum award in the bottled water category this year, our Cactus brand has also for the first time, won the Gold award of the Readers' Digest Trusted Brand Award. We feel the recognition is appropriate as Spritzer and Cactus brands are the No. 1 and No. 2 mineral water brands in Malaysia. We have always valued the Readers' Digest Trusted Brand Award highly as our brands are voted by the consumers themselves.

In October 2014, Spritzer has been awarded the prestigious Asia Pacific Bottled Water Company of the Year, 2014 by Frost & Sullivan. This is the fifth consecutive year that Spritzer has been honoured with a prestigious Frost & Sullivan award. Spritzer is recognised for having exhibited excellence in growth strategy and implementation, high degree of innovation with new products and technologies, leadership

in customer value and market penetration. This Award confirms the Company's leading position in the Asia Pacific bottled water industry and also recognises our continuous efforts in introducing and improving the various bottled water products for customers and consumers.

In the Finance Asia's 14th annual poll which looks to determine Asia's best companies as voted by investors and analysts, Spritzer Bhd has been voted as Best Small-cap Firm in Malaysia. We are pleased to note that the investors and analysts view us positively.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I thank our customers, consumers and shareholders for their continued support. I would also like to thank our business associates, bankers and financiers and the various government authorities for their continued support, assistance and guidance.

Our success in financial year 2014 was made possible by the dedication and commitment of our employees. I thank the management and staff of our Group for their commendable efforts, hard work and contribution towards the continued growth of the Group.

DATO' LIM A HENG @ LIM KOK CHEONG
Chairman
October 20, 2014


COMMUNITY
WORKPLACE
MARKETPLACE
ENVIRONMENT

CORPORATE SOCIAL RESPONSIBILITY

At Spritzer, the values of sustainability and corporate social responsibility (CSR) initiatives have always been an integral part of our business to ensure long term growth and success. As we enter into our 25th year of business, our commitment on CSR has been reinforced and our commitments continued to be creating a positive impact and strive to maintain a proper balance between our economic, social and environmental responsibilities and the interests of our stakeholders. As the leader of the bottled water industry in Malaysia, we recognise the importance of conducting our business responsibly and in taking on the role of promoting CSR activities. Our CSR framework encompasses four main areas of focus namely, the environment, the marketplace, the community and the workplace:

ENVIRONMENT

Our modern, eco-friendly manufacturing facility in Taiping is located amidst 330 acres of tropical rain forest, away from potential water and air pollution thus protecting our natural water source and ensuring high quality of our products.

Environmental sustainability is vital and we are conscious and understand the need of careful management on the issue of carbon footprint generated by our business activities and we are committed to pro tect and preserve the environment. Over the years, we have planted over 11,000 trees to reduce the level of carbon dioxide and other on-going initiatives taken are as follows:

- Packaging reduction and light-weighting. By reducing the weight of packaging through innovative design and new packaging solutions, the consumption of plastic raw materials, as well as the energy cost required to produce the packaging is being reduced. Spritzer bottles are designed to be easily collapsible for disposal, this saves up to at least 65% of recycling space.
- The use of plastic PET (polyethylene terephthalate) materials which is 100% recyclable as packaging.
- Invest in equipment efficiency thereby reducing energy consumption and production waste.
- Optimising transportation and logistics by engaging in efficient and effective delivery and distribution systems in the effort to minimise fuel consumption, hence reducing carbon dioxide emissions.
- Promoting recycling amongst consumers, projects included organising green campaigns to raise public awareness on environmental issues and the importance of recycling.

In conjunction with World Earth Day 2014 and Spritzer's 25th Anniversary celebration, Spritzer had successfully collaborated with The One Academy on "Grow Green Campaign" to promote a greener earth and healthier lifestyle. This Campaign aimed at educating the public on recycling techniques which can be used to help save the environment through a series of fun and creative activities carried out in roadshows throughout Malaysia. One of the main focuses of the Campaign was to give out 40,000 units of sunflower growing kit to customers who can then grow the plant in their homes.

MARKET PLACE

In dealing with suppliers, customers, shareholders and other stakeholders, Spritzer holds firm to corporate ethics which include doing business responsibly and in the long term interest of our stakeholders.

Spritzer practises the principals of good corporate governance and ethical business conduct, in addition to complying with the rules and regulations of the law. Our commitment to good corporate governance and the continuous improvement in corporate governance is further elaborated in the Statement on Corporate Governance of this Annual Report.

Spritzer supports green initiatives/products and takes this into account during suppliers and vendors selection process and also in other stages our procurement process. Our objective is to select suppliers and vendors that will complement our efforts to improve sustainability of our products and at the same time reduced cost, improve product quality and ultimately creating a more efficient supply chain.

At Spritzer, we are committed to providing our customers with the highest level of satisfaction. We engage and interact with our customers and consumers via our website, Facebook page, Twitter and Instagram. There is also a dedicated customer hotline for direct communication. We provide consumers with tips on living a healthy lifestyle and information regarding our products, in particular our "Spritzer" brand mineral water which contains high level of orthosilicic acid (OSA). Recent research done by Professor Christopher Exley of Keele University, UK highlighted that drinking Spritzer, a silicon (OSA) rich mineral water daily will help remove aluminium from the human body. Aluminium has been linked to causing the Alzheimer's disease.

This year marks the fifth year Spritzer was awarded the prestigious Frost & Sullivan (2014) Asia Pacific Bottled Water Company of the Year Award. This award honours the company who best exhibit outstanding management and consistent growth which at the same time offer high quality products and has a positive social and economic impact on the local and national communities. This reaffirms our leadership position in the industry and our commitment in innovation and our efforts towards achieving excellence in what we do.

COMMUNITY

Spritzer cares about the well-being of the local community, we believe in sharing with our community for the improvement and the overall well being and to promote growth.

Our community outreach program includes regular and ad-hoc contributions in cash and in kind to schools, under privileged children's homes, associations, local temples and mosques and to other charitable entities.

Other activities undertaken by Spritzer include annual and regular sponsorships of sporting, entertainment, educational and cultural events. Below are some of the community events sponsored by us during the year:

- Spritzer Cup Basketball Tournament, Kota Kinabalu, Sabah
- Spritzer Taiping Open Badminton Championship, Larut and Matang, Perak
- Spritzer Cup Tennis Tournament, Taiping, Perak
- Spritzer Cup Written English Competition, Perak
- KK Climbathon, Kota Kinabalu, Sabah

We also collaborate and work closely with the Taiping local authorities by contributing and maintaining of the street light boxes at popular tourist attractions such as the Taiping Zoo, road signs and billboards on highway, for the purposes of beautifying and promoting Taiping as a heritage town.

Regular plant tours are conducted for school children, government department officers, suppliers, customers, members of clubs and associations and also members of the public. Spritzer welcomes the public to visit its plant in Taiping and is transparent about its manufacturing process for education purpose as well as to boost confidence amongst the consumers on the quality of our processes and products. During the visit, visitors will be able to obtain valuation information about types of water, the health benefits of drinking sufficient water as well as the special characteristic and health benefits of OSA.

WORK PLACE

Spritzer recognises that our employees are our greatest asset; they are major contributors to our success and play a critical part in helping the Group achieve its business objectives.

Therefore, we strongly believe in the continuous development in technical and non-technical skills, performance management and growth of our people.

Spritzer also recognises that to maintain a competitive edge, we need to attract and retain talent. One of the ways is by establishing the Employees' Share Option Scheme ("ESOS") in March 2012 for eligible employees and directors as a way of appreciating and recognising their contributions towards the Group. In 2014, Spritzer Bhd made its third grant under ESOS amounting to 5.6million options to eligible employees of the Group and the employees have until March 2017 to exercise their options.

Our human capital development programmes include in-house and external training and seminars, provision of information/knowledge sharing platform to encourage communication and to improve knowledge sharing. High performing employees will be identified and enrolled in executive training programme to help them improve skills and knowledge and at the same time building peer-to-peer networking and self-confidence to become successful leaders in our organisation.

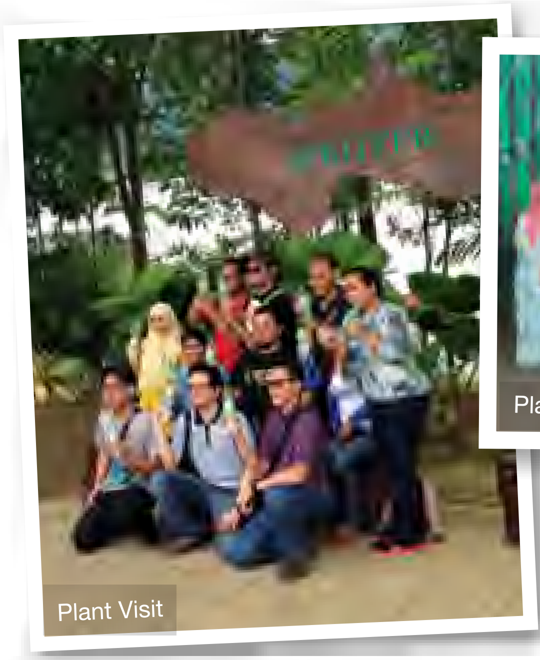
Spritzer is committed in providing a healthy and safe working environment to our people so as to maximise their performance and productivity, we strive to continuously improve on this area and our commitment has been documented in our Employees' Handbook. Regular social, sporting and team building activities are carried out by the Sports Club for employees to facilitate communication and to promote family values, health and vitality at the same time.


Sports Event


Grow Green Campaign


Grow Green Campaign


Plant Visit


Plant Visit


Plant Visit


Plant Visit

DIRECTORS' PROFILE

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

Non-Independent Non-Executive Chairman

Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP aged 69, a Malaysian and was appointed to the Board on June 22, 2000.

He has more than 42 years of experience in the trading and manufacturing of edible oils and consumer products industry.

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

He is the Deputy Chairman and Group Managing Director of Yee Lee Corporation Bhd and the Chairman of Yee Lee Organization Bhd.

He is a brother of Dato' Lim Kok Boon, spouse of Datin Chua Shok Tim @ Chua Siok Hoon, a director and major shareholder of Yee Lee Corporation Bhd and Yee Lee Holdings Sdn Bhd respectively, all of whom are the major shareholders of the Company.

DATO' LIM KOK BOON, DPMP

Managing Director

Dato' Lim Kok Boon, DPMP, aged 59, a Malaysian and was appointed to the Board on June 22, 2000. He had been conferred the Darjah Dato' Paduka Mahkota Perak (D.P.M.P) which carries the title Dato' by the Sultan of Perak in May 2012.

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' Lim A Heng @ Lim Kok Cheong, brother-in-law of Datin Chua Shok Tim @ Chua Siok Hoon and the spouse of Datin Lai Yin Leng, all of whom are the major shareholders of the Company.

DR. CHUAH CHAW TEO

Executive Director

Dr. Chuah Chaw Teo, aged 63, a Malaysian and was appointed to the Board on May 16, 1994. 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.

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. Presently, he is the Chairman of the Federation of Malaysian Manufacturers Bottled Water Group and also the Chairman of the Environmental and Technical Committee of the Asia Middle East Bottled Water Association (ABWA). He is a Director of Hovid Berhad.

He is the Chairman of the ESOS Committee of the Company.

LAM SANG

Executive Director

Lam Sang, aged 64, a Malaysian and was appointed to the Board on December 28, 2001. He has more than 30 years of experience in the manufacturing and marketing of plastic products and toothbrush. He is the Vice President of Perak Hock Kean Association.

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 a member of the ESOS Committee of the Company.

CHOK HOOA @ CHOK YIN FATT, PMP

Non-Independent Non-Executive Director

Chok Hooa @ Chok Yin Fatt, aged 67, a Malaysian and 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.

He is a Director of OKA Corporation Bhd, Yee Lee Corporation Bhd and other public companies which are not listed on the Bursa Malaysia Securities Berhad including Yee Lee Organization Bhd. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee of the Company.

DATO' IR. NIK MOHAMAD PENA BIN NIK MUSTAPHA, DIMP

Independent Non-Executive Director

Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, aged 63, a Malaysian and was appointed to the Board on July 14, 1997. He obtained a Degree of Bachelor of Science (Civil Engineering) from University of Glasgow, United Kingdom in 1975. He holds the memberships in the following professional bodies, namely the Board of Engineers Malaysia, Institution of Engineers Malaysia, Institution of Highways and Transportation United Kingdom, Chartered Professional Engineers Australia and Association of Consulting Engineers Malaysia. He advises the Board members on all matters relating to civil and structural aspect of the Group's buildings.

He is a consultant engineer and the Managing Director of Nik Jai Associates Sdn Bhd, a company of civil and structural engineering consultants. He started his career as a civil engineer with Jabatan Kerja Raya (JKR) in 1975 and was promoted to the post of Senior Executive Engineer in 1980. He left JKR in 1983 and joined an engineering consulting firm. In 1985, he set up his own partnership firm, Nik Jai Associates. In 1990, he incorporated his company, Nik Jai Associates Sdn Bhd which specialises in multi-storey buildings, highways, bridges and water resources.

He is the Chairman of the Audit Committee and Nomination Committee of the Company.

DATO' MOHD ADHAN BIN KECHIK, DJMK, SMK

Independent Non-Executive Director

Dato' Mohd Adhan bin Kechik, aged 59, a Malaysian and was appointed to the Board on May 16, 1994. He graduated with a Bachelor of Laws (Honours) Degree and Master of Laws Degree from University of Malaya. He had been conferred the Darjah Kebesaran Jiwa Mahkota Kelantan Yang Amat Mulia (D.J.M.K) which carries the title Dato' by the Royal Highness Sultan of Kelantan in November 2013.

He is a lawyer by profession. Currently, he is practising as a partner at Messrs. Adhan & Yap. Prior to setting up his own private practice in Kota Bharu, Kelantan in 1984, he was attached to the Legal and Judicial Department for five years serving in the Magistrate Court, High Court, Public Trustee's office and Attorney General's office before being appointed the Legal Adviser to the Ministry of Transport in 1983. He also served the State Government of Kelantan for four years as Menteri Besar's political secretary from 1986 to 1990. He is an elected State Assemblyman of Kelantan for Kemahang from 1995 to 1999 and Bukit Bunga since 2004.

He is a Director of Yee Lee Corporation Bhd, a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.

KUAN KHIAN LENG

Independent Non-Executive Director

Kuan Khian Leng, aged 38, a Malaysian, was appointed to the Board on January 25, 2007. He graduated with a Bachelor in Civil Engineering (First Class Honours) and Master in Management Science & Operational Research from University of Warwick, United Kingdom.

He started his career as a Civil and Structural Engineer in Sepakat Setia Perunding Sdn Bhd in year 2000. In March 2002, he joined Citibank Berhad as Assistant Manager and subsequently held several managerial positions in the Marketing, Project Management and Risk Management departments. In July 2006, he held the position of Business Intelligence Head in Kuwait Finance House (Malaysia) Berhad.

Currently, he is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is also an Executive Director of Mexter Technology Berhad.

Note:-

Save as disclosed, the above Directors have no family relationship with any Director and/or major shareholder of the Company and have not been convicted for any offence within the past ten years. Other than the permitted recurrent related party transactions and share buy-back authority as disclosed in the Circular to Shareholders, none of the Directors have any conflict of interest with the Company.

AUDIT COMMITTEE REPORT

COMPOSITION

In line with the Malaysian Code on Corporate Governance, all members of the Audit Committee are Non-Executive Directors with majority of them being Independent Directors. They are as follows:-

Chairman
Dato' Ir. Nik Mohamad Pena bin Nik Mustapha
Independent Non-Executive Director

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

Dato' Mohd Adhan bin Kechik
Kuan Khian Leng
Independent Non-Executive Directors

TERMS OF REFERENCE

Membership

The Audit Committee shall be appointed by the Board of Directors ("**Board**") from amongst their members and shall compose of no fewer than three members. At least one member of the Audit Committee:-

(i) must be a member of the Malaysian Institute of Accountants; or
(ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three years' working experience; and
  (a) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
  (b) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or
(iii) fulfill such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("**Bursa Securities**").

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 Main Market Listing Requirements of Bursa Securities.

No alternate director shall be appointed as a member of the Audit Committee.

All members of the Audit Committee including the Chairman will hold office only as long as they serve as directors of the Company. Should any member of the Audit Committee cease to be a director of the Company, his membership in the Audit Committee would cease forthwith.

The members of the Audit Committee shall elect a Chairman from amongst their number who is an independent director.

The Board shall review the term of office and performance of the Audit Committee and each of its members at least once every three years, to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

If a member of the Audit Committee ceases to be a member resulting in the number being reduced to less than three, the Board shall within three months of that event, appoint such new members to make up the minimum number.

AUDIT COMMITTEE REPORT

Duties and Responsibilities

All the Audit Committee members are able to effectively discharge their functions, duties and responsibilities in accordance with the terms of reference of the Audit Committee and to support the Board for ensuring Corporate Governance of the Group which include the followings:-

(i) Financial Reporting
Review and recommend the quarterly results and annual financial statements, prior to the approval by the Board, focusing particularly on:-
- changes in or implementation of major accounting policies and practices;
- significant and unusual events;
- compliance with accounting standards and other legal requirements; and
- the going concern assumption.

(ii) Internal Audit
- review the adequacy of the scope, functions, competency and resources of the internal audit functions; and
- review the internal audit plan, audit reports and follow up on the recommendations contained in such reports.

(iii) External Audit
- review the external auditors' audit plan, scope of their audits and audit reports;
- review with the external auditors, their evaluation of the system of internal controls; and
- review the performance of the external auditors and make recommendation to the Board on their appointment and remuneration.

(iv) Related Party Transactions
- review any related party transactions and conflict of interest situations that may arise including any transaction, procedure or course of conduct that raises a question of management integrity within the Group.

(v) Employees' Share Option Scheme
- review and verify the allocation of options pursuant to the Company's Employees' Share Option Scheme is comply with the criteria of allocation.

(vi) Other Matters
- assessing processes and procedures for the purpose of compliance with all laws, regulations and rules, directives and guidelines established by the relevant regulatory bodies; and
- perform any other functions as the Audit Committee considers appropriate or as authorised by the Board;

Authority

The Audit Committee shall have the authority to:-

(i) obtain the necessary resources required to perform its duties.

(ii) have full and unrestricted access to any information and documents relevant to its activities. All employees of the Group are required to comply and co-operate with any request made by the Audit Committee.

(iii) convene meetings with the external auditors, the internal auditors or both without the presence of Executive Director, Management or other employees of the Group, unless specifically invited by the Audit Committee. Meetings with the external auditors are held as and when necessary, and at least twice a year.

