

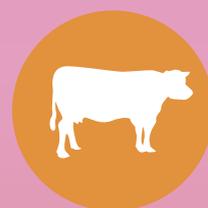
RITAMIX GLOBAL LIMITED

利特米有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1936

INTERIM REPORT 2022





CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dato'Sri Lee Haw Yih (*Chairman and chief executive officer*)
Datin Sri Yaw Sook Kean

Non-executive Director

Mr. Lee Haw Shyang

Independent Non-executive Directors

Ms. Ng Siok Hui
Mr. Lim Chee Hoong
Mr. Lim Heng Choon

COMPANY SECRETARY

Ms. Wong Po Lam, CPA (*HKICPA*)

AUTHORISED REPRESENTATIVES

Ms. Wong Po Lam, CPA (*HKICPA*)
Dato'Sri Lee Haw Yih

BOARD COMMITTEES

Audit Committee

Mr. Lim Chee Hoong (*Chairman*)
Mr. Lim Heng Choon
Ms. Ng Siok Hui

Remuneration Committee

Ms. Ng Siok Hui (*Chairman*)
Mr. Lim Chee Hoong
Dato'Sri Lee Haw Yih

Nomination Committee

Mr. Lim Heng Choon (*Chairman*)
Ms. Ng Siok Hui
Dato'Sri Lee Haw Yih

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS

No. 7, Jalan TP 7
UEP Industrial Park
40400 Shah Alam
Selangor Darul Ehsan
Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 13 Floor
Winsan Tower
98 Thomson Road
Wanchai
Hong Kong

AUDITOR

Mazars PLT
Chartered Accountants, Malaysia
Wisma Golden Eagle Realty
11th Floor, South Block
142-A Jalan Ampang, 50450 Kuala Lumpur
Malaysia

COMPANY'S WEBSITE

www.ritamix-global.com



PRINCIPAL SHARE REGISTRAR

Ocorian Trust (Cayman) Limited
Cliffon House
75 Fort Street
PO Box 1350
Grand Cayman, KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Boardroom Share Registrars (HK) Limited
2103B, 21 Floor
148 Electric Road
North Point
Hong Kong

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
17-23, Jalan Sultan
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Malayan Banking Berhad
Subang Business Centre
2nd Floor, No. B-13, Jalan USJ 25/I
Garden Shoppe, One City, USJ 25
47650 Subang Jaya
Selangor Darul Ehsan
Malaysia

LISTING INFORMATION

Place of Listing

The Main Board of The Stock Exchange of
Hong Kong Limited

Stock Code

1936



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Notes	For the six months ended 30 June	
		2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
Revenue	4	72,044	56,772
Cost of goods sold		(54,228)	(43,390)
Gross profit		17,816	13,382
Other income	5	1,098	1,180
Selling and distribution costs		(1,366)	(1,187)
Administrative and other operating expenses		(6,516)	(5,042)
Finance costs	6	(18)	(24)
Provision for loss allowance of trade receivables	11	(1,288)	(145)
Profit before tax	6	9,726	8,164
Income tax expenses	7	(3,301)	(2,335)
Profit for the period, attributable to equity holders of the Company		6,425	5,829
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of the Company's financial statements to presentation currency		782	962
Total comprehensive income for the period, attributable to equity holders of the Company		7,207	6,791
Earnings per share attributable to equity holders of the Company			
Basic and diluted	8	1.36 RM sen	1.17 RM sen

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2022

	Notes	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Non-current assets			
Property, plant and equipment	10	14,674	14,576
Equity investment at fair value through other comprehensive income ("FVTOCI")	18	4,299	4,299
		18,973	18,875
Current assets			
Inventories		46,928	49,406
Trade and other receivables	11	32,836	28,920
Other investments	12	38,095	43,336
Restricted bank balances		1,677	1,677
Bank balances and cash		22,933	11,666
		142,469	135,005
Current liabilities			
Trade and other payables	13	10,859	12,153
Income tax payables		1,663	307
Lease liabilities	14	422	94
		12,944	12,554
Net current assets		129,525	122,451
Total assets less current liabilities		148,498	141,326
Non-current liabilities			
Deferred tax liabilities		571	614
Lease liabilities	14	36	28
		607	642
Net assets		147,891	140,684
Capital and reserves			
Share capital	15	2,614	2,614
Reserves	16	145,277	138,070
Total equity		147,891	140,684

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to equity holders of the Company							Total RM'000
	Share capital RM'000 (Note 15)	Share premium RM'000 (Note 16(a))	Capital redemption reserve RM'000 (Note 16(b))	Capital reserve RM'000 (Note 16(c))	Exchange reserve RM'000 (Note 16(d))	FVTOCI reserve RM'000 (Note 16(e))	Accumulated profits RM'000	
<i>For the six months ended 30 June 2021</i>								
At 1 January 2021 (Audited)	2,769	48,981	—	14,344	(3,723)	—	78,342	140,713
Profit for the period	—	—	—	—	—	—	5,829	5,829
Other comprehensive loss <i>Item that may be reclassified subsequently to profit or loss</i> Exchange differences on translation of the Company's financial statements to presentation currency	—	—	—	—	962	—	—	962
Total comprehensive income for the period	—	—	—	—	962	—	5,829	6,791
At 30 June 2021 (Unaudited)	2,769	48,981	—	14,344	(2,761)	—	84,171	147,504
<i>For the six months ended 30 June 2022</i>								
At 1 January 2022 (Audited)	2,614	35,339	155	14,344	(2,122)	174	90,180	140,684
Profit for the period	—	—	—	—	—	—	6,425	6,425
Other comprehensive income <i>Item that may be reclassified subsequently to profit or loss</i> Exchange differences on translation of the Company's financial statements to presentation currency	—	—	—	—	782	—	—	782
Total comprehensive income for the period	—	—	—	—	782	—	6,425	7,207
At 30 June 2022 (Unaudited)	2,614	35,339	155	14,344	(1,340)	174	96,605	147,891

