

**13. REPORTING ACCOUNTANTS' REPORT**

Tel : +603 2616 2888  
 Fax : +603 2616 3190 / 3191  
 www.bdo.my

Level 8  
 BDO @ Menara CenTARA  
 360 Jalan Tuanku Abdul Rahman  
 50100 Kuala Lumpur  
 Malaysia

**The Board of Directors**  
**Life Water Berhad**  
 CL075356375 & CL075356366,  
 Batu 8, Jalan Lintas Sibuga  
 90000 Sandakan  
 Sabah

Date: 27 September 2024

Our ref: BDO/PZH/lml

Dear Sirs

**Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Life Water Berhad ("LW" or the "Company")**

**Opinion**

We have audited the combined financial statements of Life Water Berhad and its combining entities ("the Group"), which comprise the combined statements of financial position as at 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 of the Group, and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 and notes to the combined financial statements, including a summary of material accounting policy information as set out in this report.

This historical combined financial statements have been prepared for inclusion in the prospectus of the Company (the "Prospectus") in connection with the listing and quotation of the entire ordinary shares in the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing"). This report is given for the purpose of complying with the Prospectus Guidelines issued by the Securities Commission Malaysia and for no other purpose.

In our opinion, the accompanying combined financial statements give a true and fair view of the financial position of the Group as at 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 and of their financial performance and their cash flows for the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

**Basis for Opinion**

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

*Independence and Other Ethical Responsibilities*

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

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)****Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Life Water Berhad ("LW" or the "Company") (continued)****Directors' Responsibilities for the Combined Financial Statements**

The Directors of the Company are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with MFRSs and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

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

**Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements**

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

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

- (a) Identify and assess the risks of material misstatement of the combined financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the combined financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

**Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Life Water Berhad ("LW" or the "Company") (continued)**

**Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (continued)**

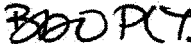
As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)


- (e) Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

**Other Matters**

This report has been prepared solely to comply with Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the Prospectus in connection with the Listing and for no other purposes. We do not assume responsibility to any other person for the content of this report.

  
**BDO PLT**  
 201906000013 (LLP0018825-LCA) & AF 0206  
 Chartered Accountants

  
**Pang Zhi Hao**  
 03450/09/2025 J  
 Chartered Accountant

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF FINANCIAL POSITION**

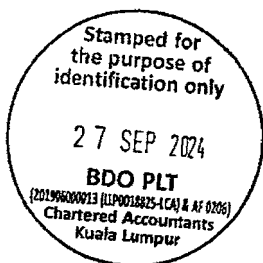
	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	41,935,175	62,822,359	67,662,411	72,628,222
Right-of-use assets	7	23,180,348	22,352,511	29,661,268	53,542,039
Investment properties	8	-	-	-	21,611,069
Deferred tax assets	17	158,744	80,114	88,790	72,789
		65,274,267	85,254,984	97,412,469	147,854,119
<b>Current assets</b>					
Inventories	10	13,241,159	25,040,475	20,394,348	20,640,607
Trade and other receivables	11	15,689,025	22,879,521	24,542,054	22,994,547
Current tax assets		1,086,087	2,565,316	1,569,274	1,479,223
Return assets	16	98,317	113,876	155,946	148,811
Short term funds	12	17,407,960	13,477,906	18,100,059	33,495,902
Cash and bank balances	13	6,484,713	9,859,301	11,615,463	16,466,459
		54,007,261	73,936,395	76,377,144	95,225,549
<b>TOTAL ASSETS</b>		<b>119,281,528</b>	<b>159,191,379</b>	<b>173,789,613</b>	<b>243,079,668</b>

**EQUITY AND LIABILITIES****Equity attributable to common  
controlling shareholders of  
the combining entities**

Invested equity	18	6,600,020	6,600,120	6,700,200	6,700,200
Retained earnings		53,035,034	67,572,428	87,193,846	115,314,457
<b>TOTAL EQUITY</b>		<b>59,635,054</b>	<b>74,172,548</b>	<b>93,894,046</b>	<b>122,014,657</b>

**LIABILITIES****Non-current liabilities**

Borrowings	14	30,925,515	43,539,542	48,664,650	84,634,923
Lease liabilities	7	5,634,102	3,006,635	2,122,005	3,383,960
Deferred tax liabilities	17	427,317	159,278	573,812	3,818,197
		36,986,934	46,705,455	51,360,467	91,837,080



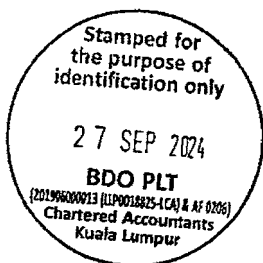
**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF FINANCIAL POSITION (continued)**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>EQUITY AND LIABILITIES</b> (continued)					
<b>Current liabilities</b>					
Trade and other payables	15	10,947,542	12,769,930	10,085,734	8,890,333
Borrowings	14	7,835,121	22,842,647	16,262,498	18,701,365
Lease liabilities	7	3,574,728	2,031,739	1,769,755	1,146,973
Refund liabilities	16	139,682	151,680	204,778	193,047
Current tax liabilities		162,467	517,380	212,335	296,213
		<u>22,659,540</u>	<u>38,313,376</u>	<u>28,535,100</u>	<u>29,227,931</u>
<b>TOTAL LIABILITIES</b>		<u>59,646,474</u>	<u>85,018,831</u>	<u>79,895,567</u>	<u>121,065,011</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>119,281,528</u>	<u>159,191,379</u>	<u>173,789,613</u>	<u>243,079,668</u>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

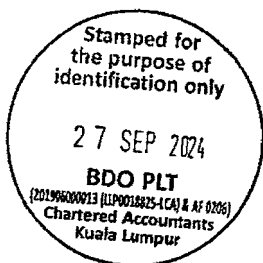


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Revenue	19	103,525,521	121,400,239	150,962,159	166,532,194
Cost of sales		<u>(55,732,056)</u>	<u>(69,656,155)</u>	<u>(85,815,709)</u>	<u>(86,516,872)</u>
Gross profit		47,793,465	51,744,084	65,146,450	80,015,322
Other income		919,819	1,340,138	908,813	2,580,579
Reversal of impairment losses/ (Impairment losses) of financial assets		218,327	269,577	(56,377)	31,472
Selling and distribution expenses		(17,463,889)	(20,604,302)	(24,473,539)	(27,348,946)
Administrative expenses		(10,861,446)	(12,880,162)	(14,580,246)	(15,241,729)
Finance costs	20	<u>(1,574,293)</u>	<u>(2,285,789)</u>	<u>(2,711,854)</u>	<u>(3,483,444)</u>
Profit before tax	21	19,031,983	17,583,546	24,233,247	36,553,254
Tax expense	23	<u>(1,370,607)</u>	<u>(1,846,152)</u>	<u>(3,611,829)</u>	<u>(8,432,643)</u>
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>		<u>17,661,376</u>	<u>15,737,394</u>	<u>20,621,418</u>	<u>28,120,611</u>
Profit attributable to common controlling shareholders of the combining entities		<u>17,661,376</u>	<u>15,737,394</u>	<u>20,621,418</u>	<u>28,120,611</u>
Total comprehensive income attributable to common controlling shareholders of the combining entities		<u>17,661,376</u>	<u>15,737,394</u>	<u>20,621,418</u>	<u>28,120,611</u>
Earnings per share attributable to common controlling shareholders of the combining entities					
Basic and diluted	24	2.72	2.38	3.12	4.20

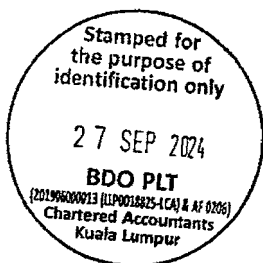


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

<b>Audited</b>	Note	<i>Distributable</i>		
		Ordinary shares capital RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2020		6,200,028	37,873,658	44,073,686
Profit for the financial year		-	17,661,376	17,661,376
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	17,661,376	17,661,376
<b>Transactions with common controlling shareholders</b>				
Dividends paid	25	-	(2,500,000)	(2,500,000)
Issuance of ordinary shares	18	399,992	-	399,992
Total transactions with common controlling shareholders		399,992	(2,500,000)	(2,100,008)
Balance as at 30 June 2021/1 July 2021		6,600,020	53,035,034	59,635,054
Profit for the financial year		-	15,737,394	15,737,394
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	15,737,394	15,737,394
<b>Transactions with common controlling shareholders</b>				
Dividends paid	25	-	(1,200,000)	(1,200,000)
Issuance of ordinary shares	18	100	-	100
Total transactions with common controlling shareholders		100	(1,200,000)	(1,199,900)
Balance as at 30 June 2022		6,600,120	67,572,428	74,172,548



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CHANGES IN EQUITY (continued)**

<b>Audited</b>	Note	<i>Distributable</i>		
		Ordinary shares capital RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2022		6,600,120	67,572,428	74,172,548
Profit for the financial year		-	20,621,418	20,621,418
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	20,621,418	20,621,418
<b>Transactions with common controlling shareholders</b>				
Dividends paid	25	-	(1,000,000)	(1,000,000)
Issuance of ordinary shares	18	100,080	-	100,080
Total transactions with common controlling shareholders		100,080	(1,000,000)	(899,920)
Balance as at 30 June 2023/1 July 2023		6,700,200	87,193,846	93,894,046
Profit for the financial year		-	28,120,611	28,120,611
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	28,120,611	28,120,611
Balance as at 30 June 2024		6,700,200	115,314,457	122,014,657

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



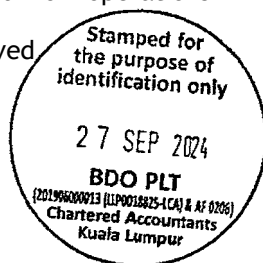


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CASH FLOWS**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		19,031,983	17,583,546	24,233,247	36,553,254
Adjustments for:					
Amortisation of government grant	21	(36,000)	(36,000)	(52,752)	(145,312)
Inventories written off	10	176,108	11,544	10,810	266,924
Bad debts written off	21	78,329	97,695	98,263	92,696
Depreciation of investment properties	8	-	-	-	237,581
Depreciation of right-of-use assets	7	3,635,393	3,368,305	2,544,865	2,241,252
Depreciation of property, plant and equipment	6	3,323,180	5,131,977	7,091,724	8,594,108
Finance costs	20	1,574,293	2,285,789	2,711,854	3,483,444
Interest income	21	(300,759)	(300,214)	(401,367)	(740,934)
Impairment loss on trade receivables	11(d)	-	51,293	90,899	9,391
Reversal of impairment loss on trade receivables	11(d)	(218,327)	(320,870)	(34,522)	(40,863)
(Gain)/Loss on disposal of property, plant and equipment	21	(6,412)	(112,236)	7,801	(15,010)
Gain on lease remeasurement	7(e)	(2,755)	-	-	-
Gain on lease termination	7(e)	-	-	(105)	(9,116)
Unrealised loss/(gain) on foreign exchange	21	9,073	-	(31,337)	-
Property, plant and equipment written off	6	-	-	-	1,047
Fair value (gain)/loss on short term funds	21	(298,617)	60,517	(46,260)	(133,485)
Operating profit before changes in working capital		26,965,489	27,821,346	36,223,120	50,394,977
Changes in working capital:					
Inventories		(2,944,281)	(11,810,860)	4,635,317	(513,183)
Trade and other receivables		(1,994,036)	(7,018,414)	(1,758,363)	1,470,548
Trade and other payables		(112,843)	1,817,318	(2,959,817)	(1,885,315)
Return assets		(923)	(15,559)	(42,070)	7,135
Refund liabilities		11,934	11,998	53,098	(11,731)
Cash generated from operations		21,925,340	10,805,829	36,151,285	49,462,431
Interest received		247,950	261,672	360,769	695,321
Tax refunded		85,427	13,440	1,124,195	54,263
Tax paid		(3,709,418)	(3,173,317)	(3,639,173)	(5,052,591)
		9			
		296			

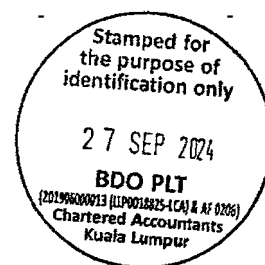


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CASH FLOWS (continued)**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES (continued)</b>					
Net cash from operating activities		18,549,299	7,907,624	33,997,076	45,159,424
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from disposal of property, plant and equipment		6,413	116,412	50,543	15,012
Purchase of property, plant and equipment	6	(15,799,769)	(24,605,183)	(11,939,976)	(13,328,379)
Purchase of right-of-use assets	7(d)	(135,590)	(3,275,403)	(1,853,813)	(3,884,867)
Purchase of investment properties	8	-	-	-	(5,018,650)
Net (placement)/withdrawal of short term funds		(12,476,380)	3,869,537	(4,575,893)	(15,262,358)
Withdrawal of fixed deposits		-	-	569,685	-
Net cash used in investing activities		(28,405,326)	(23,894,637)	(17,749,454)	(37,479,242)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Government grant received		240,000	-	303,524	337,060
Net (repayments)/drawdown of banker's acceptances		(630,788)	12,314,807	(7,017,781)	2,117,672
Net drawdowns/(repayments) of term loans		16,731,985	15,380,092	(1,638,505)	163,468
Net repayments of lease liabilities		(3,087,268)	(4,867,619)	(2,120,933)	(1,758,086)
Interest paid		(1,609,960)	(2,230,775)	(2,704,092)	(3,530,288)
Dividends paid to shareholders	25	(2,500,000)	(1,200,000)	(1,000,000)	-
Issuance of ordinary shares	18	399,992	100	100,080	-
Net cash from/(used in) financing activities		9,543,961	19,396,605	(14,077,707)	(2,670,174)
Net (decrease)/increase in cash and cash equivalents		(312,066)	3,409,592	2,169,915	5,010,008
Effect of exchange rate changes on cash and cash equivalents		(9,073)	-	-	-



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CASH FLOWS (continued)**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Cash and cash equivalents at beginning of financial year		4,474,725	4,153,586	7,563,178	9,733,093
Cash and cash equivalents at end of financial year	13(d)	<u>4,153,586</u>	<u>7,563,178</u>	<u>9,733,093</u>	<u>14,743,101</u>

**RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

	Lease liabilities (Note 7) RM	Banker's acceptances (Note 14) RM	Term loans (Note 14) RM	Revolving credit RM
At 1 July 2020	11,512,240	4,544,563	17,908,084	-
Cash flows:				
- Net (repayments)/drawdown	(3,869,758)	(719,985)	15,759,883	-
- Drawdown of lease liabilities*	236,000	-	-	-
- Interest paid	546,490	89,197	972,102	-
	(3,087,268)	(630,788)	16,731,985	-
Non-cash flows:				
- Additions during the year	708,600	-	-	-
- Unwinding of interest	17,738	-	-	-
- Remeasurement	57,520	-	-	-
	783,858	-	-	-
At 30 June 2021/1 July 2021	9,208,830	3,913,775	34,640,069	-
Cash flows:				
- Net (repayments)/drawdown	(5,364,067)	12,020,089	13,947,217	(5,285)
- Interest paid	496,448	294,718	1,432,875	5,285
	(4,867,619)	12,314,807	15,380,092	-
Non-cash flows:				
- Additions during the year	683,219	-	-	-
- Unwinding of interest	13,944	-	-	-
	697,163	16,228,582	-	-
At 30 June 2022	<u>5,038,374</u>	<u>16,228,582</u>	<u>50,020,161</u>	<u>-</u>

\* The amount represents lease liabilities drawdown during the financial year for assets manufactured and used by LWI in the financial year ended 2020.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**COMBINED STATEMENTS OF CASH FLOWS (continued)****RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)**

	Lease liabilities (Note 7) RM	Banker's acceptances (Note 14) RM	Term loans (Note 14) RM
At 1 July 2022	5,038,374	16,228,582	50,020,161
Cash flows:			
- Net (repayments)/drawdowns	(2,381,413)	(7,320,652)	(3,777,860)
- Interest paid	260,480	302,871	2,139,355
	(2,120,933)	(7,017,781)	(1,638,505)
Non-cash flows:			
- Additions during the year	966,707	-	7,087,000
- Unwinding of interest	11,471	-	-
- Lease termination	(3,859)	-	-
	974,319	-	7,087,000
At 30 June 2023/1 July 2023	3,891,760	9,210,801	55,468,656
Cash flows:			
- Net drawdowns	(1,907,689)	1,766,771	(2,866,316)
- Interest paid	149,603	350,901	3,029,784
	(1,758,086)	2,117,672	163,468
Non-cash flows:			
- Additions during the year	2,502,803	-	36,330,600
- Unwinding of interest	7,418	-	-
- Lease termination	(112,962)	-	-
	2,397,259	-	36,330,600
At 30 June 2024	<u>4,530,933</u>	<u>11,328,473</u>	<u>91,962,724</u>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**NOTES TO THE COMBINED FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

The Company was incorporated in Malaysia under the Companies Act 2016 on 20 January 2023 as a private limited company under the name of Life Water Sdn. Bhd. and was subsequently converted to a public limited company on 19 December 2023.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur.

The principal place of business of the Company is located at CL075356375 & CL075356366, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah.

The Company is principally engaged in investment holding activities. The principal activities of the combining entities are set out in Note 9 to the combined financial statements.

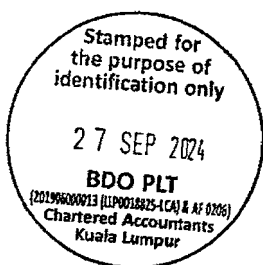
**2. BASIS OF PREPARATION**

The combined financial statements of the Group has been prepared in accordance with paragraph 10.04 of Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines. The combined financial statements of the Group consist of the combined financial statements of the Company and its combining entities as disclosed in Note 9 of the combined financial statements, which are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and based on the Guidance Note on Combined Financial Statements issued by the Malaysian Institute of Accountants in relation to the Listing.

The combined financial statements of the Group for the relevant period are prepared under historical cost convention except as otherwise stated in the combined financial statements. The combined financial statements are prepared for the relevant period in a manner similar to the "pooling of interest" method of accounting, as if the combining entities were operating as a single economic enterprise from beginning of the earliest comparative period covered for the relevant period. Such manner of presentation reflects the economic substance of the combined entities, which are under common control throughout the relevant period.

The Group's historical audited combined financial information for the purpose stated above were prepared in accordance with MFRSs and IFRS Accounting Standards while the audited separate statutory financial statements of K2 Water Sdn. Bhd. for the financial year ended ("FYE(s)") 30 June 2021 has been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS").

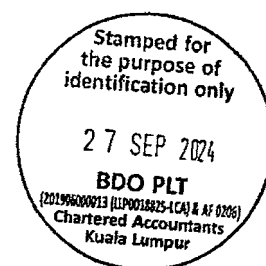
[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)****Life Water Berhad (202301002484(1496403-W))  
Accountants' Report****2. BASIS OF PREPARATION (continued)**

The statutory auditors of the combining entities of the Group are as follows:

Company	Relevant financial years	Auditors
Life Water Berhad	Financial Period Ended 30 June 2023 <sup>^</sup> FYE 30 June 2024	BDO PLT (First Auditors) BDO PLT
Life Water Industries Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Ernst & Young PLT BDO PLT BDO PLT BDO PLT
Green Borneo Industries Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Ernst & Young PLT BDO PLT BDO PLT BDO PLT
Life Water Marketing Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Ernst & Young PLT BDO PLT BDO PLT BDO PLT
Syarikat Maju Sasa Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Ernst & Young PLT BDO PLT BDO PLT BDO PLT
Syarikat Rasa Kool Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Ernst & Young PLT BDO PLT BDO PLT BDO PLT
K2 Water Sdn. Bhd.	FYE 30 June 2021* FYE 30 June 2022 FYE 30 June 2023 FYE 30 June 2024	Jeta PLT BDO PLT BDO PLT BDO PLT
Cyplast Industries Sdn. Bhd.	Financial Period Ended 30 June 2022 <sup>#</sup> FYE 30 June 2023 FYE 30 June 2024	BDO PLT (First Auditors) BDO PLT BDO PLT



<sup>^</sup> There was no audited financial statements for Life Water Berhad for FYE 30 June 2021 and FYE 30 June 2022 as the entity was incorporated on 20 January 2023.

\* The financial statements of combining entities for the financial year ended 30 June 2021 were re-prepared by management and re-audited by BDO PLT for the purpose of inclusion into the combined financial statements of the Group.

<sup>#</sup> There was no audited financial statements for Cyplast Industries Sdn. Bhd. for FYE 30 June 2021 as the entity was incorporated on 9 March 2022.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES****3.1 Basis of accounting**

The combined financial statements of the Group for the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

The combined financial statements of the Group have been prepared under the historical cost convention except as otherwise stated in the combined financial statements.

The preparation of these combined financial statements in conformity with MFRSs and IFRS Accounting Standards requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5 to the combined financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

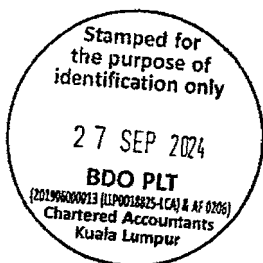
**3.2 Basis of combination****Combining entities**

The combined financial statements comprise the financial statements of the Company and its combining entities as at the reporting dates. The financial statements of the Company and its combining entities used in the preparation of the combined financial statements are prepared as of the same reporting dates.

The combining entities are entities, including structured entities, under common control of the shareholders that control the Company and the combining entities ("Controlling Shareholders"), and are accounted for as if the Company and the combining entities are a single economic entity at the beginning of the earlier comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities of the combining entities are recognised at the carrying amounts recognised in the respective combining entities' financial statements. The components of equity of the combining entities are added to the same components within the Group's equity and any resulting gain/loss is recognised directly in equity.

