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Ritamix Global Limited

利特米有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1936)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Ritamix Global Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2024, together with the relevant comparative figures for the financial year ended 31 December 2023 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the financial year ended 31 December 2024

	<i>Notes</i>	2024 <i>RM'000</i>	2023 <i>RM'000</i>
Revenue	5	122,534	117,797
Cost of sales		<u>(96,765)</u>	<u>(91,680)</u>
Gross profit		25,769	26,117
Other income and gains	6	5,336	3,742
Selling and distribution costs		(2,691)	(2,381)
Administrative and other operating expenses		(16,309)	(12,956)
Finance costs on lease liabilities		(93)	(131)
Loss allowance (net of reversals of loss allowance) on trade receivables		<u>(551)</u>	<u>633</u>
Profit before tax	7	11,461	15,024
Income tax expense	8	<u>(3,781)</u>	<u>(4,016)</u>
Profit for the financial year		7,680	11,008
Other comprehensive (loss)/income for the financial year			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net loss on equity investment at fair value through other comprehensive income		(2,128)	—
Exchange differences on translation of the Company's financial statements to presentation currency		<u>(870)</u>	<u>739</u>
		<u>(2,998)</u>	<u>739</u>
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on consolidation		<u>375</u>	<u>(190)</u>
Other comprehensive (loss)/income for the financial year		<u>(2,623)</u>	<u>549</u>
Total comprehensive income for the financial year		<u>5,057</u>	<u>11,557</u>

	<i>Notes</i>	2024 RM'000	2023 <i>RM'000</i>
Profit for the financial year attributable to:			
Equity owners of the Company		8,276	11,418
Non-controlling interests		<u>(596)</u>	<u>(410)</u>
Profit for the financial year		<u>7,680</u>	<u>11,008</u>
Total comprehensive income for the financial year attributable to:			
Equity owners of the Company		5,599	11,976
Non-controlling interests		<u>(542)</u>	<u>(419)</u>
Total comprehensive income for the financial year		<u>5,057</u>	<u>11,557</u>
Earnings per share attributable to equity owners of the Company			
Basic and diluted	<i>10</i>	<u>1.76 RM cents</u>	<u>2.42 RM cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 <i>RM'000</i>	2023 <i>RM'000</i>
Assets			
Non-current Assets			
Property, plant, and equipment		17,018	15,593
Investment properties		633	—
Equity investment		749	—
		<u>18,400</u>	<u>15,593</u>
Current Assets			
Inventories		36,160	33,638
Trade and other receivables	11	34,232	31,641
Other investments	12	25,101	31,769
Restricted bank balances		672	1,421
Bank balances and cash		60,321	56,449
		<u>156,486</u>	<u>154,918</u>
Total Assets		<u>174,886</u>	<u>170,511</u>
Equity and Liabilities			
Equity			
Share capital	14	2,614	2,614
Reserves		132,051	157,965
Total equity attributable to equity owners of the Company		134,665	160,579
Non-controlling interests		(961)	(419)
Total Equity		<u>133,704</u>	<u>160,160</u>
Liabilities			
Non-current Liabilities			
Lease liabilities		1,053	1,071
Deferred tax liabilities		242	450
Other payables		429	—
		<u>1,724</u>	<u>1,521</u>
Current Liabilities			
Trade and other payables	13	38,432	7,703
Lease liabilities		839	808
Income tax payable		187	319
		<u>39,458</u>	<u>8,830</u>
Total Liabilities		<u>41,182</u>	<u>10,351</u>
Total Equity and Liabilities		<u>174,886</u>	<u>170,511</u>
Total Assets Less Current Liabilities		<u>135,428</u>	<u>161,681</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

1. GENERAL INFORMATION

Ritamix Global Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 29 October 2018. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 13 May 2020 (the “**Listing**”).

The Company’s immediate and ultimate holding company is Garry-Worth Investment Limited (“**Garry-Worth**”), which was incorporated in the British Virgin Islands (the “**BVI**”). The ultimate controlling parties of the Group are Dato’ Sri Lee Haw Yih, Datin Sri Yaw Sook Kean, Mr. Lee Haw Shyang, and Mr. Lee Haw Hann (collectively referred to as the “**Ultimate Controlling Parties**”).

The registered office of the Company is situated at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company’s principal place of business in Hong Kong is situated at Room 1910, 19/F, C C Wu Building, 302–308 Hennessy Road, Wan Chai, Hong Kong, and the Group’s headquarters is situated at No. 7, Jalan TP 7, UEP Industrial Park, 40400 Shah Alam, Selangor Darul Ehsan, Malaysia.

The principal activity of the Company is investment holding. The Group is principally engaged in (i) the distribution of animal feed additives and, to a lesser extent, human food ingredient products; and (ii) manufacturing of animal feed additives premixes.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the disclosure requirements of the Hong Kong Companies Ordinance.

Application of new standard and amendments

In the current financial year, the Group has applied a number of new standard and amendments that become effective mandatorily for the financial periods beginning on or after 1 January 2024. The adoption of the new standard and amendments does not have significant impact on the disclosures or on the amounts reported in the consolidated financial statements.

Amendments and new standards issued that are not yet effective

The Group has not applied the following amendments and new standards that have been issued by the International Accounting Standards Board but are not yet effective:

		Effective Date
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature - dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above amendments and new standards is not expected to have a material impact on the financial position and financial performance of the Group when they become effective.

Basis of measurement

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except for equity investment at fair value through other comprehensive income and other investments at fair value through profit or loss.

Presentation currency

The consolidated financial statements are presented in Ringgit Malaysia (“**RM**”) and all amounts have been rounded to the nearest thousand (“**RM’000**”), unless otherwise indicated.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (“**CODM**”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services rendered. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- (a) Animal feed additives products segment: manufacturing and distribution of animal feed additives products; and
- (b) Human food ingredient products segment: distribution of human food ingredient products.

Segment revenue and results

Segment revenue represents revenue derived from (i) manufacturing and distribution of animal feed additives products, and (ii) distribution of human food ingredient products.

Segment results represent the gross profit less selling and distribution costs and loss allowance (net of reversals of loss allowance) on trade receivables incurred by each segment without allocation of other income and gains, administrative and other operating expenses, finance costs on lease liabilities and income tax expense.

No analysis of the Group's assets and liabilities by operating segments is presented as it is not regularly provided to the CODM for review.