* Represent amount less than RM1,000.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	For the six months ended	
	30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
OPERATING ACTIVITIES		
Profit before tax	9,726	8,164
Adjustments for:		
Depreciation	912	751
Gain on disposal of property, plant and equipment	—	(27)
Fair value loss/(gain) on other investments	1,175	(310)
Provision for loss allowance of trade receivables	1,288	145
Interest income	(69)	(280)
Interest expenses	18	24
Investment income arising from other investments	(290)	(433)
Exchange differences	782	962
Cash flows from operations before movements in working capital	13,542	8,996
Inventories	2,478	(2,469)
Trade and other receivables	(5,204)	910
Trade and other payables	(1,294)	4,027
Cash generated from operations	9,522	11,464
Income tax paid	(1,988)	(1,704)
Net cash from operating activities	7,534	9,760
INVESTING ACTIVITIES		
Interest received	69	280
Investment income arising from other investments	290	433
Purchases of other investments	(290)	(10,435)
Redemption of other investments	4,356	13,905
Purchases of property, plant and equipment	(315)	(245)
Proceeds from disposal of property, plant and equipment	—	27
Net cash from investing activities	4,110	3,965



**For the six months ended
30 June**

2022	2021
RM'000	RM'000
(Unaudited)	(Unaudited)

FINANCING ACTIVITIES		
Inception of interest-bearing borrowings	—	181
Payment for repurchase of shares which were subsequently cancelled by the Company	1	—
Interest paid	—	(10)
Repayment of lease liabilities	(378)	(291)
Net cash used in financing activities	(377)	(120)
Net increase in cash and cash equivalents	11,267	13,605
Cash and cash equivalents at the beginning of the reporting period	11,666	15,171
Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash	22,933	28,776



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 29 October 2018. The Company's shares in issue were initially 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 Unit B, 13 Floor, Winsan Tower, 98 Thomson Road, Wanchai, Hong Kong and the Group's headquarter 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 based in Malaysia and principally engages in (i) distribution of animal feed additives and, to a lesser extent, human food ingredients; and (ii) manufacturing of animal feed additives premixes.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022 (the "**Interim Financial Statements**") are presented in Malaysian Ringgit ("**RM**") and all amounts have been rounded to the nearest thousand ("**RM'000**"), unless otherwise indicated.

The Interim Financial Statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "*Interim Financial Reporting*" issued by International Accounting Standard Board (the "**IASB**") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The preparation of the Interim Financial Statements in conformity with IAS 34 requires the management of the Group (the "**Management**") to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 31 December 2021, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the International Financial Reporting Standards ("**IFRSs**"), which collective term includes all applicable individual IFRSs, IASs and Interpretations issued by the IASB. They shall be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2021 (the "**2021 Financial Statements**") as set out in the Company's annual report for the year ended 31 December 2021.

In preparing the Interim Financial Statements, significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied in the 2021 Financial Statements.



2. PRINCIPAL ACCOUNTING POLICIES

The measurement basis used in the preparation of the Interim Financial Statements is historical cost basis, except for equity investment at FVTOCI and other investments in unlisted investments classified at fair value through profit or loss (“FVTPL”) which are measured at fair value.

The accounting policies and methods of computation used in the Interim Financial Statements are consistent with those followed in the preparation of the 2021 Financial Statements.

The adoption of the new/revised IFRSs which are relevant to the Group and effective for current period does not have any significant impact on the Interim Financial Statements.

At the date of authorisation of the Interim Financial Statements, the IASB has issued a number of new/revised IFRSs that are not yet effective for the current period, which the Group has not early adopted. The Directors do not anticipate that the adoption of the new/revised IFRSs in future periods will have any material impact on the consolidated financial statements of the Group.

3. SEGMENT INFORMATION

Information reported to the executive Directors, being identified as the chief operating decision makers (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered. 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:

- (1) Animal feed additives products segment: manufacturing and distribution of animal feed additives products; and
- (2) 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 gross profit less selling and distribution costs and loss allowance of trade receivables incurred by each segment without allocation of other income, administrative and other operating expenses, finance costs and income tax expenses. This is the measure reported to the CODM of the Group for the purpose of resource allocation and performance assessment.

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.

In addition, the Group’s place of domicile is Malaysia, where the central management and control is located.

3. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The following is an 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
<i>For the six months ended 30 June 2022 (Unaudited)</i>			
Revenue from external customers and reportable segment revenue within IFRS 15			
– Distribution	35,237	16,460	51,697
– Manufacturing	20,347	—	20,347
Total	55,584	16,460	72,044
Gross profit			
– Distribution	6,834	5,596	12,430
– Manufacturing	5,386	—	5,386
Total	12,220	5,596	17,816
Selling and distribution costs	(1,054)	(312)	(1,366)
Provision for loss allowance of trade receivables	(995)	(293)	(1,288)
Segment results	10,171	4,991	15,162
<i>Unallocated income and expenses</i>			
Other income			1,098
Administrative and other operating expenses			(6,516)
Finance costs			(18)
Profit before tax			9,726
Income tax expenses			(3,301)
Profit for the period			6,425
<i>Other information:</i>			
Depreciation (Note i)	83	—	83
Additions to property, plant and equipment (Note ii)	34	—	34



3. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

	Animal feed additives products RM'000	Human food ingredient products RM'000	Total RM'000
<i>For the six months ended 30 June 2021 (Unaudited)</i>			
Revenue from external customers and reportable segment revenue within IFRS 15			
— Distribution	28,069	12,193	40,262
— Manufacturing	16,510	—	16,510
Total	44,579	12,193	56,772
Gross profit			
— Distribution	5,913	3,273	9,186
— Manufacturing	4,196	—	4,196
Total	10,109	3,273	13,382
Selling and distribution costs	(929)	(258)	(1,187)
Provision for loss allowance of trade receivables	(145)	—	(145)
Segment results	9,035	3,015	12,050
<i>Unallocated income and expenses</i>			
Other income			1,180
Administrative and other operating expenses			(5,042)
Finance costs			(24)
Profit before tax			8,164
Income tax expenses			(2,335)
Profit for the period			5,829
<i>Other information:</i>			
Depreciation (Note i)	70	—	70
Additions to property, plant and equipment (Note ii)	15	—	15

Notes:

- (i) Depreciation not included in the measure of segment results during the six months ended 30 June 2022 and 2021, which amounted to approximately RM829,000 (Six months ended 30 June 2021: approximately RM681,000).
- (ii) Additions to property, plant and equipment not included in the measure of segment results during the six months ended 30 June 2022 amounted to approximately RM976,000 (Six months ended 30 June 2021: approximately RM732,000).