The Controlling Shareholders control an entity when they are exposed, or have rights, to variable returns from their involvement with the entity and have the ability to affect those returns through their power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Controlling Shareholders also consider they have *de facto* power over an investee when, despite not having the majority of voting rights, they have the current ability to direct the activities of the investee that significantly affect the investee's return.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the combined financial statements.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)***Life Water Berhad (202301002484(1496403-W))  
Accountants' Report***3. MATERIAL ACCOUNTING POLICIES (continued)****3.3 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. The principal annual depreciation rates are as follows:

Buildings	2%
Motor vehicles	20%
Renovation, electrical and fittings	10% - 20%
Computer and software	20%
Plant and machinery	15%
Equipment, furniture and fittings	10% - 15%

Work-in-progress are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

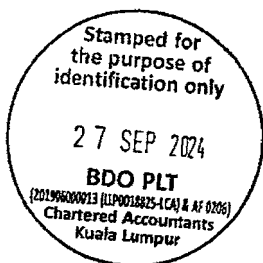
The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

**3.4 Investment properties**

Investment property, which is property held to earn rentals or for capital appreciation or both, is initially measured at cost, including transaction costs and borrowing costs if the investment properties meet the definition of qualifying asset. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Investment property is derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.4 Investment properties (continued)**

Transfers are made to or from investment property only when there is a change in use. A transfer from investment property to owner-occupied property is made at the carrying amount as at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 3.3 up to the date of change in use.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The estimated useful lives of the investment properties are as follows:

Long leasehold land	73 years
Buildings	50 years

**3.5 Impairment of non-financial assets**

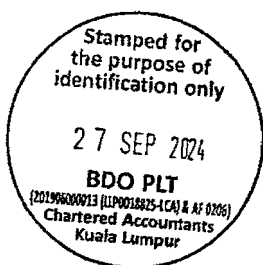
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.6 Current versus non-current classification**

The Group presents assets and liabilities in the combined statements of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

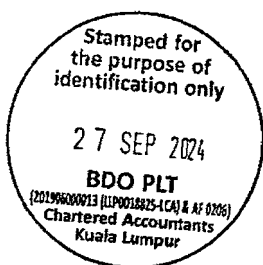
**3.7 Financial instruments - initial recognition and subsequent measurement****(i) Initial recognition and measurement**

A financial asset or a financial liability is recognised when, and only when, the Group become a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

**(ii) Categories of financial instruments and subsequent measurement*****Financial assets***

Categories of financial assets are determined on initial recognition and are not reclassified subsequently unless there is a change in the business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.7 Financial instruments - initial recognition and subsequent measurement (continued)****(ii) Categories of financial instruments and subsequent measurement (continued)***Financial assets (continued)***(a) Amortised costs**

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method and are subject to impairment. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

**(b) Fair value through other comprehensive income - debt securities**

A debt security is measured at fair value through other comprehensive income ("FVOCI") if it is held within a business model with the objective of both holding to collect contractual cash flows and selling; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as at fair value through profit or loss ("FVTPL").

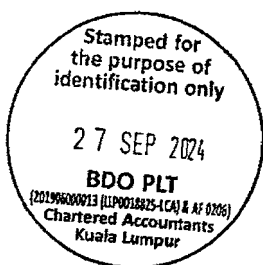
For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

**(c) Fair value through other comprehensive income - equity securities**

For an equity investment that is not held for trading, the Group may irrevocably elect to subsequently measure the equity securities at FVOCI on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

**(d) Fair value through profit or loss**

All financial assets not classified and measured at amortised costs or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.7 Financial instruments - initial recognition and subsequent measurement (continued)****(ii) Categories of financial instruments and subsequent measurement (continued)*****Financial assets (continued)*****(d) Fair value through profit or loss (continued)**

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gain or losses, including any interest or dividend income, are recognised in profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVOCI, are subject to impairment assessment.

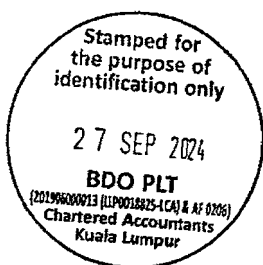
**Impairment of financial assets**

The Group applies the simplified approach to measure expected credit loss ("ECL"). This entails recognising a lifetime expected loss allowance for all trade receivables that do not contain a significant financing component.

Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The estimate of expected cash shortfall shall reflect the cash flows expected from collateral and other credit enhancements that are part of the contractual terms. The shortfall is then discounted at an approximation to the asset's original effective interest rate of the asset.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers based on grouping of customers sharing the same credit risk characteristics and past due days. Expected loss rates are calculated using the roll rate method. The expected loss rates are based on the Group's historical credit losses experience over the three (3) years period prior to the period end.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward-looking information (gross domestic product ("GDP"), inflation rate and overnight policy rate ("OPR")) and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the combined statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.7 Financial instruments - initial recognition and subsequent measurement (continued)****(ii) Categories of financial instruments and subsequent measurement (continued)***Financial assets (continued)***Impairment of financial assets (continued)**

Impairment for other financial assets is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the other financial assets. For those in which the credit risk has not increased significantly since initial recognition of the other financial assets, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for other financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The probability of non-payment by other financial assets is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other financial assets.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

*Financial liabilities*

The categories of financial liabilities classified at initial recognition are as follows:

**(a) Fair value through profit or loss**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This includes derivatives entered into by the Group that do not meet the hedge accounting criteria.

Financial liabilities categorised as FVTPL are subsequently measured at their fair value with gains or losses, including any interest expense recognised in profit or loss.

For financial liabilities where it is designated as FVTPL upon initial recognition, the amount of change in fair value of the financial liability that is attributable to change in credit risk are recognised in the other comprehensive income and the remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the credit risk of the liability would create or enlarge an accounting mismatch.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.7 Financial instruments - initial recognition and subsequent measurement (continued)****(ii) Categories of financial instruments and subsequent measurement (continued)***Financial liabilities (continued)***(b) Amortised cost**

Other financial liabilities not categorised as FVTPL are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

**(iii) Derecognition**

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset is expired or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received is recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the combined statements of profit or loss and other comprehensive income.

**(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the combined statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**3.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Finished goods: costs of direct materials, direct labour, other direct charges and appropriate proportions of factory overheads. These costs are assigned on weighted average cost method.
- Raw materials, consumable and parts and others: purchase costs and expenses in bringing them into store on a weighted average cost method.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.9 Cash and cash equivalents**

Cash and cash equivalents in the combined statements of financial position comprise cash on hand and cash at banks, which are subject to an insignificant risk of change in value.

For the purpose of the combined statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

**3.10 Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

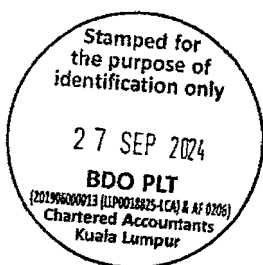
**3.11 Borrowing costs**

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

**3.12 Employee benefits****(a) Short term benefits**

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



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.12 Employee benefits (continued)****(b) Defined contribution plan**

The Group participates in the national pension scheme as defined by the laws of the country in which it has operations. The Group makes contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

**3.13 Leases****(a) As lessee**

A lease is defined as “a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration”. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct “how and for what purpose” the asset is used throughout the period of use.

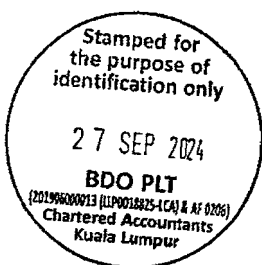
**Measurement and recognition of leases as a lessee**

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease term of right-of-use assets is as follows:

Long leasehold land	80 - 999 years
Buildings	4 - 5 years
Motor vehicles	5 years
Plant and machinery	6 - 7 years
Computer and software	5 years

The Group also assesses the right-of-use asset for impairment when such indicators exist.





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)***Life Water Berhad (202301002484(1496403-W))  
Accountants' Report***3. MATERIAL ACCOUNTING POLICIES (continued)****3.13 Leases (continued)****(a) As lessee (continued)**

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

**(b) As lessor**

As a lessor, the Group classifies its leases as either operating or finance leases.

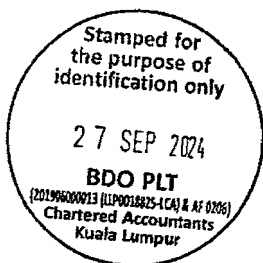
A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

**3.14 Revenue recognition**

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

**Sale of finished goods**

Revenue is recognised at point in time when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods are often sold with discounts.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.14 Revenue recognition (continued)****Sale of finished goods (continued)**

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated discounts. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group recognised a contract liability for the expected refund and rebate payable to customer as a refund liability and corresponding expected goods to be returned as a return asset.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained, and its estimate of refund liability. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

Revenue recognition not in relation to performance obligations is described below:

**Interest income**

Interest income is recognised as it accrues, using the effective interest method.

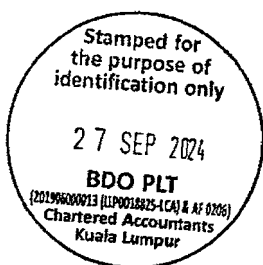
**3.15 Taxes****(a) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the combined statements of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions.

**(b) Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.15 Taxes (continued)****(b) Deferred tax (continued)**

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

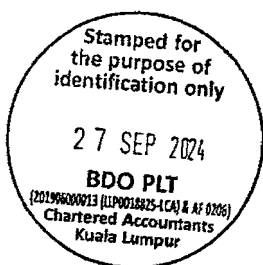
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.15 Taxes (continued)****(b) Deferred tax (continued)**

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

**(c) Sales and services tax ("SST")**

When SST is incurred, SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

**3.16 Fair value measurements**

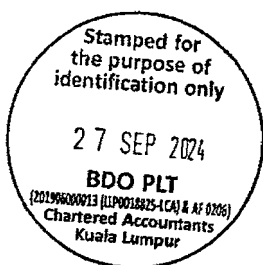
The fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

The Group measures the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group has considered the following characteristics when determining fair value:

- (a) The condition and location of the asset; and
- (b) Restrictions, if any, on the sale or use of the asset.

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

- (a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and
- (b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.17 Share capital and share issuance expenses**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Ordinary shares are classified as equity and are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

**3.18 Contingencies**

A contingent liability or asset is a possible obligation or asset respectively that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the combined statements of financial position of the Group.

**3.19 Government grants**

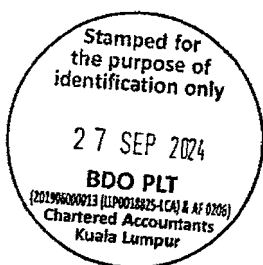
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

**3.20 Operating segments**

Operating segments are defined as components of the Group that:

- (a) engage in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);
- (b) whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and
- (c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenue.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**3. MATERIAL ACCOUNTING POLICIES (continued)****3.20 Operating segments (continued)**

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

- (a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten percent (10%) or more of the consolidated revenue, internal and external, of all operating segments.
- (b) The absolute amount of its reported profit or loss is ten percent (10%) or more of the greater, in absolute amount of:
  - (i) the consolidated reported profit of all operating segments that did not report a loss; and
  - (ii) the consolidated reported loss of all operating segments that reported a loss.
- (c) Its assets are ten percent (10%) or more of the consolidated assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the combined financial statements.

Total external revenue reported by operating segments shall constitute at least seventy-five percent (75%) of the revenue of the Group.

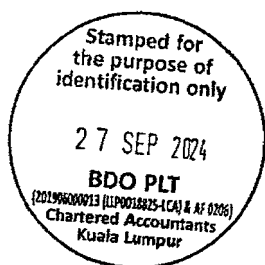
**3.21 Earnings per share**

- (a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to common controlling shareholders of the combining entities by the weighted average number of ordinary shares outstanding during the financial year.

- (b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to common controlling shareholders of the combining entities by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**4. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs****4.1 New MFRSs adopted during the financial year**

The Group adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

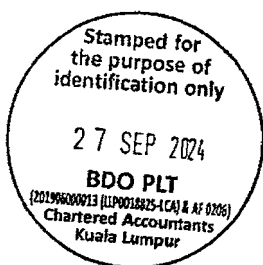
Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 112

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group.

**4.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024**

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i> (Amendments to Classification and Measurement of Financial Instruments)	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATION**

The preparation of the Group's combined financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future period.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the combined financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes reflected in the assumptions when they occur.

**(i) Provision for expected credit losses of trade receivables**

The impairment provisions for financial assets are based on assumptions about the expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

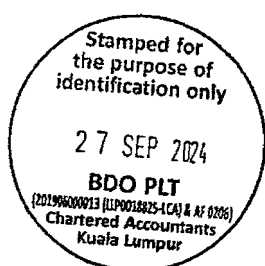
**(ii) Estimating variable consideration for rebates**

Management has exercised judgement in applying the constraint on the estimated variable consideration that can be included in the transaction price.

For rebates and discounts, management has determined that a portion of the estimated variable consideration based on the expected value method is subject to the constraint as it is highly probable that a significant reversal in the cumulative amount of revenue recognised will occur, and therefore will not be recognised as revenue.

**(iii) Estimating incremental borrowing rates for lease liabilities**

Management exercises significant judgement in determining the incremental borrowing rates whenever the implicit rates of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
Accountants' Report

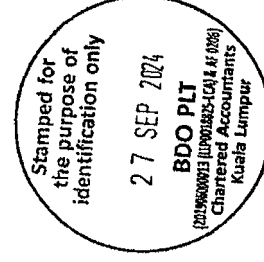
**6. PROPERTY, PLANT AND EQUIPMENT**

Audited 2021	Buildings RM	Motor vehicles RM	Renovation, electrical and fittings RM	Computer and software RM	Plant and machinery RM	Equipment, furniture and fittings RM	Work-in- progress RM	Total RM
Carrying amount								
At 1 July 2020	14,275,207	577,597	2,344,317	421,205	5,809,431	548,390	5,811,406	29,787,553
Additions	158,456	113,118	1,852,698	111,485	8,151,012	94,529	5,318,471	15,799,769
Cost adjustment*	(111,420)	-	-	-	-	-	-	(111,420)
Depreciation charge for the financial year	(366,995)	(92,513)	(503,581)	(125,167)	(2,131,101)	(103,823)	-	(3,323,180)
Disposal	-	-	-	-	(1)	-	-	(1)
Reclassification (to)/from right-of-use assets	-	(286,128)	-	-	68,582	-	-	(217,546)
Reclassification	9,086,908	-	-	-	-	-	(9,086,908)	-
At 30 June 2021	23,042,156	312,074	3,693,434	407,523	11,897,923	539,096	2,042,969	41,935,175

**Audited**

**2021**

	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings	24,831,702	(1,789,546)	23,042,156
Motor vehicles	6,280,593	(5,968,519)	312,074
Renovation, electrical and fittings	9,551,885	(5,858,451)	3,693,434
Computer and software	1,110,412	(702,889)	407,523
Plant and machinery	45,168,211	(33,270,288)	11,897,923
Equipment, furniture and fittings	1,267,286	(728,190)	539,096
Work-in-progress	2,042,969	-	2,042,969
	90,253,058	(48,317,883)	41,935,175



\* Cost adjustment was made to correct prior year error arising from overstatement of a building.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
Accountants' Report

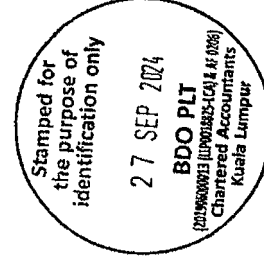
**6. PROPERTY, PLANT AND EQUIPMENT (continued)**

Audited 2022	Buildings RM	Motor vehicles RM	Renovation, electrical and fittings RM	Computer and software RM	Plant and machinery RM	Equipment, furniture and fittings RM	Work-in- progress RM	Total RM
Carrying amount								
At 1 July 2021	23,042,156	312,074	3,693,434	407,523	11,897,923	539,096	2,042,969	41,935,175
Additions	3,907,765	451,162	1,567,815	260,003	14,023,363	88,698	4,306,377	24,605,183
Disposals	-	(7)	-	-	-	(4,169)	-	(4,176)
Depreciation charge for the financial year	(530,915)	(111,031)	(670,700)	(156,564)	(3,560,704)	(102,063)	-	(5,131,977)
Reclassification from right-of-use assets	-	91,206	-	145,553	1,181,395	-	-	1,418,154
Reclassification	(352,540)	-	-	-	-	-	352,540	-
At 30 June 2022	26,066,466	743,404	4,590,549	656,515	23,541,977	521,562	6,701,886	62,822,359

Audited 2022	Buildings	Motor vehicles	Renovation, electrical and fittings	Computer and software	Plant and machinery	Equipment, furniture and fittings	Work-in-progress	Total
Carrying amount								
At 30 June 2022	26,066,466	743,404	4,590,549	656,515	23,541,977	521,562	6,701,886	62,822,359

Audited 2022	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings	28,386,927	(2,320,461)	26,066,466
Motor vehicles	7,026,218	(6,282,814)	743,404
Renovation, electrical and fittings	11,119,700	(6,529,151)	4,590,549
Computer and software	1,515,968	(859,453)	656,515
Plant and machinery	62,788,598	(39,246,621)	23,541,977
Equipment, furniture and fittings	1,332,523	(810,961)	521,562
Work-in-progress	6,701,886	-	6,701,886
	118,871,820	(56,049,461)	62,822,359



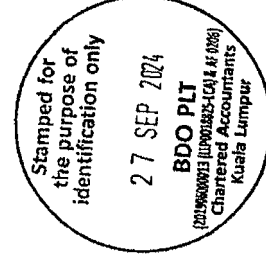
**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
Accountants' Report

**6. PROPERTY, PLANT AND EQUIPMENT (continued)**

Audited 2023	Buildings RM	Motor vehicles RM	Renovation, electrical and fittings RM	Computer and software RM	Plant and machinery RM	Equipment, furniture and fittings RM	Work-in- progress RM	Total RM
Carrying amount								
At 1 July 2022	26,066,466	743,404	4,590,549	656,515	23,541,977	521,562	6,701,886	62,822,359
Additions	531,779	360,000	1,381,418	201,569	8,444,462	211,002	809,746	11,939,976
Disposals	-	(1)	-	-	(58,342)	(1)	-	(58,344)
Depreciation charge for the financial year	(570,941)	(260,308)	(816,476)	(303,072)	(5,036,616)	(104,311)	-	(7,091,724)
Reclassification from right-of-use assets	-	50,141	-	-	3	-	-	50,144
Reclassification	896,529	-	-	-	-	-	(896,529)	-
At 30 June 2023	26,923,833	893,236	5,155,491	555,012	26,891,484	628,252	6,615,103	67,662,411

Audited 2023	Buildings	Motor vehicles	Renovation, electrical and fittings	Computer and software	Plant and machinery	Equipment, furniture and fittings	Work-in-progress	Total
Cost RM	29,815,235	8,467,987	12,501,118	1,717,537	75,112,412	1,540,525	6,615,103	135,769,917
Accumulated depreciation RM	(2,891,402)	(7,574,751)	(7,345,627)	(1,162,525)	(48,220,928)	(912,273)	-	(68,107,506)
Carrying amount RM	26,923,833	893,236	5,155,491	555,012	26,891,484	628,252	6,615,103	67,662,411



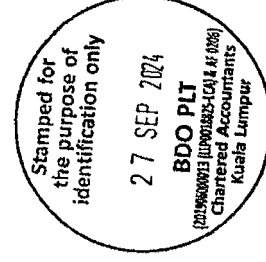
**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

**Life Water Berhad (202301002484(1496403-W))**  
Accountants' Report

**6. PROPERTY, PLANT AND EQUIPMENT (continued)**

Audited	Buildings RM	Motor vehicles RM	Renovation, electrical and fittings RM	Computer and software RM	Plant and machinery RM	Equipment, furniture and fittings RM	Work-in- progress RM	Total RM
Carrying amount								
At 1 July 2023	26,923,833	893,236	5,155,491	555,012	26,891,484	628,252	6,615,103	67,662,411
Additions	1,245,224	590,120	3,000,133	646,414	7,352,011	176,153	318,324	13,328,379
Disposals	-	(1)	-	-	-	(1)	-	(2)
Written off	-	-	(233)	(165)	(417)	(232)	-	(1,047)
Depreciation charge for the financial year	(714,972)	(382,282)	(1,059,255)	(344,021)	(5,966,752)	(126,826)	-	(8,594,108)
Reclassification from right-of-use assets	-	89,217	-	-	143,372	-	-	232,589
Reclassification	6,615,103	-	-	-	-	-	(6,615,103)	-
At 30 June 2024	34,069,188	1,190,290	7,096,136	857,240	28,419,698	677,346	318,324	72,628,222

Audited	Cost RM	Accumulated depreciation RM	Carrying amount RM
2024			
Buildings	37,675,562	(3,606,374)	34,069,188
Motor vehicles	9,315,307	(8,125,017)	1,190,290
Renovation, electrical and fittings	12,404,269	(5,308,133)	7,096,136
Computer and software	2,027,115	(1,169,875)	857,240
Plant and machinery	82,585,252	(54,165,554)	28,419,698
Equipment, furniture and fittings	1,473,105	(795,759)	677,346
Work-in-progress	318,324	-	318,324
	145,798,934	(73,170,712)	72,628,222



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

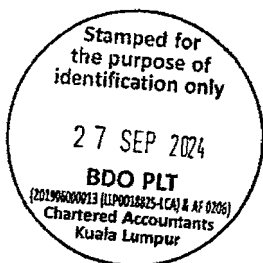
**6. PROPERTY, PLANT AND EQUIPMENT (continued)**

The carrying amounts of property, plant and equipment of the Group pledged as securities for banking facilities granted to the Group as disclosed in Note 14 respectively are as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Buildings	22,845,494	25,904,448	26,832,618	34,041,970
Plant and machinery	6,523,580	14,310,660	13,311,604	13,327,180
Work-in-progress	2,042,969	6,701,886	6,601,853	-
	<u>31,412,043</u>	<u>46,916,994</u>	<u>46,746,075</u>	<u>47,369,150</u>

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES****Right-of-use assets**

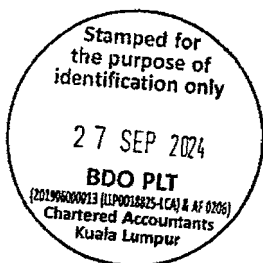
Audited	Long leasehold land RM	Buildings RM	Motor vehicles RM	Plant and machinery RM	Computer and software RM	Total RM
<b>2021</b>						
<b>Carrying amount</b>						
At 1 July 2020	13,024,512	250,548	1,921,802	10,154,167	342,701	25,693,730
Additions	-	-	844,190	-	-	844,190
Depreciation charge for the financial year	(114,442)	(91,149)	(784,915)	(2,546,313)	(98,574)	(3,635,393)
Reclassification from/(to) property, plant and equipment	-	-	286,128	(68,582)	-	217,546
Remeasurement	-	60,275	-	-	-	60,275
At 30 June 2021	<u>12,910,070</u>	<u>219,674</u>	<u>2,267,205</u>	<u>7,539,272</u>	<u>244,127</u>	<u>23,180,348</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)***Life Water Berhad (202301002484(1496403-W))  
Accountants' Report***7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)****Right-of-use assets (continued)**