The following are analysis of the Group's revenue and results by reportable and operating segments:

	Animal feed additives products RM'000	Human food ingredient products RM'000	Total RM'000
2024			
Revenue from external customers			
— Distribution	67,859	26,916	94,775
— Manufacturing	<u>27,759</u>	<u>—</u>	<u>27,759</u>
	<u>95,618</u>	<u>26,916</u>	<u>122,534</u>
Gross profit			
— Distribution	15,195	4,191	19,386
— Manufacturing	<u>6,383</u>	<u>—</u>	<u>6,383</u>
	21,578	4,191	25,769
Selling and distribution costs	(2,100)	(591)	(2,691)
Loss allowance (net of reversals of loss allowance) on trade receivables	<u>(551)</u>	<u>—</u>	<u>(551)</u>
Segment results	<u>18,927</u>	<u>3,600</u>	22,527
<i>Unallocated income and expenses</i>			
Other income and gains			5,336
Administrative and other operating expenses			(16,309)
Finance costs on lease liabilities			<u>(93)</u>
Profit before tax			11,461
Income tax expense			<u>(3,781)</u>
Profit for the financial year			<u><u>7,680</u></u>
<i>Other information:</i>			
Depreciation of property, plant, and equipment (Note i)	146	—	146
Additions to property, plant, and equipment (Note ii)	<u>279</u>	<u>—</u>	<u>279</u>

	Animal feed additives products <i>RM'000</i>	Human food ingredient products <i>RM'000</i>	Total <i>RM'000</i>
2023			
Revenue from external customers			
— Distribution	55,429	28,064	83,493
— Manufacturing	<u>34,304</u>	<u>—</u>	<u>34,304</u>
	<u>89,733</u>	<u>28,064</u>	<u>117,797</u>
Gross profit			
— Distribution	11,588	5,109	16,697
— Manufacturing	<u>9,420</u>	<u>—</u>	<u>9,420</u>
	21,008	5,109	26,117
Selling and distribution costs	(1,814)	(567)	(2,381)
Loss allowance (net of reversals of loss allowance) on trade receivables	<u>633</u>	<u>—</u>	<u>633</u>
Segment results	<u>19,827</u>	<u>4,542</u>	24,369
<i>Unallocated income and expenses</i>			
Other income and gains			3,742
Administrative and other operating expenses			(12,956)
Finance costs on lease liabilities			<u>(131)</u>
Profit before tax			15,024
Income tax expense			<u>(4,016)</u>
Profit for the financial year			<u><u>11,008</u></u>
<i>Other information:</i>			
Depreciation of property, plant and equipment (Note i)	128	—	128
Additions to property, plant and equipment (Note ii)	<u>13</u>	<u>—</u>	<u>13</u>

Notes:

- (i) Depreciation not included in the measure of segment results during the financial year ended 31 December 2024 amounted to approximately RM1,738,000 (2023: approximately RM1,717,000).
- (ii) Additions to property, plant, and equipment not included in the measure of segment results during the financial year ended 31 December 2024 amounted to approximately RM3,524,000 (2023: approximately RM3,247,000).

Geographical information

No geographical segment analysis on the Group's revenue is provided as substantially all of the Group's revenue and contribution to results were derived from Malaysia.

The following sets out information about the geographical location of the Group's property, plant and equipment and investment properties:

	2024	2023
	RM'000	RM'000
Malaysia	15,632	15,042
The People's Republic of China (the "PRC")	<u>2,019</u>	<u>551</u>
	<u><u>17,651</u></u>	<u><u>15,593</u></u>

Information about major customers

No single customer or group of customers under common control contributed 10.0% or more of the total revenue during the financial years ended 31 December 2024 and 2023.

5. REVENUE

	2024	2023
	RM'000	RM'000
Revenue from contracts with customers		
— Distribution income	94,775	83,493
— Manufacturing income	<u>27,759</u>	<u>34,304</u>
	<u><u>122,534</u></u>	<u><u>117,797</u></u>

In addition to the information shown in segment disclosures, revenue from contracts with customers is disaggregated as follows:

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
<i>Timing of revenue recognition (at a point of time):</i>		
— Distribution income	94,775	83,493
— Manufacturing income	<u>27,759</u>	<u>34,304</u>
	<u><u>122,534</u></u>	<u><u>117,797</u></u>

6. OTHER INCOME AND GAINS

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
Bank interest income	1,865	1,451
Exchange gain, net	1,047	500
Gain on disposal of property, plant and equipment	27	62
Net fair value gain on other investments	832	1,289
Insurance claims income	265	—
Sponsorship	253	—
Gain on lease modifications	29	—
Sundry income	<u>1,018</u>	<u>440</u>
	<u><u>5,336</u></u>	<u><u>3,742</u></u>

7. PROFIT BEFORE TAX

This is stated after charging:

	2024 <i>RM'000</i>	2023 <i>RM'000</i>
Staff costs (including directors' emoluments)		
Salaries, allowances, and other benefits-in-kind	6,805	5,755
Contributions to defined contribution plans	<u>656</u>	<u>592</u>
Total staff costs (charged to "cost of sales", "selling and distribution costs" and "administrative and other operating expenses", as appropriate)	<u><u>7,461</u></u>	<u><u>6,347</u></u>
Other items		
Auditor's remuneration	295	295
Bad debts written off	—	538
Cost of inventories recognised as expense	96,765	91,680
Depreciation (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	1,894	1,845
Short-term leases	<u>5</u>	<u>3</u>

The Group does not recognise right-of-use assets and corresponding liabilities under short-term lease and lease of low-value assets. For the financial years ended 31 December 2024 and 2023, the total cash outflows for leases were approximately RM921,000 and RM889,000, respectively.

8. INCOME TAX EXPENSE

	2024 <i>RM'000</i>	2023 <i>RM'000</i>
Current tax		
Income tax	<u>3,989</u>	<u>4,118</u>
Deferred tax		
Changes in temporary differences	<u>(208)</u>	<u>(102)</u>
	<u><u>3,781</u></u>	<u><u>4,016</u></u>

The Group's entities established in the Cayman Islands and the BVI are exempted from the income tax of those jurisdictions.

Hong Kong Profits Tax has not been provided for as the Group incurred a loss for taxation purposes in Hong Kong for the financial years ended 31 December 2024 and 2023.

The enterprise income tax of the PRC has not been provided for as the Group incurred a loss for taxation purposes in the PRC for the financial years ended 31 December 2024 and 2023.