3. SEGMENT INFORMATION (Continued)

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.

No geographical analysis on segment tangible assets is provided as substantially all of the Group's assets were located at Malaysia.

Information about major customers

No revenue derived from a single customer or a group of customers under common control, which amounted to 10% or more of the Group's revenue during the six months ended 30 June 2022 and 2021.

4. REVENUE

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
<u>Revenue from contracts with customers within IFRS 15</u>		
Distribution income	51,697	40,262
Manufacturing income	20,347	16,510
	72,044	56,772

In addition to the information shown in segment disclosures, the revenue from contracts with customers within IFRS 15 is disaggregated as follows:

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
<i>Timing of revenue recognition:</i>		
— at a point in time		
Distribution income	51,697	40,262
Manufacturing income	20,347	16,510
	72,044	56,772



5. OTHER INCOME

	For the six months ended 30 June	
	2022	2021
	RM'000 (Unaudited)	RM'000 (Unaudited)
Bank interest income	69	280
Exchange gain, net	635	—
Gain on disposal of property, plant and equipment	—	27
Fair value gain on other investments	—	310
Investment income arising from other investments	290	433
Sundry income	104	130
	1,098	1,180

6. PROFIT BEFORE TAX

This is stated after charging (crediting):

	For the six months ended 30 June	
	2022	2021
	RM'000 (Unaudited)	RM'000 (Unaudited)
Finance costs		
Interest expenses on interest-bearing borrowings	—	11
Interest expenses on lease liabilities	18	13
	18	24
Staff costs (including Directors' emoluments)		
Salaries, allowances and other benefits in kinds	2,539	2,513
Contributions to defined contribution plans	293	250
Total staff costs (charged to "cost of goods sold", "selling and distribution costs" and "administrative and other operating expenses", as appropriate)	2,832	2,763
Other items		
Auditors' remuneration	123	—
Cost of goods sold	54,228	43,390
Depreciation (charged to "cost of goods sold" and "administrative and other operating expenses", as appropriate)	912	751
Exchange (gain) loss, net	(635)	104
Gain on disposal of property, plant and equipment	—	27
Provision for loss allowance of trade receivables	1,288	145
Fair value loss (gain) on other investments	1,175	(310)

7. INCOME TAX EXPENSES

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
Current tax		
Malaysia corporate income tax ("Malaysia CIT")	3,344	2,331
Deferred tax		
Changes in temporary differences	(43)	4
Total income tax expenses	3,301	2,335

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

Malaysia CIT is calculated at the rate of 24% of the Group's estimated assessable profits arising from Malaysia during the six months ended 30 June 2022 and 2021.

The enterprise income tax of the People's Republic of China (the "PRC") has not been provided for as the Group incurred a loss for taxation purposes in the PRC for the six months ended 30 June 2022 and 2021.

8. EARNINGS PER SHARE

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

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
<i>Profit:</i>		
Profit for the period attributable to equity holders of the Company, used in basic and diluted earnings per share calculation	6,425	5,829
<i>Number of shares:</i>		
Weighted average number of ordinary shares for basic and diluted earnings per share calculation	472,000,000	500,000,000

Diluted earnings per share are the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2022 and 2021.



9. DIVIDEND

The Board does not declare an interim dividend for the six months ended 30 June 2022 (*Six months ended 30 June 2021: nil*).

10. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets RM'000 <i>(Note 14)</i>	Freehold land RM'000	Buildings RM'000	Leasehold improvements RM'000	Furniture, fixtures and office equipment RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Total RM'000
Reconciliation of carrying amounts – year ended 31 December 2021 (Audited)								
At 1 January 2021	59	4,066	8,471	273	422	430	1,004	14,725
Additions	687	—	—	328	120	180	124	1,439
Disposals	—	—	—	—	—	—	(1)	(1)
Depreciation	(626)	—	(197)	(77)	(176)	(154)	(357)	(1,587)
At 31 December 2021	120	4,066	8,274	524	366	456	770	14,576
Reconciliation of carrying amounts – six months ended 30 June 2022 (Unaudited)								
At 1 January 2022	120	4,066	8,274	524	366	456	770	14,576
Additions	696	—	—	—	232	11	71	1,010
Disposals	—	—	—	—	—	—	—	—
Depreciation	(366)	—	(98)	(70)	(106)	(83)	(189)	(912)
At 30 June 2022	450	4,066	8,176	454	492	384	652	14,674

11. TRADE AND OTHER RECEIVABLES

	<i>Note</i>	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Trade receivables			
From third parties		33,784	26,909
Less: Loss allowance		(3,076)	(1,788)
	11(a)	30,708	25,121
Other receivables			
Deposits and prepayments		2,128	3,799
		32,836	28,920

11(a) Trade receivables from third parties

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

As at 30 June 2022 and 31 December 2021, 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. The Management considers that the fair value of the pledged property is sufficient to cover the respective trade receivables balance at 30 June 2022 and 31 December 2021, respectively.