(iv) seek independent professional advice as it considers necessary.

Meetings

The Audit Committee shall meet at least four times annually and additional meetings may be called at any time at the Chairman's discretion. An agenda shall be sent to all members of the Audit Committee and any persons that may be invited to attend. The External and Internal Auditors and other members of senior management will be invited to attend these meetings upon invitation by the Chairman of the Audit Committee. The Company Secretary shall record, prepare and circulate the minutes of meetings and ensure that the minutes are properly kept.

AUDIT COMMITTEE REPORT

The Audit Committee held four meetings during the financial year ended May 31, 2014. The attendance of the Audit Committee members is as follows:-

Audit Committee Members	**Attendance**
Dato' Ir. Nik Mohamad Pena bin Nik Mustapha	4/4
Chok Hooa @ Chok Yin Fatt	4/4
Dato' Mohd Adhan bin Kechik	2/4
Kuan Khian Leng	4/4

SUMMARY OF ACTIVITIES

During the financial year, the Audit Committee carried out the following activities:-

(i) reviewed and approved the Internal Audit Plan, strategy and scope of work.

(ii) reviewed the internal and external auditors' reports and considered the major findings by the auditors and management responses thereto.

(iii) reviewed the Audit Planning Memorandum of the external auditors prior to the commencement of their audit engagement.

(iv) reviewed the unaudited quarterly financial results and audited financial statements of the Company and of the Group prior to the submission to the Board for approval.

(v) reviewed the recurrent related party transactions entered into by the Company and the Group 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; and

(vi) reviewed and verified that the allocation of options pursuant to the Company's Employees' Share Option Scheme is in compliance with the criteria for allocation of options as disclosed to employees of the Company.

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. The costs incurred for the internal audit function in respect of the financial year ended May 31, 2014 is RM111,000.

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

The Company has engaged a related party, Yee Lee Edible Oils Sdn Bhd, to perform internal audit function for the Group. The outsourced internal auditors assisted by our internal audit staff have perform routine audit on all operating units within the Group, with emphasis on principal risk areas. The planning and conduct of audits basing 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 assets management, cash collections and credit control, inventory, purchasing and sales, operations and compliance to quality management 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 Audit Committee for appraisal and review. The Management will ensure all remedial actions have been taken to resolve the audit issues highlighted in the audit reports within a reasonable time frame. Significant issues will be highlighted by the Audit Committee to the Board on quarterly basis.

STATEMENT ON CORPORATE GOVERNANCE

Spritzer Bhd adheres to high standards of corporate governance practices under the leadership of the Board of Directors ("**Board**"), as guided by the Malaysian Code on Corporate Governance 2012 ("**MCCG 2012**"). It is being applied as a fundamental part of discharging the directors' responsibilities to protect and enhance shareholders' value.

The following sections explain how the Group has applied the key principles of the MCCG 2012 and the extent of its compliance with the recommendations throughout the financial year ended May 31, 2014.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Clear Functions of the Board and Management

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations. The Board is ultimately responsible for the stewardship of the Company and its Group. However, the Board does not actively manage but rather oversees the management of the Group which is delegated to the Managing Director, Executive Directors and other officers of the Group.

To ensure the effective discharge of its function and responsibilities, the Board delegates some of the Board's authorities and discretion on the Managing Director and Executive Directors, representing the Management as well as to properly constituted Board Committees, namely the Audit Committee, Nomination Committee, Remuneration Committee and Employees' Share Options Scheme Committee, which are entrusted with specific responsibilities to oversee the Group's affairs, with authority 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.

The Board may also delegate specific functions to ad hoc committees as and when required. The powers delegated to these committees are set out in the Terms of Reference of each of the Committees as approved by the Board.

In addition, the Board is guided by the documented and approved Board Charter which sets out the roles, functions, authority, responsibilities, membership and operation of the Board. Key matters reserved for the Board's approval includes:-

- Appointment of the Chairman;
- Appointment and removal of the Managing Director;
- Appointment of directors to fill a vacancy or as additional directors;
- Establishment of Board Committees, their membership, duties and delegated authorities;
- Approval of interim dividend and recommendation of final dividend for shareholders' approval;
- Approval of capital expenditure, acquisitions and divestitures in excess of authority levels delegated to Management;
- Calling of meetings of shareholders; and
- Any other specific matters nominated by the Board from time to time.

1.2 Clear Roles and Responsibilities

The Board provides stewardship to the Group's strategic direction and operations, and ultimately the enhancement of long-term shareholders' value. The Board is primarily responsible for:-

- input into and final approval of management development of corporate strategy, including setting performance objectives;
- monitoring corporate performance;
- approving major capital expenditure, acquisitions and divestitures, and monitoring capital management;
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting with the guidance of the Audit Committee;
- reviewing, ratifying and monitoring systems of risk management and internal control under the guidance of the Audit Committee;
- selecting, appointing and evaluating from time to time the performance of, and planning succession of the Managing Director under the guidance of the Nominating Committee;
- reviewing and approving remuneration of the Managing Director, Executive Directors and the Non-Executive Directors under the guidance of the Remuneration Committee;
- monitoring Board composition, processes and performance with the guidance of the Nominating Committee; and
- performing such other functions as are prescribed by law or are assigned to the Board.

In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board Committee, a Director, employee or other person subject to ultimate responsibility of the Directors.

1.3 Formalised Ethical Standards through Code of Ethics

The Board has formalised a Directors' Code of 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.

1.4 Strategies Promoting Sustainability

The Board views the commitment to sustainability and environmental, social and governance performance as part of its broader responsibility to clients, shareholders and the communities in which it operates. Report on such activities is set out in its Corporate Social Responsibility on pages 15 to 17 of this Annual Report.

1.5 Access to Information and Advice

The Directors have the right to access all information pertaining to the Group for the purpose of discharging their duties. The Directors are provided with an agenda, reports and other relevant information prior to Board Meetings, covering various aspects of the Group's operations, so that they have a comprehensive understanding of the matters to be deliberated upon to enable them to arrive at an informed decision. All scheduled meetings held during the year were preceded with a formal agenda issued by the Company Secretary. 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. Every Director has individual and independent access to the advice and dedicated support services of the Company Secretaries in ensuring the effective functioning of the Board.

In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable it to discharge its duties in relation to matters being deliberated.

1.6 Qualified and Competent Company Secretary

The Company Secretary plays an important advisory role and is a source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and Group.

The Board is regularly updated and apprised by the Company Secretary on new regulation issued by the regulatory authorities. The Company Secretary also serves notice to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares. The Company Secretary attends and ensures that all Board meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory register of the Company. The Company Secretary works closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees.

1.7 Board Charter

The Company's Board Charter sets out the role, functions, authority, responsibilities, membership and operation of the Board of Directors of the Company and is to ensure that all Board members acting on behalf of the Company are aware on their duties and responsibilities as Board members.

The Board will review the Board Charter as and when required and update its charter 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 is available on the Company's website at http://www.spritzer.com.my.

2. STRENGTHEN COMPOSITION

2.1 Nomination Committee

The Nomination Committee has three (3) members comprising exclusively Non-Executive Director, all of whom are Independent Directors.

The Nomination Committee is responsible for assessing the performance of the existing Directors and identifying, nominating, recruiting, appointing and orientating new Directors. It assists the Board in reviewing the required mix of skills and experience of the Directors.

2.2 Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

(a) Recruitment or New Appointment of Directors

The Nomination Committee is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an on going basis. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company while it determines the skills matrix needed to support the strategic direction and needs of the Company.

As an integral element of the process of appointing new Directors, the Nomination Committee will ensure that Directors undergo an orientation programme to familiarise themselves with the Group's business, which include visits to the Group's various offices and factory premises and meetings with senior management. This is to facilitate their understanding of the Group's activities and to assist them in effectively discharging their duties.

The final decision as to who shall be appointed as Director remains the responsibility of the full Board after considering the recommendation of the Nomination Committee.

(b) Gender Diversity Policy

The Board has no immediate plan to implement a gender diversity policy. In its selection for Board appointment, the Board believes in, and provides equal opportunity to candidates who have the skills, experience, core competencies and other qualities regardless of gender. The Board will, nevertheless, give consideration to the gender diversity objectives.

(c) Re-election and Re-appointment of Directors

In accordance with the Company's Articles of Association ("**Articles**"), all newly appointed Directors are subject to re-election by shareholders at the first annual general meeting ("**AGM**") after their appointments. The Articles also provide that one third of the remaining Directors be subject to re-election by rotation at each AGM provided always that all Directors shall retire from office once at least in each three years but shall be eligible for re-election.

Directors who are of or over the age of seventy years shall retire at the conclusion of the next AGM unless they are re-appointed as Directors in accordance with Section 129(6) of the Companies Act, 1965 ("**Act**").

The Nomination Committee is responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

(d) Annual Assessment

Meetings of the Nomination Committee are held as and when required, and at least once a year. The Members met once in the financial year ended May 31, 2014 and full attendance by the members was recorded.

Nomination Committee conducted its annual appraisal on the effectiveness of the Board, its Committees and the contribution of each director. The Nomination Committee, upon the review carried out, is satisfied that the size of the Board is optimum and that there is an appropriate mix of experience and expertise in the composition of the Board and its Committees.

2.3 Directors' Remuneration

The Remuneration Committee has three members comprising two Independent Non-Executive Directors and a Non-Independent Non-Executive Director.

The Remuneration Committee is responsible for setting the policy framework and makes recommendation to the Board on all elements of remuneration and terms of employment of Executive Directors and senior management. Non-Executive Directors' remuneration will be a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting decisions in respect of his individual remuneration.

The Remuneration Committee is entrusted to assist the Board, amongst others, to recommend to the Board the remuneration of Executive Directors by linking rewards to the corporate and individual performance. The Remuneration Committee shall ensure that the level of remuneration is sufficient to attract and retain Directors of the quality required to manage the business of the Group.

The current remuneration policy for the Non-Executive Directors comprises of Directors' Fees which required shareholders' approval and meeting allowance, based on the number of meetings they are attending for a year.

Meetings of the Remuneration Committee are held as and when necessary, and at least once a year. The Members met once in the financial year ended May 31, 2014.

The details of the remuneration for the Directors of the Company paid or payable by the Company and its subsidiary companies for the financial year under review are as follows:-

	Salaries RM'000	Fees RM'000	Bonus RM'000	Equity-Settled Share Based Payments RM'000	Others RM'000	Total RM'000
Executive Directors	975	112	376	210	190	1,863
Non-Executive Directors	-	135	-	178	292	605

Directors' remuneration are broadly categorised into the following bands:-

	Number of Directors	
Range of remuneration	**Executive Directors**	**Non-Executive Directors**
RM1 to RM50,000	-	1
RM50,001 to RM100,000	-	3
RM300,001 to RM350,000	-	1
RM400,001 to RM450,000	1	-
RM450,001 to RM500,000	1	-
RM950,001 to RM1,000,000	1	-

Directors' fees are subject to the approval by shareholders at the forthcoming 21st AGM of the Company.

3. REINFORCE INDEPENDENCE

3.1 Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinion, advice and judgment to ensure the interests of the Group, shareholders, employees, customers and other communities in which the Group conducts its businesses are well represented and taken into account.

The Board, through the Nomination Committee, assesses the independence of Independent Directors annually, taking into account the individual Director's ability to exercise independent judgment at all times and to contribute to the effective functioning of the Board.

The Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their ability to act in the best interests of the Company.

3.2 Tenure of Independent Directors

One of the recommendation of the MCCG 2012 states that the tenure of an independent director should not exceed a cumulative term of nine (9) years. However, the Nomination Committee and the Board have determined at the annual assessment carried out that Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Dato' Mohd Adhan bin Kechik, DJMK, SMK, who have served on the Board for a cumulative term of more than nine (9) years, remains objective and independent in expressing their views and in participating in deliberations and decision making of the Board and Board Committees. The length of their services on the Board does not in any way interfere with their exercise of independent judgment and ability to act in the best interests of the Company.

3.3 Shareholders' Approval for the Continuance in Office as Independent Non-Executive Directors

The Board on the review and recommendation made by the Nomination Committee, is unanimous in its opinion that the two (2) Independent Directors, namely Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Dato' Mohd Adhan bin Kechik, DJMK, SMK who each has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, have fulfilled the criteria under the definition of an Independent Director as set out under Paragraph 1.01 of the Listing Requirements.

The Board strongly believes that a director's independence cannot be determined arbitrarily with reference only to the tenure of service. Thus, the Board would recommend to the shareholders for approval at the forthcoming 21st AGM for Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Dato' Mohd Adhan bin Kechik, DJMK, SMK, to continue acting as Independent Directors of the Company.

3.4 Separation of positions of the Chairman and Managing Director

The roles and responsibilities of the Chairman and Managing Director are separated to ensure a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness and conduct whilst the Managing Director has the overall responsibilities over organisational effectiveness and the implementation of Board policies and decisions.

3.5 Composition

The Group is led by an effective Board with wide and varied technical, financial and commercial experience. The Board currently has eight (8) members, comprising three (3) Executive Directors and five (5) Non-Executive Directors of whom three (3) are independent. The role of Chairman is held by a Non-Independent Non-Executive Director. This Board composition complies with the Listing Requirements to have at least one third of the Board consisting of Independent Directors.

The Board Meetings are presided by the Chairman. The Executive Directors are generally responsible for making and implementing policies and decisions of the Board, overseeing operations as well as managing development and implementation of business and corporate strategies. The Independent Non-Executive Directors are independent of management and free from any business relationship which could materially interfere with their independent judgment. Their presence ensure that issues of strategies, performance and resources proposed by the management are objectively evaluated with their judgment.

The Board is mindful that the Non-Independent Non-Executive Chairman, Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP is a Non-Independent Director of the Company. However, the presence of sufficient Independent Directors on the Board who provides unbiased and independent views, advice and judgement plays a vital role in ensuring there is enough check and balance and corporate accountability.

In addition, being the founder of the Company and having wide experiences and knowledge in the field of water sector, the Chairman has proven to be able to provide strong leadership and in prioritising business objectives. The Board is of the view that the chairmanship of Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP shall remain.

The Board is satisfied with the existing number and composition of the Directors which fairly reflects the investment of minority shareholders in the Company.

The profile of each Director is presented on pages 18 and 19 of this Annual Report.

4. FOSTER COMMITMENT

4.1 Time Commitment

The Board has committed to meet at least four times a year, usually before the announcement of quarterly results to Bursa Malaysia Securities Berhad ("**Bursa Securities**"), with additional meetings convened when necessary.

During the financial year ended May 31, 2014, four Board Meetings were held and the attendance is as follows:-

Directors	Attendance
Dato' Lim A Heng @ Lim Kok Cheong	4/4
Dato' Lim Kok Boon	4/4
Dr. Chuah Chaw Teo	4/4
Lam Sang	4/4
Chok Hooa @ Chok Yin Fatt	4/4
Dato' Ir. Nik Mohamad Pena bin Nik Mustapha	4/4
Dato' Mohd Adhan bin Kechik	2/4
Kuan Khian Leng	4/4

4.2 Directors' Training

The Board acknowledges that continuous education is vital in keeping them 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 the Directors have attended development and training programmes during the year. The conferences, seminars and training programmes attended by the Directors, collectively or individually were as follows:-

- Risk Management and Internal Control Workshop for Audit Committee
- Management Leadership Succession
- MAICSA Annual Conference 2013 : Ethical Leadership : Key To Business Growth
- UF/MF Membrane Water Treatment – Design and Optimisation

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance with Applicable Financial Reporting Standards

The Board is committed to provide a balanced, clear and meaningful assessment of the financial performance and prospects of the Company via all disclosures and announcements made. The Board is assisted by the Audit Committee to oversee and scrutinise the process and quality of the financial reporting includes reviewing and monitoring of the integrity of the financial statements and the appropriateness of the Company's accounting policies to ensure accuracy, adequacy and completeness of the report, as well as in compliance with the relevant accounting standards.

The Directors' Responsibility Statement for the Annual Audited Financial Statements of the Company and the Group is set out on page 30 of this Annual Report.

5.2 Assessment of Suitability and Independence of External Auditors

The Company maintains a professional and transparent relationship with the internal auditors in seeking their professional advice on the Group's system of internal controls and with the external auditors in ensuring compliance with the accounting standards. The Audit Committee has explicit authority to communicate directly with internal and external auditors.

Further details on the Audit Committee in relation to the external auditors are set out in the Audit Committee Report on pages 20 to 22 of this Annual Report.

6. RECOGNISE AND MANAGE RISKS

6.1 Sound Framework to Manage Risks

The Risk Management Advisory Committee oversees the enterprise risk management of the Group, review and approve actions developed to mitigate key risks and advising the Board on risk related issues. In addition, it also 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.

6.2 Internal Control Function

The Group continues to maintain and review its internal control procedures to ensure, as far as possible, the protection of its assets and its shareholders' investments.

Details of the Group's internal control system are set out in the Statement on Risk Management and Internal Control on pages 32 and 33 of this Annual Report.

7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate Disclosure Policy

The Board acknowledges that timely, complete and accurate disclosure is important to an orderly and fair market for the trading of securities. In that respect, the Company is guided by the Corporate Disclosure Guide issued by Bursa Securities and the Board adheres strictly to the Bursa Securities' disclosure framework to provide investors and the public with accurate and complete information on a timely basis. The Board ensures that confidential information is handled properly by authorised personnel to avoid leakage and improper use of such information. The Board is also mindful that information which is expected to be material must be announced immediately.

7.2 Leverage on Information Technology for Effective Dissemination of Information

The Board endeavours to provide timely and accurate disclosure of all material information of the Group to the shareholders and investors. Information is disseminated through various disclosures and announcements made to the Bursa Securities which includes the quarterly financial results, audited financial statements and Annual Reports. This information is also electronically published at the Bursa Securities' and the Company's websites at http://www.bursamalaysia.com and http://www.spritzer.com.my respectively and it is accessible by public.

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Encourage Shareholder Participation at General Meetings

The Board regards the AGM and other general meetings as an opportunity to communicate directly with shareholders and encourages attendance and participation in dialogue. The Board takes cognisance in serving longer than the required minimum notice period for AGMs, when possible. The Chairman together with the Managing Director ensure that the Board is accessible to shareholders and an open channel of communication is cultivated. The Board has ensured that an explanatory statement will accompany each item of special business included in the notice of meeting on the effects of the proposed resolutions. Each shareholder can vote in person or by appointing a proxy/proxies to attend and vote on his behalf. Separate issues are tabled in separate resolutions at general meetings, voting is carried out systematically and resolutions are properly recorded.