Audited	Long leasehold land RM	Buildings RM	Motor vehicles RM	Plant and machinery RM	Computer and software RM	Total RM
<b>2022</b>						
<b>Carrying amount</b>						
At 1 July 2021	12,910,070	219,674	2,267,205	7,539,272	244,127	23,180,348
Additions	3,098,603	15,019	845,000	-	-	3,958,622
Depreciation charge for the financial year	(114,442)	(54,812)	(858,781)	(2,241,696)	(98,574)	(3,368,305)
Reclassification to property, plant and equipment	-	-	(91,206)	(1,181,395)	(145,553)	(1,418,154)
<b>At 30 June 2022</b>	<b>15,894,231</b>	<b>179,881</b>	<b>2,162,218</b>	<b>4,116,181</b>	<b>-</b>	<b>22,352,511</b>

Audited	Long leasehold land RM	Buildings RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>2023</b>					
<b>Carrying amount</b>					
At 1 July 2022	15,894,231	179,881	2,162,218	4,116,181	22,352,511
Additions	8,733,190	13,802	1,160,528	-	9,907,520
Depreciation charge for the financial year	(120,018)	(53,460)	(877,946)	(1,493,441)	(2,544,865)
Reclassification to property, plant and equipment	-	-	(50,141)	(3)	(50,144)
Lease termination	-	(3,754)	-	-	(3,754)
<b>At 30 June 2023</b>	<b>24,507,403</b>	<b>136,469</b>	<b>2,394,659</b>	<b>2,622,737</b>	<b>29,661,268</b>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)****Right-of-use assets (continued)**

Audited	Long leasehold land RM	Buildings RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>2024</b>					
<b>Carrying amount</b>					
At 1 July 2023	24,507,403	136,469	2,394,659	2,622,737	29,661,268
Additions	23,043,265	-	3,415,193	-	26,458,458
Depreciation charge for the financial year	(128,563)	(26,871)	(1,024,594)	(1,061,224)	(2,241,252)
Reclassification to property, plant and equipment	-	-	(89,217)	(143,372)	(232,589)
Lease termination	-	(103,846)	-	-	(103,846)
<b>At 30 June 2024</b>	<b>47,422,105</b>	<b>5,752</b>	<b>4,696,041</b>	<b>1,418,141</b>	<b>53,542,039</b>

**Lease liabilities**

Audited	Buildings RM	Motor vehicles RM	Plant and machinery RM	Computer and software RM	Total RM
<b>2021</b>					
<b>Carrying amount</b>					
At 1 July 2020	266,569	1,706,734	9,152,178	386,759	11,512,240
Additions	-	944,600	-	-	944,600
Remeasurement	57,520	-	-	-	57,520
Lease payments	(103,875)	(679,886)	(2,977,073)	(108,924)	(3,869,758)
Interest expense	10,003	93,688	439,314	21,223	564,228
<b>At 30 June 2021</b>	<b>230,217</b>	<b>2,065,136</b>	<b>6,614,419</b>	<b>299,058</b>	<b>9,208,830</b>

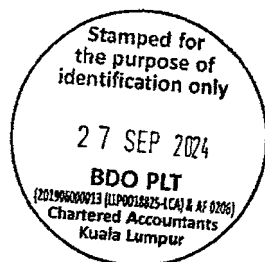


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)***Life Water Berhad (202301002484(1496403-W))  
Accountants' Report***7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)****Lease liabilities (continued)**

<b>Audited</b>	<b>Buildings RM</b>	<b>Motor vehicles RM</b>	<b>Plant and machinery RM</b>	<b>Computer and software RM</b>	<b>Total RM</b>
<b>2022</b>					
<b>Carrying amount</b>					
At 1 July 2021	230,217	2,065,136	6,614,419	299,058	9,208,830
Additions	15,019	668,200	-	-	683,219
Lease payments	(61,150)	(927,075)	(4,049,070)	(326,772)	(5,364,067)
Interest expense	6,960	123,699	352,019	27,714	510,392
At 30 June 2022	191,046	1,929,960	2,917,368	-	5,038,374

<b>Audited</b>	<b>Buildings RM</b>	<b>Motor vehicles RM</b>	<b>Plant and machinery RM</b>	<b>Total RM</b>
<b>2023</b>				
<b>Carrying amount</b>				
At 1 July 2022	191,046	1,929,960	2,917,368	5,038,374
Additions	13,802	952,905	-	966,707
Lease payments	(59,750)	(969,476)	(1,352,187)	(2,381,413)
Interest expense	5,272	122,928	143,751	271,951
Lease termination	(3,859)	-	-	(3,859)
At 30 June 2023	146,511	2,036,317	1,708,932	3,891,760

<b>Audited</b>	<b>Buildings RM</b>	<b>Motor vehicles RM</b>	<b>Plant and machinery RM</b>	<b>Total RM</b>
<b>2024</b>				
<b>Carrying amount</b>				
At 1 July 2023	146,511	2,036,317	1,708,932	3,891,760
Additions	-	2,502,803	-	2,502,803
Lease payments	(29,700)	(814,718)	(1,063,271)	(1,907,689)
Interest expense	2,040	92,695	62,286	157,021
Lease termination	(112,962)	-	-	(112,962)
At 30 June 2024	5,889	3,817,097	707,947	4,530,933





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

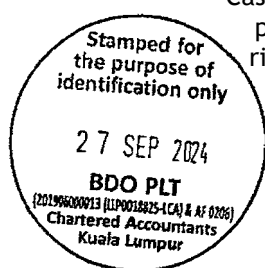
*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)****Lease liabilities (continued)**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Represented by:				
Current liabilities	3,574,728	2,031,739	1,769,755	1,146,973
Non-current liabilities	5,634,102	3,006,635	2,122,005	3,383,960
	<u>9,208,830</u>	<u>5,038,374</u>	<u>3,891,760</u>	<u>4,530,933</u>
	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Lease liabilities owing to financial institutions	8,816,358	4,702,089	3,617,811	4,416,228
Lease liabilities owing to non-financial institutions	392,472	336,285	273,949	114,705
	<u>9,208,830</u>	<u>5,038,374</u>	<u>3,891,760</u>	<u>4,530,933</u>

- (a) Lease liabilities are classified as financial liabilities measured at amortised cost.
- (b) The Group has made upfront payments to secure the right-of-use of long leasehold land at the location which it operates. The periodic rent of building leases is to be reset periodically to market rental rates. The periodic rent is fixed over the lease term. The Company also leases certain items of plant and machinery and motor vehicles. These leases comprise only fixed payments over the lease term.
- (c) The Group has certain leases of machineries with lease term of 12 months or less, and low value leases of equipment. The Group applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.
- (d) During the financial years, the Group made the following cash payments to purchase right-of-use assets:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Purchase of right-of-use assets	844,190	3,958,622	9,907,520	26,458,458
Financed by lease liabilities	(708,600)	(683,219)	(966,707)	(2,502,803)
Financed by term loans	-	-	(7,087,000)	(19,500,600)
Amount owing to a third party	-	-	-	(570,188)
Cash payments on purchase of right-of-use assets	<u>135,590</u>	<u>3,275,403</u>	<u>1,853,813</u>	<u>3,884,867</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

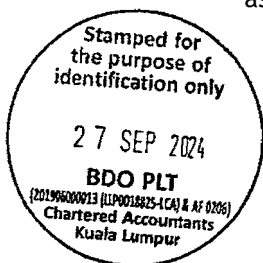
**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

(e) The following are the amounts recognised in profit or loss:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Depreciation charge of right-of-use assets (included in cost of sales)	3,334,051	3,112,379	1,661,388	1,473,564
Depreciation charge of right-of-use assets (included in selling and distribution expenses)	27,700	18,400	800,911	730,612
Depreciation charge of right-of-use assets (included in administrative expenses)	273,642	237,526	82,566	37,076
Interest expense on lease (included in finance costs)	564,228	510,392	271,951	157,021
Gain on lease remeasurement (included in other income)	(2,755)	-	-	-
Gain on lease termination (included in other income)	-	-	(105)	(9,116)
Expense relating to short-term leases (included in administrative expenses)	4,200	21,180	7,500	9,000
Expense relating to leases of low-value assets (included in administrative expenses)	8,171	9,810	10,110	12,050
Expense relating to short-term leases (included in selling and distribution expenses)	-	-	48,600	216,237
Expense relating to leases of low-value assets (included in selling and distribution expenses)	-	-	-	33,987
Expense relating to short-term leases (included in cost of sales)	242	63,425	830	2,381
	<u>4,209,479</u>	<u>3,973,112</u>	<u>2,883,751</u>	<u>2,662,812</u>

(f) The following are total cash outflows for leases as a lessee:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Included in net cash from operating activities:</b>				
Payment relating to short-term leases	4,442	84,605	56,930	227,618
Payment relating to low-value assets	8,171	9,810	10,110	46,037



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

(f) The following are total cash outflows for leases as a lessee: (continued)

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Included in net cash from/(used in) financing activities:</b>				
Repayments of lease liabilities	3,087,268	4,867,619	2,120,933	1,758,086
Total cash outflows for leases	<u>3,099,881</u>	<u>4,962,034</u>	<u>2,187,973</u>	<u>2,031,741</u>

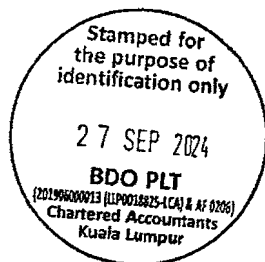
(g) Lease liabilities are denominated in Ringgit Malaysia.

(h) As at the end of the reporting period, the long leasehold land was charged to financial institutions for banking facilities granted to the Group as disclosed in Note 14 to the combined financial statements.

(i) Information of financial risks of the lease liabilities were disclosed in Note 30 to the combined financial statements.

**8. INVESTMENT PROPERTIES**

Audited	Long leasehold land RM	Buildings RM	Total RM
<b>2024</b>			
<b>Carrying amount</b>			
At 1 July 2023	-	-	-
Additions	10,011,318	11,837,332	21,848,650
Depreciation charge for the financial year	(86,108)	(151,473)	(237,581)
At 30 June 2024	<u>9,925,210</u>	<u>11,685,859</u>	<u>21,611,069</u>
<b>Audited</b>	Cost RM	Accumulated depreciation RM	Carrying amount RM
<b>2024</b>			
Long leasehold land	10,011,318	(86,108)	9,925,210
Buildings	11,837,332	(151,473)	11,685,859
	<u>21,848,650</u>	<u>(237,581)</u>	<u>21,611,069</u>
<b>Audited</b>			<b>2024 RM</b>
<b>At fair value</b>			
Long leasehold land and buildings			<u>25,890,299</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**8. INVESTMENT PROPERTIES (continued)**

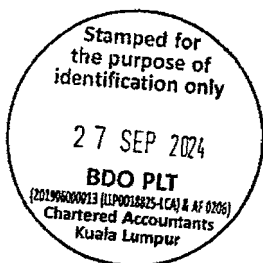
- (a) Rental income generated from rental of investment properties of the Group during the financial year amounted to RM754,615 (2021 to 2023: Nil).
- (b) Direct operating expenses from investment properties which generated rental income to the Group during the financial year amounted to RM79,570 (2021 to 2023: Nil).
- (c) Fair value of investment properties for disclosure purposes, which are at Level 3 fair value, were recommended by Directors as at end of the reporting period based on indicative market value of similar properties in the vicinity on a price per square foot basis.
- (d) Investment properties of the Group are used to generate rental income. However, the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently, management does not intend to dispose off the investment properties and the existing use of the investment properties remains for rental purposes.
- (e) As at the end of the reporting period, the investment properties were charged to financial institutions for banking facilities granted to the Group as disclosed in Note 14 to the combined financial statements.
- (f) During the financial year, the Group made the following cash payments to purchase investment properties:

	<b>2024 Audited RM</b>
Purchase of investment properties	21,848,650
Financed by term loans	<u>(16,830,000)</u>
Cash payments on purchase of investment properties	<u>5,018,650</u>

**9. COMBINING ENTITIES**

Details of the combining entities are as follows:

	Country of incorporation/ Principal place of business	Effective interest in equity based on voting interest				Principal activities
		2021 %	2022 %	2023 %	2024 %	
Life Water Berhad ("LW")	Malaysia	^	^	100	100	Investment holding
Life Water Industries Sdn. Bhd. ("LWI")	Malaysia	100	100	100	100	Manufacture of drinking water, carbonated drinks and other drinks, plastic bottles, preforms, caps and related products.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**9. COMBINING ENTITIES (continued)**

Details of the combining entities are as follows: (continued)

	Country of incorporation/ Principal place of business	Effective interest in equity based on voting interest				Principal activities
		2021 %	2022 %	2023 %	2024 %	
Green Borneo Industries Sdn. Bhd. ("GBI")	Malaysia	100	100	100	100	Manufacture of drinking water.
Life Water Marketing Sdn. Bhd. ("LWM")	Malaysia	100	100	100	100	Sales and marketing of drinking water, carbonated drinks and other drinks, plastic bottles and related products.
Syarikat Maju Sasa Sdn. Bhd. ("SMS")	Malaysia	100	100	100	100	Sales of drinking water, carbonated drinks, juice drinks and PET containers.
Syarikat Rasa Kool Sdn. Bhd. ("SRK")	Malaysia	100	100	100	100	Sales of drinking water, carbonated drinks, juice drinks and PET containers.
K2 Water Sdn. Bhd. ("K2W")	Malaysia	100	100	100	100	Provision of transportation services.
Cyplast Industries Sdn. Bhd. ("CISB")	Malaysia	*	100	100	100	Collection of recyclable materials.

^ The combining entity was incorporated on 20 January 2023.

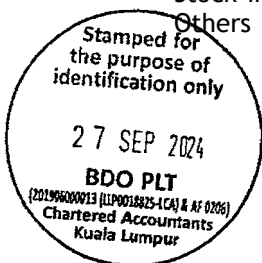
\* The combining entity was incorporated on 9 March 2022.

**10. INVENTORIES**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>At cost</b>				
Raw materials	9,610,007	19,992,407	13,792,057	16,031,991
Finished goods	1,474,755	1,685,788	2,641,337	982,699
Consumable and parts	1,839,477	2,747,182	3,407,865	3,060,128
Stock-in-transit	-	-	12,847	-
Others	316,920	615,098	540,242	565,789
	<u>13,241,159</u>	<u>25,040,475</u>	<u>20,394,348</u>	<u>20,640,607</u>

45

332



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**10. INVENTORIES (continued)**

- (a) During the financial year ended 30 June 2024, the Group recorded a charge to profit or loss pertaining to inventories written off of RM266,924 (2023: RM10,810; 2022: RM11,544; 2021: RM176,108).
- (b) Inventories of the Group recognised as cost of sales during the financial years are as follows:

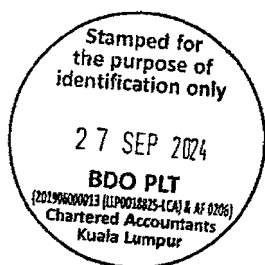
	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Inventories recognised as cost of sales	<u>55,732,056</u>	<u>69,656,155</u>	<u>85,815,709</u>	<u>86,516,872</u>

**11. TRADE AND OTHER RECEIVABLES**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Trade receivables</b>					
Third parties	(b)	11,040,610	14,314,143	16,342,734	16,260,008
Less: Impairment losses	(d)	(620,294)	(350,717)	(407,094)	(375,622)
Total trade receivables		10,420,316	13,963,426	15,935,640	15,884,386
<b>Other receivables</b>					
Other receivables		461,066	542,112	806,680	1,286,589
Deposits		2,903,001	4,568,025	6,798,247	4,350,971
Deferred expenses		200	200	1,924	-
		<u>3,364,267</u>	<u>5,110,337</u>	<u>7,606,851</u>	<u>5,637,560</u>
Total receivables		13,784,583	19,073,763	23,542,491	21,521,946
Prepayments		1,904,442	3,805,758	999,563	1,472,601
<b>Total trade and other receivables</b>		<u>15,689,025</u>	<u>22,879,521</u>	<u>24,542,054</u>	<u>22,994,547</u>

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 7 days to 90 days (2023: 7 days to 90 days; 2022: 7 days to 90 days; 2021: 7 days to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (c) As at the end of each reporting period, no collateral has been obtained by the Group.

During the financial year, the Group did not renegotiate the terms of any trade receivables.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**11. TRADE AND OTHER RECEIVABLES (continued)**

- (d) The reconciliation of movements in the impairment losses on trade receivables is as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Lifetime ECL allowance				
Balance as at 1 July	838,621	620,294	350,717	407,094
Charge for the financial year	-	51,293	90,899	9,391
Reversal of impairment losses	(218,327)	(320,870)	(34,522)	(40,863)
Balance as at 30 June	<u>620,294</u>	<u>350,717</u>	<u>407,094</u>	<u>375,622</u>

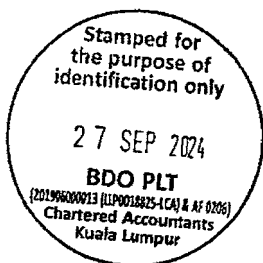
- (e) No expected credit loss is recognised arising from other receivables as the amount is negligible.

- (f) The currency exposure profile of trade and other receivables is as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Ringgit Malaysia	12,468,103	17,812,213	22,227,186	19,015,618
Chinese Yuan	-	-	-	488,781
United States Dollar	1,316,480	1,261,550	1,315,305	2,017,547
	<u>13,784,583</u>	<u>19,073,763</u>	<u>23,542,491</u>	<u>21,521,946</u>

- (g) The ageing analysis of trade receivables of the Group are as follows:

Audited	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
<b>2021</b>			
Current	9,970,158	(11,949)	9,958,209
Past due			
1 to 30 days	281,801	(10,678)	271,123
31 to 60 days	60,733	(6,046)	54,687
61 to 90 days	18,479	(2,706)	15,773
More than 90 days	709,439	(588,915)	120,524
	<u>1,070,452</u>	<u>(608,345)</u>	<u>462,107</u>
	<u>11,040,610</u>	<u>(620,294)</u>	<u>10,420,316</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

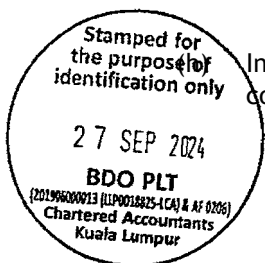
*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**11. TRADE AND OTHER RECEIVABLES (continued)**

(g) The ageing analysis of trade receivables of the Group are as follows: (continued)

Audited	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
<b>2022</b>			
Current	13,461,283	(11,850)	13,449,433
Past due			
1 to 30 days	254,535	(16,649)	237,886
31 to 60 days	46,742	(4,826)	41,916
61 to 90 days	22,791	(2,630)	20,161
More than 90 days	528,792	(314,762)	214,030
	<u>852,860</u>	<u>(338,867)</u>	<u>513,993</u>
	<u>14,314,143</u>	<u>(350,717)</u>	<u>13,963,426</u>
<b>Audited</b>			
<b>2023</b>			
Current	15,000,866	(5,319)	14,995,547
Past due			
1 to 30 days	519,502	(5,301)	514,201
31 to 60 days	337,794	(20,318)	317,476
61 to 90 days	70,186	(11,958)	58,228
More than 90 days	414,386	(364,198)	50,188
	<u>1,341,868</u>	<u>(401,775)</u>	<u>940,093</u>
	<u>16,342,734</u>	<u>(407,094)</u>	<u>15,935,640</u>
<b>Audited</b>			
<b>2024</b>			
Current	15,369,972	(2,475)	15,367,497
Past due			
1 to 30 days	363,816	(2,602)	361,214
31 to 60 days	132,861	(3,080)	129,781
61 to 90 days	20,398	(2,814)	17,584
More than 90 days	372,961	(364,651)	8,310
	<u>890,036</u>	<u>(373,147)</u>	<u>516,889</u>
	<u>16,260,008</u>	<u>(375,622)</u>	<u>15,884,386</u>

Information on financial risks of trade and other receivables is disclosed in Note 30 to the combined financial statements.





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**12. SHORT TERM FUNDS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Fair value through profit or loss				
Short term funds	<u>17,407,960</u>	<u>13,477,906</u>	<u>18,100,059</u>	<u>33,495,902</u>

- (a) Short term funds are investments in income trust fund in Malaysia. The trust fund invests in highly liquid asset which is readily convertible to known amount of cash with insignificant changes in value.
- (b) Short term funds are classified as financial assets measured at fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss. The fair value of short term funds is measured based on the month end market prices in active market and was fair valued within Level 1 of the fair value hierarchy.
- (c) The short term funds of the Group are denominated in Ringgit Malaysia.
- (d) Information on financial risks of short term funds is disclosed in Note 30 to the combined financial statements.

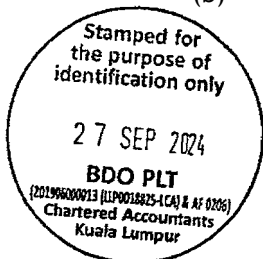
**13. CASH AND BANK BALANCES**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Cash on hand	266,769	207,342	130,583	52,923
Cash at banks	4,093,609	7,489,282	9,850,201	14,735,269
Fixed deposits with licensed banks	<u>2,124,335</u>	<u>2,162,677</u>	<u>1,634,679</u>	<u>1,678,267</u>
	<u>6,484,713</u>	<u>9,859,301</u>	<u>11,615,463</u>	<u>16,466,459</u>

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) The currency exposure profile of cash and bank balances is as follow:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Ringgit Malaysia	6,465,372	9,859,301	11,615,416	16,464,643
United States Dollar	<u>19,341</u>	<u>-</u>	<u>47</u>	<u>1,816</u>
	<u>6,484,713</u>	<u>9,859,301</u>	<u>11,615,463</u>	<u>16,466,459</u>

- (c) No expected credit losses were recognised arising from the cash and bank balances because the probability of default by these financial institutions were negligible.