Malaysia income tax is calculated at the rate of 24.0% (the “**applicable tax rate**”) of the Group’s estimated assessable profits arising from Malaysia for the financial years ended 31 December 2024 and 2023.

Reconciliation of income tax expense

	2024	2023
	RM’000	RM’000
Profit before tax	<u>11,461</u>	<u>15,024</u>
Income tax at the applicable tax rate	2,751	3,606
Non-deductible expenses	1,739	543
Tax exempt revenue	(6)	(15)
Others	<u>(703)</u>	<u>(118)</u>
	<u>3,781</u>	<u>4,016</u>

9. DIVIDEND

	2024	2023
	RM’000	RM’000
<i>In respect of the financial year ended 31 December 2024</i>		
Special dividend	<u>29,521</u>	<u>—</u>

On 13 December 2024, a special dividend of Hong Kong Dollar (“**HK\$**”) 0.11 (equivalent to approximately RM0.063) per share, amounting to a total of approximately HK\$51,340,000 (equivalent to approximately RM29,521,000) was approved by the board of directors and will be paid on 15 January 2025.

The directors of the Company do not propose the payment of any further dividend in respect of the financial year ended 31 December 2024.

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to equity owners of the Company is based on the following information:

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
Profit for the financial year attributable to the equity owners of the Company, used in basic and diluted earnings per share calculation	<u>8,276</u>	<u>11,418</u>
	2024	2023
	Number of shares	
Weighted average number of ordinary shares for basic and diluted earnings per share calculation	<u>471,144,109</u>	<u>472,000,000</u>
	2024	2023
Basic earnings per share (RM cents)	<u>1.76</u>	<u>2.42</u>

The diluted earnings per share are the same as the basic earnings per share as there are no dilutive potential ordinary shares in existence during the financial years ended 31 December 2024 and 2023.

11. TRADE AND OTHER RECEIVABLES

		2024	2023
	<i>Notes</i>	<i>RM'000</i>	<i>RM'000</i>
Trade receivables	<i>11(a)</i>	25,435	21,946
Loss allowance	<i>11(b)</i>	<u>(853)</u>	<u>(302)</u>
		24,582	21,644
Other receivables, deposits and prepayments	<i>11(c)</i>	<u>9,650</u>	<u>9,997</u>
		<u>34,232</u>	<u>31,641</u>

11(a) Trade receivables

The Group grants a credit period of up to 90 days to its customers upon the delivery of goods.

As of 31 December 2024, and 2023, trade receivables of approximately RM949,000 and RM949,000, respectively, were secured by the property pledged by a trade debtor and the remaining balances were unsecured. Management of the Group considers the fair value of the pledged property is sufficient to cover the respective trade receivable as at 31 December 2024 and 2023.

The ageing of trade receivables (net of loss allowance) based on invoice dates at the end of each reporting period is as follows:

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
Within 30 days	9,695	8,321
31 to 60 days	6,860	6,672
61 to 90 days	3,969	3,528
Over 90 days	4,911	3,425
	25,435	21,946
Loss allowance	(853)	(302)
	24,582	21,644

11(b) Loss allowance

The Group determines the loss allowance by grouping trade receivables with similar credit risk characteristics and collectively assessing them for the likelihood of recovery, taking into account prevailing economic conditions. For trade receivables relating to accounts which are long overdue with significant amounts or known insolvencies or non-response to collection activities, they are assessed individually for loss allowance.

The Group applies the IFRS 9 simplified approach to measure expected credit loss (“ECL”), which uses a lifetime expected loss allowance for all trade receivables and the movement is as follows:

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
At 1 January	302	1,144
Net remeasurement	551	(633)
Written off	—	(209)
At 31 December	853	302

For the purposes of estimating the ECL, the trade receivables are grouped according to whether they are secured by collateral. The Group applies a provision matrix to those groups which is based on the historical observed loss rates over the expected life of the trade receivables which is adjusted for forward-looking factors. As at the end of each reporting period, the grouping and the historical observed loss rates are updated in light of the latest information that is relevant for the credit risk assessment and changes in the forward-looking factors are analysed.

The following table details the risk profile of trade receivables, based on the Group's provision matrix. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECL also incorporates forward-looking factors. The loss allowance is analysed as follows:

	ECL Rate	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2024				
Trade receivables analysed by credit period				
— Current	0.9%	11,714	103	11,611
— Overdue within 30 days	2.3%	6,439	145	6,294
— Overdue 31 to 60 days	4.4%	3,055	133	2,922
— Overdue 61 to 90 days	12.0%	1,563	187	1,376
— Overdue over 90 days	16.6%	1,715	285	1,430
Secured by the property pledged by a trade debtor	0.0%	949	—	949
		<u>25,435</u>	<u>853</u>	<u>24,582</u>

2023

Trade receivables analysed by credit period				
— Current	0.3%	9,837	27	9,810
— Overdue within 30 days	0.7%	7,013	48	6,965
— Overdue 31 to 60 days	1.4%	3,107	43	3,064
— Overdue 61 to 90 days	4.8%	523	25	498
— Overdue over 90 days	30.8%	517	159	358
Secured by the property pledged by a trade debtor	0.0%	949	—	949
		<u>21,946</u>	<u>302</u>	<u>21,644</u>

11(c) Other receivables, deposits, and prepayments

In the previous financial year, included in other receivables, deposits, and prepayments was an amount of RM2,877,000 which was paid in respect of the purchase of equity investment representing 4.8% equity interest in a company incorporated in Malaysia. The acquisition was completed during the financial year ended 31 December 2024.

12. OTHER INVESTMENTS

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
Unit trusts at fair value	<u>25,101</u>	<u>31,769</u>

The fair values of other investments are measured with reference to the market value of the instruments reported by the fund management company.

13. TRADE AND OTHER PAYABLES

	<i>Notes</i>	2024	2023
		<i>RM'000</i>	<i>RM'000</i>
Non-current			
Other payables		<u>429</u>	<u>—</u>
Current			
Trade payables	<i>13(a)</i>	6,340	6,095
Accruals and other payables		2,374	1,502
Contract liabilities	<i>13(b)</i>	197	106
Dividend payable		<u>29,521</u>	<u>—</u>
		<u>38,432</u>	<u>7,703</u>

13(a) Trade payables

As at the end of the reporting period, the ageing analysis of trade payables based on the invoice date is as follows:

	2024	2023
	<i>RM'000</i>	<i>RM'000</i>
Within 30 days	4,077	3,935
31 to 60 days	1,088	1,067
61 to 90 days	951	1,093
Over 90 days	224	—
	<u>6,340</u>	<u>6,095</u>

The credit term on trade payables is up to 90 days.