8.2 Encourage Poll Voting

At the 20th AGM of the Company held on November 26, 2013, all resolutions put forth for shareholders' approval at the meeting were voted on by show of hands.

The Chairman would ensure that shareholders were informed of their rights to demand a poll vote at the commencement of the AGM. Going forward, the Board will give due consideration on the mode of voting on any resolutions at the AGM and/or Extraordinary General Meeting, including voting by way of a poll, particularly if the proposals are of a substantive nature.

The Board will evaluate the feasibility of carrying out electronic polling at its general meetings in future.

8.3 Effective communication and proactive engagement

At the 20th AGM, all Directors were present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company. The Directors, Management and external auditors were in attendance to respond to the shareholders' queries.

The Board welcomes questions and feedback from shareholders during and at the end of shareholders' meeting and ensures their queries are responded in a proper and systematic manner.

COMPLIANCE STATEMENT

The Board is satisfied that the Company has in year 2014 complied with the principles and recommendations of the MCCG 2012 except where it was specifically stated otherwise.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Act to prepare the financial statements for each financial year which give a true and fair view of the financial position of the Company and of the Group and the financial performance and cash flows for the year ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act in Malaysia which are consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Company and of the Group to enable them to ensure that the financial statements are drawn up in accordance with the provisions of the Act. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

This statement was approved by the Board of Directors on October 14, 2014.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in accordance with Paragraph 9.25 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad as set out in Appendix 9C thereto.

1. Utilisation of Proceeds Raised from Corporate Proposals

The Company did not raise any funds from any corporate proposals during the financial year.

2. Share Buy-Back

There was no share buy-back during the financial year.

3. Options, Warrants or Convertible Securities

The details of options issued and the movements in share options during the financial year are disclosed in the Directors' Report and Note 31 to the financial statements.

There was an issuance of 1,002,248 new ordinary shares of RM0.50 each pursuant to conversion of Spritzer Warrants 2011/2016 at an exercise price of RM1.18 per Warrant during the financial year.

4. Depository Receipt Programme

The Company did not sponsor any Depository Receipt Programme during the financial year.

5. Sanctions and/or Penalties

There were no material sanctions and/or penalties imposed on the Company and its subsidiary companies, Directors or management by the relevant regulatory bodies during the financial year.

6. Non-Audit Fees

For financial year ended May 31, 2014, the amount of non-audit fees paid to the Group's external auditors for review services amounted to RM800.

7. Variation in Results

There was no variance between the financial results in the Audited Financial Statements 2014 and the unaudited financial results for the year ended May 31, 2014 previously released.

8. Profit Guarantee

There was no profit guarantee given by the Company during the financial year.

9. Material Contracts

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

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Spritzer Bhd ("**Board**") is pleased to provide the following Statement on Risk Management & Internal Control pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**"). The Board is committed towards fulfilling its responsibility on the Group's compliance with the Principles and Best Practices provisions in relation to risk management as stipulated in the Malaysian Code on Corporate Governance 2012.

BOARD RESPONSIBILITIES

The Board acknowledges the importance in maintaining sound internal controls and effective risk management practices to ensure good corporate governance. The Board affirms its overall responsibility for the Group's system of internal control 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 manage and 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.

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 reports include an assessment of the degree of risk, and an evaluation of the effectiveness of the risk mitigating and treatment measures. Such reports are compiled by the Risk Assessor.

The Risk Management Advisory Committee will provide 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 will review and approve actions developed to mitigate key risks and advising the Board on risk related issues.

A summary of significant risks is submitted to the Audit Committee for its attention. The Audit Committee will review and monitor the effectiveness of the Group's risk management system, and advises the Board accordingly.

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 in order to achieve the Group's business objectives.

INTERNAL AUDIT FUNCTION

The Group's 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 regulation, policies and guidelines to ensure these are adhered with by the Group. Internal control weaknesses, if any together with audit recommendation for improvement shall be reported to management for corrective / preventive actions. Significant audit findings and corrective measures are to be highlighted to the Risk Management Advisory Committee and the Audit Committee.

CONTROL ACTIVITIES

The Group has in place policies and procedures 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.

Annual operating budgets are prepared by the Group's business and operating units, and are approved by the senior management. The review of budgeted against actual performance are performed on a quarterly basis where significant variances will be investigated and necessary remedial actions will be taken.

INFORMATION AND COMMUNICATIONS

Monthly as well as quarterly management reports and other relevant financial information containing key financial results, ratio analysis and operational performance indicators are submitted to the management and the Board for review on a timely basis.

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 also to review the performance of the Group.

The Group's management team comprising executive directors and departmental heads carry 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.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the External Auditors, Messrs Deloitte (formerly known as Deloitte KassimChan), have reviewed this Statement in accordance with the Recommended Practice Guide 5 (Revised) issued by the Malaysian Institute of Accountants, for inclusion in the Annual Report for the financial year ended May 31, 2014. Messrs Deloitte 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 Paragraph 41 and 42 of the Guidelines, nor is it factually inaccurate.

CONCLUSION

The Board has received assurance from the Managing Director and Group Financial Controller that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspect, 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 was approved by the Board on October 14, 2014.

REPORTS AND FINANCIAL STATEMENTS

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 May 31, 2014.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The principal activities of the subsidiary companies are disclosed in Note 15 to the financial statements.

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

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	21,566	7,869

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

An interim dividend of 4.0 sen per share, tax-exempt, declared in respect of ordinary shares in the previous financial year and dealt with the previous directors' report was paid by the Company during the current financial year.

The directors have proposed a first and final dividend of 4.0 sen per share, under the single tier system, in respect of the current financial year. This 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.

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

During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM65,941,833 to RM67,426,957 by way of:

(i) issue of 811,000 new ordinary shares of RM0.50 each for cash pursuant to the Employees' Share Option Scheme ("ESOS") of the Company at an exercise price of RM0.75 per ordinary share;

(ii) issue of 1,016,000 new ordinary shares of RM0.50 each for cash pursuant to the ESOS of the Company at an exercise price of RM0.91 per ordinary share;

(iii) issue of 141,000 new ordinary shares of RM0.50 each for cash pursuant to the ESOS of the Company at an exercise price of RM1.56 per ordinary share; and

(iv) issue of 1,002,248 new ordinary shares of RM0.50 each for cash pursuant to conversion of Warrants at an exercise price of RM1.18 per ordinary share.

The resulting premium arising from the shares issued pursuant to the ESOS and Warrants of the Company of RM1,931,153 has been credited to the share premium account.

ISSUE OF SHARES AND DEBENTURES (cont'd)

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

The Company has not issued any debentures during the financial year.

Treasury Shares

There was no repurchase of its own shares from the open market by the Company during the financial year. As of May 31, 2014, the Company held a total of 24,000 out of its 134,853,914 issued ordinary share capital as treasury shares. Such treasury shares are being held at a carrying amount of RM13,832 and further relevant details are disclosed in Note 23 (b) to the financial statements.

Share Options

Under the Company's ESOS, which became effective on March 9, 2012, options to subscribe for new ordinary shares of RM0.50 each in the Company were granted to eligible persons who include directors and employees of the Group and of the Company. The salient features of the ESOS are disclosed in Note 31 to the financial statements.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders, who have been granted options under the ESOS for less than 110,000 ordinary shares each.

The details of share options granted to eligible employees other than the Executive Directors and Non-Executive Directors are disclosed in Note 31 to the financial statements.

OTHER STATUTORY INFORMATION

Before the statements of profit or loss and the statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have 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 realise their book values in the ordinary course of business have been written down to their estimated realisable values.

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 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 financial statements which would render any amount stated in the financial statements of the Group and of the Company 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 and secures the liability of any other person; or

(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 as and 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 for the financial year in which this report is made other than those disclosed in Note 35 to the financial statements.

DIRECTORS' REPORT

DIRECTORS

The following directors served on the Board of the Company since the date of the last report:

Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP
Y. Bhg. Dato' Lim Kok Boon, DPMP
Dr. Chuah Chaw Teo
Mr. Lam Sang
Mr. Chok Hooa @ Chok Yin Fatt, PMP
Y. Bhg. Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP
Y.B. Dato' Mohd Adhan bin Kechik, DJMK, SMK
Mr. Kuan Khian Leng

In accordance with Article 85 of the Company's Articles of Association Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP , Y. Bhg. Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP and Y.B. Dato' Mohd Adhan bin Kechik, DJMK, SMK retire by rotation and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM0.50 each			
	Balance as of 1.6.2013	Bought	Sold	Balance as of 31.5.2014
Shares in the Company				
Registered in the name of directors				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	6,498,366	388,000	-	6,886,366
Y. Bhg. Dato' Lim Kok Boon, DPMP	5,140,000	190,000	-	5,330,000
Dr. Chuah Chaw Teo	173,666	-	-	173,666
Mr. Lam Sang	2,633,866	394,000	-	3,027,866
Mr. Chok Hooa @ Chok Yin Fatt, PMP	216,000	50,000	(160,000)	106,000
Y. Bhg. Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP	1,362,000	-	-	1,362,000
Y.B. Dato' Mohd Adhan bin Kechik, DJMK, SMK	3,542,332	-	(242,000)	3,300,332
Mr. Kuan Khian Leng	12,000	-	-	12,000
Deemed interest by virtue of shares held by companies in which the directors have interests				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	65,968,176	1,430,400	-	67,398,576
Y. Bhg. Dato' Lim Kok Boon, DPMP	4,664,000	-	-	4,664,000
Mr. Kuan Khian Leng	4,800,000	-	-	4,800,000
Deemed interest by virtue of shares held by immediate family members of the directors				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	1,972,598	23,000	-	1,995,598
Y. Bhg. Dato' Lim Kok Boon, DPMP	238,998	95,000	-	333,998

DIRECTORS' REPORT

DIRECTORS' INTERESTS (cont'd)

	Number of Warrants over ordinary shares of RM0.50 each			
	Balance as of 1.6.2013	Bought	Sold/ Exercised	Balance as of 31.5.2014
Warrant holdings in the Company				
Registered in the name of directors				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	1,600,841	-	-	1,600,841
Y. Bhg. Dato' Lim Kok Boon, DPMP	1,275,000	-	-	1,275,000
Dr. Chuah Chaw Teo	34,666	-	-	34,666
Mr. Lam Sang	604,716	-	-	604,716
Mr. Chok Hooa @ Chok Yin Fatt, PMP	36,500	-	-	36,500
Y. Bhg. Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP	337,500	-	-	337,500
Y.B. Dato' Mohd Adhan bin Kechik, DJMK, SMK	915,333	-	(415,000)	500,333
Deemed interest by virtue of shares held by companies in which the directors have interests				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	16,492,518	-	(1,000,000)	15,492,518
Y. Bhg. Dato' Lim Kok Boon, DPMP	1,166,000	-	-	1,166,000
Mr. Kuan Khian Leng	1,200,000	-	(120,000)	1,080,000
Deemed interest by virtue of shares held by immediate family members of the directors				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	488,899	-	-	488,899
Y. Bhg. Dato' Lim Kok Boon, DPMP	59,749	-	-	59,749

	Number of options over ordinary shares of RM0.50 each			
	Balance as of 1.6.2013	Granted	Exercised	Balance as of 31.5.2014
Share options of the Company				
Registered in the name of directors				
Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP	207,000	181,000	(128,000)	260,000
Y. Bhg. Dato' Lim Kok Boon, DPMP	400,000	264,000	(100,000)	564,000
Dr. Chuah Chaw Teo	350,000	231,000	-	581,000
Mr. Lam Sang	350,000	231,000	(174,000)	407,000
Mr. Chok Hooa @ Chok Yin Fatt, PMP	150,000	132,000	(50,000)	232,000
Y. Bhg. Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP	125,000	83,000	-	208,000
Y.B. Dato' Mohd Adhan bin Kechik, DJMK, SMK	95,000	83,000	-	178,000
Mr. Kuan Khian Leng	125,000	83,000	-	208,000

By virtue of Y. Bhg. Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP'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.

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of remuneration received or due and receivable by directors as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he 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 20 to the financial statements.

During and at the end of the financial year, no arrangement (other than the share options granted to the directors pursuant to the ESOS of the Company) 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.

AUDITORS

The auditors, Messrs. Deloitte (formerly known as Deloitte KassimChan), have indicated their willingness to continue in office.

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

Y. BHG. DATO' LIM KOK BOON, DPMP
Managing Director

DR. CHUAH CHAW TEO
Executive Director

Ipoh,
August 15, 2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SPRITZER BHD.
(Incorporated in Malaysia)

Report on the Financial Statements

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 May 31, 2014 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 a summary of significant accounting policies and other explanatory information, as set out on pages 42 to 101.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of these financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of May 31, 2014 and of their financial performance and 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, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that:

(a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiaries of which we have acted as auditors, have been properly kept in accordance with the provisions of the Act;

(b) we have considered the accounts and auditors' report of the subsidiary, of which we have not acted as auditors, which are indicated in Note 15 to the financial statements;

(c) we are satisfied that the accounts of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group, and we have received satisfactory information and explanations as required by us for these purposes; and

(d) the auditors' reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 36 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

DELOITTE
AF 0080
Chartered Accountants

YEOH SIEW MING
Partner - 2421/05/15(J/PH)
Chartered Accountant

August 15, 2014

STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED MAY 31, 2014

	Note	The Group		The Company	
		2014	2013	2014	2013
		RM'000	RM'000	RM'000	RM'000
Revenue	5	238,750	201,935	8,890	7,690
Other gains and losses	7	1,072	1,193	-	-
Changes in inventories of finished goods, trading merchandise and work-in-progress		368	342	-	-
Purchase of finished goods and trading merchandise		(102)	(146)	-	-
Raw materials and consumables used		(105,442)	(89,811)	-	-
Employee benefits expense	7	(28,531)	(22,085)	(379)	(252)
Depreciation of property, plant and equipment	13	(11,304)	(10,587)	-	-
Finance costs	10	(3,503)	(4,079)	(1)	-
Other expenses	7	(62,997)	(53,974)	(486)	(194)
Profit before tax		28,311	22,788	8,024	7,244
Income tax expense	11	(6,745)	(3,555)	(155)	(741)
Profit for the year attributable to owners of the Company		21,566	19,233	7,869	6,503
Earnings per share					
Basic (sen)	12	16.3	14.7		
Diluted (sen)	12	14.6	13.8		

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

STATEMENTS OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED MAY 31, 2014

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Profit for the year	21,566	19,233	7,869	6,503
Other comprehensive income	-	-	-	-
Total comprehensive income for the year attributable to owners of the Company	21,566	19,233	7,869	6,503

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

STATEMENTS OF FINANCIAL POSITION

AS OF MAY 31, 2014

	Note	The Group 2014 RM'000	The Group 2013 RM'000	The Company 2014 RM'000	The Company 2013 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	197,258	181,998	-	-
Investment properties	14	4,124	4,124	-	-
Investments in subsidiary companies	15	-	-	69,328	67,868
Goodwill on consolidation	16	40	40	-	-
Other receivables	19	-	236	-	-
Total non-current assets		201,422	186,398	69,328	67,868
Current assets					
Investment in unquoted shares	17	68	68	-	-
Inventories	18	27,419	25,190	-	-
Trade and other receivables	19	66,033	60,207	33,916	27,211
Current tax assets	11	380	547	210	198
Other assets	21	3,316	3,523	2	2
Fixed deposit, cash and bank balances	22	8,984	8,192	134	1,058
Total current assets		106,200	97,727	34,262	28,469
Total assets		307,622	284,125	103,590	96,337

STATEMENTS OF FINANCIAL POSITION

AS OF MAY 31, 2014

	Note	The Group 2014 RM'000	The Group 2013 RM'000	The Company 2014 RM'000	The Company 2013 RM'000
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	23(a)	67,427	65,942	67,427	65,942
Treasury shares	23(b)	(14)	(14)	(14)	(14)
Reserves	24	120,379	101,090	35,781	30,240
Total equity		187,792	167,018	103,194	96,168
Non-current liabilities					
Other payables	28	1,174	-	-	-
Hire-purchase payables	25	2,388	6,489	-	-
Borrowings	26	14,078	15,125	-	-
Deferred tax liabilities	27	16,273	14,769	-	-
Total non-current liabilities		33,913	36,383	-	-
Current liabilities					
Trade and other payables	28	21,088	19,795	12	-
Hire-purchase payables	25	4,525	5,663	-	-
Borrowings	26	50,493	47,901	-	-
Current tax liabilities	11	1,481	1,540	-	-
Other liabilities	29	8,330	5,825	384	169
Total current liabilities		85,917	80,724	396	169
Total liabilities		119,830	117,107	396	169
Total equity and liabilities		307,622	284,125	103,590	96,337

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED MAY 31, 2014

	Note	Share Capital RM'000	Treasury Shares RM'000	Non-distributable Reserves Share Premium RM'000	Non-distributable Reserves Equity-Settled Employee Benefits Reserve RM'000	Distributable Reserve - Retained Earnings RM'000	Total Equity RM'000
The Group							
Balance as of June 1, 2012		65,329	(14)	16,348	1,037	67,507	150,207
Profit and total comprehensive income for the year		-	-	-	-	19,233	19,233
Expenses relating to issuance of ESOS		-	-	(5)	-	-	(5)
Recognition of share-based payments		-	-	-	451	97	548
Exercise of ESOS		613	-	639	(288)	-	964
Payment of dividend	30	-	-	-	-	(3,929)	(3,929)
Balance as of May 31, 2013		65,942	(14)	16,982	1,200	82,908	167,018
Profit and total comprehensive income for the year		-	-	-	-	21,566	21,566
Expenses relating to issuance of ESOS and Warrants		-	-	(9)	-	-	(9)
Recognition of share-based payments		-	-	-	1,537	51	1,588
Exercise of ESOS and Warrants		1,485	-	1,931	(481)	-	2,935
Payment of dividend	30	-	-	-	-	(5,306)	(5,306)
Balance as of May 31, 2014		67,427	(14)	18,904	2,256	99,219	187,792
The Company							
Balance as of June 1, 2012		65,329	(14)	16,348	1,037	9,484	92,184
Profit and total comprehensive income for the year		-	-	-	-	6,503	6,503
Expenses relating to issuance of ESOS		-	-	(5)	-	-	(5)
Recognition of share-based payments		-	-	-	451	-	451
Exercise of ESOS		613	-	639	(288)	-	964
Payment of dividend	30	-	-	-	-	(3,929)	(3,929)
Balance as of May 31, 2013		65,942	(14)	16,982	1,200	12,058	96,168
Profit and total comprehensive income for the year		-	-	-	-	7,869	7,869
Expenses relating to issuance of ESOS and Warrants		-	-	(9)	-	-	(9)
Recognition of share-based payments		-	-	-	1,537	-	1,537
Exercise of ESOS and Warrants		1,485	-	1,931	(481)	-	2,935
Payment of dividend	30	-	-	-	-	(5,306)	(5,306)
Balance as of May 31, 2014		67,427	(14)	18,904	2,256	14,621	103,194