11. TRADE AND OTHER RECEIVABLES (Continued)

11(a) Trade receivables from third parties (Continued)

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

	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Within 30 days	14,658	7,310
31 to 60 days	5,042	8,444
61 to 90 days	4,126	4,253
Over 90 days	9,958	6,902
	33,784	26,909
Less: Loss allowance	(3,076)	(1,788)
	30,708	25,121

12. OTHER INVESTMENTS

	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Financial assets mandatorily measured at FVTPL		
Unlisted investments — unit trust	38,095	43,336

12(a) The unit trust represented unlisted investments managed by a bank in Malaysia, which mainly invested in Islamic money market instruments, including cash funds, bond funds and money market funds, etc.. It can be redeemed from time to time and bear interest at floating rate ranging from 1.58% to 2.36% per annum. The fair values of the investments are reported by the bank with reference to the fair value of the underlying instruments at the end of each reporting period.

13. TRADE AND OTHER PAYABLES

	Note	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Trade payables			
To third parties	13(a)	9,526	9,985
Other payables			
Accruals and other payables		1,219	1,987
Contract liabilities		114	181
		1,333	2,168
		10,859	12,153

13(a) Trade payables

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

	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Within 30 days	4,990	3,297
31 to 60 days	2,140	5,090
61 to 90 days	2,270	1,597
Over 90 days	126	1
	9,526	9,985

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



14. LEASES

	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Right-of-use assets (Note 10)		
Leased properties	450	120
Lease liabilities		
Non-current	36	28
Current	422	94
	458	122

Lease liabilities:

	Lease payments		Present value of lease payments	
	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Amounts payable:				
Within one year	431	97	422	94
More than one year, but not exceeding two years	36	29	36	28
	467	126	458	122
Less: future finance charges	(9)	(4)	—	—
Total lease liabilities	458	122	458	122

14. LEASES (Continued)

In addition to the information disclosed in Notes 6 and 10, the Group had the following amounts relating to leases during the six months ended 30 June 2022 and 2021:

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
Depreciation charge of right-of-use assets		
Leased properties	366	282

The total cash outflows for leases were approximately RM378,000 for the six months ended 30 June 2022 (Six months ended 30 June 2021: approximately RM291,000).

15. SHARE CAPITAL

	Notes	Number of Shares	HK\$	Equivalent to RM
<i>Ordinary share of HK\$0.01 each</i>				
Authorised:				
At 1 January 2021 (Audited), 31 December 2021 (Audited) and 30 June 2022 (Unaudited)				
		20,000,000,000	200,000,000	110,426,394
Issued and fully paid:				
At 1 January 2021 (Audited)				
		500,000,000	5,000,000	2,769,130
Cancellation of shares of the Company (the "Share(s)") during the year				
	15(a)	(28,000,000)	(280,000)	(155,071)
At 31 December 2021 (Audited) and 30 June 2022 (Unaudited)				
		472,000,000	4,720,000	2,614,059



15. SHARE CAPITAL (Continued)

15(a) During the year ended 31 December 2021, the Company repurchased 28,000,000 ordinary shares (the “Buy-back Shares”) on the Stock Exchange as follows:

Month/Year	Number of Buy-back Shares	Highest price paid per Share HK\$	Lowest price paid per Share HK\$	Aggregate price paid HK\$
July 2021	11,180,000	0.99	0.84	10,418,320
September 2021	9,502,000	1.00	0.76	9,133,500
October 2021	7,318,000	0.78	0.60	5,151,680
	28,000,000			24,703,500

The total amount paid on the Buy-back Shares of HK\$24,703,500 (equivalent to approximately RM13,642,000) was paid with internally generated fund of the Company.

Up to 31 December 2021, all the Buy-back Shares were cancelled.

Pursuant to section 37(3) of the Companies Law of the Cayman Islands, 28,000,000 shares were repurchased during year ended 31 December 2021 and the Buy-back Shares were cancelled. Accordingly, the issued share capital of the Company was reduced by the nominal value of Buy-back Shares. Pursuant to section 37(4) of the Companies Law of the Cayman Islands, an amount equivalent to the par value of the Shares cancelled of approximately RM155,000 was transferred from share premium to the capital redemption reserve during year ended 31 December 2021. The premium paid on the Buy-back Shares of approximately HK\$24,423,000 (equivalent to approximately RM13,487,000) were charged to share premium for the year ended 31 December 2021.

16. RESERVES

16(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company’s shares over its par value. Under the laws of the Cayman Islands and the Company’s amended and restated articles of association adopted on 20 June 2022, share premium is distributable to the Shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business.

16(b) Capital redemption reserve

Capital redemption reserve represents the nominal amount of the shares repurchased.

16(c) Capital reserve

Capital reserve of the Group represents the aggregate amount of the paid-up share capital of the entities now comprising the Group before completion of the reorganisation less consideration paid to acquire the relevant interests (if any) in relation to the reorganisation for the Listing.

16(d) Exchange reserve

The translation reserve comprises all foreign exchange differences arising from the translation of foreign operations for consolidation or from translation to presentation currency.

16(e) FVTOCI reserve

The FVTOCI reserve comprises the cumulative net change in the fair value of equity investment designated at FVTOCI under IFRS 9 that are held at the end of this interim period.

17. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the Interim Financial Statements, the following transactions were made by the Group with related parties during the six months ended 30 June 2022 and 2021:

- (a) Transactions between the group entities have been eliminated on consolidation and are not disclosed. During the six months ended 30 June 2022 and 2021, the Group had the following significant transactions with a related company. In the opinion of the Management, they are under normal commercial terms that are fair and reasonable and in the best interests of the Group.

Related party relationship	Nature of transaction	For the six months ended 30 June	
		2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
Related company controlled by the Ultimate Controlling Parties	Utilities expenses (Note)	8	9
	Repayment of lease liabilities (Note)	450	282
		458	291

Note: During the six months ended 30 June 2022 and 2021, the related party transactions represented operating lease payments and related utilities expenses paid on premises charged by Lee & Seetho Holding Sdn. Bhd., a company ultimately controlled by the Ultimate Controlling Parties.