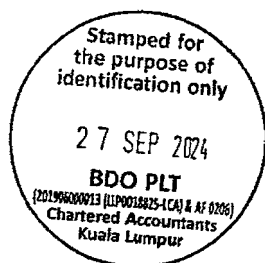
**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**13. CASH AND BANK BALANCES (continued)**

- (d) For the purpose of the combined statements of cash flows, cash and cash equivalents comprise the following as the end of the financial year:

	2021	2022	2023	2024
Note	Audited RM	Audited RM	Audited RM	Audited RM
Cash and bank balances	4,360,378	7,696,624	9,980,784	14,788,192
Fixed deposits with licensed banks	<u>2,124,335</u>	<u>2,162,677</u>	<u>1,634,679</u>	<u>1,678,267</u>
	6,484,713	9,859,301	11,615,463	16,466,459
Less:				
Bank overdraft included in borrowings	14 (206,792)	(133,446)	(247,691)	(45,091)
Fixed deposits pledged	<u>(2,124,335)</u>	<u>(2,162,677)</u>	<u>(1,634,679)</u>	<u>(1,678,267)</u>
<b>Cash and cash equivalents included in the combined statements of cash flows</b>	<u><u>4,153,586</u></u>	<u><u>7,563,178</u></u>	<u><u>9,733,093</u></u>	<u><u>14,743,101</u></u>



- (e) Information on financial risks of cash and bank balances is disclosed in Note 30 to the combined financial statements.
- (f) As at the end of the reporting period, the fixed deposits were charged to financial institutions for banking facilities granted to the Group as disclosed in Note 14 to the combined financial statements.

**14. BORROWINGS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Non-current liabilities</b>				
Term loans	30,925,515	43,539,542	48,664,650	84,634,923
<b>Current liabilities</b>				
Bank overdrafts	206,792	133,446	247,691	45,091
Banker's acceptances	3,913,775	16,228,582	9,210,801	11,328,473
Term loans	<u>3,714,554</u>	<u>6,480,619</u>	<u>6,804,006</u>	<u>7,327,801</u>
	<u>7,835,121</u>	<u>22,842,647</u>	<u>16,262,498</u>	<u>18,701,365</u>
<b>Total borrowings</b>	<u><u>38,760,636</u></u>	<u><u>66,382,189</u></u>	<u><u>64,927,148</u></u>	<u><u>103,336,288</u></u>

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

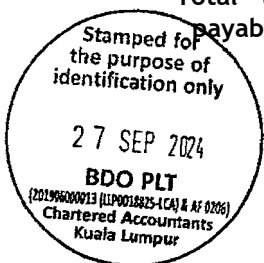
*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**14. BORROWINGS (continued)**

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Term loans of the Group are secured by:
- (i) legal charges over the long leasehold land, buildings, plant and machinery and work-in-progress of the Group as disclosed in Notes 6, 7 and 8 to the combined financial statements respectively;
  - (ii) several and joint guarantee by Directors;
  - (iii) fixed deposits as disclosed in Note 13 to the combined financial statements;
  - (iv) corporate guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad; and
  - (v) corporate guarantee by Credit Guarantee Corporation Malaysia Berhad.
- (c) Bank overdraft of the Group is secured by:
- (i) legal charges over the buildings of the Group as disclosed in Note 6 to the combined financial statements;
  - (ii) several and joint guarantee by Directors; and
  - (iii) fixed deposits as disclosed in Note 13 to the combined financial statements.
- (d) Banker's acceptances of the Group are secured by:
- (i) legal charges over the long leasehold land, buildings and work-in-progress of the Group as disclosed in Notes 6 and 7 to the combined financial statements respectively;
  - (ii) several and joint guarantee by Directors; and
  - (iii) fixed deposits as disclosed in Note 13 to the combined financial statements.
- (e) Borrowings are denominated in Ringgit Malaysia.
- (f) Information of financial risks of borrowings is disclosed in Note 30 to the combined financial statements.

**15. TRADE AND OTHER PAYABLES**

	Note	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Trade payables</b>					
Third parties	(b)	4,687,437	5,041,837	3,644,000	2,236,826
<b>Other payables</b>					
Third parties		3,006,817	3,176,475	1,556,124	3,650,641
Accruals		3,037,248	4,383,618	4,466,838	2,429,866
Amount owing to a Director	(c)	12,040	-	-	-
Government grants		204,000	168,000	418,772	573,000
		<u>6,260,105</u>	<u>7,728,093</u>	<u>6,441,734</u>	<u>6,653,507</u>
<b>Total trade and other payables</b>		<u>10,947,542</u>	<u>12,769,930</u>	<u>10,085,734</u>	<u>8,890,333</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**15. TRADE AND OTHER PAYABLES (continued)**

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranging from 7 to 90 days (2023: 7 days to 90 days; 2022: 7 days to 90 days; 2021: 60 days to 90 days) from date of invoice.
- (c) As at the end of financial year ended 30 June 2021, amount owing to a Director represented advances which was unsecured, interest-free and repayable within next twelve (12) months in cash and cash equivalents.
- (d) The currency exposure profile of trade and other payables is as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Ringgit Malaysia	10,521,264	12,443,451	9,580,541	8,362,850
United States Dollar	426,278	326,479	505,193	527,483
	<u>10,947,542</u>	<u>12,769,930</u>	<u>10,085,734</u>	<u>8,890,333</u>

- (e) Information on financial risks of trade and other payables is disclosed in Note 30 to the combined financial statements.

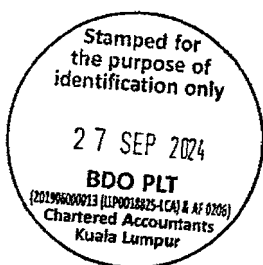
**16. REFUND LIABILITIES AND RETURN ASSETS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Refund liabilities	<u>139,682</u>	<u>151,680</u>	<u>204,778</u>	<u>193,047</u>
Return assets	<u>98,317</u>	<u>113,876</u>	<u>155,946</u>	<u>148,811</u>

Refund liabilities represent the expected variable consideration for rebates and refunds whereas return assets represent the value of the corresponding goods expected to be returned.

The Group estimates variable considerations to be included in the transaction price for the sale of drinking water and aerated beverages with rebates.

The Group used the historical rebates and refunds entitlement of customers to determine the expected variable consideration. Any significant changes in experience as compared to historical patterns will impact the expected rebate and refunds estimated by the Group.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**17. DEFERRED TAXATION**

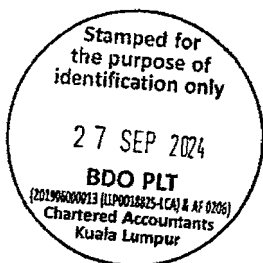
- (a) The deferred tax assets and liabilities are made up of the following:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Balance as at 1 July	1,002,240	268,573	79,164	485,022
Recognised in profit or loss (Note 23)	<u>(733,667)</u>	<u>(189,409)</u>	<u>405,858</u>	<u>3,260,386</u>
Balance as at 30 June	<u>268,573</u>	<u>79,164</u>	<u>485,022</u>	<u>3,745,408</u>
Presented after appropriate offsetting:				
Deferred tax liabilities	427,317	159,278	573,812	3,818,197
Deferred tax assets	<u>(158,744)</u>	<u>(80,114)</u>	<u>(88,790)</u>	<u>(72,789)</u>
	<u>268,573</u>	<u>79,164</u>	<u>485,022</u>	<u>3,745,408</u>

- (b) The components and movements of deferred tax liabilities and assets during the financial years prior to offsetting are as follows:

**Deferred tax liabilities**

Audited	Property, plant and equipment RM	Others RM	Offsetting RM	Total RM
As at 1 July 2020	1,220,443	19,972	(34,645)	1,205,770
Recognised in profit or loss	<u>182,025</u>	<u>221</u>	<u>(960,699)</u>	<u>(778,453)</u>
As at 30 June/1 July 2021	1,402,468	20,193	(995,344)	427,317
Recognised in profit or loss	<u>915,516</u>	<u>27,437</u>	<u>(1,210,992)</u>	<u>(268,039)</u>
As at 30 June/1 July 2022	2,317,984	47,630	(2,206,336)	159,278
Recognised in profit or loss	<u>1,564,631</u>	<u>44</u>	<u>(1,150,141)</u>	<u>414,534</u>
As at 30 June/1 July 2023	3,882,615	47,674	(3,356,477)	573,812
Recognised in profit or loss	<u>37,656</u>	<u>(4,618)</u>	<u>3,211,347</u>	<u>3,244,385</u>
As at 30 June 2024	<u>3,920,271</u>	<u>43,056</u>	<u>(145,130)</u>	<u>3,818,197</u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**17. DEFERRED TAXATION (continued)**

- (b) The components and movements of deferred tax liabilities and assets during the financial years prior to offsetting are as follows: (continued)

**Deferred tax assets**

Audited	Unabsorbed reinvestment allowances RM	Others RM	Offsetting RM	Total RM
As at 1 July 2020	-	(238,175)	34,645	(203,530)
Recognised in profit or loss	(952,726)	36,813	960,699	44,786
As at 30 June/1 July 2021	(952,726)	(201,362)	995,344	(158,744)
Recognised in profit or loss	(1,183,883)	51,521	1,210,992	78,630
As at 30 June/1 July 2022	(2,136,609)	(149,841)	2,206,336	(80,114)
Recognised in profit or loss	(1,147,803)	(11,014)	1,150,141	(8,676)
As at 30 June/1 July 2023	(3,284,412)	(160,855)	3,356,477	(88,790)
Recognised in profit or loss	3,237,109	(9,761)	(3,211,347)	16,001
As at 30 June 2024	(47,303)	(170,616)	145,130	(72,789)

**18. INVESTED EQUITY**

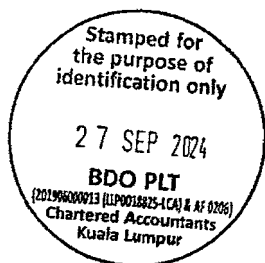
For the purpose of these combined financial statements, the invested equity at the end of the respective financial years is the aggregate of the share capital of Combining Entities constituting the Group.

For financial year ended 30 June 2021, the invested equity constitutes the share capital of LWI, GBI, LWM, SMS, SRK and K2W.

For financial year ended 30 June 2022, the invested equity constitutes the share capital of CISB, in addition to the invested equity as at 30 June 2021.

For financial years ended 30 June 2023 and 30 June 2024, the invested equity constitutes the share capital of LW in addition to the invested equity as at 30 June 2022.

	2021 Audited	2022 Audited	2023 Audited	2024 Audited
<b>Number of ordinary shares Issued and fully paid with no par value:</b>				
Balance as at 1 July	6,200,028	6,600,020	6,600,120	6,700,600
Issued during the financial year	399,992	100	100,480	-
Balance as at 30 June	6,600,020	6,600,120	6,700,600	6,700,600



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**18. INVESTED EQUITY (continued)**

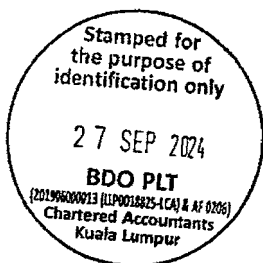
	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Ordinary shares</b>				
<b>Issued and fully paid with no par value:</b>				
Balance as at 1 July	6,200,028	6,600,020	6,600,120	6,700,200
Issued during the financial year	<u>399,992</u>	<u>100</u>	<u>100,080</u>	<u>-</u>
Balance as at 30 June	<u><u>6,600,020</u></u>	<u><u>6,600,120</u></u>	<u><u>6,700,200</u></u>	<u><u>6,700,200</u></u>

- (a) During the financial year ended 30 June 2021:
- (i) SMS allotted 199,996 ordinary shares each at an issue price of RM1 per share to its existing shareholders for a total consideration of RM199,996; and
- (ii) SRK allotted 199,996 ordinary shares each at an issue price of RM1 per share to its existing shareholders for a total consideration of RM199,996.
- (b) During the financial year ended 30 June 2022, CISB was incorporated with an issued share capital of RM100 comprising 100 ordinary shares of RM1 per share each as subscribers' shares.
- (c) During the financial year ended 30 June 2023:
- (i) K2W allotted 99,980 ordinary shares each at an issue price of RM1 per share to its existing shareholders for a total consideration of RM99,980; and
- (ii) LW was incorporated with an issued share capital of RM100 comprising 500 ordinary shares of RM0.20 per share each as subscribers' shares.
- (d) The holders of ordinary shares are entitled to receive dividends as and when declared by the Group and are entitled to one (1) vote per ordinary share at general meeting of the Group. All ordinary shares rank pari passu with regard to the Group's residual assets.

**19. REVENUE**

Revenue of the Group consists of the following:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Revenue from contracts with customers</b>				
Sale of finished goods	<u><u>103,525,521</u></u>	<u><u>121,400,239</u></u>	<u><u>150,962,159</u></u>	<u><u>166,532,194</u></u>



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**19. REVENUE (continued)**

Revenue of the Group consists of the following: (continued)

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Timing of revenue recognition</b>				
Transferred at a point in time	<u>103,525,521</u>	<u>121,400,239</u>	<u>150,962,159</u>	<u>166,532,194</u>

There is no significant financing component in the revenue arising from sales of products as the products are made on the normal credit terms not exceeding twelve (12) months.

**20. FINANCE COSTS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Interest expense on:				
- banker's acceptances	89,197	294,718	302,871	350,901
- term loans	918,697	1,473,945	2,135,646	2,975,522
- bank overdrafts	2,171	1,449	1,386	-
- lease liabilities	564,228	510,392	271,951	157,021
- revolving credit	-	5,285	-	-
	<u>1,574,293</u>	<u>2,285,789</u>	<u>2,711,854</u>	<u>3,483,444</u>

**21. PROFIT BEFORE TAX**

Other than those disclosed elsewhere in the combined financial statements, profit before tax is arrived at:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
After charging:				
Auditors' remuneration:				
- statutory audit				
- current year	80,200	93,000	105,000	114,000
- under provision in prior year	10,000	1,000	-	-
- non-statutory audit	-	120,000	-	-
Bad debts written off	78,329	97,695	98,263	92,696
Fair value loss on short term funds	-	60,517	-	-
Loss on disposal of property, plant and equipment	-	-	7,801	-
	56			
	343			





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**21. PROFIT BEFORE TAX (continued)**

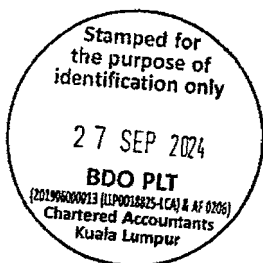
Other than those disclosed elsewhere in the combined financial statements, profit before tax is arrived at: (continued)

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
After charging: (continued)				
Loss on foreign exchange:				
- realised	79,263	20,561	-	7,662
- unrealised	9,073	-	-	-
And crediting:				
Amortisation of government grant	36,000	36,000	52,752	145,312
Bad debts recovered	8,670	424	-	200
Gain on foreign exchange				
- realised	8,716	23,449	1,602	-
- unrealised	-	-	31,337	-
Gain on disposal of property, plant and equipment	6,412	112,236	-	15,010
Interest income	300,759	300,214	401,367	740,934
Fair value gain on short term funds	298,617	-	46,260	133,485
	<u>298,617</u>	<u>-</u>	<u>46,260</u>	<u>133,485</u>

**22. EMPLOYEE BENEFITS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Salaries, wages, allowances, commission, overtime and bonus	17,167,658	19,822,805	24,069,507	24,335,010
Defined contribution plan	1,612,239	2,095,888	2,512,461	2,566,855
Social security contribution	169,297	199,187	257,024	287,322
Other employee benefits	87,721	79,496	209,417	271,355
	<u>19,036,915</u>	<u>22,197,376</u>	<u>27,048,409</u>	<u>27,460,542</u>

Included in the employee benefits of the Company are Directors' remuneration amounting to RM7,900,722 (2023: RM8,813,548; 2022: RM7,712,745; 2021: RM6,981,980).

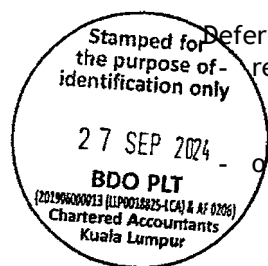


**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**23. TAX EXPENSE**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Tax expense based on profit for the financial years				
- current year	2,547,000	1,957,172	3,313,477	4,939,034
- (over)/under-provision in prior years	<u>(442,726)</u>	<u>78,389</u>	<u>(107,506)</u>	<u>233,223</u>
	2,104,274	2,035,561	3,205,971	5,172,257
Deferred tax (Note 17) relating to origination and reversal of temporary differences	673,974	1,287,493	1,069,328	3,720,538
- over-provision of deferred tax in prior years	<u>(1,407,641)</u>	<u>(1,476,902)</u>	<u>(663,470)</u>	<u>(460,152)</u>
	<u>(733,667)</u>	<u>(189,409)</u>	<u>405,858</u>	<u>3,260,386</u>
Tax expense recognised in profit or loss	<u>1,370,607</u>	<u>1,846,152</u>	<u>3,611,829</u>	<u>8,432,643</u>



The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group are as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Profit before tax	<u>19,031,983</u>	<u>17,583,546</u>	<u>24,233,247</u>	<u>36,553,254</u>
Tax at statutory tax rate of 24% (2023: 24%; 2022: 24%; 2021: 24%)	4,567,676	4,220,051	5,815,979	8,772,781
Tax effects in respect of:				
Effect of income subject to lower tax rates	(72,782)	(104,228)	(127,595)	(34,199)
Non-deductible expenses	769,390	1,132,654	618,476	803,515
Non-taxable income	(134,056)	(64,342)	(98,047)	(226,532)
Utilisation of tax incentives	<u>(1,909,254)</u>	<u>(1,939,470)</u>	<u>(1,826,008)</u>	<u>(655,993)</u>
	3,220,974	3,244,665	4,382,805	8,659,572
(Over)/Under-provision in prior years:				
- income tax	(442,726)	78,389	(107,506)	233,223
- deferred tax	<u>(1,407,641)</u>	<u>(1,476,902)</u>	<u>(663,470)</u>	<u>(460,152)</u>
Tax expense for the financial year	<u>1,370,607</u>	<u>1,846,152</u>	<u>3,611,829</u>	<u>8,432,643</u>

Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%; 2022: 24%; 2021: 24%) of the estimated taxable profit for the fiscal year.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**24. EARNINGS PER SHARE**

## (a) Basic

	2021 Audited	2022 Audited	2023 Audited	2024 Audited
Profit attributable to common controlling shareholders of the combining entities (RM)	<u>17,661,376</u>	<u>15,737,394</u>	<u>20,621,418</u>	<u>28,120,611</u>
Weighted average number of ordinary shares in issue	<u>6,483,858</u>	<u>6,600,051</u>	<u>6,600,616</u>	<u>6,700,600</u>
Basic earnings per share (RM)	<u>2.72</u>	<u>2.38</u>	<u>3.12</u>	<u>4.20</u>

## (b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share as there were no dilutive potential ordinary shares.

**25. DIVIDENDS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM
In respect of the financial year ended 30 June 2021			
Final single tier dividend of 50 sen per ordinary share, paid on 4 January 2021	200,000	-	-
Final single tier dividend of 300 sen per ordinary share, paid on 7 January 2021	300,000	-	-
Final single tier dividend of 24 sen per ordinary share, paid on 23 April 2021	1,000,000	-	-
Final single tier dividend of 53 sen per ordinary share, paid on 23 June 2021	1,000,000	-	-



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

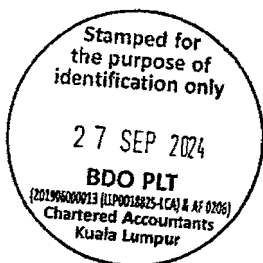
*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**25. DIVIDENDS (continued)**

	2021 Audited RM	2022 Audited RM	2023 Audited RM
In respect of the financial year ended 30 June 2022			
Interim single tier dividend of 200 sen per ordinary share, paid on 23 July 2021	-	200,000	-
Final single tier dividend of 600 sen per ordinary share, paid on 26 November 2021	-	600,000	-
Final single tier dividend of 100 sen per ordinary share, paid on 26 November 2021	-	200,000	-
Final single tier dividend of 100 sen per ordinary share, paid on 29 November 2021	-	200,000	-
In respect of the financial year ended 30 June 2023			
Interim single tier dividend of 50 sen per ordinary share, paid on 13 March 2023	-	-	100,000
Interim single tier dividend of 50 sen per ordinary share, paid on 15 March 2023	-	-	100,000
Interim single tier dividend of 800 sen per ordinary share, paid on 15 March 2023	-	-	800,000
	<u>2,500,000</u>	<u>1,200,000</u>	<u>1,000,000</u>

On 2 July 2024, the Group declared an interim single tier dividend of RM0.597 per ordinary share amounted to RM4,000,000 in respect of the financial year ended 30 June 2024, which was paid on 15 July 2024 and 17 July 2024. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2025.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**26. RELATED PARTY DISCLOSURES**

## (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

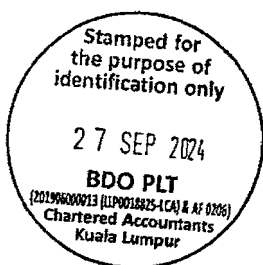
- (i) Companies in which the Directors have financial interests; and
  - (ii) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.
- (b) During the financial years, the Group had no material transactions with related parties.
- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group.

The remuneration of the key management personnel are as follows:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Fees	480,000	900,000	480,000	609,500
Short-term employee benefits	6,604,519	6,801,197	8,141,216	7,281,185
Defined contribution plan	591,208	882,604	999,600	876,050
Social security contribution	13,851	13,389	19,290	20,469
	<u>7,689,578</u>	<u>8,597,190</u>	<u>9,640,106</u>	<u>8,787,204</u>

The estimated monetary value of benefits-in-kind received by the key management personnel other than in cash from the Group amounted to RM47,500 (2023: RM34,500; 2022: RM25,688; 2021: RM25,688).



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**27. CAPITAL COMMITMENTS**

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Capital expenditure in respect of purchase of property, plant and equipment:				
- Contracted but not provided for	<u>10,436,792</u>	<u>20,235,100</u>	<u>22,965,987</u>	<u>22,860,797</u>
Analysed as follows:				
Long leasehold land	-	-	-	2,295,000
Buildings	2,817,148	17,544,500	17,193,159	-
Plant and machinery	7,619,644	2,690,600	1,532,214	20,234,877
Renovation, electrical and fittings	-	-	774,821	330,920
Motor vehicles	-	-	3,465,793	-
	<u>10,436,792</u>	<u>20,235,100</u>	<u>22,965,987</u>	<u>22,860,797</u>

**28. OPERATING SEGMENTS**

## (a) Business segment

The primary activities of the Group are in a single industry segment of processing, marketing and sales of drinking water, aerated beverages and PET containers. Other reporting segment include provision of logistic support services, manufacture and sales of PET bottles and recycling of plastic products, which are not of a sufficient size to be reported separately.

Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group has only one (1) reportable segment.

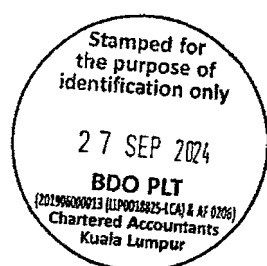
## (b) The Group evaluates performance on the basis of profit or loss for the financial year.

## (c) Geographical information

The business activities of the Group are solely located in Malaysia and as such segment reporting by geographical location is not presented.

## (d) Major customer

There is no customer with revenue equal to or more than ten per centum (10%) of Group revenue.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**29. FINANCIAL INSTRUMENTS**

## (a) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024.

The Group monitors capital using a gearing ratio, which is total external borrowings divided by net tangible worth. The Group's policy is to maintain the gearing ratio at manageable level. The Group includes within total external borrowings, total borrowings and lease liabilities owing to financial institutions. Net tangible worth represents the total equity of the Group.

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Borrowings	38,760,636	66,382,189	64,927,148	103,336,288
Lease liabilities owing to financial institutions	8,816,358	4,702,089	3,617,811	4,416,228
Total external borrowings	47,576,994	71,084,278	68,544,959	107,752,516
Net tangible worth	59,635,054	74,172,548	93,894,046	122,014,657
<b>Gearing ratio</b>	<u>80%</u>	<u>96%</u>	<u>73%</u>	<u>88%</u>

## (b) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

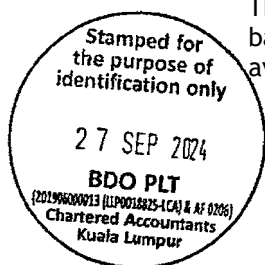
Short term funds

The fair value of short term funds is measured based on the month end market price in active market.

Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

The carrying amounts of financial assets and financial liabilities, such as trade and other receivables, cash and bank balances, trade and other payables, short term borrowings and short term lease liabilities are reasonable approximation of fair values due to their short-term nature or they are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of the non-current borrowings and lease liabilities are estimated based on the future contractual cash flows discounted at current market interest rates available for similar financial instruments and of the same remaining maturities.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**29. FINANCIAL INSTRUMENTS (continued)**

## (c) Fair value hierarchy

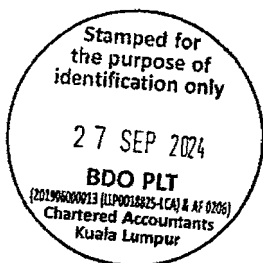
Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets out the financial instrument carried at fair value and carrying amount shown in the combined statements of financial position:

Audited	Fair value of financial instrument carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2021</b>					
Financial asset					
Fair value through profit or loss					
- Short term funds	17,407,960	-	-	17,407,960	17,407,960
<b>2022</b>					
Financial asset					
Fair value through profit or loss					
- Short term funds	13,477,906	-	-	13,477,906	13,477,906
<b>2023</b>					
Financial asset					
Fair value through profit or loss					
- Short term funds	18,100,059	-	-	18,100,059	18,100,059
<b>2024</b>					
Financial asset					
Fair value through profit or loss					
- Short term funds	33,495,902	-	-	33,495,902	33,495,902





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's financial risk management objective is to optimise value creation for the shareholders whilst minimising the potential adverse impact arising on its financial performance and position.

The Group is exposed mainly to credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk.

Information on the management of the related exposures is detailed below.

**(i) Credit risk**

Trade receivables and cash and bank balances may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are reputable financial institutions and organisations. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of seven (7) days, extending up to ninety (90) days. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Exposure to credit risk

At the end of each reporting period, the maximum exposure of the Group to credit risk is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

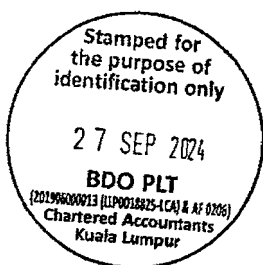
Credit risk concentration profile

As at the end of each reporting period, the Group does not have any significant concentration of credit risk related to any individual customer or counterparty.

**(ii) Liquidity and cash flow risk**

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of bank balances deemed adequate to finance the Group's activities.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

## (ii) Liquidity and cash flow risk (continued)

Analysis of financial instruments by remaining contractual maturities

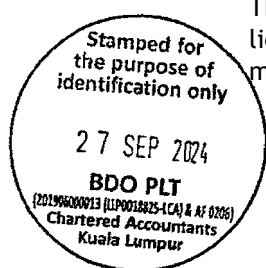
The table below summarises the maturity profile of the Group's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:

Audited	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>As at 30 June 2021</b>				
Trade and other payables	10,947,542	-	-	10,947,542
Borrowings	8,997,615	19,611,001	16,231,791	44,840,407
Lease liabilities	4,016,725	5,950,531	74,000	10,041,256
	<u>23,961,882</u>	<u>25,561,532</u>	<u>16,305,791</u>	<u>65,829,205</u>
<b>As at 30 June 2022</b>				
Trade and other payables	12,769,930	-	-	12,769,930
Borrowings	24,576,122	26,346,648	25,437,048	76,359,818
Lease liabilities	2,264,895	3,088,754	106,980	5,460,629
	<u>39,610,947</u>	<u>29,435,402</u>	<u>25,544,028</u>	<u>94,590,377</u>
<b>As at 30 June 2023</b>				
Trade and other payables	10,085,734	-	-	10,085,734
Borrowings	18,562,835	28,731,326	33,923,598	81,217,759
Lease liabilities	1,939,211	2,057,227	217,180	4,213,618
	<u>30,587,780</u>	<u>30,788,553</u>	<u>34,140,778</u>	<u>95,517,111</u>
<b>As at 30 June 2024</b>				
Trade and other payables	8,890,333	-	-	8,890,333
Borrowings	22,505,299	39,189,494	77,954,954	139,649,747
Lease liabilities	1,345,374	3,213,243	683,655	5,242,272
	<u>32,741,006</u>	<u>42,402,737</u>	<u>78,638,609</u>	<u>153,782,352</u>

## (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The exposure of the Group to interest rate risk arises primarily from its fixed deposits with licensed banks, short term funds, lease liabilities and borrowings. The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

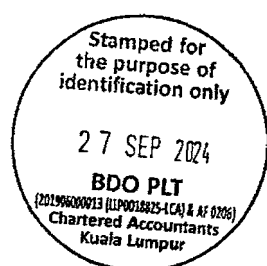
**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

(iii) Interest rate risk (continued)

Exposure to interest rate risk

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

Audited	WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
<b>At 30 June 2021</b>						
<b>Financial assets</b>						
Fixed rate instrument						
Fixed deposits with licensed banks	1.80	2,124,335	-	-	-	2,124,335
Floating rate instrument						
Short term funds	1.62	17,407,960	-	-	-	17,407,960
<b>Financial liabilities</b>						
Fixed rate instruments						
Lease liabilities	3.23	3,574,728	2,743,180	2,821,969	68,953	9,208,830
Borrowings	3.73	6,118,989	2,398,140	7,521,448	1,328,454	17,367,031
		9,693,717	5,141,320	10,343,417	1,397,407	26,575,861
Floating rate instruments						
Borrowings	3.32	1,716,132	1,687,103	4,950,428	13,039,942	21,393,605
<b>At 30 June 2022</b>						
<b>Financial assets</b>						
Fixed rate instrument						
Fixed deposits with licensed banks	1.84	2,162,677	-	-	-	2,162,677
Floating rate instrument						
Short term funds	2.02	13,477,906	-	-	-	13,477,906



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

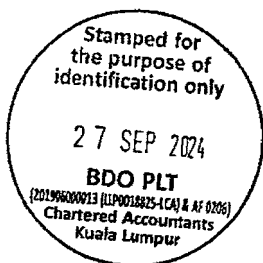
**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

(iii) Interest rate risk (continued)

Exposure to interest rate risk (continued)

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk: (continued)

Audited	WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
<b>At 30 June 2022</b>						
<b>Financial liabilities</b>						
Fixed rate instruments						
Lease liabilities	3.24	2,031,739	1,614,583	1,289,753	102,299	5,038,374
Borrowings	3.64	19,539,652	3,591,906	9,379,257	2,790,797	35,301,612
		<u>21,571,391</u>	<u>5,206,489</u>	<u>10,669,010</u>	<u>2,893,096</u>	<u>40,339,986</u>
Floating rate instruments						
Borrowings	3.58	3,302,995	2,379,325	6,282,261	19,115,996	31,080,577
<b>At 30 June 2023</b>						
<b>Financial assets</b>						
Fixed rate instrument						
Fixed deposits with licensed banks	2.69	1,634,679	-	-	-	1,634,679
Floating rate instrument						
Short term funds	2.87	18,100,059	-	-	-	18,100,059
<b>Financial liabilities</b>						
Fixed rate instruments						
Lease liabilities	3.16	1,769,755	1,199,829	712,220	209,956	3,891,760
Borrowings	3.81	13,828,042	4,721,883	9,190,054	4,936,013	32,675,992
		<u>15,597,797</u>	<u>5,921,712</u>	<u>9,902,274</u>	<u>5,145,969</u>	<u>36,567,752</u>
Floating rate instruments						
Borrowings	4.46	2,434,456	2,449,718	5,973,096	21,393,886	32,251,156



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

(iii) Interest rate risk (continued)

Exposure to interest rate risk (continued)

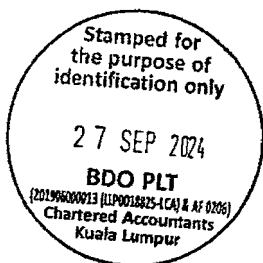
The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk: (continued)

Audited	WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
<b>At 30 June 2024</b>						
<b>Financial assets</b>						
Fixed rate instrument						
Fixed deposits with licensed banks	2.75	1,678,267	-	-	-	1,678,267
Floating rate instrument						
Short term funds	2.35	33,495,902	-	-	-	33,495,902
<b>Financial liabilities</b>						
Fixed rate instruments						
Lease liabilities	3.59	1,146,973	787,557	1,961,700	634,703	4,530,933
Borrowings	4.02	15,768,845	5,141,569	11,044,144	20,500,716	52,455,274
		16,915,818	5,929,126	13,005,844	21,135,419	56,986,207
Floating rate instruments						
Borrowings	4.35	2,932,520	2,739,979	8,006,835	37,201,680	50,881,014

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity of the Group's profit after tax and equity to a reasonably possible change in 100 basis points against interest rate of floating rate instrument, with all other variables held constant:

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
Effects of 100 basis points changes to profit after tax/equity				
- Increase by 1% (2023: 1%; 2022: 1%; 2021: 1%)	(30,291)	(133,780)	(107,548)	(132,127)



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

## (iii) Interest rate risk (continued)

Sensitivity analysis for interest rate risk (continued)

A 1% decrease in the Group's interest rate at the end of the reporting period would have had equal but opposite effect to the amount shown above, on the basis that all other variables remained constant.

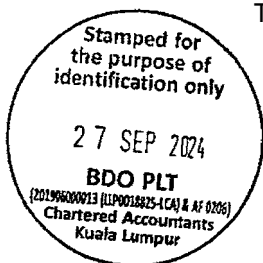
No sensitivity analysis for fixed rate instruments was presented as the change in market interest rate at the end of the reporting period would not affect profit or loss.

## (iv) Foreign currency risk

The Group is exposed to transactional currency risk. Such exposures arise from deposits paid and purchase of raw materials and plant and machinery from Taiwan and China. These purchases are mainly invoiced in the United States Dollar ("USD") and Chinese Yuan ("CNY").

The Group's exposures to foreign currency risk arising from foreign currency balances as at the end of the reporting period are represented by the following carrying amounts:

Audited	RM/CNY RM	RM/USD RM	Total RM
<b>2021</b>			
Trade and other receivables	-	1,316,480	1,316,480
Cash and bank balances	-	19,341	19,341
Trade and other payables	-	(426,278)	(426,278)
	-	909,543	909,543
<b>2022</b>			
Trade and other receivables	-	1,261,550	1,261,550
Trade and other payables	-	(326,479)	(326,479)
	-	935,071	935,071
<b>2023</b>			
Trade and other receivables	-	1,315,305	1,315,305
Cash and bank balances	-	47	47
Trade and other payables	-	(505,193)	(505,193)
	-	810,159	810,159
<b>2024</b>			
Trade and other receivables	488,781	2,017,547	2,506,328
Cash and bank balances	-	1,816	1,816
Trade and other payables	-	(527,483)	(527,483)
	488,781	1,491,880	1,980,661



**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

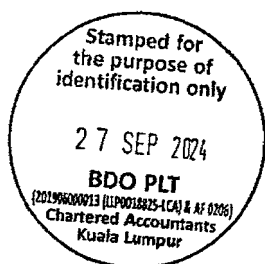
**30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

- (iv) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit after tax and equity for a 5% (2023: 5%; 2022: 5%; 2021: 5%) strengthening of the following functional currency of the Group against the respective foreign currency, with all other variables held constant.

	2021 Audited RM	2022 Audited RM	2023 Audited RM	2024 Audited RM
<b>Profit after tax/equity</b>				
RM/CNY	-	-	-	(18,574)
RM/USD	(34,563)	(35,533)	(30,786)	(56,691)
	<u>(34,563)</u>	<u>(35,533)</u>	<u>(30,786)</u>	<u>(75,265)</u>



A 5% weakening of the functional currency of the Group against the above foreign currency at the end of the reporting period would have had equal but opposite effect to the amount shown above, on the basis that all other variables remained constant.

**31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS**

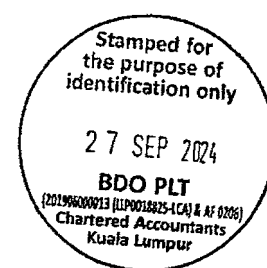
- (a) On 8 February 2022, GBI entered into a sale and purchase agreement ("SPA") with a third party for the purchase of one (1) parcel of land held under CL No. 015586562, District of Kota Kinabalu, Sabah, for a total purchase consideration of RM11.70 million. Subsequently, the parties agreed to renegotiate the deal due to additional time and costs required to comply with the conditions precedent. The total purchase consideration had been revised to RM12.85 million upon supplementary agreement dated 17 July 2023. The transaction was completed on 2 November 2023.
- (b) On 8 February 2022, GBI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 015586571, District of Kota Kinabalu, Sabah, for a total purchase consideration of RM7.00 million. Subsequently, the parties agreed to renegotiate the deal due to additional time and costs required to comply with the conditions precedent. The total purchase consideration had been revised to RM8.15 million upon supplementary agreement dated 17 July 2023. The transaction was completed on 2 November 2023.
- (c) On 4 August 2022, LWI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 075323894, District of Sandakan, Sabah for a total purchase consideration of RM4.00 million. The transaction was completed on 10 February 2023.
- (d) On 14 September 2022, LWI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 075099464, District of Sandakan, Sabah, for a total purchase consideration of RM3.87 million. The transaction was completed on 19 January 2023.
- (e) On 30 June 2023, SMS has ceased operations due to changes in future business plan. The company remained dormant as at the date of this combined financial statements.

**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS (continued)**

- (f) On 30 June 2023, SRK has ceased operations due to changes in future business plan. The company remained dormant as at the date of this combined financial statements.
- (g) On 21 November 2023, LWI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 015582153, District of Kota Kinabalu, Sabah, for a total purchase consideration of RM18.48 million. The transaction was completed on 19 March 2024.
- (h) In conjunction with the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing"), the Company had entered into the following conditional share sale agreements ("SSA"):
- (i) on 26 November 2023, the Company entered into the LWI SSA for the acquisition of 100% of the ordinary shares of LWI for a total consideration of approximately RM50.92 million, which was fully satisfied by the issuance of 203,690,960 new shares at an issue price of RM0.25 each. The total purchase consideration for the LWI acquisition was arrived at after taking into consideration the audited net assets ("NA") of LWI as at 30 June 2023 of RM51.19 million. The transaction was completed on 25 September 2024;
- (ii) on 26 November 2023, the Company entered into the GBI SSA for the acquisition of 100% of the ordinary shares of GBI for a total consideration of approximately RM22.82 million, which was fully satisfied by the issuance of 91,298,280 new shares at an issue price of RM0.25 each. The total purchase consideration for the GBI acquisition was arrived at after taking into consideration the audited NA of GBI as at 30 June 2023 of RM22.94 million. The transaction was completed on 25 September 2024;
- (iii) on 26 November 2023, the Company entered into the LWM SSA for the acquisition of 100% of the ordinary shares of LWM for a total consideration of approximately RM12.66 million, which was fully satisfied by the issuance of 50,623,796 new shares at an issue price of RM0.25 each. The total purchase consideration for the LWM acquisition was arrived at after taking into consideration the audited NA of LWM as at 30 June 2023 of RM12.72 million. The transaction was completed on 25 September 2024;
- (iv) on 26 November 2023, the Company entered into the SMS SSA for the acquisition of 100% of the ordinary shares of SMS for a total consideration of approximately RM2.36 million, which was fully satisfied by the issuance of 9,454,172 new shares at an issue price of RM0.25 each. The total purchase consideration for the SMS acquisition was arrived at after taking into consideration the audited NA of SMS as at 30 June 2023 of RM2.38 million. The transaction was completed on 25 September 2024;
- (v) on 26 November 2023, the Company entered into the SRK SSA for the acquisition of 100% of the ordinary shares of SRK for a total consideration of approximately RM3.68 million, which was fully satisfied by the issuance of 14,730,020 new shares at an issue price of RM0.25 each. The total purchase consideration for the SRK acquisition was arrived at after taking into consideration the audited NA of SRK as at 30 June 2023 of RM3.70 million. The transaction was completed on 25 September 2024;





**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

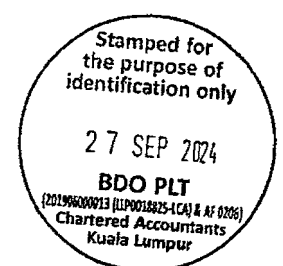
*Life Water Berhad (202301002484(1496403-W))*  
*Accountants' Report*

**31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS (continued)**

- (h) In conjunction with the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing"), the Company had entered into the following conditional share sale agreements ("SSA"): (continued)
- (vi) on 26 November 2023, the Company entered into the K2W SSA for the acquisition of 100% of the ordinary shares of K2W for a total consideration of approximately RM1.42 million, which was fully satisfied by the issuance of 5,693,900 new shares at an issue price of RM0.25 each. The total purchase consideration for the K2W acquisition was arrived at after taking into consideration the audited NA of K2W as at 30 June 2023 of RM1.43 million. The transaction was completed on 25 September 2024; and
- (vii) on 26 November 2023, the Company entered into the CISB SSA for the acquisition of 100% of the ordinary shares of CISB for a total consideration of approximately RM0.03 million, which was fully satisfied by the issuance of 124,872 new shares at an issue price of RM0.25 each. The total purchase consideration for the CISB acquisition was arrived at after taking into consideration the audited NA of CISB as at 30 June 2023 of RM0.03 million. The transaction was completed on 25 September 2024.
- (i) On 7 February 2024, GBI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 105244442, District of Tawau, Sabah, for a total purchase consideration of RM3.98 million. The transaction was completed on 10 June 2024.
- (j) On 10 June 2024, GBI entered into an SPA with a third party for the purchase of one (1) parcel of land held under CL No. 105244451, District of Tawau, Sabah, for a total purchase consideration of RM2.55 million. The transaction was not completed as at reporting date.

**32. APPROVAL OF COMBINED FINANCIAL STATEMENTS**

The combined financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 27 September 2024.



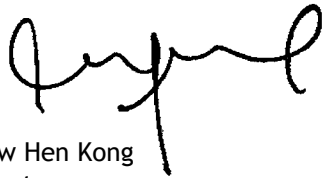
**13. REPORTING ACCOUNTANTS' REPORT (CONT'D)**

*Life Water Berhad (202301002484(1496403-W))  
Accountants' Report*

**STATEMENT BY DIRECTORS**

We, Liaw Hen Kong and Chin Lee Ling, being the Directors of Life Water Berhad state that, in the opinion of the Directors, the combined financial statements set out on page 4 to 73 are drawn up so as to give a true and fair view of the financial position of the Group as at 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 and of the financial performance and cash flows of the Group for the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

Signed on behalf of the Board of Directors in accordance with a resolution dated 27 September 2024 .



Liaw Hen Kong  
Director



Chin Lee Ling  
Director

---

**14. ADDITIONAL INFORMATION**


---

**14.1 EXTRACT OF OUR CONSTITUTION**

The following provisions are extracted from our Company's Constitution which complies with the Listing Requirements, the Act and the Rules.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Constitution unless they are otherwise defined or the context otherwise requires.

**14.1.1 Transfer of securities****Clause 14 – Transfer of Securities**

- (1) The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Deposited Securities.
- (2) The Depository may, in its absolute discretion, refuse to register any transfer of any Deposited Security or class of Deposited Security of the Company that does not comply with the Central Depositories Act and the Rules.

**14.1.2 Remuneration of Directors****Clause 93 – Remuneration of Directors**

- (1) The Company may from time to time by an ordinary resolution passed at a General Meeting, approve the remuneration of the Directors, who hold non-executive office with the Company, for their services as non-executive Directors.
- (2) Subject to Clause 84, the fees of the Directors and any benefits payable to the Directors shall be subject to annual shareholders' approval at a General Meeting.
- (3) If the fee of each such non-executive Director is not specifically fixed by the Members, then the quantum of fees to be paid to each non-executive Director within the overall limits fixed by the Members, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the non-executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.
- (4) The following expenses shall be determined by the Directors:
  - (a) Traveling, hotel and other expenses properly incurred by the Directors in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company; and
  - (b) Other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties.
- (5) Executive Directors of the Company shall be remunerated in the manner referred to in Clause 84 but such remuneration shall not include a commission on or percentage of turnover.

**14. ADDITIONAL INFORMATION (CONT'D)****14.1.3 Voting and borrowing powers of Directors****Clause 95 – Powers of Directors**

Without limiting the generality of Clause 94(1) and (2) above as well as the Directors' powers in managing, directing and supervising the management of the business or affairs of the Company, the Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any third party, as they may think fit:

- (1) borrow money, raise funds and/or accept facilities;
- (2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
- (3) issue debentures and other Securities whether outright or as security; and/or
- (4)
  - (a) lend and advance money or give credit to any person or company;
  - (b) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company;
  - (c) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company;

and otherwise to assist any person or company.