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED MAY 31, 2014

	The Group	
	2014	2013
	RM'000	RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the year	21,566	19,233
Adjustments for:		
Depreciation of property, plant and equipment	11,312	10,595
Income tax expense recognised in statement of profit or loss	6,745	3,555
Finance costs	3,503	4,079
Equity-settled share-based payments	1,588	548
Allowance for slow moving and obsolete inventories	180	61
Property, plant and equipment written off	169	416
Loss/(Gain) on disposal of property, plant and equipment	14	(116)
Impairment loss recognised on receivables	11	13
Receivables written off	3	-
Allowance for slow moving and obsolete inventories no longer required	(259)	(62)
Investment revenue	(144)	(60)
Unrealised (gain)/loss on foreign exchange	(86)	41
Reversal of impairment loss on receivables	(51)	(118)
Interest income	(30)	(21)
Fair value adjustments of investment properties	-	(530)
	44,521	37,634
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	(2,149)	(4,209)
Trade and other receivables	(5,306)	(8,540)
Other assets	77	(1,543)
(Decrease)/Increase in:		
Trade and other payables	(208)	5,289
Other liabilities	2,505	2,357
Cash Generated From Operations	39,440	30,988
Income tax refunded	511	854
Interest received	30	21
Income tax paid	(5,645)	(2,197)
Net Cash Generated From Operating Activities	34,336	29,666

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED MAY 31, 2014

	Note	The Group 2014 RM'000	2013 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Rental received from investment properties		144	60
Proceeds from disposal of property, plant and equipment		49	362
Purchase of property, plant and equipment	33(a)	(23,687)	(8,825)
Placement of fixed deposit		-	(19)
Net Cash Used In Investing Activities		(23,494)	(8,422)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from term loans		9,230	387
Proceeds from issuance of shares arising from exercise of ESOS and Warrants		2,935	964
Proceeds from/(Repayment of) revolving credits - net		2,050	(4,300)
Proceeds from bankers' acceptances - net		276	4,513
Repayment of term loans		(10,048)	(9,487)
Repayment of hire-purchase payables		(5,740)	(5,485)
Dividend paid		(5,306)	(3,929)
Finance costs paid		(3,503)	(4,079)
Expenses relating to issuance of ESOS and Warrants paid		(9)	(5)
Net Cash Used In Financing Activities		(10,115)	(21,421)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		727	(177)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		8,173	8,387
Effect of exchange rate changes on the balance of cash held in foreign currencies		28	(37)
CASH AND CASH EQUIVALENTS AT END OF YEAR	33(b)	8,928	8,173

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED MAY 31, 2014

	Note	The Company 2014 RM'000	The Company 2013 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Profit for the year		7,869	6,503
Adjustments for:			
Equity-settled share-based payments		177	65
Income tax expense recognised in statement of profit or loss		155	741
Dividend income		(8,890)	(7,690)
		(689)	(381)
Movements in working capital:			
(Increase)/Decrease in:			
Other receivables		(6,805)	(2,765)
Increase/(Decrease) in:			
Other payables		12	(1,241)
Other liabilities		215	24
Cash Used In Operations		(7,267)	(4,363)
Dividend received from subsidiary companies		8,665	6,902
Income tax refunded		58	44
Net Cash Generated From Operating Activities		1,456	2,583
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from issuance of shares arising from exercise of ESOS and Warrants		2,935	964
Dividend paid		(5,306)	(3,929)
Expenses relating to issuance of ESOS and Warrants paid		(9)	(5)
Net Cash Used In Financing Activities		(2,380)	(2,970)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(924)	(387)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,058	1,445
CASH AND CASH EQUIVALENTS AT END OF YEAR	33(b)	134	1,058

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 principal activities of the subsidiary companies are disclosed in Note 15.

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

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 are presented in Ringgit Malaysia ("RM"), which is also the Group's and 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 August 15, 2014.

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 provisions of the Companies Act, 1965 in Malaysia.

2.1 Adoption of new and revised MFRSs

New and revised MFRSs affecting amounts reported and/or disclosures in the financial statements

In the current year, the Group and the Company have applied a number of new and revised MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatorily effective for an accounting period that begins on or after January 1, 2013.

The adoption of the new and revised MFRSs has no material impact on the disclosures or on the amounts recognised in the financial statements of the Group and of the Company, except as follows:

MFRS 13 *Fair Value Measurement*

The Group and the Company have applied MFRS 13 for the first time in the current year. MFRS 13 establishes a single source of guidance for fair value measurements and disclosures about the fair value measurements. The scope of MFRS 13 is broad; the fair value measurement requirements of MFRS 13 apply to both financial instrument items and non-financial instrument items for which other MFRSs require or permit fair value measurements and disclosures about fair value measurements, 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 117 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

MFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under MFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, MFRS 13 includes extensive disclosure requirements.

MFRS 13 requires prospective application from January 1, 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group and the Company have not made any new disclosures required by MFRS 13 for the 2013 comparative period. The application of MFRS 13 does not have any material impact on the amounts recognised in these financial statements.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

2.1 Adoption of new and revised MFRSs (cont'd)

Amendments to MFRS 101: *Presentation of Items of Other Comprehensive Income*

The Group and the Company have applied the amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income* for the first time in the current year. The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendments to MFRS 101, the "statement of comprehensive income" is renamed as the "statement of profit or loss and other comprehensive income" and the "income statement" is renamed as the "statement of profit or loss". The amendments to MFRS 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to MFRS 101 require items of other comprehensive income to be grouped into two categories in other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the abovementioned presentation changes, the application of the amendments to MFRS 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2.2 Standards and IC Interpretations ("IC Int.") in issue but not yet effective

The Group and the Company have not elected for early adoption of the relevant new and revised MFRSs and IC Int. and amendments to MFRSs and IC Int. 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 Standards and IC Int. 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 recognition.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and of the Company have been prepared on the historical cost basis except for certain non-current assets and financial instruments that are measured at fair values, at the end of each reporting period as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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 the financial statements of the Group and of the Company is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2, leasing transactions that are within the scope of MFRS 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 or value in use in MFRS 136.

In addition, 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.

The principal accounting policies are set out below.

Subsidiaries and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the subsidiary companies 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Subsidiaries and Basis of Consolidation (cont'd)

The Company reassessed whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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 into 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.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the relevant assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable MFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

Business Combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits* respectively;
- liabilities or equity instruments related to the share-based payment arrangements of the acquire or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with MFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Business Combinations (cont'd)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another MFRSs.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with MFRS 139 or MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interests in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised at that date.

The policy described above is applied to all business combinations that take place on or after January 1, 2011.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable net of sales tax, trade discounts and customer returns.

Sale of goods

Revenue from sale of goods is recognised when the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividend income

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue Recognition (cont'd)

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

Rental income is accrued on a time basis, by reference to the agreements entered.

Employee Benefits

Short-term employee benefits

Wages, salaries, paid annual leave, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are 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 are recognised when the absences occur.

Defined contribution plans

The Group makes statutory contributions to approved provident funds and the contributions are charged to 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 shares and/or options 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 and/or options is recognised as an expense with a corresponding entry to reserves 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 and/or options granted at the grant date and the number of shares and/or options 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 options that are expected to become exercisable. The grant of options 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 recorded at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. 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.

Exchange differences are recognised in 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which require a substantial period of time to get them ready for their intended use, are capitalised and included as part of the cost of the related assets. Capitalisation of borrowing costs will cease when the assets are ready for their intended use.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

Taxation

Income 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 as reported in 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. 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 and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from 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.

The tax effects of unutilised reinvestment allowance are only recognised upon actual realisation.

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 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 settle the carrying amount of its assets and liabilities.

Deferred tax assets and 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 liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the interest of the acquirer in the net fair value of the identifiable assets, liabilities and contingent liabilities over cost of the acquiree.

Property, Plant and Equipment

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

Freehold land and capital work-in-progress are not depreciated.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, Plant and Equipment (cont'd)

Capital work-in-progress comprises factory building under construction and factory 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 period ranging from 77 to 82 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%

The estimated useful lives, residual values and depreciation method of property, plant and equipment are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Property, Plant and Equipment Under Hire-Purchase Arrangements

Assets acquired under hire-purchase arrangements which transfer substantially all of the risks and rewards incident to ownership of the assets are capitalised under property, plant and equipment. The assets and the corresponding hire-purchase obligations are recorded at their fair values or, if lower, at the present value of the minimum hire-purchase payments of the assets at the inception of the respective arrangements.

Finance costs, which represent the differences between the total hire-purchase commitments and the fair values of the assets acquired, are charged to profit or loss over the term of the relevant hire-purchase period so as to give a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases, other than leasehold properties classified as investment property, are classified as operating leases. Property interest held under an operating lease to earn rentals or for capital appreciation or both is classified as investment property.

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the year in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. SIGNIFICANT ACCOUNTING POLICIES (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 cost. Subsequent to initial recognition, investment properties are measured at fair value. Fair value is arrived by reference to market evidence of transaction prices for similar properties. Gain or loss arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gain or loss on the retirement or disposal of an investment property is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss in the year in which the retirement or disposal arise.

Investments in Subsidiary Companies

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

Goodwill

Goodwill acquired in a business combination is initially recognised as an asset at cost and is subsequently measured at cost less accumulated impairment losses. Goodwill arising on consolidation represents the excess of cost of business combination over the interest of the Group in the net fair values of the identifiable assets, liabilities and contingent liabilities recognised of the acquiree at the date of the combination.

Goodwill is not amortised. Instead, it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units of the Group expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss is recognised immediately in the consolidated statement of profit or loss and any impairment loss recognised for goodwill is not subsequently reversed.

On disposal of an entity or operation, the goodwill associated with the entity or operation disposed of is included in the carrying amount of the entity or operation when determining the gain or loss on disposal.

Any excess of the interest of the Group in the net fair values of the acquiree's identifiable assets, liabilities and contingent liabilities over cost of acquisition (previously known as negative goodwill) is reassessed and is recognised immediate in the consolidated statement of profit or loss.

Impairment of Assets excluding Goodwill

At the end of each reporting period, the Group and the Company review the carrying amounts of their assets (other than inventories, financial assets and investment properties which are dealt with in their respective policies) to determine if there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where 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.

Recoverable amount is the higher of fair value less costs to sell 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.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of Assets excluding Goodwill (cont'd)

An impairment loss is only reversed to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. A reversal is recognised immediately in profit or loss.

Inventories

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

Cost is determined principally on the "First-in, First-out" and "Weighted Average" methods. 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.

Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of past event and it is probable that the Group and the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Research and Development Costs

Research costs relating to the original and planned investigation undertaken with the prospect of gaining new technical knowledge and understanding, are recognised as an expense when incurred.

Development costs represent costs incurred in the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems, or services prior to the commencement of commercial production or use. Development costs are charged to profit or loss in the year in which it is incurred except where a clearly-defined project is undertaken and it is probable that the development costs will give rise to future economic benefits. Such development costs are recognised as an intangible asset and amortised on a straight-line method over the life of the project from the date of commencement of commercial operation, which is on average five years.

Financial Instruments

Financial instruments are recognised in statements of financial position when, and only when the Group and the Company become a party to the contractual provisions of the financial instruments.

Where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, such financial assets are recognised and derecognised on trade date.

Financial instruments are initially measured at fair value, plus transaction costs, except for those financial assets and financial liabilities classified as at fair value through profit or loss ("FVTPL"), which are initially measured at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income and expense is recognised on an effective interest basis for debt instruments other than those financial assets or financial liabilities classified as at FVTPL.

(a) Financial assets

Financial assets of the Group and of the Company are classified into 'available-for-sale' ("AFS") financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(i) AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at FVTPL. All AFS financial assets are measured at fair value at the end of the reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's and the Company's right to receive the dividends is established.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(iii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

(a) Financial assets (cont'd)

(iii) Impairment of financial assets (cont'd)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

AFS investments are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the AFS investments, the estimated future cash flows of the investments have been affected. For unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the investments below their costs is considered to be objective evidence of impairment. When an AFS investment is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss even though the investment has not been derecognised. Impairment losses of AFS investments previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under investment revaluation reserve.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the presence value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

(iv) 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. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognise their retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

(b) Financial liabilities and equity instruments

(i) 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 arrangement and the definition of a financial liability and an equity instrument.

(ii) 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 the Company are recognised at the proceeds received, net of direct issue costs.

Shares repurchased by the Company are held as treasury shares, and are stated at the cost of repurchases, including directly attributable costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Financial liabilities

Financial liabilities of the Group and the Company are classified into "other financial liabilities" category.

(iv) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

(v) 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 they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

(c) Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risk.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Statement 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 consists of cash and bank balances, deposits with licensed banks, bank overdrafts and highly liquid investments which are readily convertible to cash with insignificant risks of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

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 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.

In the process of applying accounting policies of the Group and of the Company, the directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

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.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that 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.

(b) Recoverability of Receivables

The Group makes allowance for doubtful receivables based on an assessment of the recoverability of trade and other receivables. An allowance is established for trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful receivables requires use of judgment and estimates.

Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful receivables expenses in the period in which such estimate has been changed.

(c) Allowance for Slow Moving and Obsolete Inventories

The Group makes allowance for slow moving and obsolete inventories based on an assessment of the recoverability of the inventories through sales and recycling for alternative uses. Allowance is applied to inventories where events or changes in circumstances indicate that the costs may not be recoverable.

The identification of slow moving and obsolete inventories requires use of judgment and estimates.

Where the expectation is different from the original estimate, such difference will impact the carrying value of the inventories and slow moving inventories expenses in the period in which such estimate has been changed.

(d) 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 many 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 provisions in the period in which such determination is made.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(e) 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.

5. REVENUE

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Sale of goods	238,750	201,935	-	-
Dividend income from subsidiary companies	-	-	8,890	7,690
	238,750	201,935	8,890	7,690

6. SEGMENT REPORTING

Information reported to the chief operating decision maker and senior management of the Group for the purpose of resources allocation and assessment of performance focuses on the business operations of the Group.

The Group is organised into the following operating divisions:
- manufacturing (includes production of natural mineral water, carbonated flavoured water, distilled water, drinking water, non-carbonated flavoured water, PET preforms, PET bottles, caps and toothbrushes)
- trading (includes sale of bottled water and other consumer products)
- others (investment and properties holding)

Inter-segment sales are charged at cost plus a percentage of profit mark-up.

6. SEGMENT REPORTING (cont'd)

The Group

2014	Manufacturing RM'000	Trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
External sales	224,405	14,345	-	-	238,750
Inter-segment sales	56,388	12	8,890	(65,290)	-
Total revenue	280,793	14,357	8,890	(65,290)	238,750
Results					
Segment results	31,678	863	8,025	(8,896)	31,670
Finance costs					(3,503)
Investment revenue					144
Profit before tax					28,311
Income tax expense					(6,745)
Profit for the year					21,566
Other information					
Capital additions	29,673	5	-	(2,621)	27,057
Depreciation	11,236	76	-	-	11,312
Property, plant and equipment written off	169	-	-	-	169
Assets					
Segment assets	320,905	2,039	107,504	(123,206)	307,242
Unallocated segment assets					380
Consolidated Total Assets					307,622
Liabilities					
Segment liabilities	83,040	886	395	(53,729)	30,592
Unallocated segment liabilities					89,238
Consolidated Total Liabilities					119,830

6. SEGMENT REPORTING (cont'd)

The Group

2013	Manufacturing RM'000	Trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
External sales	186,968	14,967	-	-	201,935
Inter-segment sales	50,521	12	7,690	(58,223)	-
Total revenue	237,489	14,979	7,690	(58,223)	201,935
Results					
Segment results	25,446	1,293	7,773	(7,705)	26,807
Finance costs					(4,079)
Investment revenue					60
Profit before tax					22,788
Income tax expense					(3,555)
Profit for the year					19,233
Other information					
Capital additions	8,946	129	-	-	9,075
Depreciation	10,527	68	-	-	10,595
Property, plant and equipment written off	416	-	-	-	416
Fair value adjustments of investment properties	-	-	(530)	-	(530)
Assets					
Segment assets	290,682	2,412	100,264	(109,780)	283,578
Unallocated segment assets					547
Consolidated Total Assets					284,125
Liabilities					
Segment liabilities	66,516	703	169	(41,768)	25,620
Unallocated segment liabilities					91,487
Consolidated Total Liabilities					117,107

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 Group operates principally in Malaysia.

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 BENEFITS EXPENSE

Included in other gains and losses and other expenses are the following:

		The Group		The Company	
		2014	2013	2014	2013
	Note	RM'000	RM'000	RM'000	RM'000
Allowance for slow moving and obsolete inventories no longer required	18	259	62	-	-
Rental income:					
- Motor vehicles		166	166	-	-
- Premises		59	65	-	-
- Water dispensers		4	5	-	-
Investment revenue	8	144	60	-	-
Unrealised gain/(loss) on foreign exchange		86	(41)	-	-
Reversal of impairment loss on receivables	19	51	118	-	-
Interest income		30	21	-	-
Fair value adjustments of investment properties		-	530	-	-
Rental expense:					
- Plant and equipment		(339)	(210)	-	-
- Premises		(9)	(18)	-	-
Research and development expenditure		(275)	(215)	-	-
Allowance for slow moving and obsolete inventories	18	(180)	(61)	-	-
Property, plant and equipment written off		(169)	(416)	-	-
Auditors' remuneration:					
Statutory audit:					
Current year		(151)	(135)	(38)	(30)
Prior year		(13)	-	(10)	-
Others		(6)	(6)	-	-
Realised (loss)/gain on foreign exchange		(40)	7	-	-
(Loss)/Gain on disposal of property, plant and equipment		(14)	116	-	-
Impairment loss recognised on receivables	19	(11)	(13)	-	-
Receivables written off		(3)	-	-	-

7. OTHER GAINS AND LOSSES, OTHER EXPENSES AND EMPLOYEE BENEFITS EXPENSE (cont'd)

Included in employee benefits expense are the following:

		The Group		The Company	
		2014	2013	2014	2013
	Note	RM'000	RM'000	RM'000	RM'000
Directors' remuneration	9	2,546	1,955	379	252
Contributions to Employees' Provident Fund		1,900	1,513	-	-
Equity-settled share-based payments		1,181	400	-	-
Rental of hostels		82	56	-	-

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 Company which includes Executive Directors of the Company and certain members of senior management of the Company.