- (b) Remuneration for key management personnel (including Directors) of the Group:

	For the six months ended 30 June	
	2022 RM'000 (Unaudited)	2021 RM'000 (Unaudited)
Salaries, allowances and other benefits in kinds	1,144	803
Contributions to defined contribution plans	127	108
	1,271	911



18. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in the Interim Financial Statements on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13 “Fair Value Measurement” with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the asset or liability.

(a) Assets measured at fair value

	Level 3	
	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Equity investment at FVTOCI	4,299	4,299

	Level 2	
	At 30 June 2022 RM'000 (Unaudited)	At 31 December 2021 RM'000 (Audited)
Financial asset at FVTPL		
Other investments		
— Unlisted investments — unit trust (Note 12)	38,095	43,336

During the six months ended 30 June 2022 and the year ended 31 December 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The details of the measurement basis and movements of the financial assets at FVTPL are set out in Note 12 to the Interim Financial Statements.

The Group reviews estimation of fair values of the unlisted investments in non-principal guaranteed funds and unit trust which are categorised into Level 2 of the fair value hierarchy. Reports with estimation of the fair values are prepared by the banks on a monthly basis.

During the six month ended 30 June 2022, there was no change in the net fair value on equity investment designated FVTOCI (Year ended 31 December 2021: net fair value gain of approximately RM174,000).

(b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and financial liabilities are carried at amounts not materially different from their fair values at 30 June 2022 and 31 December 2021.



19. MAJOR NON-CASH TRANSACTIONS

In addition to the information disclosed elsewhere in the Interim Financial Statements, the Group had the following major non-cash transactions:

The Group entered into lease arrangements in respect of right-of-use assets with a total capital value at the inception of the leases of approximately RM583,000 during the six months ended 30 June 2022 (*Six months ended 30 June 2021: approximately RM502,000*).

20. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved by the Board on 30 August 2022.



MANAGEMENT DISCUSSION AND ANALYSIS

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

BUSINESS OUTLOOK

The Malaysian economy suffered a severe contraction of -5.6% in 2020. This was a consequence of the implementation of a series of control measures to curb the novel coronavirus 2019 (“**COVID-19**”) starting from the lockdown (Movement Control Order), implemented from 18 March 2020 to 3 May 2020. As such, the prospects of a more robust economic recovery in Malaysia following the relaxation of the Movement Control Order are being clouded by several uncertainties. During this interim period, the shift to the endemic phase of COVID-19 will undoubtedly increase domestic economic activities, but the economic gains from the easing of restrictions on mobility of people and goods may be lower than expected. As a whole, the economic recovery in 2021 was very uneven: the economy was still relatively weak in the second and third quarters of 2021, but anticipating a strong recovery in the fourth quarter.

Effective 1 April 2022, Malaysian border has reopened with less restrictive measures in business operation, the Group has then picked up the business activities. However, the on-going war in Ukraine and the de-coupling of Russia from major economies are expected to cause disruptions which in turn are likely to slow down the global economy and generate inflationary shocks. In view of this, the Group has been cautiously managing the cost structure and supply chains disruptions so as to minimize the adverse impact to the Group. Simultaneously, the Group will continue to explore and monetize new business opportunities for potential gains and growth.

BUSINESS AND FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2022 was approximately RM72.0 million, representing an increase of approximately RM15.2 million, or approximately 26.8%, from approximately RM56.8 million for the same period in 2021.

Revenue from the manufacturing business for the six months ended 30 June 2022 was approximately RM20.3 million, accounting for approximately 28.2% of our total revenue and representing an increase of approximately RM3.8 million, or approximately 23.0%, from approximately RM16.5 million for the same period in 2021. This increase was primarily due to an increase in the sales of vitamin premix and mixed feed during this interim period by approximately RM3.6 million.

Revenue from the distribution business for the six months ended 30 June 2022 was approximately RM51.7 million, accounting for approximately 71.8% of our total revenue and representing an increase of approximately RM11.4 million, or approximately 28.3%, from approximately RM40.3 million for the same period in 2021. This increase was primarily due to the surge in sale price and demand for both animal feeds as well as human food ingredients, coupled with shortage of supplies internationally.



Gross profit

Gross profit for the six months ended 30 June 2022 was approximately RM17.8 million (*Six months ended 30 June 2021: approximately RM13.4 million*), representing a gross profit margin of approximately 24.7% (*Six months ended 30 June 2021: approximately 23.6%*). The gross profit margin is considerably consistent and stable compared to the same period in 2021.

Gross profit for the manufacturing business for the six months ended 30 June 2022 was approximately RM5.4 million (*Six months ended 30 June 2021: approximately RM4.2 million*), representing a gross profit margin of approximately 26.6% (*Six months ended 30 June 2021: approximately 25.4%*). The gross profit from manufacturing business increased slightly due to increased in sale price.

Gross profit for the distribution business for the six months ended 30 June 2022 was approximately RM12.4 million (*Six months ended 30 June 2021: approximately RM9.2 million*), representing a gross profit margin of approximately 24.0% (*Six months ended 30 June 2021: approximately 22.8%*). The increase in gross profit margin was primarily contributed by the higher gross profit margin achieved from the sale of human food ingredients.

Other income

Other income for the six months ended 30 June 2022 was approximately RM1.1 million, representing a decrease of approximately RM0.1 million, or approximately 8.3%, from approximately RM1.2 million for the same period in 2021. The decrease was primarily due to, amongst others, the gain on foreign exchange in this interim period which was offset against the fair value gain on other investments and higher bank interest income in the same period of 2021.

Selling and distribution costs

Selling and distribution costs for the six months ended 30 June 2022 was approximately RM1.4 million, representing a slight increase of approximately RM0.2 million, or approximately 16.7%, from approximately RM1.2 million for the same period in 2021. This increase is in line with the overall increase in revenue of the Group during this interim period.