13(b) Contract liabilities

The Group applies the practical expedient and does not disclose information about the remaining performance obligations of the contract liabilities from contracts with customers that have original expected durations of one year or less.

14. SHARE CAPITAL

	Number of shares	HK\$'000	Equivalent to approximately RM'000
2024 and 2023			
Ordinary shares of HK\$0.01 each			
Authorised:			
At 1 January/31 December	<u>20,000,000,000</u>	<u>200,000</u>	<u>110,426</u>
Issued and fully paid up:			
At 1 January/31 December	<u>472,000,000</u>	<u>4,720</u>	<u>2,614</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a Malaysia-based company principally engaging in (i) distribution of animal feed additives and, to a lesser extent, human food ingredient products, and (ii) manufacturing of animal feed additives premixes.

The following table sets forth the breakdown of the revenue by nature of works for the financial years ended 31 December 2024 (the “**Financial Year**”) and 2023:

	2024		2023	
	<i>RM'000</i>	<i>Approximately %</i>	<i>RM'000</i>	<i>Approximately %</i>
Manufacturing	27,759	22.7	34,304	29.1
Distribution	94,775	77.3	83,493	70.9
Total	<u>122,534</u>		<u>117,797</u>	

The Group’s overall revenue slightly increased by approximately 4.0% from approximately RM117.8 million for the financial year that ended on 31 December 2023 to approximately RM122.5 million for the Financial Year.

Manufacturing

Revenue from the manufacturing business decreased from approximately RM34.3 million for the financial year ended 31 December 2023 to approximately RM27.8 million for the Financial Year, representing a decrease of approximately 19.0%, or approximately RM6.5 million. The decrease was due to fierce competition amongst their competitors’ selling prices of vitamin and mineral premix products for the Year.

Distribution

Revenue from the distribution business increased from approximately RM83.5 million for the financial year ended 31 December 2023 to approximately RM94.8 million for the Financial Year, representing an increase of approximately 13.5%, or approximately RM11.3 million. The increase was mainly due to the Group successfully secured some sales contracts and sales made to some of the returning old customers during the Financial Year. In addition, the increase was also contributed to by a specific group of the customers’ demand for our products in line with their business expansion plan during the Financial Year.

Cost of sales

The Group's cost of sales mainly comprises the cost of inventories, direct labor costs, manufacturing overheads, and others. The following table sets out the breakdown of the Group's direct costs during the financial years ended 31 December 2024 and 2023:

	2024		2023	
	RM'000	Approximately %	RM'000	Approximately %
Cost of inventories	95,632	98.8	90,578	98.8
Direct labour cost, manufacturing overheads, and others	<u>1,133</u>	<u>1.2</u>	<u>1,102</u>	<u>1.2</u>

Gross profit and gross profit margin

Despite with the slight increase in revenue, the Group's reported gross profit slightly decreased from approximately RM26.1 million for the financial year ended on 31 December 2023 to approximately RM25.8 million for the Financial Year, representing a decrease of approximately 1.3%.

Gross profit for the manufacturing business for the Financial Year was approximately RM6.4 million (*For the financial year ended 31 December 2023: approximately RM9.4 million*), representing a gross profit margin of 23.0% (*For the financial year ended 31 December 2023: approximately 27.5%*). The decrease in gross profit margin for the manufacturing business was primarily contributed by fierce competition amongst the competitors' sales prices of vitamin and other premixes product during the Financial Year.

Gross profit for the distribution business for the Financial Year was approximately RM19.4 million (*For the financial year ended 31 December 2023: approximately RM16.7 million*), representing a gross profit margin of 20.5% (*For the financial year ended 31 December 2023: approximately 20.0%*). The slight increase in gross profit margin for the distribution business was primarily due to higher margin recorded on certain products sold during the Financial Year.

Other income and gains

The Group's other income and gains increased to approximately RM5.3 million for the Financial Year compared to approximately RM3.7 million for the financial year ended on 31 December 2023. This was mainly due to higher bank interest income, foreign exchange gain and sundry income during the Financial Year.

Administrative and other operating expenses

The Group's administrative and other operating expenses increased by approximately RM3.3 million or 25.4% from approximately RM13.0 million for the financial year ended on 31 December 2023 to approximately RM16.3 million for the Financial Year. This was mainly due to additional project expenses incurred which cannot be capitalised by the Company's indirect subsidiary, Statesino Land & Shore (Hainan) Ltd ("Statesino"), in relation to the investment in Matou Village, Dongjiao Town, Wenchang City, Hainan Province in the PRC.

Finance costs on lease liabilities

For the financial years ended 31 December 2024 and 2023, the Group recorded finance costs on lease liabilities of approximately RM93,000 and RM131,000, respectively. The decrease in finance costs on lease liabilities was primarily due to certain tenancy agreements nearing end of its contract term prior to renewal.

Income tax expense

The Group's income tax expense was approximately RM3.8 million and RM4.0 million for the financial years ended 31 December 2024 and 2023, respectively. The effective tax rate for the financial years ended 31 December 2024 and 2023 was approximately 33.0% and 26.7%, respectively. The increase in the effective tax rate was primarily due to higher non-deductible expenses incurred as compared to the previous financial year.

Profit for the financial year and earnings per share

As a result of the foregoing, the Group's profit was approximately RM7.7 million and RM11.0 million for the financial years ended 31 December 2024 and 2023, respectively. Earnings per share were approximately RM1.76 cents and RM2.42 cents for the financial years ended 31 December 2024 and 2023, respectively.