The remuneration of directors are disclosed in Note 9. The remuneration of other members of key management personnel of the Group during the financial year are as follows:

	The Group	
	2014	2013
	RM'000	RM'000
Short-term employee benefits	2,379	1,620
Post-employment benefits - Defined contribution plan	309	475
Equity-settled share-based payments	281	95
	2,969	2,190

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 RM63,685 (2013: RM54,805).

8. INVESTMENT REVENUE

	The Group	
	2014	2013
	RM'000	RM'000
Rental income from investment properties	144	60

The following is an analysis of investment revenue earned on financial assets by category of assets:

	The Group	
	2014	2013
	RM'000	RM'000
Investment income earned on non-financial assets	144	60

9. DIRECTORS' REMUNERATION

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Directors of the Company:				
Fees	247	215	163	147
Equity-settled share-based payments	388	141	177	65
Other emoluments	1,833	1,537	39	40
	2,468	1,893	379	252
Directors of the subsidiary companies:				
Fees	24	20	-	-
Equity-settled share-based payments	19	7	-	-
Other emoluments	35	35	-	-
	78	62	-	-
	2,546	1,955	379	252

Included in directors' other emoluments are contributions made by the Group to the Employees' Provident Fund of RM160,946 (2013: RM132,031).

The estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash from the Group amounted to RM106,550 (2013: RM69,736).

10. FINANCE COSTS

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Interest on:				
Bankers' acceptances	1,187	1,044	-	-
Term loans	1,094	1,467	-	-
Hire-purchase	483	757	-	-
Revolving credits	318	417	-	-
Bank overdrafts	52	44	-	-
Onshore foreign currency loan (USD)	1	4	-	-
Total interest expense for financial liabilities not classified as at fair value through profit or loss	3,135	3,733	-	-
Other finance costs	368	346	1	-
	3,503	4,079	1	-

11. INCOME TAX EXPENSE

	The Group		The Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Income tax:				
Current year	5,200	2,991	160	736
Prior year	41	(26)	(5)	5
	5,241	2,965	155	741
Deferred tax (Note 27):				
Relating to origination and reversal of temporary differences	2,240	972	-	-
Relating to crystallisation of deferred tax liability on revaluation surplus	(2)	(1)	-	-
Overprovision in prior year	(734)	(381)	-	-
	1,504	590	-	-
	6,745	3,555	155	741

The Group's and the Company's income tax rate remained at 25% for the year of assessment 2014.

The Malaysian Budget 2014 announced on October 25, 2013 the reduction of corporate income tax rate from 25% to 24% with effect from year of assessment 2016. The Real Property Gains Tax ("RPGT") is also revised to 30% for disposal within the first three years, 20% within the fourth year, 15% within the fifth year and 5% from sixth year onwards, on gains from the disposal of real property effective January 1, 2014. Following these, the applicable tax rates to be used for the measurement of any applicable deferred tax will be the abovementioned expected rates.

The total income tax expense for the year can be reconciled to the accounting profit as follows:

	The Group		The Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Profit before tax	28,311	22,788	8,024	7,244
Tax at the applicable statutory income tax rate of 25% (2013: 25%)	7,077	5,697	2,006	1,811
Tax effects of:				
Expenses that are not deductible in determining taxable profit	1,077	789	152	60
Loss not available for offset against future taxable income	2	1	-	-
Utilisation of reinvestment allowances	(662)	(2,342)	-	-
Income that is not taxable in determining taxable profit	(13)	(163)	(1,998)	(1,135)
Expenses allowed for double tax deductions	(43)	(20)	-	-
Income tax - prior year	41	(26)	(5)	5
Deferred tax - prior year	(734)	(381)	-	-
Income tax expense recognised in statements of profit or loss	6,745	3,555	155	741

As of May 31, 2014, the estimated unabsorbed reinvestment allowances of the Group which are available for offset against future taxable income amounted to RM1,697,000 (2013: RM3,404,000).

11. INCOME TAX EXPENSE (cont'd)

Current tax assets and liabilities

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Current tax assets				
Tax refund receivable	380	547	210	198
Current tax liabilities				
Income tax payable	1,481	1,540	-	-

12. EARNINGS PER SHARE

The basic and diluted earnings per ordinary share are calculated as follows:

	The Group	
	2014	2013
Profit for the year attributable to owners of the Company (RM'000)	21,566	19,233
Number of ordinary shares in issue as of June 1 ('000)	131,884	130,659
Shares repurchased and held as treasury shares ('000)	(24)	(24)
	131,860	130,635
Weighted average number of shares issued during the year ('000)	710	249
Weighted average number of ordinary shares in issue ('000)	132,570	130,884
Basic earnings per ordinary share (sen)	16.3	14.7
Weighted average number of shares used in calculation of basic earnings per share ('000)	132,570	130,884
Shares deemed to be issued for no consideration in respect of ESOS and Warrants ('000)	14,756	8,617
Weighted average number of shares used in the calculation of diluted earnings per share ('000)	147,326	139,501
Diluted earnings per ordinary share (sen)	14.6	13.8

13. PROPERTY, PLANT AND EQUIPMENT

The Group 2014	Cost					
	At beginning of year RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Reclassification RM'000	At end of year RM'000
Freehold land	50,573	3,102	-	-	-	53,675
Long-term leasehold land	4,809	-	-	-	-	4,809
Buildings	45,780	1,173	-	(85)	131	46,999
Factory extension	2,073	445	-	-	214	2,732
Staff quarters	1,074	76	-	-	-	1,150
Plant and machinery	104,908	18,152	(25)	(202)	2,295	125,128
Plant and machinery under hire-purchase	27,809	-	-	-	(2,295)	25,514
Motor vehicles	7,707	965	(121)	-	-	8,551
Motor vehicles under hire-purchase	3,331	632	-	(394)	-	3,569
Furniture, fixtures and equipment	12,182	1,406	(2)	(111)	-	13,475
Electrical installation	1,250	551	-	-	94	1,895
Water dispensers	301	-	-	-	-	301
Capital work-in-progress	334	555	-	-	(439)	450
Total	262,131	27,057	(148)	(792)*	-	288,248

The Group 2014	Accumulated depreciation					
	At beginning of year RM'000	Charge for the year RM'000	Disposals RM'000	Written off RM'000	Reclassification RM'000	At end of year RM'000
Freehold land	-	-	-	-	-	-
Long-term leasehold land	454	57	-	-	-	511
Buildings	4,540	836	-	(17)	-	5,359
Factory extension	310	99	-	-	-	409
Staff quarters	153	37	-	-	-	190
Plant and machinery	56,530	5,818	(10)	(122)	632	62,848
Plant and machinery under hire-purchase	6,333	2,025	-	-	(632)	7,726
Motor vehicles	4,338	877	(74)	-	-	5,141
Motor vehicles under hire-purchase	963	542	-	(141)	-	1,364
Furniture, fixtures and equipment	5,634	910	(1)	(90)	-	6,453
Electrical installation	733	95	-	-	-	828
Water dispensers	145	16	-	-	-	161
Capital work-in-progress	-	-	-	-	-	-
Total	80,133	11,312	(85)	(370)*	-	90,990

13. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Group 2013	Cost					
	At beginning of year RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Reclassification RM'000	At end of year RM'000
Freehold land	50,060	513	-	-	-	50,573
Long-term leasehold land	4,809	-	-	-	-	4,809
Buildings	42,668	730	-	(3)	2,385	45,780
Factory extension	2,073	-	-	-	-	2,073
Staff quarters	977	97	-	-	-	1,074
Plant and machinery	103,286	3,486	(46)	(1,818)	-	104,908
Plant and machinery under hire-purchase	27,809	-	-	-	-	27,809
Motor vehicles	6,902	1,211	(962)	(29)	585	7,707
Motor vehicles under hire-purchase	3,520	396	-	-	(585)	3,331
Furniture, fixtures and equipment	11,557	894	(2)	(267)	-	12,182
Electrical installation	1,221	30	-	(1)	-	1,250
Water dispensers	300	1	-	-	-	301
Capital work-in-progress	1,002	1,717	-	-	(2,385)	334
Total	256,184	9,075	(1,010)	(2,118)	-	262,131

The Group 2013	Accumulated depreciation					
	At beginning of year RM'000	Charge for the year RM'000	Disposals RM'000	Written off RM'000	Reclassification RM'000	At end of year RM'000
Freehold land	-	-	-	-	-	-
Long-term leasehold land	397	57	-	-	-	454
Buildings	3,753	788	-	(1)	-	4,540
Factory extension	217	93	-	-	-	310
Staff quarters	128	25	-	-	-	153
Plant and machinery	52,902	5,145	(29)	(1,488)	-	56,530
Plant and machinery under hire-purchase	3,947	2,386	-	-	-	6,333
Motor vehicles	4,103	721	(733)	(23)	270	4,338
Motor vehicles under hire-purchase	732	501	-	-	(270)	963
Furniture, fixtures and equipment	5,020	806	(2)	(190)	-	5,634
Electrical installation	677	56	-	-	-	733
Water dispensers	128	17	-	-	-	145
Capital work-in-progress	-	-	-	-	-	-
Total	72,004	10,595	(764)	(1,702)	-	80,133

13. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Group	Carrying amounts 2014 RM'000	2013 RM'000
Freehold land	53,675	50,573
Long-term leasehold land	4,298	4,355
Buildings	41,640	41,240
Factory extension	2,323	1,763
Staff quarters	960	921
Plant and machinery	62,280	48,378
Plant and machinery under hire-purchase	17,788	21,476
Motor vehicles	3,410	3,369
Motor vehicles under hire-purchase	2,205	2,368
Furniture, fixtures and equipment	7,022	6,548
Electrical installation	1,067	517
Water dispensers	140	156
Capital work-in-progress	450	334
Total	197,258	181,998

* The proceeds receivable from the assets written off during the financial year amounted to RM253,207.

During the financial year, depreciation expense is charged to the following items in the statement of profit or loss:

	The Group 2014 RM'000	2013 RM'000
Depreciation of property, plant and equipment	11,304	10,587
Research and development expenses included in other expenses	8	8
	11,312	10,595

14. INVESTMENT PROPERTIES

The Group 2014	At beginning of year RM'000	Fair value adjustments RM'000	Disposals RM'000	At end of year RM'000
At fair value				
Freehold land and buildings	614	-	-	614
Long-term leasehold land	1,585	-	-	1,585
Short-term leasehold land	530	-	-	530
Building	1,331	-	-	1,331
Renovation	64	-	-	64
Total	4,124	-	-	4,124

The Group 2013	At beginning of year RM'000	Fair value adjustments RM'000	Disposals RM'000	At end of year RM'000
At fair value				
Freehold land and buildings	614	-	-	614
Long-term leasehold land	1,327	258	-	1,585
Short-term leasehold land	345	185	-	530
Building	1,229	102	-	1,331
Renovation	79	(15)	-	64
Total	3,594	530	-	4,124

No valuation was performed in 2014 as there were no material changes in the market value of the properties since their valuation in 2013. The valuation in 2013 was carried out by independent valuers who have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The valuation was arrived at by reference to the market evidence of transaction prices for similar properties.

As of May 31, 2014, there were no contractual obligations for future repairs and maintenance (2013: Nil).

During the financial year, direct operating expenses incurred relating to the investment properties of the Group are as follows:

The Group	Generate rental income		Do not generate rental income	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Quit rent and assessments	8	6	11	11
Electricity and water charges	-	-	2	2

15. INVESTMENTS IN SUBSIDIARY COMPANIES

	The Company 2014 RM'000	The Company 2013 RM'000
Unquoted shares, at cost:		
At beginning of year	67,868	67,482
Subscription of additional shares	100	-
Additions	1,417	494
Reversals	(57)	(108)
At end of year	69,328	67,868

During the financial year, the Company subscribed for additional 99,998 ordinary shares of RM1 each of Hidro Dinamik Sdn. Bhd. for a total consideration of RM99,998.

The additions and reversals during the year relate to share options granted to the directors and employees of the subsidiary companies.

The subsidiary companies, all of which were incorporated in Malaysia, are as follows:

Name of Company	Effective Equity Interest 2014 %	Effective Equity Interest 2013 %	Principal Activities
Chuan Sin Sdn. Bhd.	100	100	Production of natural mineral water, carbonated flavoured water, distilled water, drinking water and non-carbonated flavoured water.
Golden PET Industries Sdn. Bhd. *	100	100	Manufacturing and selling of preforms, PET bottles, caps, toothbrushes and other plastic products.
Chuan Sin Cactus Sdn. Bhd.	100	100	Distribution of bottled water and other consumer products.
PET Master Sdn. Bhd.	100	100	Manufacturing and selling of PET preforms.
Angenet Sdn. Bhd.	100	100	Manufacturing and selling of bottled water.
Hidro Dinamik Sdn. Bhd.	100	100	Temporary ceased business operations in 2004.

* The financial statements of this company were examined by auditors other than the auditors of the Company.

16. GOODWILL ON CONSOLIDATION

	The Group	
	2014	2013
	RM'000	RM'000
At beginning and end of year	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 2014 as the operations of Chuan Sin Cactus Sdn. Bhd. have not deviated materially from that achieved in 2013 and any write down in goodwill, if necessary, to its recoverable amount is unlikely to be material to the Group's financial statements.

17. INVESTMENT IN UNQUOTED SHARES

	The Group	
	2014	2013
	RM'000	RM'000
Available-for-sale investment carried at cost	68	68

18. INVENTORIES

	The Group	
	2014	2013
	RM'000	RM'000
At cost		
Raw materials	8,866	7,438
Finished goods and trading merchandise	7,094	6,385
Packing materials	5,681	6,770
Spare parts	3,914	3,524
Goods-in-transit	2,264	1,211
Work-in-progress	342	683
	28,161	26,011
Less: Allowance for slow moving and obsolete inventories	(742)	(821)
Net	27,419	25,190

	2014	2013
	RM'000	RM'000
Cost of inventories recognised as an expense	154,621	130,009

18. INVENTORIES (cont'd)

Movement in allowance for slow moving and obsolete inventories is as follows:

	The Group	
	2014	2013
	RM'000	RM'000
Balance at beginning of year	821	822
Additional allowance recognised during the year (Note 7)	180	61
Allowance no longer required (Note 7)	(259)	(62)
Balance at end of year	742	821

19. TRADE AND OTHER RECEIVABLES

	The Group	
	2014	2013
	RM'000	RM'000
Trade receivables	13,234	9,205
Less: Allowance for doubtful debts	(69)	(116)
	13,165	9,089
Amount owing by related parties (Note 20):		
- trade	52,312	50,704
- non-trade	10	604
Other receivables	546	46
Total	66,033	60,443
Less: Non-current portion - Amount owing by a related party (non-trade)	-	(236)
Current portion	66,033	60,207

19. TRADE AND OTHER RECEIVABLES (cont'd)

The non-current portion is repayable as follows:

	The Group 2014 RM'000	The Group 2013 RM'000
More than one year but not later than two years	-	236

	The Company 2014 RM'000	The Company 2013 RM'000
Amount owing by subsidiary companies - non-trade (Note 20)	33,916	27,211

The currency profile of trade and other receivables are as follows:

	The Group 2014 RM'000	The Group 2013 RM'000
Ringgit Malaysia	63,818	58,368
Singapore Dollar	1,615	1,648
Australian Dollar	382	223
United States Dollar	281	320
Hong Kong Dollar	6	-
	66,102	60,559

Amount owing by subsidiary companies are denominated in Ringgit Malaysia.

Trade receivables of the Group comprise amounts receivable for the sale of goods. The credit period granted on sale of goods range from 7 to 120 days (2013: 7 to 120 days). No interest is charged on overdue outstanding balance of trade receivables.

An allowance has been made for estimated irrecoverable amounts from the sale of goods of the Group amounting to RM69,366 (2013: RM115,603) and has been determined by reference to past default experience.

19. TRADE AND OTHER RECEIVABLES (cont'd)

Movement in the allowance for doubtful debts is as follows:

	The Group	
	2014 RM'000	2013 RM'000
Balance at beginning of year	116	221
Impairment loss recognised on receivables (Note 7)	11	13
Impairment loss reversed (Note 7)	(51)	(118)
Amounts written off during the year as uncollectible	(7)	-
Balance at end of year	69	116

Ageing of impaired trade receivables is as follows:

	The Group	
	2014 RM'000	2013 RM'000
More than 120 days	69	116

Included in trade receivables and amount owing by related parties of the Group are receivables with total carrying amount of RM3,544,301 (2013: RM2,290,606) and RM2,122,340 (2013: RM9,162,010) respectively which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances nor does it have a legal right to offset against any amounts owed by the Group to the counterparty.

Ageing of trade receivables and amount owing by related parties which are past due but not impaired at the end of the reporting period are as follows:

The Group	Trade receivables		Amount owing by related parties	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
1 - 30 days	470	570	-	-
31 - 60 days	605	707	-	-
61 - 90 days	581	497	-	-
91 - 120 days	1,042	383	-	-
More than 120 days	846	134	2,122	9,162
	3,544	2,291	2,122	9,162

The Group seeks to maintain strict control over its outstanding trade receivables and has a credit period policy to minimise credit risk. Overdue balances are reviewed regularly by management. The Group has not provided for impairment loss on these trade receivable accounts that are past due as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Transactions with related parties are disclosed in Note 20.

20. 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.