Administrative and other operating expenses

Administrative and other operating expenses for the six months ended 30 June 2022 were approximately RM6.5 million, representing an increase of approximately RM1.5 million, or approximately 30.0%, from approximately RM5.0 million for the same period in 2021. The increase was primarily due to an increase in the depreciation because of additional fixed assets acquired by the Group as well as the fair value loss on other investments in this interim period.

Finance costs

Finance costs for the six months ended 30 June 2022 were approximately RM18,000, which represented a decrease of approximately RM6,000, or approximately 25.0%, from approximately RM24,000 for the same period in 2021. The decrease was primarily due to the repayment of most of the interest-bearing borrowings by the Group in 2021.

Income tax expenses

Income tax expenses increased to approximately RM3.3 million for the six months ended 30 June 2022 from approximately RM2.3 million for the same period in 2021, representing an increase of approximately RM1.0 million or approximately 43.5% due to an increase in profit before tax of the Company.



Profit attributable to equity holders of the Company

As a result of the foregoing, profit for the six months ended 30 June 2022 was approximately RM6.4 million, representing an increase of approximately RM0.6 million, or approximately 10.3%, from approximately RM5.8 million for the same period in 2021 which was in line with an increase in the revenue.

Key financial ratios

	Notes	At 30 June 2022	At 31 December 2021
Current ratio (times)	1	11.0	10.8
Quick ratio (times)	2	7.4	6.8
Gearing ratio (%)	3	—*	—*

Notes:

* Less than 1%

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 interest-bearing borrowings divided by total equity and multiplied by 100%.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 30 June 2022,

- (a) The issued share capital of the Company was HK\$4.72 million (equivalent to approximately RM2.6 million) and the number of its issued Shares was 472,000,000 Shares of HK\$0.01 each.
- (b) The Group had pledged time deposits and bank balances as well as cash and cash equivalents of approximately RM1.7 million (*31 December 2021: approximately RM1.7 million*) and approximately RM22.9 million (*31 December 2021: approximately RM11.7 million*) respectively, most of which were denominated in United States Dollars, Hong Kong Dollars and RM.
- (c) The Group had lease liabilities of approximately RM0.5 million (*31 December 2021: approximately RM122,000*).
- (d) The Company's total equity attributable to owners of the Group was approximately RM147.9 million (*31 December 2021: approximately RM140.7 million*). The capital of the Company mainly comprises share capital and reserves. The Directors are of the view that the Group has sufficient working capital for its operation.

During this interim period, there was no change in the capital structure of the Company.



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 commitments when they fall due; and (iii) maintain adequate liquidity to cover the Group's cash flows and administrative expenses. The Group closely monitors its 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.

DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2022 (*Six months ended 30 June 2021: nil*).

CAPITAL COMMITMENTS

As at 30 June 2022, the Group had no significant capital commitments, other than, the Group had contracted but not provided capital commitment of RMB25,500,000 (equivalent to approximately RM16,749,341) (*31 December 2021: RMB25,500,000 (equivalent to approximately RM16,641,000)*) in respect of investment in Hainan Ritamix.

PLEDGE OF THE GROUP'S ASSETS

The Group's restricted bank balances are bank deposits denominated in RM which carried interest at prevailing market rates and were pledged to secure banking facilities granted to the Group. The total banking facilities granted to the Group amounted to approximately RM12,270,000 and approximately RM12,270,000 as at 30 June 2022 and 31 December 2021, respectively.

The Group had not utilised any banking facilities at 30 June 2022 and 31 December 2021.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Investments in Funds

On 6 October 2021, 25 April 2022 and 13 May 2022, the Company made a redemption of Units of USD Hedged-class of the Bond Fund with a redemption amount of US\$1,000,000 (equivalent to approximately RM4,176,000), US\$500,000 (equivalent to approximately RM2,144,568) and US\$500,000 (equivalent to approximately RM2,168,409), respectively. On 23 December 2021, Ritamix Sdn Bhd, an indirect wholly-owned subsidiary of the Company, made a redemption of Units of RM Class of the Bond Fund, with a redemption amount of RM350,000 ("**Redemptions**").

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, 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.

The following table sets forth the fair value of the significant investments in the Funds (as defined herein) of the Group as at 30 June 2022:

Financial assets measure at FVTPL	For the six months ended 30 June 2022	As at 30 June 2022		Approximate percentage to the total assets as at 30 June 2022	As at 31 December 2021
	Income Distribution RM'000	Fair value gain/(loss) RM'000	Fair value RM'000		Fair value RM'000
Significant Investments					
Affin Hwang ALLMAN Money Market Fund	2	18	2,033	1%	2,014
Affin Hwang Select Bond Fund	288	(1,193)	36,062	22%	41,322
	290	(1,175)	38,095		43,336

(Affin Hwang ALLMAN Money Market Fund, Affin Hwang USD Cash Fund and Affin Hwang Select Bond Fund, collectively referred to as the "Fund")

Except for the above, the Group had no other significant investments, material acquisitions or disposals of subsidiaries, associates and joint venture companies during the six months ended 30 June 2022.

SIGNIFICANT EVENTS

Retirement of One of the Independent Joint Auditors and Appointment of the Sole Auditor

On 20 April 2022, Mazars CPA Limited has informed the Board that it will retire as one of the independent joint auditors of the Company (the "Independent Joint Auditor(s)") upon the expiration of its current term of office at the annual general meeting of the Company which was held on 20 June 2022 (the "2022 AGM") (the "Retirement of Mazars").

In reaching such retirement conclusion, Mazars CPA Limited has taken into account many factors including the professional risk associated with the audit, the level of audit fees, its available internal resources in the light of current tight work flows and the impacts of the COVID-19.

Following the Retirement of Mazars, another Independent Joint Auditor, Mazars PLT, has been re-appointed as the sole independent auditor of the Company's financial statements for the year ended 31 December 2022 in the 2022 AGM (the "Appointment of the Sole Auditor").