Key Financial Ratios

		As at/for the financial years ended 31 December	
	Note	2024	2023
Current ratio (times)	1	4.0	17.5
Quick ratio (times)	2	3.0	13.7
Gearing ratio (%)	3	1.4	1.2
Return on equity (%)	4	5.7	6.9
Return on total assets (%)	5	<u>4.4</u>	<u>6.5</u>

Notes:

1. Current ratio is total current assets divided by total current liabilities.
2. Quick ratio is total current assets less inventories divided by total current liabilities.
3. Gearing ratio is total debt which comprised of lease liabilities only divided by total equity.
4. Return on equity is profit for the financial year divided by total equity.
5. Return on assets is profit for the financial year divided by total assets.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2024,

1. the Company's issued capital was HK\$4.72 million (equivalent to approximately RM2.6 million) and the number of its issued ordinary Shares was 472,000,000 Shares of HK\$0.01 each. There has been no change in the Company's share capital since 31 December 2023;
2. the Group's restricted bank balances were approximately RM0.7 million (*2023: approximately RM1.4 million*) and the Group's bank balances and cash were approximately RM60.3 million (*2023: approximately RM56.4 million*), most of which were denominated in United States dollars ("US\$"), HK\$, Reminbi, and RM;
3. the Group did not have any outstanding bank borrowings (*2023: Nil*). The Group had lease liabilities of approximately RM1.9 million (*2023: approximately RM1.9 million*). Current year lease liabilities included lease liabilities from Statesino which is not denominated in RM; and
4. the Group's total equity attributable to equity owners of the Company was approximately RM134.7 million (*2023: approximately RM160.6 million*). The capital of the Company mainly comprises share capital and reserves.

TREASURY POLICY

The Group has adopted a prudent treasury management policy to (i) ensure that the Group's funds are properly and efficiently collected and deployed such that there is no material shortfall in cash which may interrupt the Group's daily business obligations; (ii) maintain sufficient level of funds to settle the Group's capital commitment when they fall due; and (iii) maintain adequate liquidity to cover the Group's operation cash flows and administrative expenses. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS, OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save as disclosed below, the Group has no significant investments, material acquisitions, or disposals of subsidiaries and associated companies during the Financial Year.

Investments in financial assets measured at fair value through profit or loss

The following table sets forth the fair value of the significant investment in the Fund (as defined herein) of the Group as of 31 December 2024:

	For the financial year ended 31 December 2024	As at 31 December 2024	Approximate percentage to the total assets as at 31 December 2024	As at 31 December 2023
Financial assets measured at fair value through profit or loss	Fair value gain <i>RM'000</i>	Fair value <i>RM'000</i>		Fair value <i>RM'000</i>
Significant investment				
Affin Hwang Select Bond Fund (the “Fund”)	<u>832</u>	<u>25,101</u>	14.4%	<u>31,769</u>

The above significant investment was managed by AHAM Asset Management Berhad, an independently managed, institutionally-owned asset management firm in Malaysia that started its roots in 2001 and specialises in customised solutions and invests in equities, bonds, money market, structured products, and other alternative investment instruments to generate returns for its clients.

To the best of the Directors’ knowledge, information, and belief, having made all reasonable inquiries, the Bond Fund, the Manager, the respective trustees of the Bond Fund (capitalised terms shall have the same meanings as defined in the circular of the Company dated 18 May 2021) and their respective ultimate beneficial owners are independent of and not connected with the Company or any connected persons (as defined under the Listing Rules) of the Company.

As the Redemptions as disclosed above were made by the Group within a 12-month period and were all entered into with the Manager, pursuant to Rule 14.22 of the Listing Rules, the Redemptions would be aggregated as a series of transactions. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in relation to the Redemptions exceeds 5% but is less than 25%, the Redemptions (on an aggregate basis) constituted a discloseable transaction of the Company which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Details of the Redemptions have been set out in the announcement of the Company dated 13 May 2022.

CHARGES ON THE GROUP'S ASSETS

There were no charges on the Group's assets as of 31 December 2024 and 2023.

PLEDGE OF ASSETS

Save the restricted bank balances of approximately RM0.7 million (2023: *approximately RM1.4 million*), which are pledged to secure banking facilities granted to the Group, there were no other charges on the Group's assets as of 31 December 2024 and 2023.

CONTINGENT LIABILITIES

As at 31 December 2024 and 2023, the Group did not have any contingent liabilities.

FOREIGN CURRENCY RISK

The Group operates mainly in Malaysia, fluctuations in RM's value against other currencies will create foreign currency translation gains or losses and may hurt the Group's business, financial condition, and results of operations. Any imposition, variation, or removal of foreign exchange controls may adversely affect the value, translated or converted into, of the Group's net assets, earnings, or any declared dividends. Consequently, this may adversely affect the Group's ability to pay dividends or satisfy other foreign exchange requirements.

The management will monitor the foreign currency exposure of the Group and will consider undertaking foreign exchange hedging activities to reduce the impact of foreign exchange rate movements on the Group's operating results. The Group had not used any derivative financial instrument during the financial years ended 31 December 2024 and 2023.

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2024, the Group had 52 (2023: 54) employees, all of whom were directly hired by the Group. The Group's employees are invaluable assets of the Group and they are dedicated to managing human capital. The Directors believe that on-going and continuous staff training and development will not only improve the Group's employees' performance but will also enhance loyalty and staff morale. For its new recruits, the Group offers training courses which cover practical and technical aspects of their work, together with its corporate culture and core value. The remuneration package offered by the Group to its staff includes basic salary, discretionary bonuses, and allowance. The Group's total staff costs (including Directors' emoluments) for the Financial Year were approximately RM7.5 million (2023: *approximately RM6.3 million*). The Directors review the performance of the Group's employees on a periodical basis in order to determine salary adjustments and promotions and keep the Group's remuneration package competitive.

The Group also requisite contributions to the Employees Provident Fund Scheme (the “**EPF Scheme**”) and Social Security Organisation under the Employees Provident Fund Act 1991 and Employee Insurance System Act 2017, respectively for qualifying employees of the Group in Malaysia. The Group has contributed 13.0% of relevant monthly salaries for the employees who render monthly salaries of RM5,000 or below; and 12.0% of relevant monthly salaries for the employees who render monthly salaries of more than RM5,000 to the EPF Scheme. The Group’s contributions to the EPF Scheme vest fully and immediately with the employees. Accordingly, there were no forfeited contributions which arose upon employees leaving the EPF Scheme before their interests in the Group’s contribution became fully vested and thus there were no such forfeited contributions which were available to reduce the Group’s existing level of contributions to the EPF Scheme as at 31 December 2024 and 2023.

SIGNIFICANT EVENT

Change of independent non-executive Directors (“INED”) and change in composition of Board committees

The retirement of Mr. Lim Heng Choon (“**Mr. Lim**”) from the Board has become effective from the conclusion of the annual general meeting of the Company held on 26 June 2024 (the “**2024 AGM**”). Following the retirement as an INED, Mr. Lim has ceased to be a member of the audit committee (the “**Audit Committee**”) and the chairman of the nomination committee (the “**Nomination Committee**”) of the Company.