**Clause 105 – Directors' Interest in Contracts**

- (a) A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted) nor shall his vote be counted for the purpose of any resolution regarding the same.
- (b) Every Director shall observe the provisions of Sections 219, 221 and 222 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by the Directors which might create duties or interest in conflict with their duties or interest as Directors and participation in discussion and voting. Such disclosure of material personal interest by the Directors shall be in the form of a notice. Such notice shall be in the form and manner prescribed under Section 221 of the Act.

**14.1.4 Changes in capital and rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights****Clause 8(1) – Variation of rights**

If at any time the share capital is divided into different classes of shares, the rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may only, whether or not the Company is being wound up, be varied:

- (a) with the consent in writing of the holders holding not less than seventy-five percent (75%) of the total voting rights of the holders of that class of shares; or
- (b) by a special resolution passed by a separate meeting of the holders of that class of shares sanctioning the variation.

**14. ADDITIONAL INFORMATION (CONT'D)****Clause 12(1) – Issue of Securities**

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject always to the Act, the Listing Requirements and this Constitution, the Directors have the right to:

- (a) issue and allot shares in the Company; and
- (b) grant rights to subscribe for shares or options over unissued shares in the Company

**Clause 46 – Alteration of Capital**

- (1) The Company may from time to time by an ordinary resolution and subject to other applicable laws or requirements:
  - (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
  - (b) subdivide its shares or any of them into shares, whichever is in the subdivision; the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.
- (2) The Company may from time to time by a special resolution and subject to other applicable requirements:
  - (a) cancel shares which, at the date of the passing of the resolution in that regard, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled or in such other manner allowed by law; or
  - (b) reduce its share capital in such manner permitted by law, and (where applicable) subject to the relevant required approvals being obtained.
- (3) The Company shall have the power, subject to and in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines thereunder or issued by Bursa Securities and any other relevant authorities in respect thereof.

**14.2 SHARE CAPITAL**

- (i) As at the date of this Prospectus, we only have 1 class of shares namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (ii) None of our Group's capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.

**14. ADDITIONAL INFORMATION (CONT'D)**

- (iii) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (iv) As at the date of this Prospectus, there is no scheme involving our Directors and employees in the share capital of our Group, except for the Pink Form Allocation.
- (v) As at the date of this Prospectus, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital.

**14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS**

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and the Rules. We will not issue any share certificates to successful applicants.

Dealing in our Shares deposited with Bursa Depository may only be affected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

**14.4 LIMITATION ON THE RIGHT TO OWN SECURITIES**

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

**14.5 EXCHANGE CONTROLS**

Our Group has not established any other place of business outside Malaysia and is not subject to governmental law, decree, regulation and/or other requirement which may affect the repatriation of capital and remittance of profit by or to our Group.

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single tier dividend are not taxable. Further, the Government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gain tax arising from the disposal of listed shares.

**14. ADDITIONAL INFORMATION (CONT'D)****14.6 MATERIAL LITIGATION, CLAIM AND ARBITRATION**

Save as disclosed below, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business as at the LPD:

**(i) Green Borneo Industries and Life Water Industries -v- Fred Foo Nyip Tong (trading under the name & style of "Fredshipping")**

Green Borneo Industries and Life Water Industries (collectively the "**Plaintiffs**") have purchased various goods from Fred Foo Nyip Tong (trading under the name & style of "Fredshipping") ("**Defendant**"), including but not limited to, display racks, water bags, ice tanks, teleflags, and umbrellas ("**Goods**") on multiple occasions. Despite the Plaintiffs paying the full amount as per the Defendant's invoices, the Defendant has failed to deliver the Goods to the Plaintiffs.

On 18 July 2024, the Plaintiffs filed a Writ of Summons and Statement of Claim against the Defendant in the Sessions Court of Sabah and Sarawak at Sandakan (Suit No.: SDK-B52NCvC-13-7/2024 (SC2)) to recover a total sum of RM874,204.40 (RM453,048.00 for Green Borneo Industries and RM421,156.40 for Life Water Industries), plus interest at 5% per annum from the date of the Writ of Summons to the date of full and final settlement; costs; and such other relief as the Court may deem fit and proper to grant ("**Reliefs**").

On 27 August 2024 the Plaintiffs' Solicitors have filed an application for substituted service of the Writ of Summons. The Court granted the Order for Substituted Service on 02.09.2024 and the Writ was published in the Daily Express on 4 September 2024. The Defendant failed to enter appearance within 14 days and therefore, a Judgment in Default of Appearance was obtained by the Plaintiffs for the Reliefs on 19 September 2024.

The Plaintiffs' Solicitors are of the view that the Plaintiffs have a strong chance of succeeding their claims.

In the event that the claims made by the Plaintiffs do not succeed, there will be no adverse impact to our Group's business operations or financial performance as the sums to be recovered (i.e. RM874,204.40) has already been charged out in FYE 2022. This will not affect the business operations, as our Group has already identified other suppliers.

**(ii) Green Borneo Industries -v- Leasing Logistics (E.M.) Sdn Bhd and Ting Ka Hing**

Green Borneo Industries (the "**Plaintiff**") rented out 2 properties being, Lot 49, Phase 2, KKIP, Jalan 1H Selatan, Sepanggar KKIP, held under Country Lease No. 015586562 ("**Lot 49**") and Lot 50, Phase 2, KKIP, Jalan 1H Selatan, Sepanggar KKIP, held under Country Lease No. 015586571 ("**Lot 50**") to the Leasing Logistics (E.M.) Sdn Bhd and Ting Ka Hing (the "**Defendants**") via a tenancy agreement dated 17 July 2023 ("**Tenancy Agreement**").

The Defendants have failed to pay the rental for both Lot 49 and Lot 50. On 24 April 2024, the Plaintiff filed a Writ of Summons and Statement of Claim in the Sessions Court of Sabah and Sarawak at Kota Kinabalu (Suit No.: BKI-A52NCvC-69-4/2024) claiming the following:

- (a) the sum of RM262,990.95, being the total outstanding amount as at 14 April 2024;

**14. ADDITIONAL INFORMATION (CONT'D)**

- (b) order for vacant possession of Lot 49 and Lot 50 within 7 days from the date of order;
- (c) double the monthly rental of RM64,250 for Lot 49 and RM40,750 for Lot 50 from 15 April 2024 to the date that vacant possession of Lot 49 and Lot 50 are delivered to the Plaintiff pursuant to section 28(4)(a) of the Civil Law Act 1956 (Act 67); or alternatively, the monthly rental of RM64,250 for Lot 49 and RM40,750 for Lot 50 from 15 April 2024 to the date that vacant possession of Lot 49 and Lot 50 are delivered to the Plaintiff;
- (d) pre judgement interest and post judgement interest at the rate of 5% per annum pursuant to section 11 of the Civil Law Act 1956 (Act 67) on the said total outstanding amount from the date of which payment(s) are due to the date of full and final settlement;
- (e) costs; and
- (f) such other relief as the Court may deem fit and proper to grant.

On 13 June 2024, the Defendants filed a Statement of Defence and Counterclaim wherein they denied liability and claimed that the Tenancy Agreement is purportedly void due to lack of capacity on the part of the Plaintiff as the Plaintiff did not have legal possession of the Properties at the time when the Tenancy Agreement was executed. They sought for a declaration from the Court that the Tenancy Agreement be null and void.

On 18 July 2024, the Plaintiff filed an application for summary judgement under Order 14 Rule 1 of Rules of Court 2012 for its claim and an application for striking out application under Order 18 Rule 19 of the Rules of Court to strike out and the Defendants' counterclaim.

Parties are in the midst of filing and exchanging their respective Written Submissions and Reply Written Submissions. Case Management is fixed on 29 October 2024 for further directions.

The Plaintiff's Solicitors are of the view that the Plaintiff has a strong chance of succeeding its claims as the Defendants have no reasonable defence towards the Plaintiff's claim for rental and the Defendants have no basis to successfully argue that the Tenancy Agreement is void. Although the Tenancy Agreement is executed before legal possession of Lot 49 and Lot 50 by the Plaintiff on 20 November 2023 and 4 December 2023 respectively, it was agreed between both Plaintiff and Defendants that the Tenancy Agreement would take effect only upon the legal possession by the Plaintiff and Defendants.

As at the LPD, the Defendants have paid to the Plaintiff the sum of RM262,990.95, being the total rent outstanding as at 14 April 2024 (item (a) above) which was part of the claims as set out in the Writ of Summons and Statement of Claim filed by the Plaintiff with the Sessions Court of Sabah and Sarawak at Kota Kinabalu (Suit No.: BKI-A52NCvC-69-4/2024). In addition, the Defendants have made further payment of RM105,000.00 to the Plaintiff for the rent for the month of May 2024.

In the event if the claims made by the Plaintiff do not succeed, there will be no material impact to our Group's business operations or financial performance other than the loss of potential monthly rental income of RM105,000.00 until the vacant possession of Lot 49 and Lot 50.



**14. ADDITIONAL INFORMATION (CONT'D)****14.7 MATERIAL CONTRACTS**

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) during the Financial Years Under Review and up to the date of this Prospectus:

- (i) SPA dated 1 February 2021 between Sinaborneo Sdn Bhd (as vendor), Tiew Tiam Bok (as landowner) and Life Water Industries (as purchaser) for the purchase of 1 unit of double storey detached building located at Lot 4, Jalan Masak, Keningau held under CL No. 135406147, District of Keningau, Sabah for a total cash consideration of RM1,750,000. The sale and purchase transaction as contemplated under the agreement has been completed on 29 September 2021;
- (ii) SPA dated 1 March 2021 between Moslimin Bin Bijato (as vendor), Lubis Bin Selama and Alimudin Bin Ngire (as landowner) and Life Water Industries (as purchaser) for the purchase of 1 unit of semi-detached light industrial workshop located at Lot 23, MDLD 3381, Kimbell Light Industrial Estate, Lahad Datu held under CL No. 115385530, District of Lahad Datu, Sabah for a total cash consideration of RM830,000. The sale and purchase transaction as contemplated under the agreement has been completed on 21 July 2022;
- (iii) SPA dated 26 November 2021 between Sri Tegamat Sdn Bhd (as vendor) and Life Water Industries (as purchaser) for the purchase of 1 unit of warehouse located at along Jalan Lintas Sibuga, Off KM 1.4, Jalan Lintas Labuk held under CL No. 075323901, District of Sandakan, Sabah for a total cash consideration of RM5,500,000. The sale and purchase transaction as contemplated under the agreement has been completed on 9 April 2022;
- (iv) SPA dated 4 August 2022 between Aqthal Jasmeg Agronomics Sdn Bhd (as vendor) and Life Water Industries (as purchaser) for the purchase of 1 parcel of land held under CL No. 075323894, District of Sandakan, Sabah for a total cash consideration of RM4,000,000. The sale and purchase transaction as contemplated under the agreement has been completed on 10 February 2023;
- (v) SPA agreement dated 14 September 2022 between Bagus Sempurna Sdn Bhd (as vendor) and Life Water Industries (as purchaser) for the purchase of 1 parcel of land held under CL No. 075099464, District of Sandakan, Sabah, for a total cash consideration of RM3,875,200. The sale and purchase transaction as contemplated under the agreement has been completed on 19 January 2023;
- (vi) SPA dated 21 November 2023 between K.K.I.P. Sdn Bhd (as vendor) and Life Water Industries (as purchaser) for the purchase of 1 parcel of land held under part of master title CL No. 015582153, District of Kota Kinabalu, Sabah, for a total cash consideration of RM18,483,379.20. The sale and purchase transaction as contemplated under the agreement has been completed on 19 March 2024;
- (vii) SPA dated 8 February 2022 between Leasing Logistics & Distribution Sdn Bhd (as vendor) and Green Borneo Industries (as purchaser), and supplementary agreement dated 17 July 2023 between Leasing Logistics & Distribution Sdn Bhd, Leasing Logistics (E.M.) Sdn Bhd and Green Borneo Industries for the purchase of 1 parcel of land held under CL No. 015586562, District of Kota Kinabalu, Sabah for a total cash consideration of RM12,850,000. The sale and purchase transaction as contemplated under the agreement has been completed on 20 November 2023;

**14. ADDITIONAL INFORMATION (CONT'D)**

- (viii) SPA dated 8 February 2022 between Leasing Logistics (E.M.) Sdn Bhd (as vendor) and Green Borneo Industries (as purchaser), and supplementary agreement dated 17 July 2023 between Leasing Logistics & Distribution Sdn Bhd, Leasing Logistics (E.M.) Sdn Bhd and Green Borneo Industries for the purchase of 1 parcel of land held under CL No. 015586571, District of Kota Kinabalu, Sabah for a total cash consideration of RM8,150,000. The sale and purchase transaction as contemplated under the agreement has been completed on 4 December 2023;
- (ix) Tenancy agreement dated 17 July 2023 between Green Borneo Industries and Leasing Logistics (E.M.) Sdn Bhd in relation to the rental of properties located at Lot 49 and Lot 50, Jalan 1H, KKIP Selatan, Industrial Zone 2, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah. The tenancy period for Lot 49 expires on 16 January 2025 with a monthly rental of RM64,250.00 and the tenancy period for Lot 50 expires on 16 July 2026 with a monthly rental of RM40,750.00;
- (x) SPA dated 7 February 2024 between Green Borneo Industries and Khoo Kok Wah @ Khoo Ching Hai, Khoo Lee Seng (as vendors) for the purchase of 1 parcel of land held under CL No. 105244442 in the, District of Tawau, Sabah for a total cash consideration of RM3,980,000.00. The sale and purchase transaction as contemplated under the agreement has been completed on 20 June 2024;
- (xi) SPA dated the 10 June 2024 between Green Borneo Industries and Chin Pui Chee, Ivy Wong Tshui Tin, and Chin Yun Wui (as vendors) for the purchase of 1 parcel of land held under Tawau CL105244451 in the District of Tawau, Sabah for a total cash consideration of RM2,550,000.00. The sale and purchase transaction as contemplated under the agreement has been completed on 15 October 2024;
- (xii) Life Water Industries SSA for the Life Water Industries Acquisition, which was completed on 25 September 2024;
- (xiii) Green Borneo Industries SSA for the Green Borneo Industries Acquisition, which was completed on 25 September 2024;
- (xiv) Life Water Marketing SSA for the Life Water Marketing Acquisition, which was completed on 25 September 2024;
- (xv) Syarikat Maju Sasa SSA for the Syarikat Maju Sasa Acquisition, which was completed on 25 September 2024;
- (xvi) Syarikat Rasa Kool SSA for the Syarikat Rasa Kool Acquisition, which was completed on 25 September 2024;
- (xvii) K2 Water SSA for the K2 Water Acquisition, which was completed on 25 September 2024;
- (xviii) Cyplast Industries SSA for the Cyplast Industries Acquisition, which was completed on 25 September 2024; and
- (xix) the Underwriting Agreement dated 1 October 2024, details of which are set out in Section 4.9 of this Prospectus.

**14.8 CONSENTS**

- (i) The written consents of the Principal Adviser, Underwriter, Placement Agent, Company Secretaries, Solicitors, Share Registrar and Issuing House for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn.

**14. ADDITIONAL INFORMATION (CONT'D)**

- (ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iii) The written consent of the Independent Business and Market Research Consultant for the inclusion in this Prospectus of its name and Industry Overview in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

**14.9 RESPONSIBILITY STATEMENTS**

- (i) This Prospectus has been seen and approved by our Directors, Promoters and Selling Shareholders and they collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other fact, the omission of which would make any statement in this Prospectus false or misleading.
- (ii) The Principal Adviser acknowledges that, based on all available information and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to our IPO.

**14.10 DOCUMENTS FOR INSPECTION**

Copies of the following documents may be inspected at our registered office, Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur during normal business hours for a period of 6 months from the date of this Prospectus:

- (i) our Constitution;
- (ii) the Industry Overview referred to in Section 8 of this Prospectus;
- (iii) audited financial statements of our Company and our Subsidiaries for the financial years ended 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024;
- (iv) Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position as included in Section 12.5 of this Prospectus;
- (v) Accountants' Report as included in Section 13 of this Prospectus;
- (vi) the cause papers referred to in Section 14.6 of this Prospectus;
- (vii) the material contracts referred to in Section 14.7 of this Prospectus; and
- (viii) the letters of consent referred to in Section 14.8 of this Prospectus.

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF THIS PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in this Prospectus.

Unless the context otherwise requires, words used in the singular include the plural and vice versa.

### 15.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 22 October 2024

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 30 October 2024

Applications for the Issue Shares will open and close at the dates and times stated above.

In the event there is any change to the dates and times stated above, we will advertise the notice of the change in widely circulated daily English and Bahasa Malaysia newspapers in Malaysia and make an announcement on Bursa Securities' website.

**Late Applications will not be accepted.**

### 15.2 METHODS OF APPLICATIONS

#### 15.2.1 Application for our Issue Shares by the Malaysian Public and the Eligible Persons of our Group

Types of Application and Category of Investors	Application Method
Applications by the Eligible Persons of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

#### 15.2.2 Application by Selected Investors and identified Bumiputera investors approved by the MITI via Private Placement

Types of Application	Application Method
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
Applications by identified Bumiputera investors approved by the MITI	The MITI will contact the Bumiputera investors directly. They should follow the MITI's instructions.

**15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)**

Eligible Persons, selected investors and identified Bumiputera investors approved by the MITI may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

**15.3 ELIGIBILITY****15.3.1 General**

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS accounts** will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE SHARES.**

**MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.**

**AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.**

**15.3.2 Application by the Malaysian Public**

You can only apply for our Issue Shares if you fulfill all of the following:

- (i) you must be one of the following:
  - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
  - (b) a corporation/ institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/ trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
  - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) you must not be a director or employee of the Issuing House, or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit Applications by using only one of the following methods:
  - (a) White Application Form; or
  - (b) Electronic Share Application; or
  - (c) Internet Share Application.

**15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)****15.3.3 Application by the Eligible Persons**

The Eligible Persons (including any entities, wherever established) will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated Issue Shares. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, Issuing House, MIDF Investment, Participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

**15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS**

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.65 for each IPO Share.

Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NO. 780**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:-

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

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

or

**DELIVER BY HAND AND DEPOSIT** in the Drop-in Boxes provided at Tricor Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

so as to arrive not later than 5.00 p.m. on 30 October 2024 or by such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

## 15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

Please refer to the detailed procedures and terms and conditions of the Application Forms as set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the Issuing House for further enquiries.

### 15.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our Issue Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

Please refer to the detailed procedure and terms and conditions of Electronic Share Application as set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries.

### 15.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd and Public Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

Please refer to the detailed procedures and terms and conditions of Internet Share Application as set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Internet Participating Financial Institution or Participating Securities Firms for further enquiries.

### 15.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
  - (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

**15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)**

- (b) are illegible, incomplete or inaccurate; or
- (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/ partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House, at anytime within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

**15.8 OVER/UNDER SUBSCRIPTION**

In the event of over-subscription, the Issuing House, will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://tiih.online> within 1 market day after the balloting date.

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.3.5 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

**15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS**

If you are unsuccessful/partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.



**15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)****15.9.1 For Applications by Way of Application Forms**

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/ registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House, as per items (i) and (ii) above (as the case may be).
- (iv) Our Issuing House, reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

**15.9.2 For Applications by Way of Electronic Share Application and Internet Share Application**

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from our Issuing House.
- (ii) You may check your account on the 5<sup>th</sup> Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House, by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from our Issuing House.

**15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)****15.10 SUCCESSFUL APPLICANTS**

If you are successful in your application:

- (i) our Issue Shares allotted to you will be credited into your CDS account.
- (ii) a notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) in accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository; and
- (iv) in accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

**15.11 ENQUIRIES**

Enquiries in respect of the applications may be directed as follows:

<b>Mode of Application</b>	<b>Parties to Direct the Enquiries</b>
Application Form	Issuing House Enquiry Services at telephone no. 03-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

The results of the allocation of Issue Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://tiih.online>, 1 Market Day after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities.