Details of the Retirement of Mazars and Appointment of the Sole Auditor have been set out in the announcements of the Company dated 20 April 2022 and 20 June 2022, and the circular of the Company dated 27 April 2022.



Amendments to the Articles of Association

On 20 June 2022, the amendments of articles of association of the Company (the “**Articles of Association**”) have been approved in the 2022 AGM. Details of the amendments of the Articles of Association have been set out in the announcements of the Company dated 29 March 2022 and 20 June 2022, the circular of the Company dated 27 April 2022, and the amended Articles and Association dated 20 June 2022.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this report and the prospectus of the Company dated 24 April 2020 (the “**Prospectus**”), the Group did not have any concrete plan for material investments or capital assets at 30 June 2022 and up to the date of this report.

CONTINGENT LIABILITIES

At 30 June 2022 and 31 December 2021, the Group had no significant contingent liabilities.

FOREIGN CURRENCY RISK

The majority of our purchases are primarily denominated in United States Dollars while our sales are primarily denominated in RM. Hence, the Group is exposed to foreign currency fluctuation risk. Any unfavourable fluctuations in foreign exchange rates may have an adverse impact on our financial performance and profitability. During the six months ended 30 June 2022, the Group had approximately RM47.1 million of purchases denominated in currencies other than RM.

Although the Group does not enter into any financial instruments to hedge against any foreign currency fluctuations, the Group will continuously monitor the risk of foreign currency fluctuations and take actions as appropriate if necessary.

MARKET RISK

As the Group’s products are a critical part of a livestock farm’s operations in ensuring proper nutrition, health and hygiene of the livestock industry, our business operations are significantly reliant on the performance of the livestock industry, especially on the demand for poultry and swine. Any unfavourable general economic activities, such as recession, may reduce the general demand for food, which in turn affects the demand for poultry and swine.

We may also be affected by any changes in war, terrorist activities and changes in political, economic and regulatory environment which would affect our business and profitability.

EMPLOYEES AND REMUNERATION POLICY

At 30 June 2022, the Group had 51 employees (30 June 2021: 55 employees). The Group’s employees are invaluable assets of the Group and it is dedicated to managing human capital. Remuneration package offered by the Group includes basic salary, discretionary bonuses, provident fund contributions and allowance. For the six months ended 30 June 2022, the Group’s staff costs, including Directors’ emoluments, were approximately RM2.8 million (Six months ended 30 June 2021: approximately RM2.8 million). Trainings relevant to the employee’s post would be given to the employees from time to time. The Directors review the performance of the Group’s employees on a periodic basis in order to determine salary adjustment and promotions and keep the Group’s remuneration package competitive.



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 (the “**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**”), the Board considers that the Change of Use in Net Proceeds will broaden the choices available to the Group when shortlisting investment candidates and will be beneficial to the Company and the Shareholders as a whole. For more information about the Change of Use in Net Proceeds, please refer to the Company’s announcement dated 4 October 2021.

During the period from the Listing Date and up to 30 June 2022 (the “**Relevant Period**”), the Net Proceeds had been applied as follows:

	Planned use of the Net Proceeds per Prospectus HK\$' million	Actual use of the Net Proceeds during the Relevant Period HK\$' million	Unutilised amount at 30 June 2022 HK\$' million	Expected timeline to use the Net Proceeds
Construct a new manufacturing plant	42.1	—	42.1	30 June 2023
Funding potential investment in company which is engaged in animal feed additives and/or veterinary related industry	13.4	7.8	5.6	31 December 2023
Conduct sales and marketing activities	1.7	0.1	1.6	30 June 2023
Set up a new testing laboratory	3.5	—	3.5	30 June 2023
Set up a centralised Enterprise Resources Planning system	3.7	—	3.7	31 December 2022
Hire additional workforce	3.0	1.0	2.0	31 December 2022
Purchase trucks for logistics services and vehicle for sales personnel	1.4	1.4	—	Not applicable
General working capital	3.6	3.6	—	Not applicable
TOTAL	72.4	13.9	58.5	

Further, as at 30 June 2022, 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\$4.6 million (equivalent to approximately HK\$35.5 million). The Company will redeem part of the investment in the fund as and when the Company utilised the Net Proceeds according to the abovementioned planned use. 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. As at 30 June 2022, the remaining unused proceeds were deposited in licensed banks in Hong Kong and Malaysia.

With the revival of economy following a transition into an endemic phase starting 1 April 2022 in Malaysia, the Group will slowly keep up with the plan in utilising the Net Proceeds with an aim to solidify its business growth.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2022, the interests or short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein (the "Register"); or which were required, pursuant to the Mode Code, to be notified to the Company and the Stock Exchange were as follows:

(i) Interests in the Company

Name of Directors	Capacity/Nature of Interest	Number of Shares (Note 1)	Percentage of Holding
Dato'Sri Lee Haw Yih (Note 2 and 3)	Interest in a controlled corporation/interest held with others	337,500,000(L)	71.5%
Mr. Lee Haw Shyang (Note 3)	Interest held jointly with others	337,500,000(L)	71.5%
Datin Sri Yaw Sook Kean (Note 3)	Interest held jointly with others	337,500,000(L)	71.5%

Notes:

- The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
- Garry-Worth Investment Limited ("Garry-Worth") is the beneficial owner of 337,500,000 Shares. Garry-Worth is owned as to 53.37% by Dato'Sri Lee Haw Yih, the chairman of the Board and an executive Director. Under the SFO, Dato'Sri Lee Haw Yih is deemed to be interested in the same number of the Shares held by Garry-Worth.
- Dato'Sri Lee Haw Yih, Mr. Lee Haw Hann, Mr. Lee Haw Shyang and Datin Sri Yaw Sook Kean are parties acting in concert (the "Parties") (having the meaning as ascribed thereto in The Codes on Takeovers and Mergers and Share Buy-backs (the "Takeovers Code")) pursuant to the confirmation and undertaking dated 26 January 2019 and entered into among the Parties. As such, the Parties together control 337,500,000 Shares, representing 71.5% of the entire issued share capital of the Company.