Immediately after the conclusion of the 2024 AGM, Ms. Tee Pao Hwei (“**Ms. Tee**”) has been appointed as an INED, a member of the Audit Committee and the chairman of the Nomination Committee with effect from 26 June 2024.

For further information about the change of INED and change in composition of Board committees, please refer to the announcement of the Company dated 26 June 2024.

Share repurchase mandate

On 8 August 2024, the Board resolved to utilise the share repurchase mandate, which has been granted to the Directors pursuant to the resolutions of the Shareholders passed 26 June 2024 by actively undertaking an on-market share repurchase programme (the “**Share Repurchase Programme**”) of the Shares in the open market from time to time. The total amount of funds to be used for the repurchase of Shares under the Share Repurchase Programme is no more than HK\$12 million. The period for the Share Repurchase Programme is from 12 August 2024 to 31 December 2024.

To maintain a public float of not less than 25% in accordance with Rule 8.08 of the Listing Rules, the maximum Shares which will be repurchased under the Share Repurchase Programme is 20 million Shares, representing approximately 4.24% of total the aggregate number of the issued Shares as at 26 June 2024.

For further information about the Share Repurchase Programme, please refer to the announcement of the Company dated 9 August 2024. Details of share repurchase was set out in paragraph headed “**Purchase, Sale, or Redemption of the Listed Securities of the Company**” in this announcement.

USE OF PROCEEDS

The net proceeds (the “**Net Proceeds**”) received by the Company from successfully listed on the Main Board of Stock Exchange on 13 May 2020 (the “**Listing Date**”) through the share offer amounted to approximately HK\$72.4 million, after deducting the underwriting fees, commissions and other listing expenses.

On 4 October 2021, the Board resolved to reallocate the use in its unutilised net proceeds in acquiring or partnering with a company selling animal feed additives products amounted to approximately HK\$13.4 million to invest in a company engaged in animal feed additives and/or veterinary related industry (the “**Change of Use in Net Proceeds**”).

According to the annual report of the Company for the year ended 31 December 2022 published on the 26 April 2023, the Board has resolved to revise the expected timeline for the use of Net Proceeds (the “**1st Timeline Revision**”). On 27 September 2023, the Board resolved to further extend the expected timeline for the use of Net Proceeds (the “**2nd Timeline Revision**”).

On 27 December 2024, the Board resolved to further extend the timeline for the use of the Unutilised Net Proceeds (the “**3rd Timeline Revision**”).

The allocation of the Net Proceeds following the Change of Use in Net Proceeds, the status of the utilisation of Net Proceeds during the period from the Listing Date and up to 31 December 2024 (the “**Relevant Period**”), the expected timeline to use the Net Proceeds following the 1st Timeline Revision, the 2nd Timeline Revision and the 3rd Timeline Revision are as follows:

	Planned use of the Net Proceeds <i>HK\$ million</i>	Actual use of the Net Proceeds during The Relevant Period <i>HK\$ million</i>	Unutilised amount as at 31 December 2024 (the “Unutilised Net Proceeds”) <i>HK\$ million</i>	Expected deadline to use the Net Proceeds (as per 1st Timeline Revision)	Expected deadline to use the Net Proceeds (as per 2nd Timeline Revision)	Expected deadline to use the Net Proceeds (as per 3rd Timeline Revision)
Construct a new manufacturing plant	42.1	—	42.1	30 June 2024	31 December 2025	31 December 2026
Funding potential investment in a company that is engaged in animal feed additives and/or veterinary-related industry	13.4	7.8	5.6	31 December 2023	31 December 2025	31 December 2026
Conduct sales and marketing activities	1.7	1.5	0.2	30 June 2024	31 December 2024	31 December 2025
Set up a new testing laboratory	3.5	—	3.5	30 June 2024	31 December 2025	31 December 2026
Set up a centralised Enterprise Resources Planning system	3.7	0.4	3.3	31 December 2023	31 December 2025	31 December 2026
Hire additional workforce	3.0	1.0	2.0	31 December 2023	31 December 2025	31 December 2026
Purchase trucks for logistics services and vehicles for sales personnel	1.4	1.4	—	Not applicable	Not applicable	Not applicable
General working capital	<u>3.6</u>	<u>3.6</u>	<u>—</u>	Not applicable	Not applicable	Not applicable
Total	<u><u>72.4</u></u>	<u><u>15.7</u></u>	<u><u>56.7</u></u>			

Construct a new manufacturing plant

Approximately HK\$42.1 million of the Unutilised Net Proceeds allocated for constructing a new manufacturing plant remains unutilised by the Group. Since 2020, the COVID-19 pandemic has adversely impacted the global economy. Several of the Group’s key customers have slowed down their planned business expansion activities, amongst others, including the acquisition of poultry farms and the increase in broiler production capacity. Consequently, the Group experienced delays in securing previously forecasted additional orders from these existing customers.

Moreover, the disruption to supply chains caused by COVID-19 has led to shortages of shipping containers and negatively affected the Group’s overseas sales due to logistical challenges. Additionally, outbreaks of animal diseases such as avian influenza (H5N1) and African Swine Fever in several regions where the Group’s brand of animal feed additives and premixes are sold have further exacerbated the situation.

The industry and Group continue to face intense competition locally and from China as a result of a slower-than-expected recovery from the African Swine Fever. This has further reduced the Group's production and delayed plans for constructing a new manufacturing plant. In response to such circumstances, the Group adopted a cautious approach to further assess market demand for its animal feed additives premixes before increasing its production capacity and expanding its product portfolio. It is expected that the unutilised proceeds will be extended and fully utilised on or before 31 December 2026.

Funding potential investment in a company that is engaged in animal feed additives and/or veterinary-related industry

Approximately HK\$5.6 million of the Unutilised Net Proceeds allocated for funding potential investment in a company that is engaged in animal feed additives and/or veterinary-related industry remains unutilised by the Group.

The Group has remained prudent in its investment in light of the effects of the COVID-19 pandemic and the challenges in this industry due to the African Swine Fever outbreak. As a result, the Group has not been able to identify any potential investment that meets its criteria and will continue to seek suitable investment opportunities. It is expected that the unutilised proceeds will be fully utilised on or before 31 December 2026.