**(The rest of this page has been intentionally left blank)**

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS**

Details of major licences, certificates, permits and approvals applicable to our Group as at the LPD are as follows:

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
1.	Life Water Industries	Licence to take drinking water from its source at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah for the purpose of trade or business	MOH	Licence No.: KKM163(52/S/35)	Issuance date: 9 January 2013 <sup>(1)</sup> Validity Period: Effective from 9 January 2013 with no expiry date	<ol style="list-style-type: none"> <li>Packaging shall be done at the source.</li> <li>The licence holder shall submit a water analysis report from an approved laboratory to the State Deputy Director of Health, Food Safety and Quality Division of the MOH.</li> <li>The licence holder is prohibited from taking water from other sources save for the source that has been approved.</li> <li>The licence holder shall notify the Food Safety and Quality Division of the MOH of any variations / changes to the label and water treatment process of the approved product.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
2.	Life Water Industries	Licence to take drinking water from its source at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah for the purpose of trade or business	MOH	Licence No.: KKM163(52/S/55)	<p>Issuance date: 21 September 2021</p> <p>Validity Period: Effective from 21 September 2021 with no expiry date</p>	<p>1. The licence holder is prohibited from taking water from other sources save for the source that has been approved.</p> <p>2. The licence holder shall notify the Food Safety and Quality Division of the MOH of any variations/changes to the label and the packaged drinking water products which involve the following:</p> <ul style="list-style-type: none"> <li>a. adding of new equipment</li> <li>b. changes in the existing water treatment system</li> <li>c. changes in the processing system</li> <li>d. changes in the structure of the premises that affect the packaged drinking water processing plan</li> </ul> <p>3. The licence holder shall self-monitor the final product of its packaged drinking water at least once a year. The parameters of analysis are based on the current requirements of the physical, bacteriological and chemical standards determined by MOH. The specific parameters that need to be analysed will be informed by the MOH. The analysed parameters must comply with the standards set out in the Twenty-Fifth Schedule concerning packaged drinking water and the sample must be sent to laboratory accredited by the Department of Standards Malaysia.</p>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
3.	Life Water Industries	Manufacturing licence to act as a licensed manufacturer of drinking water and carbonated drink at the place of manufacturing at CL075356375 & CL075356366, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	MITI	Licence No.: A019135	Issuance date: 3 May 2013 Validity Period: Effective from 25 March 2013 with no expiry date	<ol style="list-style-type: none"> <li>Sale of any shares in the company requires notification to be made to the MITI and MIDA.</li> <li>The company shall train Malaysian citizens to ensure that the transfer of technology and expertise are transmitted to all levels of employment.</li> </ol>	Complied
4.	Life Water Industries	Manufacturing licence to act as a licensed manufacturer of PET bottle and PET preform at the place of manufacturing at CL075356375 & CL075356366, KM8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	MITI	Licence No.: A019135	Issuance date: 20 October 2020 Validity Period: Effective from 12 May 2020 with no expiry date	<ol style="list-style-type: none"> <li>Sale of any shares in the company requires notification to be made to the MITI and MIDA.</li> <li>The company shall train Malaysian citizens to ensure that the transfer of technology and expertise are transmitted to all levels of employment.</li> <li>The total number of full-time employees of the company shall be made up of at least 80% of Malaysians. The employment of foreigners including workers recruited through outsourcing is subject to the current policy.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
5.	Life Water Industries	Manufacturing licence to act as a licensed manufacturer of drinking water at the place of manufacturing at Lot 805, Industrial Zone 8 (IZ8), Kota Kinabalu Industrial Park (KKIP), 88460 Kota Kinabalu, Sabah	MITI	Licence No.: A022922	Issuance date: 7 September 2021 Validity Period: Effective from 4 February 2021 with no expiry date	<ol style="list-style-type: none"> <li>Sale of any shares in the company requires notification to be made to the MITI and MIDA.</li> <li>The company shall train Malaysian citizens to ensure that the transfer of technology and expertise are transmitted to all levels of employment.</li> <li>The total number of full-time employees of the company shall be made up of at least 80% of Malaysians. The employment of foreigners including workers recruited through outsourcing is subject to the current policy.</li> </ol>	Complied
6.	Life Water Industries	Manufacturing licence to act as a licensed manufacturer of PET preform at the place of manufacturing at Lot 805, Industrial Zone 8 (IZ8), Kota Kinabalu Industrial Park (KKIP), 88460 Kota Kinabalu, Sabah	MITI	Licence No.: A022922	Issuance date: 6 May 2021 Validity Period: Effective from 30 September 2020 with no expiry date	<ol style="list-style-type: none"> <li>Sale of any shares in the company requires notification to be made to the MITI and MIDA.</li> <li>The company shall train Malaysian citizens to ensure that the transfer of technology and expertise are transmitted to all levels of employment.</li> <li>The total number of full-time employees of the company shall be made up of at least 80% of Malaysians. The employment of foreigners including workers recruited through outsourcing is subject to the current policy.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
7.	Life Water Industries	Licence for private installation to use, work and operate, in accordance with the Electricity Regulations 1994, an electrical installation at Lot 805, Industrial Zone 8 (IZ8), Kota Kinabalu Park, 88460 Kota Kinabalu, Sabah for the supply and use of electricity solely for and on the property and premises belonging to Life Water Industries	Energy Commission	Licence No.: 2023/03773	Issuance date: 4 December 2023 Validity Period: 18 December 2023 to 17 December 2024	<ol style="list-style-type: none"> <li>1. The activities to generate and supply of electricity are for own use on the licensee' property or premises.</li> <li>2. The details of the property / premises of the installation are as follows:                             <ol style="list-style-type: none"> <li>a. Name of the location / building: Life Water Industries (Solar PV)</li> <li>b. Address: Lot 805, Industrial Zone 8 (IZ8), Kota Kinabalu Park, 88460 Kota Kinabalu, Sabah</li> </ol> </li> <li>3. The licence shall not be transferred unless the prior written approval of the Minister has been granted.</li> </ol>	Complied
8.	Life Water Industries	Licence to employ 6 non-resident employees (Indonesian employees) at the workplace located at CL075356375, Batu 8, Jalan Lintas Sibuga, Sandakan, Sabah	Department of Labour Sabah	Licence No.: JTK.H.SDK.60-0-4/1/1/11042/004475	Issuance date: 16 January 2024 Validity Period: 3 March 2024 to 2 March 2025	This licence is not transferable, and it is valid for the employment of the prescribed number of non-resident employees only.	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
9.	Life Water Industries	Carrier licence A pursuant to Commercial Vehicles Licensing Board Act 1987 for the vehicle bearing registration number SD5578J	Commercial Vehicles Licensing Board ("CVLB")	Licence No.: S80004612-9/10	Issuance date: 21 June 2022 Validity Period: 20 June 2022 to 13 November 2027	1. General and specific conditions: a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan. b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB. c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.	Complied
10.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS6978X	CVLB	Licence No.: LPKP/SBH/2016/L/LA/00245	Issuance date: 11 August 2021 Validity Period: 9 August 2021 to 19 September 2026		Complied
11.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS2078M	CVLB	Licence No.: S80002791-2/07	Issuance date: 16 June 2022 Validity Period: 16 June 2022 to 15 July 2027		Complied
12.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number QM3378E	CVLB	Licence No.: S80003759-5/10	Issuance date: 7 August 2023 Validity Period: 3 August 2023 to 26 November 2028	2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.	Complied



**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
13.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SAB3378E	CVLB	Licence No.: S80003696-X/10	Issuance date: 7 August 2023 Validity Period: 3 August 2023 to 22 December 2028	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
14.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS6178X	CVLB	Licence No.: LPKP/SBH/2016/L/LA/00246	Issuance date: 23 July 2021 Validity Period: 22 July 2021 to 19 September 2026		Complied
15.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS378L	CVLB	Licence No.: S80002154-8/07	Issuance date: 2 December 2022 Validity Period: 1 December 2022 to 18 February 2028		Complied
16.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS3078L	CVLB	Licence No.: S80002363-X/07	Issuance date: 12 July 2021 Validity Period: 8 July 2021 to 7 July 2026		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
17.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SAB7678B	CVLB	Licence No.: S80003223-4/09	Issuance date: 29 April 2022 Validity Period: 26 April 2022 to 9 July 2027	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
18.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SWA9778	CVLB	Licence No.: LPKP/SBH/2019/L/LA00564	Issuance date: 16 June 2022 Validity Period: 16 June 2022 to 3 July 2027		Complied
19.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYL8278	CVLB	Licence No.: LPKP/SBH/2021/L/LA/00455	Issuance date: 6 May 2021 Validity Period: 6 May 2021 to 5 May 2026		Complied
20.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SWC6678	CVLB	Licence No.: LPKP/SBH/2021/L/LA/00454	Issuance date: 6 May 2021 Validity Period: 6 May 2021 to 5 May 2026		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
21.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYE7978	CVLB	Licence No.: LPKP/SBH/2020/L/LA/00048	Issuance date: 15 November 2022 Validity Period: 15 November 2022 to 15 January 2028	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
22.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYC3278	CVLB	Licence No.: LPKP/SBH/2017/L/LA/00409	Issuance date: 5 May 2022 Validity Period: 27 April 2022 to 11 July 2027		Complied
23.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SWB6678	CVLB	Licence No.: LPKP/SBH/2020/L/LA/00259	Issuance date: 16 January 2023 Validity Period: 9 January 2023 to 4 June 2028		Complied
24.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SK9978D	CVLB	Licence No.: LPKP/SBH/2022/L/LA/01228	Issuance date: 2 December 2022 Validity Period: 2 December 2022 to 1 December 2027		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
25.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS9278Y	CVLB	Licence No.: LPKP/SBH/2017/L/LA/00376	Issuance date: 23 March 2022 Validity Period: 22 March 2022 to 21 June 2027	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
26.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SS6019K	CVLB	Licence No.: S80003028-0/09	Issuance date: 19 May 2022 Validity Period: 26 April 2022 to 9 July 2027		Complied
27.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SAC8278E	CVLB	Licence No.: LPKP/SBH/2017/L/LA/00408	Issuance date: 5 May 2022 Validity Period: 27 April 2022 to 11 July 2027		Complied
28.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYW9378	CVLB	Licence No.: LPKP/SBH/2023/L/LA/00040	Issuance date: 9 January 2023 Validity Period: 6 January 2023 to 5 January 2028		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
29.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number JUS9978	CVLB	Licence No.: S80002625-8/07	Issuance date: 17 February 2022 Validity Period: 14 February 2022 to 17 February 2027	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
30.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SWB8678	CVLB	Licence No.: LPKP/SBH/2020/LA/00254	Issuance date: 16 January 2023 Validity Period: 9 January 2023 to 2 June 2028		Complied
31.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SWG9378	CVLB	Licence No.: LPKP/SBH/2023/LA/00552	Issuance date: 29 May 2023 Validity Period: 25 May 2023 to 24 May 2028		Complied
32.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYM8978	CVLB	Licence No.: LPKP/SBH/2021/LA/00714	Issuance date: 23 August 2021 Validity Period: 19 August 2021 to 18 August 2026		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
33.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SD8978R	CVLB	Licence No.: LPKP/SBH/2020/L/LA/00643	Issuance date: 19 June 2023 Validity Period: 19 June 2023 to 30 November 2028	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Kota Kinabalu / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
34.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number JUU3778	CVLB	Licence No.: LPKP/SBH/2022/L/LA/00268	Issuance date: 18 March 2022 Validity Period: 17 March 2022 to 16 March 2027		Complied
35.	Life Water Industries	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SU1878G	CVLB	Licence No.: LPKP/SBH/2021/L/LA/00036	Issuance date: 15 December 2023 Validity Period: 14 December 2023 to 4 January 2029		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
36.	Life Water Industries	Carrier licence C pursuant to CVLB Act 1987 for the vehicle bearing registration number SS1285L	CVLB	Licence No.: S80002071-4/06	Issuance date: 5 October 2022 Validity Period: 5 October 2022 to 5 December 2027	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence C may only carry items belonging to the licensee within the approved operating area.</p>	Complied
37.	Life Water Industries	Carrier licence C pursuant to CVLB Act 1987 for the vehicle bearing registration number SA5078H	CVLB	Licence No.: S80000195-4/03	Issuance date: 12 July 2021 Validity Period: 8 July 2021 to 8 July 2026		Complied
38.	Life Water Industries	Carrier licence C pursuant to CVLB Act 1987 for the vehicle bearing registration number SS4648M	CVLB	Licence No.: S80001206-6/05	Issuance date: 12 July 2021 Validity Period: 8 July 2021 to 7 July 2026	<p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied
39.	Life Water Industries	Carrier licence C pursuant to CVLB Act 1987 for the vehicle bearing registration number SS6678T	CVLB	Licence No.: S80004751-8/13	Issuance date: 15 November 2022 Validity Period: 15 November 2022 to 20 February 2028		Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
40.	Life Water Industries	Carrier licence C pursuant to CVLB Act 1987 for the vehicle bearing registration number SAB5778V	CVLB	Licence No.: S80005496-1/13	Issuance date: 5 October 2022 Validity Period: 5 October 2022 to 16 October 2027	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Sandakan / the state of Sabah.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence C may only carry items belonging to the licensee within the approved operating area.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors</p>	Complied
41.	Life Water Industries	Certificate of registration for food premises at CL075356375 & CL075356366, KM8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	MOH	Registration No.: FSSM0512000 26-01	Issuance date: 4 April 2024 Validity Period: 1 May 2024 to 1 May 2027	This certificate is non-transferable.	Noted



**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
42.	Life Water Industries	Certificate of registration for food premises at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	MOH	Registration No.: FSSM1120012 01-01	Issuance date: 22 August 2023 Validity Period: 17 November 2023 to 17 November 2026	This certificate is non-transferable.	Noted
43.	Life Water Industries	Certificate of fitness in accordance with Factories and Machinery Act 1967 ("FAMA") and Regulation 10(2) of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations 1970 ("FAMA Regulations") in respect of an unfired pressure vessel (air vacuum N2 tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Department of Occupational Safety and Health, Sabah ("DOSH")	Certificate No.: PMT-SB/23 67131 Registration No.: SB PMT 80318	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
44.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air vacuum N2 tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMT-SB/23 67132 Registration No.: SB PMT 80317	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
45.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver / vacuum tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMT-SB/23 67133 Registration No.: SB PMT 10953	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
46.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMT-SB/23 67137 Registration No.: SB PMT 10950	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
47.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver / vacuum tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMT-SB/23 67136 Registration No.: SB PMT 10951	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
48.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air receiver / vacuum tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMT-SB/23 67134 Registration No.: SB PMT 10952	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
49.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of a steam boiler (autoclave) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMD-SB/23 67138 Registration No.: SB PMD 2636	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
50.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of a steam boiler (Allen Ygnis 2A 350/150) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	DOSH	Certificate No.: PMD-SB/23 66766 Registration No.: PMD 4176	Issuance date: 1 September 2023 Validity Period: 1 September 2023 to 24 November 2024	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
51.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of a vertical air receiver tank located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/23 69583 Registration No.: SB PMT 81261	Issuance date: 27 November 2023 Validity Period: 27 November 2023 to 21 February 2025	Nil	-
52.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an overhead travelling crane located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMA-SB/23 69584 Registration No.: SB PMA 81304	Issuance date: 27 November 2023 Validity Period: 27 November 2023 to 21 February 2025	Nil	-
53.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of a hoisting machine (mobile elevating work platform) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMA-SL/23 363076 Registration No.: SL PMA A105052	Issuance date: 8 August 2023 Validity Period: 8 August 2023 to 7 November 2024	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
54.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver vacuum tank N2) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72400 Registration No.: SB PMT 81694	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-
55.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 tank 1000 litres x-1/10.34 bar) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72399 Registration No.: SB PMT 81693	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-
56.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 tank 2000 litres x-1/10.34 bar) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72406 Registration No.: SB PMT 81737	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
57.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver / vacuum tank) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72401 Registration No.: SB PMT 81695	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-
58.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 tank 1000 litres x-1/40 bar OD750 x 2135SL) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72402 Registration No.: SB PMT 81696	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
59.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 tank 1000 litres x-1/40 bar OD750 x 2135SL) located at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah	DOSH	Certificate No.: PMT-SB/24 72403 Registration No.: SB PMT 81697	Issuance date: 15 March 2024 Validity Period: 15 March 2024 to 25 May 2025	Nil	-
60.	Life Water Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (vacuum insulated storage tank) located at CL075356375, Mile 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah.	DOSH	Certificate No.: PMT-SB/23 67135 Registration No.: SB PMT 90470	Issuance date: 18 September 2023 Validity Period: 18 September 2023 to 24 November 2024	Nil	-
61.	Life Water Industries	Fire certificate in relation to our premises at CL075356375 & CL075356366, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Fire and Rescue Department of Malaysia	Certificate No.: JBPM: SB/7/218/2023	Issuance date: 24 November 2023 Validity Period: 24 November 2023 to 23 November 2024	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
62.	Life Water Industries	Fire certificate in relation to our premises at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, KKIP, 88460 Kota Kinabalu, Sabah	Fire and Rescue Department of Malaysia	Certificate No.: JBPM: SB/7/167/2024	Issuance date: 25 September 2024 Validity Period: 25 September 2024 to 24 September 2025	Nil	-
63.	Life Water Industries	Scheduled controlled articles permit granted to Life Water Industries to purchase and store 250,000 kilograms of sugar (unsubsidised) at CL075356375 & CL075356366, KM8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	MDTCA	Permit No.: PBKB/2024/P/S-000544	Issuance date: Nil Validity Period: 16 October 2024 to 15 October 2027	The permit holder must comply with the following conditions: 1. to comply with the description of the scheduled controlled articles as specified in this permit. 2. purchase the stated scheduled controlled articles for own use and not for resale purposes. 3. this permit is non-transferable.	Complied
64.	Life Water Industries	Scheduled controlled articles permit granted to Life Water Industries to purchase from Lin Feng Petroleum Sdn Bhd and store 100 litres of RON 95 and diesel per day respectively at CL075356375, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	MDTCA	Series No.: PK/2024/P/S-000077	Issuance date: Nil Validity Period: 12 April 2024 to 11 April 2025	The permit holder must comply with the following conditions: 1. the permit holder is allowed to purchase and store the scheduled controlled articles as specified in this permit. 2. purchase the stated scheduled controlled articles for own use and not for resale purposes. 3. this permit is non-transferable.	Complied



**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
65.	Life Water Industries	<p>Halal authentication certificate ("Halal Certificate") granted to Life Water Industries certified that the following products manufactured / distributed / managed by Life Water Industries, CL075356375, KM8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah have complied with Islamic Law and Malaysian halal standard and approved by Halal Certification Panel of Majlis Ugama Islam Sabah:</p> <p>(a) packaged drinking water                      (b) carbonated drinking water 1250 ml - ice cream soda                      (c) carbonated drinking water 1250 ml – cola                      (d) carbonated drinking water 1250 ml – apple                      (e) carbonated drinking water 1250 ml – mango                      (f) carbonated drinking water 1250 ml – orange                      (g) carbonated drinking water 1250 ml – strawberry</p>	JAKIM	Reference No.: JAKIM.700-2/3/1 003-08/2012	Issuance date: 1 July 2021  Validity Period: 1 January 2024 to 31 December 2025	<ol style="list-style-type: none"> <li>Any subsequent changes to the particulars of the name or address of the company factory or premise, brands, ingredients, suppliers or anything related shall be informed in writing to JAKIM and/or the State Islamic Religious Affairs Council (MAIN)/ State Department of Islamic Religious Affairs (JAIN) for further action.</li> <li>The Halal Certificate holder shall exhibit the logo on the product/ premise/ services as stated in the Halal Certificate.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
	Life Water Industries (Cont'd)	(h) carbonated drinking water 1250 ml – tutti frutti					
		(i) carbonated drinking water 330 ml - ice cream soda					
		(j) carbonated drinking water 330 ml – cola					
		(k) carbonated drinking water 330 ml – apple					
		(l) carbonated drinking water 330 ml – lychee					
		(m) carbonated drinking water 330 ml – mango					
		(n) carbonated drinking water 330 ml – orange					
		(o) carbonated drinking water 330 ml – strawberry					
		(p) carbonated drinking water 330 ml – tutti frutti					
		(q) calamansi lime juice 330 ml					
		(r) isotonic drinks 1250 ml					
		(s) isotonic drinks 330 ml					

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
66.	Life Water Industries	Halal Certificate granted to Life Water Industries certified that the packaged drinking water manufactured by Life Water Industries, Lot 805, Jalan 7, KKIP Timur Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah have complied with Islamic Law and Malaysian halal standard and approved by Halal Certification Panel of Majlis Ugama Islam Sabah	JAKIM	JAKIM:700-2/3/1 003-08/2012	Issuance date: 1 April 2022  Validity Period: 1 April 2024 to 31 March 2026	<ol style="list-style-type: none"> <li>Any subsequent changes to the particulars of the name or address of the company factory or premise, brands, ingredients, suppliers or anything related shall be informed in writing to JAKIM and/or the State Islamic Religious Affairs Council (MAIN)/ State Department of Islamic Religious Affairs (JAIN) for further action.</li> <li>The Halal Certificate holder shall exhibit the logo on the product/ premise/ services as stated in the Halal Certificate.</li> </ol>	Complied
67.	Life Water Industries	MeSTI certificate certifying that Life Water Industries at CL075356375 & CL075356966, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah, Malaysia fulfills the terms and conditions for certification of MeSTI	MOH	Certification No.: ME0920035-2/1	Issuance date: 27 September 2023  Validity Period: 27 September 2023 to 26 September 2026	<ol style="list-style-type: none"> <li>Any changes to the name or address of the factory or premises, certificate scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premises ceased operation.</li> <li>The use of the logo is only allowed for food product that is being produced in the premises as stated in the certificate.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
68.	Life Water Industries	MeSTI certificate certifying that Life Water Industries at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah, Malaysia fulfills the terms and conditions for certification of MeSTI	MOH	Certification No.: ME0122033-0/1	Issuance date: 31 March 2022 Validity Period: 31 March 2022 to 30 March 2025	<p>1. Any changes to the name or address of the factory or premises, certification scope or anything related thereto shall be informed in writing to the Senior Director for Food Safety and Quality, MOH for further action. Certification will be automatically void should the factory or premises ceased operation.</p> <p>2. The use of the logo is only allowed for food product that is being produced in the premises as stated in the certificate.</p>	Complied
69.	Life Water Industries	HACCP certificate certifying that Life Water Industries at CL075356375, Mile 8, Lintas Sibuga Road, 90000 Sandakan, Sabah has voluntarily implemented the requirements of HACCP for manufacturing and marketing of purified drinking waters and aerated water	VE International Certification Group of Companies	Reference No.: H1122851	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 4 August 2027	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
70.	Life Water Industries	Food Safety Management System (ISO 22000:2018) certificate certifying that Life Water Industries at CL075356375, Mile 8, Lintas Sandakan, Sabah has voluntarily implemented the requirements of Food Safety Management System (ISO 22000:2018) for manufacturing and marketing of purified drinking waters and aerated water	VE International Certification Group of Companies	Reference No.: F122851	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 4 August 2027	Nil	-
71.	Life Water Industries	Good Manufacturing Practices ("GMP") certificate certifying that Life Water Industries at CL075356375, Mile 8, Lintas Sibuga Road, 90000 Sandakan, Sabah has voluntarily implemented the requirements of GMP for manufacturing and marketing of purified drinking waters and aerated water	VE International Certification Group of Companies	Reference No.: G122851	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 4 August 2027	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
72.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that K2 drinking water manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F000057	Issuance date: 19 February 2024 Validity Period: 19 February 2024 to 19 February 2026	Nil	-
73.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that Sabah Water drinking water manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F000059	Issuance date: 19 February 2024 Validity Period: 19 February 2024 to 19 February 2026	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
74.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more apple flavour carbonated drink manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001111	Issuance date: 2 August 2024  Validity Period: 2 August 2024 to 2 August 2026	Nil	-
75.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more ice cream soda flavour carbonated drink manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001112	Issuance date: 2 August 2024  Validity Period: 2 August 2024 to 2 August 2026	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
76.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more strawberry flavoured carbonated / distributed / manufactured / Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001113	Issuance date: 2 August 2024 Validity Period: 2 August 2024 to 2 August 2026	Nil	-
77.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more cola flavoured carbonated / distributed / manufactured / Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001114	Issuance date: 7 August 2024 Validity Period: 7 August 2024 to 7 August 2026	Nil	-