Transactions with related parties are as follows:

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Subsidiary companies				
Dividends received/receivable (gross)	-	-	8,890	7,690
Transactions with other related parties being companies in which certain directors/shareholders and persons connected with the directors/shareholders have substantial interests				
Multibase Systems Sdn. Bhd.				
Secretarial fees paid/payable	23	23	8	8
Uniyelee Service Agencies Sdn. Bhd.				
Insurance premium paid/payable	819	810	1	1
Unikampar Credit And Leasing Sdn. Bhd.				
Hire-purchase financing	500	250	-	-
Hire-purchase interest paid	172	298	-	-
Yee Lee Oils & Foodstuffs (Singapore) Pte. Ltd.				
Sale of goods	4,878	3,394	-	-
South East Asia Paper Products Sdn. Bhd.				
Purchase of goods	4,188	6,126	-	-
Sale of goods	1	1	-	-
Yee Lee Marketing Sdn. Bhd.				
Rental of premise received	-	48	-	-
Sale of goods	-	4	-	-
Uniyelee Insurance Agencies Sdn. Bhd.				
Insurance premium paid/payable	426	436	-	-
Yee Lee Edible Oils Sdn. Bhd.				
Sale of goods	10,900	10,744	-	-
Transport charges paid	276	192	-	-
Internal audit fee paid				
- current year	9	23	-	-
- prior year	(4)	-	-	-

20. RELATED PARTY TRANSACTIONS (cont'd)

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Transactions with other related parties being companies in which certain directors/shareholders and persons connected with the directors/shareholders have substantial interests (cont'd)				
Yee Lee Trading Co. Sdn. Bhd.				
Sale of goods	128,028	108,749	-	-
Purchase of goods	3	10	-	-
Cactus Marketing Sdn. Bhd.				
Sale of goods	8,584	7,945	-	-
Rental of motor vehicles received	12	12	-	-
Purchase of goods	-	1	-	-
Unipon Enterprise Sdn. Bhd.				
Sale of goods	211	307	-	-
Purchase of goods	266	282	-	-
Cranberry (M) Sdn. Bhd.				
Rental of premises received/receivable	41	17	-	-
Purchase of goods	15	13	-	-
Transport Master Sdn. Bhd.				
Sale of goods	4	-	-	-
Yew Lee Chiong Tin Factory Sdn. Bhd.				
Sale of goods	7	-	-	-

The outstanding balances arising from related party transactions are disclosed in Notes 19, 25 and 28.

The amounts owing by/(to) related parties are unsecured, interest-free and repayable on demand. No guarantees have been given or received. No expense has been recognised in the year for bad and doubtful debts in respect of the amounts owing by related parties.

21. OTHER ASSETS

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Deposits	1,421	2,119	1	1
Prepaid expenses	1,895	1,404	1	1
	3,316	3,523	2	2

Included in deposits and prepaid expenses of the Group are amounts totalling RM1,134,008 (2013: RM1,070,584) which represent deposits paid for purchase of property, plant and equipment.

22. FIXED DEPOSIT, CASH AND BANK BALANCES

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Fixed deposit with a licensed bank	19	19	-	-
Cash and bank balances	8,965	8,173	134	1,058
	8,984	8,192	134	1,058

Fixed deposit of RM19,123 (2013: RM18,559) is pledged to a licensed bank as security for banking facilities granted to a subsidiary company.

The effective interest rate for fixed deposit is 3.00% (2013: 3.00%) per annum with maturity period of 30 days (2013: 30 days).

Analysis of currency profile of fixed deposit, cash and bank balances is as follows:

	The Group	
	2014 RM'000	2013 RM'000
Ringgit Malaysia	6,678	6,364
Australian Dollar	1,486	1,469
United States Dollar	820	359
	8,984	8,192

Cash and bank balances of the Company are denominated in Ringgit Malaysia.

23. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

The Group and The Company

	2014 Number of ordinary shares '000 units	2013 Number of ordinary shares '000 units	2014 RM'000	2013 RM'000
Authorised:				
Ordinary shares of RM0.50 each	200,000	200,000	100,000	100,000
Issued and fully paid:				
Ordinary shares of RM0.50 each:				
Balance at beginning of year	131,884	130,659	65,942	65,329
Exercise of ESOS	1,968	1,225	984	613
Warrants conversion	1,002	-	501	-
Balance at end of year	134,854	131,884	67,427	65,942

The Company increased its issued and paid-up ordinary share capital during the financial year by the issuance of 1,968,000 and 1,002,248 new ordinary shares of RM0.50 each pursuant to the exercise of ESOS and the conversion of Warrants of the Company respectively.

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

(b) Treasury shares

The Group and The Company

	2014 Number of ordinary shares '000 units	2013 Number of ordinary shares '000 units	2014 RM'000	2013 RM'000
At beginning and end of year	24	24	14	14

As of May 31, 2014, there are 24,000 treasury shares held by the Company. The number of ordinary shares of RM0.50 each in issue and fully paid after excluding the treasury shares was 134,829,914.

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.

24. RESERVES

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Non-distributable reserves:				
Share premium	18,904	16,982	18,904	16,982
Equity-settled employee benefits reserve	2,256	1,200	2,256	1,200
	21,160	18,182	21,160	18,182
Distributable reserve:				
Retained earnings	99,219	82,908	14,621	12,058
	120,379	101,090	35,781	30,240

(a) *Share premium*

The Group and The Company

	2014 RM'000	2013 RM'000
Balance at beginning of year	16,982	16,348
Issuance of ordinary shares pursuant to conversion of Warrants at a premium of RM0.68 per ordinary share	681	-
Transfer from equity-settled employee benefits reserve upon exercise of ESOS	481	288
Issuance of ordinary shares pursuant to the ESOS at a premium of RM0.41 per ordinary share	417	116
Issuance of ordinary shares pursuant to the ESOS at a premium of RM0.25 per ordinary share	203	235
Issuance of ordinary shares pursuant to the ESOS at a premium of RM1.06 per ordinary share	149	-
Expenses relating to issuance of ESOS and Warrants	(9)	(5)
Balance at end of year	18,904	16,982

(b) *Equity-settled employee benefits reserve*

The equity-settled employee benefits reserve relates to share options granted to the directors and employees of the Group under the ESOS as disclosed in Note 31.

(c) *Retained earnings*

The Company had not previously made the irrevocable option to disregard the Section 108 tax credit under the Finance Act, 2007. Accordingly, the Company moved to a single tier tax system upon expiry of the transitional period on December 31, 2013. Any remaining balance in the Section 108 credit has been disregarded. The entire retained earnings of the Company as of the end of the financial year is available for distribution of single tier dividends to the shareholders of the Company.

25. HIRE-PURCHASE PAYABLES

The Group	Minimum hire-purchase payments 2014 RM'000	Minimum hire-purchase payments 2013 RM'000	Present value of minimum hire-purchase payments 2014 RM'000	Present value of minimum hire-purchase payments 2013 RM'000
Amounts payable under hire-purchase arrangements:				
Within one year	4,751	6,132	4,525	5,663
In the second to fifth year inclusive	2,439	6,734	2,388	6,489
	7,190	12,866	6,913	12,152
Less: Future finance charges	(277)	(714)	-	-
Present value of hire-purchase payables	6,913	12,152	6,913	12,152
Less: Amount due within 12 months (shown under current liabilities)			(4,525)	(5,663)
Non-current portion			2,388	6,489

The non-current portion is repayable as follows:

	The Group 2014 RM'000	The Group 2013 RM'000
Financial years ending May 31:		
2015	-	4,370
2016	2,298	2,119
2017	90	-
	2,388	6,489

As of May 31, 2014, hire-purchase obligations of the Group payable to a related party amounted to RM1,898,626 (2013: RM4,150,000).

It is the Group's policy to acquire certain of its property, plant and equipment under hire-purchase arrangements. The terms for hire-purchase ranged from 3 to 5 years (2013: 3 to 5 years). For the financial year ended May 31, 2014, the effective borrowing rates ranged from 4.70% to 7.92% (2013: 4.70% to 7.92%) per annum. Interest rates are fixed at the inception of the hire-purchase arrangements.

The Group's hire-purchase payables are secured by the assets under hire-purchase and guaranteed by the Company.

26. BORROWINGS

	The Group	
	2014	2013
	RM'000	RM'000
Unsecured		
Bankers' acceptances	32,606	32,330
Term loans	23,878	24,696
Revolving credits	8,050	6,000
Bank overdrafts	37	-
	64,571	63,026
Less: Amount due within 12 months (shown under current liabilities)	(50,493)	(47,901)
Non-current portion	14,078	15,125

The non-current portion of the term loans is repayable as follows:

	The Group	
	2014	2013
	RM'000	RM'000
Financial years ending May 31:		
2015	-	8,024
2016	7,707	5,927
2017	3,156	1,174
2018	1,846	-
2019	1,369	-
	14,078	15,125

The Group has the following term loans:

(a) a seven (7) year term loan of RM13,967,016 (2013: RM13,967,016) which is repayable by equal monthly instalments commencing June 25, 2008;

(b) a five (5) year term loan of RM7,349,285 (2013: RM7,349,285) which is repayable by equal quarterly instalments commencing July 27, 2009 and this term loan has been fully repaid during the year;

(c) a seven (7) year term loan of RM28,755,616 (2013: RM28,755,616) which is repayable by quarterly instalments commencing February 16, 2010;

(d) a five (5) years term loan of RM3,906,630 (2013: RM3,906,630) which is repayable by equal monthly instalments commencing June 3, 2011;

(e) a five (5) year term loan of RM2,051,350 (2013: RM2,051,350) which is repayable by equal monthly instalments commencing June 30, 2011;

(f) a five (5) year term loan of RM1,260,000 (2013: RM1,260,000) which is repayable by equal monthly instalments commencing August 27, 2011;

(g) a five (5) year term loan of RM1,547,214 (2013: RM1,547,214) which is repayable by equal monthly instalments commencing August 29, 2011;

(h) a five (5) year term loan of RM3,230,000 (2013: Nil) which is repayable by equal monthly instalments commencing November 1, 2013; and

(i) a five (5) year term loan of RM6,000,000 (2013: Nil) which is repayable by equal monthly instalments commencing May 29, 2014.

26. BORROWINGS (cont'd)

The average effective interest rates per annum are as follows:

	The Group 2014 %	The Group 2013 %
Bankers' acceptances	2.92 - 3.65	2.87 - 3.82
Term loans	4.09 - 5.15	4.07 - 5.15
Revolving credits	3.90 - 4.43	3.98 - 4.45
Bank overdrafts	7.10 - 7.85	7.10 - 7.85
Onshore foreign currency loan (USD)	3.05	3.01

The Group obtained banking facilities including term loans facilities to the extent of RM146,897,000 (2013: RM146,158,000) from certain licensed banks of which RM128,644,000 (2013: RM114,050,000) are guaranteed by the Company.

27. DEFERRED TAX LIABILITIES

The Group 2014	At beginning of year RM'000	Recognised in statement of profit or loss RM'000	At end of year RM'000
Deferred tax liabilities			
Property, plant and equipment	13,629	1,480	15,109
Investment properties	-	26	26
Revaluation reserve	1,140	(2)	1,138
	14,769	1,504	16,273

The Group 2013	At beginning of year RM'000	Recognised in statement of profit or loss RM'000	At end of year RM'000
Deferred tax liabilities			
Property, plant and equipment	12,658	971	13,629
Revaluation reserve	1,521	(381)	1,140
	14,179	590	14,769

Unrecognised deferred tax assets

As of May 31, 2014, the Group has unutilised tax losses and unabsorbed capital allowances of RM216,000 (2013: RM216,000), which are available for offset against future taxable profits. No deferred tax assets has been recognised in respect of RM54,000 (2013: RM54,000) due to uncertainty of its realisation.

28. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Trade payables	10,845	9,837	-	-
Amount owing to related parties:				
- trade	1,268	2,084	-	-
- non-trade	35	212	-	-
Other payables	10,114	7,662	12	-
	22,262	19,795	12	-
Less: Non-current portion - other payables	(1,174)	-	-	-
Current portion	21,088	19,795	12	-

The non-current portion is repayable as follows:

	The Group	
	2014 RM'000	2013 RM'000
More than one year but not later than two years	1,174	-

The currency profile of trade and other payables is as follows:

	The Group	
	2014 RM'000	2013 RM'000
Ringgit Malaysia	17,544	18,137
Euro	3,105	335
United States Dollar	1,604	1,310
Singapore Dollar	5	13
Hong Kong Dollar	4	-
	22,262	19,795

Other payables of the Company are denominated in Ringgit Malaysia.

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs respectively. The credit period granted to the Group for trade purchases range from 30 to 120 days (2013: 30 to 90 days).

Other payables of the Group and of the Company are unsecured, interest-free and repayable on demand.

Transactions with related parties are disclosed in Note 20.

29. OTHER LIABILITIES

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Accrued expenses	8,114	5,613	376	169
Deposits received	216	212	8	-
	8,330	5,825	384	169

30. DIVIDEND

The Group and The Company

	2014 RM'000	2013 RM'000
Interim dividend paid:		
4.0 sen per share, tax-exempt for 2013		
(2013: First and final dividend : 3.0 sen per share, tax-exempt for 2012)	5,306	3,929

The directors proposed a first and final dividend of 4.0 sen per share, under the single tier system, in respect of the current financial year. This 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.

31. SHARE-BASED PAYMENTS

Under the Company's Employees' Share Option Scheme ("ESOS"), which has been approved at an Extraordinary General Meeting held on November 24, 2011, options to subscribe for new ordinary shares ("Spritzer Shares") of RM0.50 each in the Company were granted to eligible employees, Executive Directors and Non-Executive Directors ("Eligible Persons") of the Company and its subsidiary companies, which are not dormant. The ESOS is administered by the ESOS Committee and governed by a set of by-laws.

The implementation of the ESOS primarily serves to align the interests of the Eligible Persons to the corporate goals of Spritzer Group. The ESOS will provide the Eligible Persons with an opportunity to have equity participation in the Company and help achieve the positive objectives as set out below:

(i) To recognise the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of the Group;

(ii) To motivate the Eligible Persons towards improved performance through greater productivity and loyalty;

(iii) To inculcate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of the Company;

(iv) To retain the Eligible Persons, hence ensuring that the loss of key personnel is kept to a minimum level; and

(v) To reward the Eligible Persons by allowing those to participate in the Group's profitability and eventually realise any capital gains arising from appreciation in the value of the Company's shares.

The Board of Directors is of the view that the Non-Executive Directors play a constructive role in contributing towards the growth and performance of the Group. Therefore, in recognition of their contribution to the Group, the ESOS is also extended to the Non-Executive Directors to allow them to participate in the equity of the Company as an incentive as they discharge important functions in providing strategic direction and guidance for the Group, and their experience, services and contributions are valued by the Group.

31. SHARE-BASED PAYMENTS (cont'd)

The salient features of the ESOS are as follows:

1. Maximum number of Spritzer Shares available under the ESOS

   The total number of new Spritzer Shares, which may be allotted pursuant to the ESOS shall not exceed in aggregate 15% of the total issued and paid-up share capital of the Company (excluding treasury shares) at any point in time during the existence of the ESOS.

2. Maximum allowable allotment

   The maximum number of new Spritzer Shares that may be offered to an Eligible Person shall be determined at the discretion of the ESOS Committee after taking into consideration, amongst others and where relevant, the performance, contribution, employment grade, seniority and length of service of the Eligible Person, subject to the following:

   a. The aggregate allocation to Directors and senior management of the Group must not exceed 50% of the new Spritzer Shares available under the ESOS; and

   b. The allocation to an Eligible Person, who either singly or collectively, through persons connected to the Eligible Person, holds 20% or more of the issued and paid-up share capital of the Company, must not exceed 10% of the new Spritzer Shares available under the ESOS.

3. Eligibility

   Only employees, Executive Directors and Non-Executive Directors of the Company and its subsidiaries, which are not dormant, who meet the following conditions as at the date of offer are eligible to participate in the ESOS:

   a. Employees

      i. be at least 18 years of age;
      ii. confirmed in service in the Group;
      iii. is employed for a continuous period of at least one (1) year in the Group; and
      iv. be under such categories and complies with such criteria that the ESOS Committee may decide at its absolute discretion from time to time.

   b. Executive Director and Non-Executive Director

      An Executive Director or Non-Executive Director who has held office for at least one (1) year in the Group, whose entitlement under the ESOS has been approved by shareholders of the Company in a general meeting, and who is not prohibited or disallowed by the relevant authorities from participating in the ESOS.

   The selection of any Eligible Persons to participate in the ESOS shall be at the absolute discretion of the ESOS Committee and the decision of the ESOS Committee shall be binding and final.

   Save for the aforesaid eligibility conditions and in accordance with the by-laws, an Eligible Person is not subject to any other conditions and/or performance targets to be eligible for participation in the ESOS.

4. Duration

   The ESOS shall be in force for a period of five (5) years commencing March 9, 2012 and will expire on March 8, 2017 but may be extended for a further period of up to five (5) years at the discretion of the Board of Directors upon recommendation of the ESOS Committee, subject always that the duration or tenure of the ESOS shall be not more than ten (10) years from the effective date.

31. SHARE-BASED PAYMENTS (cont'd)

5. Basis of determining the Subscription Price

Subject to any adjustments made under the by-laws and pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), the subscription price shall be the higher of:

a. The five (5)-day weighted average of the market prices of Spritzer Shares immediately preceding the date of offer, with a discount of not more than 10% at the ESOS Committee's discretion; or

b. The par value of Spritzer Shares.

6. Acceptance

An offer made by the ESOS Committee to an Eligible Person under the ESOS shall be in writing. The offer shall be open for acceptance by the Eligible Person to whom it is made for at least fourteen (14) calendar days from the date of offer.

The acceptance of the offer shall be by a notice in writing addressed to the ESOS Committee in such form as prescribed by the ESOS Committee accompanied by a non-refundable payment to the Company of a sum of RM1.00 only as consideration for the acceptance of such offer. Upon acceptance of the offer, the Company may at its discretion, issue to the grantee an option certificate, which confirms the grant of the ESOS Option, the number of new Spritzer Shares comprised in the ESOS, ESOS option period and subscription price.

If the offer is not accepted in the aforesaid manner, the offer shall automatically lapse upon the expiry of the prescribed offer period and shall no longer be capable of acceptance. In the event an offer is accepted as to part of the Spritzer Shares comprised therein, the offer as regards to the balance of the Spritzer Shares not accepted shall lapse forthwith.

In the event of the demise of an Eligible Person or in the event the Eligible Person shall cease to be employed within the Group or shall cease to be a Director as the case may be, or become a bankrupt, prior to the acceptance of an Offer made to the Eligible Person, such Offer shall automatically lapse and shall not be capable of acceptance.

7. Amendments and/or modifications

Subject to the compliance with the requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the ESOS Committee may, at any time and from time to time, recommend to the Board of Directors any additions and amendments to or deletions of the by-laws as it shall in its discretion think fit and the Board of Directors shall have the power by resolution to add to, amend or delete all of any of the by-laws upon such recommendation provided that no additions or amendments to or deletion of the by-laws shall be made which will:

a. Prejudice any rights of the shareholders of the Company without the prior approval of the shareholders of the Company in a general meeting; or

b. Alter to the advantage of any Eligible Persons in respect of any matters which are required to be contained in the by-laws (or any amendments subsequent thereto) by virtue of the Listing Requirements, without the prior approval of the shareholders of the Company in a general meeting unless otherwise allowed by the provisions of the Listing Requirements.