(ii) Interests in associated corporation of the Company

Name of Directors	Associate corporation	Capacity/Nature of interest	Number of Shares	Percentage of Holding
Dato'Sri Lee Haw Yih	Garry-Worth	Beneficial owner	5,337	53.37%
Mr. Lee Haw Shyang	Garry-Worth	Beneficial owner	2,017	20.17%
Datin Sri Yaw Sook Kean	Garry-Worth	Beneficial owner	629	6.29%



Save as disclosed above, as at 30 June 2022, none of the Directors or chief executives of the Company had, or was deemed to have, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (ii) pursuant to Section 352 of the SFO, to be entered in the Register; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2022, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Directors	Capacity	Number of Shares (Note 1)	Percentage of Holding
Garry-Worth (Note 2)	Beneficial owner	337,500,000	71.5%
Mr. Lee Haw Hann (Note 3)	Interest jointly with others	337,500,000	71.5%
Ms. Lim Ee Min (Note 4)	Interest of spouse	337,500,000	71.5%
Ms. Yee Mei Loon (Note 5)	Interest of spouse	337,500,000	71.5%
Warrants Capital Ltd ("Warrants Capital") (Note 6)	Beneficial owner	27,482,000	5.8%
Mr. Voon Sze Lin (Note 6)	Interest in controlled corporation	27,482,000	5.8%

Notes:

- The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
- Garry-Worth is owned as to 53.37% by Dato'Sri Lee Haw Yih, 20.17% by Mr. Lee Haw Shyang, 20.17% by Mr. Lee Haw Hann and 6.29% by Datin Sri Yaw Sook Kean. Under the SFO, Dato'Sri Lee Haw Yih is deemed to be interested in the same number of the Shares held by Garry-Worth.
- The Parties are parties acting in concert (having the meaning as ascribed thereto in the Takeovers Code) pursuant to the confirmation and undertaking dated 26 January 2020 and entered into among the Parties, together control 337,500,000 Shares, representing 71.5% of the entire issued share capital of the Company.
- Ms. Lim Ee Min, the spouse of Mr. Lee Haw Shyang, is deemed under the SFO to be interested in the same number of the Shares in which Mr. Lee Haw Shyang is interested in.
- Ms. Yee Mei Loon, the spouse of Mr. Lee Haw Hann, is deemed under the SFO to be interested in the same number of the Shares in which Mr. Lee Haw Hann is interested in.
- Warrants Capital is the beneficial owner of 27,482,000 Shares. Warrants Capital is owned 100% by Mr. Voon Sze Lin. By virtue of the SFO, Mr. Voon Sze Lin is deemed to be interested in the same number of Shares held by Warrants Capital.

Save as disclosed above, as at 30 June 2022, the Company has not been notified of any other persons (other than the Directors or the chief executive of the Company) who or entities which had or deemed or taken to have an interest or a short position in the Shares or underlying Shares of the Company, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.



SHARE OPTION SCHEME

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

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. 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.

The total number of Shares issued and which may fall 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.

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. 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.

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.



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

During this interim period, no share options had been granted, exercised, cancelled or lapsed under the Share Option Scheme since the adoption of the Share Option Scheme. As at 30 June 2022, the total number of Shares available for issue under the Share Option Scheme was 50,000,000, representing approximately 10.6% of the entire issued share capital of the Company as at 30 June 2022 and 10.0% of the total number of Shares in issue at the time dealing the Shares first commence on the Main Board of the Stock Exchange.

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

The Company did not redeem any Share, nor did the Company or any of its subsidiaries purchase or sell any Share during the six months ended 30 June 2022.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Upon making specific enquiries by the Company to the Directors, all the Directors have confirmed that they had complied with the required standards under the Model Code during the six months ended 30 June 2022.

CORPORATE GOVERNANCE

The Group is committed to fulfilling its responsibilities to the Shareholders and protecting and enhancing Shareholders' value through good corporate governance. The Company has adopted the code principles of the Corporate Governance Code ("**CG Code**") in Appendix 14 of the Listing Rules as its own code of corporate governance. The Board recognises the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. Code provision C.2.1 of the CG Code provides that the role of the chairman of the Board (the "**Chairman**") and the chief executive officer of the Company (the "**CEO**") should be performed by separate individuals. Dato'Sri Lee Haw Yih has been managing the Group's business and overall strategic planning for over 20 years. The Directors believe that the vesting of the roles of the Chairman and CEO of the Company in Dato'Sri Lee Haw Yih is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. Accordingly, the Company has not segregated the roles of the Chairman and the CEO 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. Save for the deviation from code provision C.2.1 of the CG Code as stipulated above, the Group has complied with the applicable code provisions under the CG Code during the six months ended 30 June 2022.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2022 and up to the date of this report.



AUDIT COMMITTEE

The Company established an audit committee of the Company (the “**Audit Committee**”) on 8 April 2020 with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3.3 of the CG Code. The Audit Committee consists of three members, all of whom are independent non-executive Directors, being Mr. Lim Chee Hoong, Mr. Lim Heng Choon and Ms. Ng Siok Hui. The Audit Committee is chaired by Mr. Lim Chee Hoong. The primary duties of the Audit Committee are, among others, to make recommendations to the Board on the appointment, reappointment and removal of external auditors, review the financial statements and provide material advice in respect of financial reporting, oversee the financial reporting process, internal control, risk management systems and audit process of the Company and perform other duties and responsibilities assigned by the Board.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the Interim Financial Statements. The Interim Financial Statements were not audited and reviewed by the Company’s auditors.

By order of the Board
Ritamix Global Limited
Dato’Sri Lee Haw Yih
Chairman and Executive Director

Malaysia, 30 August 2022

As at the date of this report, the executive Directors are Dato’Sri Lee Haw Yih 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 Mr. Lim Heng Choon.