Conduct sales and marketing activities

Approximately HK\$0.2 million of the Unutilised Net Proceeds allocated for conducting sales and marketing activities remains unutilised by the Group. The Group was unable to (i) participate in domestic and international fairs and exhibitions; (ii) visit existing and potential suppliers and customers; and (iii) conduct in-person training, seminars, and workshops for our sales and technical team during the travel restrictions imposed to combat the COVID-19 outbreak, which delayed the utilisation of the Net Proceeds.

The Group recognises the importance of effective sales and marketing activities. In the second half of 2024, their sales and marketing team visited several existing and potential suppliers and customers that utilised part of the net proceeds. In addition, the Group has identified and planned to attend several international trade events and exhibitions and conduct in-person training, seminars, and workshops for their sales and technical team in 2025. The timeline for utilising the unutilised proceeds has been further extended to 31 December 2025.

Set up a new testing laboratory

Approximately HK\$3.5 million of the Unutilised Net Proceeds allocated for setting up a new testing laboratory remains unutilised by the Group. Setting up a new laboratory would enable the Group to provide complementary laboratory testing services to customers. The Group has also decided to construct a new testing laboratory within the new manufacturing plant. As a result, the timeline has been extended in line with the construction of a new manufacturing plant to 31 December 2026.

Set up a centralised Enterprise Resources Planning (“ERP”) system

Approximately HK\$3.3 million of the Unutilised Net Proceeds allocated for setting up a centralised ERP system remains unutilised by the Group. The Group believes having a centralised ERP system will enhance operational efficiency, improve management of decentralised locations, support higher production capacity, and drive revenue growth in the future. The delay in constructing a new manufacturing plant has lessened the immediate need for a centralised ERP system.

The Group plans to set up the centralised ERP system once the new manufacturing plant is constructed, the unutilised proceeds will be fully utilised on or before 31 December 2026.

Hire additional workforce

Approximately HK\$2.0 million of the Unutilised Net Proceeds allocated for hiring an additional workforce remains unutilised by the Group. Delays in the construction of the new manufacturing plant and the set up of the new testing laboratory have postponed the Group’s hiring plan for additional workforce on both sides.

The Group plans to proceed with recruitment once the expansion plans for the new manufacturing plant and the new testing laboratory are finalised and market demand shows signs of improvement. The unutilised proceeds will be fully utilised on or before 31 December 2026.

Looking ahead, the Group will also closely monitor the global economy and continuously assess the appropriate timing for utilising the Unutilised Net Proceeds. Nonetheless, the Group has been actively exploring suitable business and investment opportunities in line with the planned use of the Net Proceeds as set out per above. Accordingly, it is anticipated that the Utilised Net Proceeds will be fully utilised on or before 31 December 2026. For more information on the expected timeline for use of the Net proceeds, please refer to the Company’s announcements dated 27 July 2023, 27 September 2023 and 27 December 2024.

Further, as at 31 December 2024, part of the Unutilised Net Proceeds were invested in the US\$ Hedged-class Units of Affin Hwang Select Bond Fund for an aggregate amount of US\$3.1 million (equivalent to approximately HK\$24.5 million). The Company will redeem part of the investment in the fund as and when the Company utilise the Net Proceeds according to the abovementioned planned use. As at 31 December 2024, the remaining Unutilised Net Proceeds were deposited in licensed banks in Hong Kong and Malaysia. Overall, the Company will ensure that there is no adverse impact to the use of the Net Proceeds and no change in the planned use of the Net Proceeds.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to fulfilling its responsibilities to the Company's Shareholders and protecting and enhancing Shareholders' value through good corporate governance.

The Board recognises the importance of good corporate governance in management and internal procedures to achieve effective accountability. The Company has adopted the principles and all relevant code provisions as set out under the Corporate Governance Code (the "**CG code**") contained in Appendix C1 to the Listing Rules.

Save for the deviation from code provision C.2.1 of the CG Code as disclosed below, the Board is satisfied that the Company has complied with the CG Code during the Financial Year and up to the date of this announcement. The Board will periodically review the Company's corporate governance functions and will continuously improve the Company's corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

Code provision C.2.1 of the CG Code, the roles of the chairman of the Board (the "**Chairman**") and the chief executive officer of the Company (the "**Chief Executive Officer**") should be separated and performed by different individuals to ensure a balance of power and authority so that power is not concentrated in any one individual. Dato'Sri Lee Haw Yih currently holds both positions. Since the inception of the Group, Dato'Sri Lee Haw Yih has been managing the Group's business and overall strategic planning for over 20 years. Taking into account the continuous implementation of the business plans, the Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. Further, the Company has put in place an appropriate checks and balances mechanism through the Board and three independent non-executive Directors. Accordingly, the Company has not segregated the roles of the Chairman and the Chief Executive Officer as required by code provision C.2.1 of the CG Code. The Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions (the "**Model Code**"). Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code during the Financial Year.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Financial Year (2023: Nil).

SHARE OPTION SCHEME

Pursuant to the written resolutions of all the Shareholders passed on 8 April 2020, the Company adopted the share option scheme (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Board to grant options to employees, any supplier of goods or services, any customer, any person or entity that provides research, development or other technological support, any shareholder or other participants who contributes to the development and growth of the Group or any invested entity (the “**Eligible Persons**”) as incentives or rewards for their contribution or potential contribution to the Group and to recruit and retain high calibre Eligible Persons and attract human resources that are valuable to the Group.

(b) Grant of options

Subject to the provisions in the Share Option Scheme, the Directors may grant options at any time and from time to time within a period of 10 years commencing from the date of adoption of the Share Option Scheme at their absolute discretion and subject to such terms, conditions, restrictions or limitations as they may think fit offer, at the consideration of HK\$1.00 to grant option to the Eligible Persons.

(c) Maximum number of Shares

The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 30% of the total number of Shares in issue from time to time.

The total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 50,000,000 Shares, being 30% of the total number of Shares (assuming no options are granted under the Share Option Scheme) in issue on the Listing Date (the “**Scheme Limit**”) unless approved by its Shareholders pursuant to the paragraph below. Options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company shall not be counted for the purpose of calculating the Scheme Limit.