Where any amendments and/or modifications are made to the by-laws, the Company shall submit to Bursa Malaysia Securities Berhad, the amendments and/or modifications to the by-laws and a confirmation letter that the amendments and/or modifications complies with the provisions of the guidelines on ESOS stipulated under the Listing Requirements no later than five (5) Market Days from the effective date of the said amendments and/or modifications.

31. SHARE-BASED PAYMENTS (cont'd)

8. Alteration of share capital

In the event of any alteration in the capital structure of the Company during the ESOS option period, whether by way of capitalisation of profits or reserves, rights issue, bonus issue, reduction of capital, subdivision or consolidation of Spritzer Shares, or otherwise howsoever arising, corresponding adjustments, if any, shall be made either in the number of new Spritzer Shares comprised in the ESOS not exercised and/ or the subscription price in such manner as the ESOS Committee may decide provided that:

a. The adjustment other than arising from a bonus issue must be confirmed in writing by the external auditors for the time being of the Company to be in their opinion (acting as experts and not as arbitrators) fair and reasonable; and

b. No adjustment to the subscription price shall be made which would result in the new Spritzer Shares being issued at a discount to the par value of Spritzer Shares and if such an adjustment would but for this provision have so resulted, the subscription price payable for such new Spritzer Shares shall be the par value of Spritzer Shares.

The aforesaid adjustments shall be made in accordance with the formulas as set out in First Schedule attached to the by-laws and on the day immediately following the books closure date for the event giving rise to the adjustments.

9. Ranking of the ESOS Option and new Spritzer Shares arising from the exercise of the ESOS Option

The grantees will not be entitled to any voting right or participation in any form of distribution and/or offer of further securities in the Company until and unless such grantees exercise their ESOS into new Spritzer Shares.

The new Spritzer Shares arising from the exercise of the ESOS shall, upon allotment and issuance, rank pari passu in all aspects with the then existing issued and paid-up ordinary shares of the Company, except that the new Spritzer Shares will not be entitled to any distribution declared, made or paid to shareholders, for which the entitlement date for the distribution precedes the date of which the new Spritzer Shares are credited into the Central Depository System account with Bursa Depository of the grantees. The new Spritzer Shares will be subject to all provisions of the Memorandum and Articles of Association of the Company and such amendments thereafter, if any.

10. Holding of Spritzer Shares

Pursuant to the Listing Requirements, an eligible Director who is a Non-Executive Director shall not sell, transfer or assign the Spritzer Shares obtained through the exercise of the ESOS offered to him/her within one (1) year from the date of offer.

Save for the Non-Executive Directors, the new Spritzer Shares allotted and issued to the grantees pursuant to the exercise of the ESOS will not be subject to any holding period or restriction on transfer, disposal and/ or assignment.

31. SHARE-BASED PAYMENTS (cont'd)

Details of the movements in share options during the financial year are as follows:

			No. of options over ordinary shares of RM0.50 each				
Option series	Expiry date	Exercise price per ordinary share RM	Balance as of 1.6.2013 '000 units	Granted '000 units	Lapsed '000 units	Exercised '000 units	Balance as of 31.5.2014 '000 units
(1) Granted on 9.3.2012 (Offer 1)	8.3.2017	0.75	3,054	-	(73)	(811)	2,170
(2) Granted on 11.3.2013 (Offer 2)	8.3.2017	0.91	4,612	-	(146)	(1,016)	3,450
(3) Granted on 10.3.2014 (Offer 3)	8.3.2017	1.56	-	5,596	(18)	(141)	5,437
Total			7,666	5,596	(237)	(1,968)	11,057

The number of share options vested as of May 31, 2014 is 3,607,700 (2013: 1,523,600) units.

Other than the Executive Directors and Non-Executive Directors whose interests are disclosed separately in Directors' Interests, eligible employees who have been granted options for 110,000 or more during the financial year under the Company's ESOS are as follows:

	No. of options granted during the year
Mr. Lim Seng Lee	165,000
Mr. Lim Hock Lai	132,000
Mr. Sow Yeng Chong	132,000
Madam Chong Mee Yoong	132,000
Mr. Tan Eng Bong	110,000

Fair value of share options granted

The fair value of the options are as follows:

Option series	1st Year RM	2nd Year RM	3rd Year RM	4th Year RM
Offer 1	0.2353	N/A	N/A	N/A
Offer 2	0.2070	0.2190	0.2490	0.2580
Offer 3	0.3780	0.3780	0.3780	N/A

31. SHARE-BASED PAYMENTS (cont'd)

The fair value of the options was determined using the "Black-Scholes" model based on the closing market price at offer date, the exercise price, expected volatility based on its historical volatility, expected dividend yield, option life and risk-free rate.

Input into the model

	Offer 1	Offer 2	Offer 3
Offer date share price (RM)	0.825	1.010	1.730
Exercise price (RM)	0.750	0.910	1.560
Expected volatility (%):			
1st year	29.04	29.50	31.67
2nd year	32.13	28.60	N/A
3rd year	33.25	31.40	N/A
4th year	36.78	31.00	N/A
5th year	35.01	N/A	N/A
Expected dividend yield (%)	2.48	2.62	3.46
Option life (years)	5	4	3
Risk-free rate (%):			
1st year	3.48	3.23	3.57
2nd year	N/A	3.27	N/A
3rd year	N/A	3.30	N/A
4th year	N/A	3.34	N/A

The range of share price at the date of exercise of the options exercised during the financial year was RM1.31 to RM2.13 (2013: RM0.83 to RM1.46).

The share options outstanding at the end of the reporting period have weighted average exercise price of RM1.20 (2013: RM0.85), and a weighted average remaining contractual life for these options is 1,011 days (2013: 1,376 days).

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Categories of financial instruments

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Financial assets				
Loans and receivables:				
Trade and other receivables	66,033	60,443	-	-
Amount owing by subsidiary companies	-	-	33,916	27,211
Refundable deposits	852	582	1	1
Fixed deposit, cash and bank balances	8,984	8,192	134	1,058
Available-for-sale:				
Investment in unquoted shares	68	68	-	-
Financial liabilities				
Other financial liabilities:				
Trade and other payables	22,262	19,795	12	-
Borrowings	64,571	63,026	-	-
Hire-purchase payables	6,913	12,152	-	-
Accrued expenses	8,114	5,613	376	169
Refundable deposits received	208	212	-	-

Financial Risk Management Objectives and Policies

Risk management is integral to the whole business of the Group and of the Company. Management continually monitor 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.

(a) Market risk

(i) Foreign currency risk

The Group's transactions in foreign currencies are in United States Dollar ("USD"), Australian Dollars ("AUD"), Euro ("EUR"), Singapore Dollar ("SGD") and Hong Kong Dollar ("HKD") and therefore, are exposed to foreign exchange risk.

The carrying amounts of the foreign currency denominated monetary assets and liabilities of the Group at the end of the reporting period are disclosed in Notes 19, 22 and 28.

Sensitivity analysis for foreign currency risk

The management does not consider the Group's exposure to foreign currency exchange risk significant as of May 31, 2014. Therefore, sensitivity analysis for foreign currency exchange risk is not disclosed.

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(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 and other 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 the 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 Notes 25 and 26.

Sensitivity analysis for interest rate risk

The Group does not consider its exposure to interest rate risk from bank borrowings and interest-bearing assets significant as of May 31, 2014 due to insignificant fluctuations in the market interest rates. Therefore, interest rate sensitivity analysis is not disclosed.

(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 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 related parties and other financial assets. The credit risk exposure of the Company arises from amount due from subsidiary companies and financial guarantees given to licensed banks and credit and leasing company for credit and hire-purchase facilities granted to subsidiary companies 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 is not subject to significant concentration of credit risk.

As the Group does not hold any collateral, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position. The Group uses ageing analysis to monitor the credit quality of the trade receivables.

For other receivables, management does not consider its exposure to credit risk significant due to the insignificant carrying amount as of May 31, 2014.

The ageing of trade receivables and amount owing by related parties that are past due are disclosed in Note 19.

Amount Due From Subsidiaries and Other Related Parties

The Group undertook trade transactions with related parties and credit period of 120 days (2013: 120 days) was set. The Company provided unsecured advances to subsidiary companies and there are no fixed repayment terms imposed on amount due from subsidiary companies as the credit risk is managed on a Group basis by the management of Company to ensure that risk of losses incurred by the Company due to non-repayment by subsidiary companies, is minimal.

At the end of the reporting period, the maximum exposure to credit risk of the Group and of the Company is represented by their carrying amounts in the statements of financial position.

At the end of the reporting period, there was no indication that the balances due from subsidiary companies and other related parties are not recoverable.

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

Financial Guarantee

The Company provides unsecured financial guarantees to licensed banks and credit and leasing company in respect of credit and hire-purchase facilities granted to subsidiary companies. The Company monitors on an ongoing basis the trend of repayments made by the subsidiary companies.

The maximum exposure to credit risk amounts to RM73,510,000 (2013: RM76,974,000) representing the limit of banking and hire-purchase facilities utilised as of the end of the reporting period.

At the end of the financial period, there was no indication that the subsidiary companies would default on repayment.

Other Financial Assets

The credit risk on liquid funds are 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 RM48,282,000 (2013: RM51,450,000) 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 maturity profile of the Group's and of the Company's non-derivative financial assets and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations are as follows:

The Group 2014	**On demand or within one year RM'000**	**One year to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Non-derivative financial assets:				
Trade and other receivables	66,033	-	-	66,033
Refundable deposits	852	-	-	852
Investment in unquoted shares	68	-	-	68
Fixed deposit, cash and bank balances	8,984	-	-	8,984
Total undiscounted non-derivative financial assets	75,937	-	-	75,937

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(c) Liquidity and cash flow risks (cont'd)

The Group 2014	**On demand or within one year RM'000**	**One year to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Non-derivative financial liabilities:				
Trade and other payables	21,088	1,174	-	22,262
Refundable deposits received	208	-	-	208
Accrued expenses	8,114	-	-	8,114
Hire-purchase payables	4,751	2,439	-	7,190
Borrowings	51,544	15,135	-	66,679
Total undiscounted non-derivative financial liabilities	85,705	18,748	-	104,453
Total net undiscounted non-derivative financial liabilities	(9,768)	(18,748)	-	(28,516)
The Group 2013				
Non-derivative financial assets:				
Trade and other receivables	60,207	236	-	60,443
Refundable deposits	582	-	-	582
Investment in unquoted shares	68	-	-	68
Fixed deposit, cash and bank balances	8,192	-	-	8,192
Total undiscounted non-derivative financial assets	69,049	236	-	69,285
Non-derivative financial liabilities:				
Trade and other payables	19,795	-	-	19,795
Refundable deposits received	212	-	-	212
Accrued expenses	5,613	-	-	5,613
Hire-purchase payables	6,132	6,734	-	12,866
Borrowings	48,980	16,247	-	65,227
Total undiscounted non-derivative financial liabilities	80,732	22,981	-	103,713
Total net undiscounted non-derivative financial liabilities	(11,683)	(22,745)	-	(34,428)

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(c) Liquidity and cash flow risks (cont'd)

The Company 2014	On demand or within one year RM'000	One year to five years RM'000	Over five years RM'000	Total RM'000
Non-derivative financial assets:				
Amount owing by subsidiary companies	33,916	-	-	33,916
Refundable deposits	1	-	-	1
Cash and bank balances	134	-	-	134
Total undiscounted non-derivative financial assets	34,051	-	-	34,051
Non-derivative financial liabilities:				
Trade and other payables	12	-	-	12
Accrued expenses	376	-	-	376
Total undiscounted non-derivative financial liabilities	388	-	-	388
Total net undiscounted non-derivative financial assets	33,663	-	-	33,663
The Company 2013				
Non-derivative financial assets:				
Amount owing by subsidiary companies	27,211	-	-	27,211
Refundable deposits	1	-	-	1
Cash and bank balances	1,058	-	-	1,058
Total undiscounted non-derivative financial assets	28,270	-	-	28,270
Non-derivative financial liabilities:				
Accrued expenses	169	-	-	169
Total undiscounted non-derivative financial liabilities	169	-	-	169
Total net undiscounted non-derivative financial assets	28,101	-	-	28,101

The Group and the Company have not committed to any derivative financial instruments during the financial year.

(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 2013.

The capital structure of the Group and of the Company consist of net debt and equity of the Group and of the Company.

32. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

Fair Values of Financial Assets and Financial Liabilities

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.

The fair values of long-term financial liabilities are included in Level 2 category of the fair value hierarchy in accordance with MFRS 7 - *Financial Instruments: Disclosure* and have been determined by the present value of future cash flows estimated and discounted using the current interest rates for similar instruments at the end of the reporting period. There is no material difference between the carrying amounts and the estimated fair values of these financial liabilities as of the end of the reporting period.

No disclosure is made on the fair value of investment in unquoted shares of the Group as it is impractical to estimate due to the lack of quoted market price and the inability to establish its fair value without incurring excessive cost.

33. STATEMENTS OF CASH FLOWS

(a) Purchase of property, plant and equipment

Property, plant and equipment were acquired by the following means:

	The Group	
	2014	2013
	RM'000	RM'000
Cash purchase	23,687	8,825
Other payables	2,739	-
Hire-purchase financing	500	250
Advance payments made in prior year included in prepaid expenses	131	-
	27,057	9,075

The principal amounts of instalment repayments for property, plant and equipment acquired by hire-purchase are reflected as cash outflows from financing activities.

(b) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	The Group		The Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Fixed deposit with a licensed bank	19	19	-	-
Cash and bank balances	8,965	8,173	134	1,058
Bank overdrafts	(37)	-	-	-
	8,947	8,192	134	1,058
Less: Fixed deposit pledged to a licensed bank	(19)	(19)	-	-
	8,928	8,173	134	1,058

34. CAPITAL COMMITMENTS

As of May 31, 2014, the Group has the following commitments in respect of property, plant and equipment:

	The Group	
	2014 RM'000	2013 RM'000
Approved and contracted for		
- Plant and equipment	4,327	7,768
Approved but not contracted for		
- Land and building	486	-
- Plant and equipment	1,538	1,096
	2,024	1,096
	6,351	8,864

35. SUBSEQUENT EVENT

The subsidiary company, Chuan Sin Sdn. Bhd. ("CSSB") entered into a sponsorship agreement with Rakan Riang Pte. Ltd. on July 17, 2014 to establish its brand, image and logo within the Amusement Centre, Kidzania Amusement Centre in Singapore for a term of three (3) years with an option to extend for another two (2) years. CSSB needs to pay an initial fee of SGD200,000 and an annual fee of SGD200,000.

36. SUPPLEMENTARY INFORMATION - DISCLOSURE ON REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and of the Company as of May 31, 2014 into realised and unrealised profits or losses, pursuant to the directive issued by Bursa Malaysia Securities Berhad on March 25, 2010, is as follows:

	The Group		The Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Total retained earnings of the Company and its subsidiaries				
Realised	151,039	139,292	14,621	12,058
Unrealised	(1,603)	(6,597)	-	-
	149,436	132,695	14,621	12,058
Less: Consolidation adjustments	(50,217)	(49,787)	-	-
Total retained earnings as per statements of financial position	99,219	82,908	14,621	12,058

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants on December 20, 2010.

This supplementary information have been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and is not made for any other purposes.

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 provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of May 31, 2014 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

The supplementary information set out in Note 36, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the Directors,

Y. BHG. DATO' LIM KOK BOON, DPMP
Managing Director

DR. CHUAH CHAW TEO
Executive Director

Ipoh,
August 15, 2014

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **MR. SOW YENG CHONG**, 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.

MR. SOW YENG CHONG

Subscribed and solemnly declared by the abovenamed
MR. SOW YENG CHONG at **IPOH**
this 15th day of August, 2014.

Before me,

MR. M. LOGANAYAGI P.P.T.
No. : A226
COMMISSIONER FOR OATHS

ANALYSIS OF SHAREHOLDINGS

AS AT SEPTEMBER 29, 2014

SHARE CAPITAL

Authorised Share Capital	:	RM100,000,000.00
Issued and Paid-Up Share Capital	:	RM68,037,115.00 (excluding 24,000 Treasury Shares)
Class of Shares	:	Ordinary shares of RM0.50 each
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders		Number of Issued Shares	
	Number	%	Number	%
Less than 100 shares	92	5.70	4,079	0.01
100 to 1,000 shares	154	9.55	105,440	0.08
1,001 to 10,000 shares	1,097	68.01	4,013,574	2.95
10,001 to 100,000 shares	195	12.09	5,325,810	3.91
100,001 to less than 5% of issued shares	72	4.46	59,916,295	44.03
5% and above of issued shares	3	0.19	66,709,032	49.02
Total	**1,613**	**100.00**	**136,074,230**	**100.00**

SUBSTANTIAL SHAREHOLDERS (as per the Company's Register of Substantial Shareholders)

	Substantial Shareholders	Direct Interest		Deemed Interest	
		Number of Issued Shares	% of Issued Shares	Number of Issued Shares	% of Issued Shares
1.	Yee Lee Corporation Bhd ("**YLC**")	43,685,244	32.10	-	-
2.	Yee Lee Holdings Sdn Bhd ("**YLH**")	18,352,000	13.49	697,332 [a]	0.51
3.	Lim A Heng @ Lim Kok Cheong ("**LKC**")	7,086,366	5.21	69,444,174 [b]	51.03
4.	Lim Kok Boon ("**LKB**")	5,518,000	4.06	4,997,998 [c]	3.67
5.	Chua Shok Tim @ Chua Siok Hoon ("**CSH**")	1,640,000	1.21	74,890,540 [d]	55.04
6.	Lai Yin Leng ("**LYL**")	133,332	0.10	10,382,666 [e]	7.63
7.	Yee Lee Organization Bhd ("**YLO**")	-	-	62,734,576 [f]	46.10
8.	Unikampar Credit And Leasing Sdn Bhd ("**UCL**")	-	-	62,734,576 [g]	46.10
9.	Uniyelee Sdn Bhd ("**UYL**")	-	-	62,734,576 [g]	46.10
10.	Yeleta Holdings Sdn Bhd ("**YH**")	-	-	62,734,576 [h]	46.10
11.	Young Wei Holdings Sdn Bhd ("**YW**")	-	-	62,734,576 [i]	46.10

Notes:-

[a] Deemed interest by virtue of 100% shareholding in Transworld Commodities (M) Sdn Bhd ("**TC**") pursuant to Section 6A of the Companies Act, 1965 ("**Act**").

[b] Deemed interest by virtue of shareholdings in Chuan Sin Resources Sdn Bhd ("**CSR**") and YW pursuant to Section 6A of the Act; and the shares held by his spouse, CSH and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[c] Deemed interest by virtue of shareholding in CSR pursuant to Section 6A of the Act; and the shares held by his spouse, LYL and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

[d] Deemed interest by virtue of shareholding in YW and deemed shareholding in CSR pursuant to Section 6A of the Act; and the shares held by her spouse, LKC and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[e] Deemed interest by virtue of deemed shareholding in CSR pursuant to Section 6A of the Act; and the shares held by her spouse, LKB and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

[f] Deemed interest held through YLC, YLH and deemed shareholding in TC pursuant to Section 6A of the Act.

[g] Deemed interest held through YLO pursuant to Section 6A of the Act.

[h] Deemed interest held through UCL and UYL pursuant to Section 6A of the Act.

[i] Deemed interest held through YH pursuant to Section 6A of the Act.

ANALYSIS OF SHAREHOLDINGS

AS AT SEPTEMBER 29, 2014

DIRECTORS' SHAREHOLDINGS (as per the Company's Register of Directors' Shareholdings)

	Directors	Direct Interest		Deemed Interest	
		Number of Issued Shares	% of Issued Shares	Number of Issued Shares	% of Issued Shares
1.	Lim A Heng @ Lim Kok Cheong	7,086,366	5.21	69,444,174 [a]	51.03
2.	Lim Kok Boon	5,518,000	4.06	4,997,998 [b]	3.67
3.	Chuah Chaw Teo	268,666	0.20	-	-
4.	Lam Sang	3,104,866	2.28	-	-
5.	Chok Hooa @ Chok Yin Fatt	116,500	0.09	-	-
6.	Nik Mohamad Pena bin Nik Mustapha	1,362,000	1.00	-	-
7.	Mohd Adhan bin Kechik	3,320,332	2.44	-	-
8.	Kuan Khian Leng	12,000	0.01	4,680,000 [c]	3.44

Notes:-

[a] Deemed interest by virtue of shareholdings in CSR and YW pursuant to Section 6A of the Act; and the shares held by his spouse, CSH and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[b] Deemed interest by virtue of shareholding in CSR pursuant to Section 6A of the Act; and the shares held by his spouse, LYL and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

[c] Deemed interest by virtue of shareholding in Unique Bay Sdn Bhd pursuant to Section 6A of the Act.

By virtue of Dato' 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 AT SEPTEMBER 29, 2014

TOP THIRTY SECURITIES ACCOUNT HOLDERS

	Shareholders	Number of Issued Shares	% of Issued Shares
1.	Yee Lee Corporation Bhd	41,270,666	30.33
2.	Yee Lee Holdings Sdn Bhd	18,352,000	13.49
3.	Lim A Heng @ Lim Kok Cheong	7,086,366	5.21
4.	Lim Kok Boon	5,518,000	4.06
5.	AmanahRaya Trustees Berhad - Skim Amanah Saham Bumiputera	5,060,200	3.72
6.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Unique Bay Sdn Bhd	4,680,000	3.44
7.	Chuan Sin Resources Sdn Bhd	4,664,000	3.43
8.	Mohd Adhan bin Kechik	3,320,332	2.44
9.	Lam Sang	3,104,866	2.28
10.	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Kwee Hock	2,753,500	2.02
11.	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	2,495,366	1.83
12.	Yee Lee Corporation Bhd	2,414,578	1.77
13.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad for Hwang Select Dividend Fund	2,322,800	1.71
14.	Cartaban Nominees (Tempatan) Sdn Bhd RHB Trustees Berhad for Manulife Investment Shariah Progressfund	1,790,000	1.32
15.	Chua Shok Tim @ Chua Siok Hoon	1,640,000	1.21
16.	Nik Mohamad Pena bin Nik Mustapha	1,362,000	1.00
17.	Hong Leong Assurance Berhad as Beneficial Owner (Unitlinked GF)	1,210,000	0.89
18.	CIMSEC Nominees (Asing) Sdn Bhd Exempt An for CIMB Securities (Singapore) Pte Ltd	1,115,500	0.82
19.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Consumer Products Sector Fund	983,200	0.72
20.	Jailani bin Abdullah	811,900	0.60
21.	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank AG Singapore for IAM Traditional Asian Growth Fund	796,000	0.58
22.	Zalaraz Sdn Bhd	785,000	0.58
23.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan	755,000	0.55
24.	Transworld Commodities (M) Sdn Bhd	697,332	0.51
25.	Cartaban Nominees (Asing) Sdn Bhd BBH and Co Boston for Fidelity Low-Priced Stock Fund	600,000	0.44
26.	Lai Ka Chee	536,000	0.39
27.	Ng Tiow Min	470,000	0.35
28.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan	450,900	0.33
29.	HSBC Nominees (Asing) Sdn Bhd BBH and Co Boston for ABN AMRO (Guernsey) Limited	440,000	0.32
30.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yoong Fui Kien	439,300	0.32
	Total	**117,924,806**	**86.66**

ANALYSIS OF WARRANTHOLDINGS
AS AT SEPTEMBER 29, 2014

Number of Warrants : 31,610,468
Number of Warrantholders : 1,266

Distribution of Warrantholders

Size of Warrantholdings	Number of Warrantholders		Number of Warrant Held	
	Number	%	Number	%
Less than 100 warrants	159	12.56	5,299	0.02
100 to 1,000 warrants	772	60.98	489,505	1.55
1,001 to 10,000 warrants	249	19.67	818,095	2.59
10,001 to 100,000 warrants	57	4.50	1,913,795	6.05
100,001 to less than 5% of warrants	25	1.97	11,182,933	35.38
5% and above of warrants	4	0.32	17,200,841	54.41
Total	1,266	100.00	31,610,468	100.00

SUBSTANTIAL WARRANTHOLDERS (as per the Company's Register of Substantial Warrantholders)

	Substantial Warrantholders	Direct Interest		Deemed Interest	
		Number of Warrants Held	% of Warrants Held	Number of Warrants Held	% of Warrants Held
1.	Yee Lee Corporation Bhd ("**YLC**")	9,564,185	30.26	-	-
2.	Yee Lee Holdings Sdn Bhd ("**YLH**")	4,588,000	14.51	174,333 [a]	0.55
3.	Lim A Heng @ Lim Kok Cheong ("**LKC**")	1,600,841	5.06	15,981,417 [b]	50.56
4.	Lim Kok Boon ("**LKB**")	506,400	1.60	1,225,749 [c]	3.88
5.	Chua Shok Tim @ Chua Siok Hoon ("**CSH**")	387,500	1.23	17,194,758 [d]	54.40
6.	Lai Yin Leng ("**LYL**")	33,333	0.11	1,698,816 [e]	5.37
7.	Yee Lee Organization Bhd ("**YLO**")	-	-	14,326,518 [f]	45.32
8.	Unikampar Credit And Leasing Sdn Bhd ("**UCL**")	-	-	14,326,518 [g]	45.32
9.	Uniyelee Sdn Bhd ("**UYL**")	-	-	14,326,518 [g]	45.32
10.	Yeleta Holdings Sdn Bhd ("**YH**")	-	-	14,326,518 [h]	45.32
11.	Young Wei Holdings Sdn Bhd ("**YW**")	-	-	14,326,518 [i]	45.32

Notes:-

[a] Deemed interest by virtue of 100% shareholding in Transworld Commodities (M) Sdn Bhd ("**TC**") pursuant to Section 6A of the Companies Act, 1965 ("**Act**").

[b] Deemed interest by virtue of shareholdings in Chuan Sin Resources Sdn Bhd ("**CSR**") and YW pursuant to Section 6A of the Act; and the shares held by his spouse, CSH and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[c] Deemed interest by virtue of shareholding in CSR pursuant to Section 6A of the Act; and the shares held by his spouse, LYL and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

[d] Deemed interest by virtue of shareholding in YW and deemed shareholding in CSR pursuant to Section 6A of the Act; and the shares held by her spouse, LKC and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[e] Deemed interest by virtue of deemed shareholding in CSR pursuant to Section 6A of the Act; and the shares held by her spouse, LKB and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

[f] Deemed interest held through YLC, YLH and deemed shareholding in TC pursuant to Section 6A of the Act.

[g] Deemed interest held through YLO pursuant to Section 6A of the Act.

[h] Deemed interest held through UCL and UYL pursuant to Section 6A of the Act.

[i] Deemed interest held through YH pursuant to Section 6A of the Act.

ANALYSIS OF WARRANTHOLDINGS

AS AT SEPTEMBER 29, 2014

DIRECTORS' WARRANTHOLDINGS (as per the Company's Register of Directors' Warrantholdings)

	Directors	Direct Interest		Deemed Interest	
		Number of Warrants Held	% of Warrants Held	Number of Warrants Held	% of Warrants Held
1.	Lim A Heng @ Lim Kok Cheong	1,600,841	5.06	15,981,417 [a]	50.56
2.	Lim Kok Boon	506,400	1.60	1,225,749 [b]	3.88
3.	Chuah Chaw Teo	-	-	-	-
4.	Lam Sang	604,716	1.91	-	-
5.	Chok Hooa @ Chok Yin Fatt	-	-	-	-
6.	Nik Mohamad Pena bin Nik Mustapha	257,500	0.81	-	-
7.	Mohd Adhan bin Kechik	400,333	1.27	-	-
8.	Kuan Khian Leng	-	-	-	-

Notes:-

[a] Deemed interest by virtue of shareholdings in CSR and YW pursuant to Section 6A of the Act; and the shares held by his spouse, CSH and children, Lim Ee Young and Lim Ee Wai in the Company pursuant to Section 134(12)(c) of the Act.

[b] Deemed interest by virtue of shareholding in CSR pursuant to Section 6A of the Act; and the shares held by his spouse, LYL and child, Lim Seng Lee in the Company pursuant to Section 134(12)(c) of the Act.

ANALYSIS OF WARRANTHOLDINGS

AS AT SEPTEMBER 29, 2014

TOP THIRTY WARRANTHOLDERS

	Warrantholders	Number of Warrants Held	% of Warrants Held
1.	Yee Lee Corporation Bhd	9,068,000	28.69
2.	Yee Lee Holdings Sdn Bhd	4,588,000	14.51
3.	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank AG Singapore for IAM Traditional Asian Growth Fund	1,944,000	6.15
4.	Lim A Heng @ Lim Kok Cheong	1,600,841	5.06
5.	Chuan Sin Resources Sdn Bhd	1,166,000	3.69
6.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Credit Suisse	999,000	3.16
7.	Susy Ding	942,200	2.98
8.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Yee Hui	900,000	2.85
9.	CIMSEC Nominees (Asing) Sdn Bhd Exempt An for CIMB Securities (Singapore) Pte Ltd	820,050	2.59
10.	RHB Nominees (Tempatan) Sdn Bhd Amara Investment Management Sdn Bhd for Wong Yee Hui	700,000	2.21
11.	Lim Kwong Hon	611,900	1.94
12.	Lam Sang	604,716	1.91
13.	Lim Kok Boon	506,400	1.60
14.	Yee Lee Corporation Bhd	496,185	1.57
15.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cheong Chen Yue	454,100	1.44
16.	Mohd Adhan Bin Kechik	400,333	1.27
17.	Chua Shok Tim @ Chua Siok Hoon	387,500	1.23
18.	HSBC Nominees (Asing) Sdn Bhd BBH and Co Boston for ABN AMRO (Guernsey) Limited	375,000	1.19
19.	Nik Mohamad Pena Bin Nik Mustapha	257,500	0.81
20.	Christina Loh Yoke Lin	250,000	0.79
21.	Zalaraz Sdn Bhd	196,250	0.62
22.	Jailani Bin Abdullah	195,475	0.62
23.	Transworld Commodities (M) Sdn Bhd	174,333	0.55
24.	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	149,116	0.47
25.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Soon Hoe	134,800	0.43
26.	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Balraaj Singh A/L Tarlachon Singh	131,250	0.42
27.	Ng Cheng Lai	122,000	0.39
28.	Au Yang Tuan Kah	108,525	0.34
29.	Lim Chai Seng	100,300	0.32
30.	HSBC Nominees (Asing) Sdn Bhd Exempt An for BSI SA	100,000	0.32
	Total	**28,483,774**	**90.12**

LIST OF PROPERTIES

AS AT MAY 31, 2014

Location	Tenure	Current Use	Approximate Age of Building	Land/Gross Floor Area (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 8 years	31,386 / 13,380	32,537	11.09.09
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.	Lot 135 Leasehold expiring on 31.08.2890 PT 7579, 7580 & 7581 Leasehold expiring on 23.09.2890 Remaining Lots Freehold	Factory / Office / Staff quarters / Agricultural / Development land	Factory / Office 7 to 20 years Warehouse 16 years Staff quarters 8 to 10 years	212,182 / 38,381	23,474	31.05.10
Lot No. 454 Pajakan Negeri No 3176, Lot Nos.1595, 384, 386, 387, 10078, 10079, and (P.T.) 4912, Title Nos. Geran 31600 (formerly C.T. 7366), Geran Mukim 315, EMR 615, EMR 1374 and Surat Hakmilik H.S. (D) LM15333 respectively, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Lot 454 Leasehold expiring on 28.11.2894 Remaining Lots Freehold	Staff quarters / Agricultural / Development land	Staff quarters 7 years	201,673 / 648	4,661	31.05.10
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 and 2374, respectively, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 13.11.2084	8 units single storey terrace house	20 years	1,537 / 669	547	31.05.10
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 21 years Warehouses 2 to 18 years	33,969 / 15,517	12,699	31.05.10

LIST OF PROPERTIES
AS AT MAY 31, 2014

Location	Tenure	Current Use	Approximate Age of Building	Land/Gross Floor Area (sq. metres)	Carrying Amount RM'000	Date of Acquisition* / Valuation
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, Mukim Tanjong Sembrong, Bukit Jintan, Johor Darul Takzim.	Freehold	Factory / Office / Staff quarters	19 years	61,438 / 3,198	4,318	31.05.10
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. 2653, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Lot 125, 130 & 131 Leasehold expiring on 31.08.2890 Lot 126 Leasehold expiring on 23.09.2890 Lot 455 Leasehold expiring on 19.11.2893 Remaining Lots Freehold	Agricultural / Development land	N/A	764,890	10,673	31.05.10
Lot No. 57253, Mukim of Bandar Kepong, District of Gombak, Selangor Darul Ehsan.	Freehold	Vacant industrial land	N/A	8,266	10,885	31.05.10
Lot No. P.T. 77 Title No. H.S. (D) KA 6980/85, Mukim of Ulu Kinta, District of Kinta, Perak Darul Ridzuan.	Leasehold expiring on 05.04.2066	Industrial / Factory complex	31 to 48 years	4,047 / 2,539	2,000	31.05.13
Lot No. 10647 Title No.Pajakan Negeri 78371, Mukim of Bidor, District of Batang Padang, Perak Darul Ridzuan.	Leasehold expiring on 06.03.2050	Vacant industrial land	N/A	16,190	700	31.05.13
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	21 to 40 years	1,028 / 782	810	31.05.13
Lot No. 11319 HSM 1854, Lot No. 11320 HSM 1855, Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Freehold	Commercial building	6 years	339	614	31.05.13
Lot No. 1044 Title No Pajakan Negeri 2561 Mukim of Tupai, District of Larut & Matang, Perak Darul Ridzuan.	Leasehold expiring on 31.8.2891	Agircultural land	N/A	122,190	3,102	*30.09.13

FORM OF PROXY

SPRITZER BHD (265348-V)
(Incorporated in Malaysia)

Number of shares held	CDS Account Number

I/We, ____
(Full name, NRIC No. or Company No.)

of ____
(Address)

being a member of **SPRITZER BHD**, hereby appoint____

____
(Full name, NRIC No. or Company No.)

of ____
(Address)

*and/or failing him, ____
(delete as appropriate)
(Full name, NRIC No. or Company No.)

of ____
(Address)

as my/our proxy to vote for me/us and on my/our behalf at the Twenty-First Annual General Meeting of the Company, to be held on Monday, November 24, 2014 at 11.00 a.m. at Rooms 4 & 5, Level 1, No. 18, Impiana Hotel Ipoh, Jalan Raja Dr. Nazrin Shah, 30250 Ipoh, Perak Darul Ridzuan, and at any adjournment thereof for/against* the resolutions to be proposed thereat.

RESOLUTION NO.	DESCRIPTIONS	FOR	AGAINST
	ORDINARY BUSINESS		
1.	To declare a first and final dividend		
2.	To approve the payment of Directors' fees		
3.	To re-elect Dato' Lim A Heng @ Lim Kok Cheong, JSM, DPMP, JP as Director		
4.	To re-elect Dato' Ir . Nik Mohamad Pena Bin Nik Mustapha, DIMP as Director		
5.	To re-elect Dato' Mohd Adhan Bin Kechik, DJMK, SMK as Director		
6.	To re-appoint Messrs. Deloitte (formerly known as Deloitte KassimChan) as Auditors of the Company and to authorise the Directors to fix their remuneration		
	SPECIAL BUSINESS		
7.	To authorise the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965		
8.	To approve the Proposed Shareholders' Mandate		
9.	To approve the Proposed Renewal of Authority to Purchase its Own Shares by Spritzer Bhd		
10.	Continuing in Office for Dato' Ir. Nik Mohamad Pena bin Nik Mustapha, DIMP as an Independent Non-Executive Director		
11.	Continuing in Office for Dato' Mohd Adhan Bin Kechik, DJMK, SMK as an Independent Non-Executive Director		

Dated this ______________ day of____________________2014.

____
Signature(s)/Common Seal of Member

* 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, the proxy will vote or abstain from voting at his discretion.

Notes:-
(i) A proxy may but need not be a member of the Company and the provisions of Section 149 (1)(b) of the Act shall not apply to the Company.
(ii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an attorney.
(iii) A member may appoints not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, such appointment shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.
(iv) Where a member of the Company 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 must be deposited at the Registered Office of the Company at Lot 85, Jalan Portland, Tasek Industrial Estate, 31400 Ipoh, Perak Darul Ridzuan not less than forty-eight (48) hours before the time appointed for holding the meeting.
(vi) Only a depositor whose name appears on the Record of Depositors as at November 17, 2014 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his behalf.

Fold here to seal

STAMP

THE COMPANY SECRETARY
SPRITZER BHD
Lot 85, Jalan Portland
Tasek Industrial Estate
31400 Ipoh
Perak Darul Ridzuan
Malaysia

Fold here to seal

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

www.spritzer.com.my