The Company may seek separate approval of the Shareholders in general meeting for refreshing the Scheme Limit provided that such limit as refreshed shall not exceed 10% of the total number of Shares (assuming no options are granted under the Share Option Scheme) in issue as at the date of the approval of the Shareholders on the refreshment of the Scheme Limit. Options previously granted under the Share Option Scheme or any other share option schemes of the Company (including options outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other share option scheme of the Company or exercised) will not be counted for the purpose of calculating the limit as refreshed.

(d) Maximum entitlement of each Eligible Person

The total number of Shares issued and which may fail to be issued upon exercise of the options under the Share Option Scheme and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

(e) Period for acceptance of an option

An offer under the Share Option Scheme may remain open for acceptance by the Eligible Persons (and by no other person) for a period of up to 21 days from the date, which must be a business day, on which the offer is made.

(f) Period within which the securities must be exercised under an option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to the grantee thereof, and in the absence of such determination, from the date of acceptance of the offer of such option to the earlier of (i) the date on which such option lapses under the relevant provisions of the Share Option Scheme; and (ii) the date falling 10 years from the offer date of that option.

(g) Basis for determining the subscription price

The subscription price in respect of any option shall be at the discretion of the Directors, provided that it shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the offer date; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of a Share.

(h) Remaining life

The Share Option Scheme will remain in force for 10 years, commencing on the date on which the Share Option Scheme is adopted.

No share options have been granted, exercised, canceled, or lapsed under the Share Option Scheme since the adoption of the Share Option Scheme. As of 31 December 2024, the total number of Shares available for issue under the Share Option Scheme was 50,000,000, representing approximately 10.7% of the entire issued share capital of the Company (excluding treasury shares) as of 31 December 2024 and 10.0% of the total number of Shares in issue at the time dealing the Shares first commence on the Stock Exchange.

PURCHASE, SALE, OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Financial Year, the Company repurchased a total of 5,238,000 Shares (the “**Repurchased Shares**”) on the Stock Exchange at an aggregate consideration of approximately HK\$3,529,000 (excluding expenses). Details of the Repurchased Shares are set out below:

Month of Repurchase	No. of Shares Repurchased	No. of Shares Repurchased and Held as	Highest Price per Share (HK\$)	Lowest Price per Share (HK\$)	Aggregate Consideration (HK\$'000)
		Treasury Shares			
September 2024	50,000	50,000	0.50	0.50	25
October 2024	2,186,000	2,186,000	0.70	0.57	1,388
November 2024	<u>3,002,000</u>	<u>3,002,000</u>	0.73	0.68	<u>2,116</u>
Total	<u>5,238,000</u>	<u>5,238,000</u>			<u>3,529</u>

As of 31 December 2024, 5,238,000 Repurchased Shares were not canceled and were held by the Company as treasury shares (as defined in the Listing Rules) intended to be used in accordance with the applicable rules and regulations, including but not limited to resale for cash, transfer to satisfy share grants and cancellations under the Share Scheme. During the Financial Year, the Company did not sell or transfer any treasury shares.

Save as disclosed above, during the Financial Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s securities listed on the Stock Exchange (including the sale of treasury shares (as defined in the Listing Rules)).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s amended and restated articles of association (the “**Articles of Association**”) or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2024 and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as of the date of this announcement, the Company has maintained the prescribed minimum public float for its shares as required under the Listing Rules since the Listing Date up to the date of this announcement.

ANNUAL GENERAL MEETING

The annual general meeting (the “**2025 AGM**”) is scheduled to be held on Wednesday, 25 June 2025. A notice convening the 2025 AGM will be issued and dispatched to the Shareholders according to the applicable law, the Listing Rules, and the Articles of Association.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 20 June 2025 to Wednesday, 25 June 2025 (both days inclusive), during which period no transfer of the Shares will be registered, for ascertaining the Shareholders’ entitlement to attend and vote at the 2025 AGM which will be held on Wednesday, 25 June 2025. To qualify for attending and voting at the 2025 AGM, the Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company’s Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited for registration no later than 4:30 p.m. on Thursday, 19 June 2025. The address of Boardroom Share Registrars (HK) Limited is 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.

AUDIT COMMITTEE

The Audit Committee was established on 8 April 2020 with written terms of reference in compliance with Rule 3.22 of the Listing Rules and code provisions D.3.3 and D.3.7 of the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Ms. Ng Siok Hui, Mr. Lim Chee Hoong, and Ms. Tee Pao Hwei. The chairman of the Audit Committee is Mr. Lim Chee Hoong.

The role of the Audit Committee includes reviewing and monitoring the Group’s external auditor’s independence and objectivity and the effectiveness of the audit process, monitoring the integrity of the Group’s financial information and reviewing significant financial reporting judgment, and overseeing the Group’s financial reporting system and risk management and internal control systems.

The Audit Committee has reviewed the consolidated financial statements and the Group’s annual results for the Financial Year. The Audit Committee is of the view that the consolidated financial statements have been prepared by the applicable accounting standards and are in compliance with the Listing Rules and relevant statutory provisions, and it is satisfied that sufficient disclosure has been made.

REVIEW OF ANNUAL RESULTS ANNOUNCEMENT

The consolidated financial results of the Group for the Financial Year have been reviewed by the Audit Committee and the figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, and the related notes thereto for the Financial Year as set out in this announcement have been agreed by our independent auditor, Forvis Mazars PLT (*formerly known as Mazars PLT*), *Chartered Accountants, Malaysia*, to the amounts as set out in the Group's audited consolidated financial statements. The Audit Committee is of the opinion that the preparation of such results has complied with applicable accounting standards and requirements, as well as the Listing Rules and relevant adequate disclosures have been made. The work performed by the independent auditor in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Assurance Engagements, or International Standards on Review Engagements issued by the International Auditing and Assurance Standards Board and consequently, no assurance has been expressed by the independent auditor on the annual results announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement of the Company is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.ritamix-global.com). The annual report of the Company for the financial year ended 31 December 2024 containing all the relevant information required by the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course in the manner required by the Listing Rules.

By order of the Board
Ritamix Global Limited
Dato'Sri Lee Haw Yih (Howard)
Chairman and Executive Director

Malaysia, 28 March 2025

As at the date of this announcement, the executive Directors are Dato'Sri Lee Haw Yih (Chairman and Chief Executive Officer) and Datin Sri Yaw Sook Kean; the non-executive Director is Mr. Lee Haw Shyang; and the independent non-executive Directors are Ms. Ng Siok Hui, Mr. Lim Chee Hoong and Ms. Tee Pao Hwei