**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
78.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more Tutti Fruitti flavour carbonated drink manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001115	Issuance date: 2 August 2024  Validity Period: 2 August 2024 to 2 August 2026	Nil	-
79.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more orange flavour carbonated drink manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001116	Issuance date: 2 August 2024  Validity Period: 2 August 2024 to 2 August 2026	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
80.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that 2more mango flavour carbonated drink manufactured / distributed / managed by Life Water Industries at CL075356375, KM 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001117	Issuance date: 2 August 2024  Validity Period: 2 August 2024 to 2 August 2026	Nil	-
81.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that K2 drinking water manufactured / distributed / managed by Life Water Industries at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001025	Issuance date: 31 October 2023  Validity Period: 31 October 2023 to 31 October 2025	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
82.	Life Water Industries	Certificate of authentication healthier choice logo granted to Life Water Industries certifying that SASA drinking water manufactured / distributed / managed by Life Water Industries at Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F001026	Issuance date: 31 October 2023  Validity Period: 31 October 2023 to 31 October 2025	Nil	-
83.	Green Borneo Industries	Licence to take drinking water from its source at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460, Kota Kinabalu, Sabah for the purpose of trade or business	MOH	Licence No.: KKM163(52/S/30)	Issuance date: 25 March 2011  Validity Period: Effective from 25 March 2011 with no expiry date	<ol style="list-style-type: none"> <li>1. Packaging shall be done at the source.</li> <li>2. The licence holder shall submit a water analysis report from an approved laboratory to the State Deputy Director of Health, Food Safety and Quality Division of the MOH.</li> <li>3. The licence holder is prohibited from taking water from other sources save for the source that has been approved.</li> <li>4. The licence holder shall notify the Food Safety and Quality Division of the MOH of any variations / changes to the label and water treatment process of the approved product.</li> </ol>	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
84.	Green Borneo Industries	Manufacturing licence to act as a licensed manufacturer of drinking water at the place of manufacturing at No. 9, Jalan 1F, KKIP Selatan Zone 4 (IZ4), 88460 Kota Kinabalu, Sabah	MITI	Licence No.: A017939	Issuance date: 21 December 2010 Validity Period: Effective from 29 October 2010 with no expiry date	1. Sale of any shares in the company requires notification to be made to the MITI. 2. The company shall train Malaysian citizens to ensure that the transfer of technology and expertise are transmitted to all levels of employment.	Complied
85.	Green Borneo Industries	Licence to employ 1 Indonesian employee and 1 Filipino employee at the workplace located at No.9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ 4), KKIP, 88460, Kota Kinabalu	Department of Labour Sabah	Licence No.: JTK.H.KK.600-4/1/36999/010 504	Issuance date: 3 April 2024 Validity Period: 24 April 2024 to 23 April 2025	This licence is not transferable, and it is valid for the employment of the prescribed number of non-resident employees only.	Complied
86.	Green Borneo Industries	Certificate of registration for food premises at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4), 88460 Kota Kinabalu, Sabah	MOH	Registration No.: FSSM1210000 87-01	Issuance date: 6 December 2022 Validity Period: 6 December 2022 to 6 December 2025	This certificate is non-transferable.	Noted

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
87.	Green Borneo Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of a steam boiler (autoclave) located at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460 Kota Kinabalu, Sabah	DOSH	Certificate No.: PMD-SB/24 72489  Registration No.: SB PMD 2456	Issuance date: 18 March 2024  Validity Period: 18 March 2024 to 18 May 2025	Nil	-
88.	Green Borneo Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 Tank 100 litres x -1/10.34 bar) located at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4), KKIP, 88460 Kota Kinabalu, Sabah	DOSH	Certificate No.: PMD-SB/24 72488  Registration No.: SB PMT 81661	Issuance date: 18 March 2024  Validity Period: 18 March 2024 to 18 May 2025	Nil	-
89.	Green Borneo Industries	Certificate of fitness in accordance with FAMA and Regulation 10(2) of FAMA Regulations in respect of an unfired pressure vessel (air / vacuum / N2 Tank 100 litres) located at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4), KKIP, 88460 Kota Kinabalu, Sabah.	DOSH	Certificate No.: PMD-SB/24 72486  Registration No.: SB PMT 81734	Issuance date: 18 March 2024  Validity Period: 18 March 2024 to 18 May 2025	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
90.	Green Borneo Industries	Fire certificate in relation to our premises at No.9, Jalan 1F, Industrial Zone 4 (IZ4), KKIP Selatan, 88460 Kota Kinabalu, Sabah	Fire and Rescue Department of Malaysia	Certificate No.: JBPM: SB/7/56/2023	Issuance date: 18 April 2024 Validity Period: 18 April 2024 to 17 April 2025	Nil	-
91.	Green Borneo Industries	Halal Certificate granted to Green Borneo Industries certified that the RO water manufactured / distributed / managed by Green Borneo Industries, No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460 Kota Kinabalu, Sabah has complied with Islamic Law and Malaysian halal standard and approved by Halal Certification Panel of Jabatan Hal Ehwal Agama Islam Negeri Sabah	JAKIM	JAKIM.700-2/3/1 053-03/2010	Issuance date: 19 September 2024 Validity Period: 1 November 2024 to 31 October 2026	1. Any changes to the name or address of the company, factory or premises, name of the product, ingredients, suppliers or anything related thereto shall be informed in writing to the Director General of JAKIM for further action. 2. The Halal Certificate holder shall exhibit the logo on the product or the approved premises as stated in the Halal Certificate.	Complied
92.	Green Borneo Industries	HACCP certificate certifying that Green Borneo Industries at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460 Kota Kinabalu, Sabah has voluntarily implemented the requirements of HACCP for the production of purified drinking water	VE International Certification Group of Companies	Reference No.: H153050	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 6 September 2027	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
93.	Green Borneo Industries	Food Safety Management System (ISO 22000:2018) certificate certifying that Green Borneo Industries at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460 Kota Kinabalu, Sabah has voluntarily implemented the requirements of Food Safety Management System (ISO 22000:2018) for the production of purified drinking water	VE International Certification Group of Companies	Reference No.: F153050	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 6 September 2027	Nil	-
94.	Green Borneo Industries	GMP certificate certifying that Green Borneo Industries at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, 88460 Kota Kinabalu, Sabah has voluntarily implemented the requirements of GMP for the production of purified drinking water	VE International Certification Group of Companies	Reference No.: G153050	Issuance date: 4 August 2024 Validity Period: 4 August 2024 to 6 September 2027	Nil	-

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
95.	Green Borneo Industries	Certificate of authentication healthier choice logo granted to Green Borneo Industries certifying that K2 beverage manufactured / distributed / managed by Green Borneo Industries at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, Kota Kinabalu, 88460, Sabah, has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F000055	Issuance date: 19 February 2024 Validity Period: 19 February 2024 to 19 February 2026	Nil	-
96.	Green Borneo Industries	Certificate of authentication healthier choice logo granted to Green Borneo Industries certifying that Sasa beverage manufactured / distributed / managed by Green Borneo Industries at No. 9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4) KKIP, Kota Kinabalu, 88460, Sabah, has complied with the nutrient criteria for certification of healthier choice logo	MOH	Reference No.: F000056	Issuance date: 19 February 2024 Validity Period: 19 February 2024 to 19 February 2026	Nil	-



**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
97.	K2 Water	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYS2778	CVLB	Licence No.: LPKP/SBH/2022/LA/00778	Issuance date: 11 August 2022  Validity Period: 11 August 2022 to 10 August 2027	1. General and specific conditions: a. The licensed vehicle shall be operated within Kota Kinabalu / the state of Sabah / the Federal Territory of Labuan.  b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.  c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.  2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.	Complied

**ANNEXURE A - OUR MAJOR LICENCES, CERTIFICATES, PERMITS AND APPROVALS (CONT'D)**

No.	Company	Description of licence / permit / certificate / approval	Authority	Licence / Permit / Certificate / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
98.	K2 Water	Carrier licence A pursuant to CVLB Act 1987 for the vehicle bearing registration number SYY1178	CVLB	Licence No.: LPKP/SBH/2023/L/LA/00453	Issuance date: 26 April 2023  Validity Period: 26 April 2023 to 25 April 2028	<p>1. General and specific conditions:</p> <p>a. The licensed vehicle shall be operated within Kota Kinabalu / the state of Sabah / the Federal Territory of Labuan.</p> <p>b. The licensee may not terminate its service during the licensed period without prior written approval from CVLB.</p> <p>c. A vehicle licensed as a carrier licence A must carry out the services for hire or reward within the operating area authorised by CVLB and must not refuse to do so without reasonable cause. The rate of hire or reward shall be as determined by CVLB from time to time.</p> <p>2. Section 20A(1) of CVLB Act 1987 provides that a holder of the carrier licence shall obtain the approval of CVLB before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p>	Complied

Aside from the licences and certificates listed above, our Group also maintains trading and/or signboard licences issued by the respective municipal councils for our premises in various locations where we conduct our business activities. As at the LPD, all the trading and signboard licences are valid and subsisting.

**Note:**

- (1) Prior to the issuance of this licence to Life Water Industries for its Sandakan Sibuga Plant 1, Life Water Industries commenced its operation in 2002 at Sandakan Megah Plant, a rented premises that our Group had ceased to occupy.

**ANNEXURE B – OUR MATERIAL PROPERTIES**

**A. Material properties owned by our Group**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
1.	<b>KK IZ4 Plant</b> <b>Title details</b> CL No. 015693731, District of Kota Kinabalu, Sabah <sup>(1)</sup> <b>Property</b> <b>address</b> Lot 9, Jalan 1F, KKIP, Selatan, Industrial Zone 4, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	<b>Registered</b> <b>owner</b> K.K.I.P Sdn Bhd <b>Beneficial</b> <b>owner</b> Green Borneo Industries	<b>Category of land</b> <b>use</b> Industrial <sup>(1)</sup> <b>Express</b> <b>conditions of land</b> <b>use</b> This land is demised expressly and only for the purpose of industrial <sup>(1)</sup>	<b>Description</b> One single storey detached factory building (with 2-storey office) plus one single storey detached warehouse building (with 2-storey office) <b>Existing use</b> Sales office, warehouse and manufacturing of drinking water	<b>Restrictions in interest</b> 1. Transfer, sublease or charge of this title is prohibited without the written permission from director of lands and surveys. 2. Subdivision of this title is prohibited without the written permission from the director of lands and surveys department. <sup>(1)</sup> <b>Material encumbrances</b> Assigned to HSBC Bank Malaysia Berhad	<b>Tenure</b> Leasehold for 99 years. Around 86 years remaining <sup>(1)</sup> <b>Date of</b> <b>expiry of</b> <b>lease</b> 31 December 2110 <sup>(1)</sup>	<b>Land area</b> 6,080,533 <sup>(1)</sup> <b>Built-up</b> <b>area</b> 59,917	1. OC dated 9 July 2009 for 2-storey office with open shed building 2. OC dated 26 October 2023 for extension to the existing building <sup>(2)</sup>	9,450 (as at 30 June 2024)

**Notes:**

- (1) As at the LPD, the individual title of KK IZ4 Plant has yet to be issued. The land details (i.e., land area, tenure and special terms) are based on the master title on which the property is held under.
- (2) Green Borneo Industries had constructed an extension to the then existing building in 2018. Subsequently, Green Borneo Industries submitted the applications for the building plan approval and OC for the extension in 2018 and had obtained (i) building plan approval on 24 February 2023 and (ii) OC on 26 October 2023.  
The penalty for occupying buildings without OC is provided for under By-Laws 4 and 38C(2) of the KK Building By-Laws. The potential maximum penalty which may be imposed on Green Borneo Industries for the period of past non-compliance i.e. from 2018 up to 24 February 2023 is approximately RM193,000. As at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to the above incident. Our Board is of the view that the non-compliance for occupying the extension without an OC has been addressed as our Group has obtained the OC for the said extension. In any case, the potential maximum penalty of approximately RM193,000 is less than 1.5% of our Group's PAT for the Financial Years Under Review, which would not have material adverse impact to our Group's business operations or financial performance.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
2.	<p><b>Sandakan Sibuga Plant 1</b></p> <p><b>Title details</b> CL No. 075356375, District of Sandakan, Sabah</p> <p><b>Property address</b> CL075356375, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah</p>	Life Water Industries	<p><b>Category of land use</b> Industrial</p> <p><b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial buildings</p> <p><b>Other endorsement</b> An area of approximately 0.421 acres of this land as indicated in the land title has been / will be acquired for the roadworks at Sibuga, Sandakan.</p>	<p><b>Description</b> One single detached factory building (with 2-storey office)</p> <p><b>Existing use</b> Head office, warehouse and manufacturing of drinking water and carbonated drinks</p>	<p><b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title or without the written permission from the director of lands and surveys.</p> <p>2. Subdivision of this title is prohibited without the written permission of the director of lands and surveys department.</p> <p><b>Material encumbrances</b> Charged to Maybank Islamic Berhad</p>	<p><b>Tenure</b> Leasehold for 999 years. Around 863 years remaining</p> <p><b>Date of expiry of lease</b> Expiring 9 July 2887</p>	<p><b>Land area</b> 84,027</p> <p><b>Built-up area</b> 48,825</p>	3 November 2023 <sup>(1)</sup>	5,997 (as at 30 June 2024)

**Note:**

- (1) Life Water Industries has occupied the Sandakan Sibuga Plant 1 without OC from 2010 to 2 November 2023. Based on the findings of the architect appointed by our Group, there was a road reserve on the Sandakan local plan, which runs across the land where the Sandakan Sibuga Plant 1 is located. Hence, the building plan of the Sandakan Sibuga Plant 1 will not be approved by Sandakan Municipal Council until the road reserve is removed from the Sandakan local plan or a no objection letter is received from Jabatan Perancang Bandar Dan Wilayah. Upon receiving confirmation that the road reserve has been removed from the Sandakan local plan, Life Water Industries had applied for the building plan approval and obtained the approval on 10 August 2023. Life Water Industries had on 23 October 2023 applied to the Sandakan Municipal Council and obtained the OC on 3 November 2023.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

The penalty for occupying buildings without OC is provided for under By-Laws 4 and 38C(2) of the Sandakan Building By-Laws. The potential maximum penalty which may be imposed on Life Water Industries for the period of past non-compliance i.e. from 2010 up to November 2023 is approximately RM51,040. In this respect, Life Water Industries had on 10 August 2023 received a compound of RM3,000 from the Sandakan Municipal Council for building the structure without approval and had paid off the compound. Save for the compound above, our Group has not received any other notices, penalties, or compounds from Sandakan Municipal Council in relation to the above incident.

Our Board is of the view that the non-compliance for occupying building without an OC has been addressed as our Group has obtained the OC for the Sandakan Sibuga Plant 1. In any case, the potential maximum penalty of approximately RM51,040 is less than 0.5% of our Group's PAT for the Financial Years Under Review, which would not have material adverse impact to our Group's business operations or financial performance. Further, Sandakan Municipal Council had imposed compound on Life Water Industries, which had been settled.

**(The rest of this page has been intentionally left blank)**

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
3.	<b>Sandakan Sibuga Plant 1</b>  <b>Title details</b> CL No. 075356366, District of Sandakan, Sabah  <b>Property address</b> CL075356366, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Life Water Industries	<b>Category of land use</b> Industrial  <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial buildings	<b>Description</b> One single detached storey warehouse building  <b>Existing use</b> Head office, warehouse and manufacturing of drinking water and carbonated drinks	<b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title or without the written permission from the director of lands and surveys.  2. Subdivision of this title is prohibited without the written permission of the director of lands and surveys department.  <b>Material encumbrances</b> Charged to Maybank Islamic Berhad	<b>Tenure</b> Leasehold for 999 years. Around 863 years remaining  <b>Date of expiry of lease</b> Expiring 9 July 2887	<b>Land area</b> 101,930  <b>Built-up area</b> 28,460	3 November 2023 <sup>(1)</sup>	3,206 (as at 30 June 2024)

**Note:**

(1) This note is similar to the above as it is adjacent land to CL No. 075356375, District of Sandakan, Sabah.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
4.	<b>Sandakan Sibuga DC 1</b> <b>Title details</b> CL No. 075323901, District of Sandakan, Sabah <b>Property address</b> CL075323901, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Life Water Industries	<b>Category of land use</b> Industrial <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial <b>Other endorsement</b> An area of approximately 0.282 acres of this land as indicated in the land title has been / will be acquired for the construction of road at Sibuga, Sandakan	<b>Description</b> One open sided single storey detached warehouse building <sup>(1)</sup> <b>Existing use</b> Warehouse	<b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title or without the written permission from the director of lands and surveys. 2. Subdivision of this title is prohibited without the written permission of the director of lands and surveys department. <b>Material encumbrances</b> Charged to Public Bank Berhad	<b>Tenure</b> Leasehold for 999 years. Around 863 years remaining <b>Date of expiry of lease</b> Expiring 09 July 2887	<b>Land area</b> 76,143 <b>Built-up area</b> 46,962	22 September 2023 <sup>(2)</sup>	6,225 (as at 30 June 2024)

**Notes:**

- (1) This was an agricultural land, with an existing open sided single storey detached warehouse building erected on the land, acquired on an as-is-where-is basis by Life Water Industries from Sri Tegamat Sdn Bhd pursuant to a SPA dated 26 November 2021. Upon completion of the said SPA on 9 April 2022, Life Water Industries had on 27 June 2022 through its solicitors submitted an application to Sabah Lands and Surveys Department to convert the land use from agricultural to industrial, which was duly endorsed in the land title on 3 July 2023.
- (2) The original OC for the buildings built on this land was dated 11 November 2003. Upon completion of the conversion of land use, Life Water Industries carried out renovation and/or expansion on the buildings according to the approved building plan. Upon completion of the renovation, Life Water Industries had through its appointed architect submitted an application to the Sandakan Municipal Council to obtain an OC for the buildings, and the OC was granted on 22 September 2023.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
5.	<b>Sandakan Sibuga DC 2</b>  <b>Title details</b> CL No. 075323894, District of Sandakan, Sabah  <b>Property address</b> CL075323894, Batu 8, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Life Water Industries	<b>Category of land use</b> Agricultural <sup>(1)</sup>  <b>Express conditions of land use</b> Nil  <b>Other endorsement</b> An area of approximately 0.24 acres of this land as indicated in the land title has been / will be acquired for Project Jalan Lintas Sibuga, Sandakan	<b>Description</b> One detached laboratory  <b>Existing use</b> Currently not in use but proposed to be used as an office <sup>(1)</sup>	<b>Restrictions in interest</b> Nil  <b>Material encumbrances</b> Charged to Maybank Islamic Berhad	<b>Tenure</b> Leasehold for 999 years. Around 863 years remaining  <b>Date of expiry of lease</b> Expiring 9 July 2887	<b>Land area</b> 155,509  <b>Built-up area</b> 4,311	20 November 1986 for a laboratory	4,775 (as at 30 June 2024)

**Note:**

- (1) This is an agricultural land, with an existing single-storey laboratory with store cum workshop erected on the land, acquired on an as-is-where-is basis by Life Water Industries from Aqthal Jasmeg Agronomics Sdn Bhd pursuant to a SPA dated 4 August 2022. Upon completion of the said SPA on 10 February 2023, Life Water Industries had on 18 May 2023 through its solicitors submitted an application to Sabah Lands and Surveys Department to convert the land use from agricultural to industrial. Life Water Industries expects to complete the process of conversion of land use by second half of 2024. Life Water Industries had demolished the store cum workshop that was erected on the land to align with the description of the OC dated 20 November 1986 which provides for a laboratory. As at the LPD, we are not occupying or using the building for our business operations and will not be occupying or using the building until the completion of the conversion of land use. Upon completion of the conversion of land use, our Group intends to use the existing single-storey laboratory as an office while planning for the construction of a warehouse on the land to be used as a distribution centre.
- In the event the approval for the conversion of land use is not forthcoming, we will manage our warehousing needs by storing 1-2 days of PET preform stock level at Sandakan Sibuga Plant 1, allocation of delivery frequency for PET preforms up to 3 times a week from KK IZ8 Plant 1 to Sandakan Sibuga Plant 1 and installation of racking system in Sandakan Sibuga DC 1. The cost of installation of racking system in Sandakan Sibuga DC 1 is estimated to be less than RM0.20 million, which is less than 1.5% of our Group's PAT for the Financial Years Under Review. As such, there will be no material impact or interruptions to our Group's business operations.
- The maximum penalty which may be imposed for non-compliance: Pursuant to Sections 34(1) and 171A of the Sabah Land Ordinance (Sabah Cap. 68) ("SLO"), (a) in the absence of any express condition to the contrary in the document of title, there shall by virtue of Section 34 of the SLO be implied in every document of title the condition that in case of a breach or default in the observance of any of the conditions of the said title, whether expressed or implied by the SLO, or any previous land ordinance, the government may re-enter upon the land and resume the whole or any portion of the land; and (b) Life Water Industries shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years or to both.



**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
6.	<b>Sandakan Sibuga Plant 2</b>  <b>Title details</b> CL No. 075099464, District of Sandakan, Sabah  <b>Property address</b> CL075099464, Batu 4, Jalan Lintas Sibuga, 90000 Sandakan, Sabah	Life Water Industries	<b>Category of land use</b> Agricultural <sup>(1)</sup>  <b>Express conditions of land use</b> Nil  <b>Other endorsement</b> An area of approximately 0.145 acres of this land has been / will be acquired for Jalan Lintas Sibuga Sandakan.	<b>Description</b> Vacant land  <b>Existing use</b> Vacant land but proposed to be used for the manufacturing of drinking water	<b>Restrictions in interest</b> Nil  <b>Material encumbrances</b> Charged to MIDF Berhad	<b>Tenure</b> Leasehold for 999 years. Around 903 years remaining  <b>Date of expiry of lease</b> Expiring 31 December 2927	<b>Land area</b> 253,389  <b>Built-up area</b> N/A	N/A <sup>(2)</sup>	4,151 (as at 30 June 2024)

**Notes:**

(1) This is an agricultural land acquired on an as-is-where-is basis by Life Water Industries from Bagus Sempurna Sdn Bhd pursuant to a SPA dated 14 September 2022. Life Water Industries intends to construct a manufacturing plant of drinking water on the vacant land. Upon completion of the said SPA on 19 January 2023, Life Water Industries had on 18 May 2023 through its solicitors submitted an application to Sabah Lands and Surveys Department to convert the land use from agricultural to industrial. Life Water Industries expects to complete the process of conversion of land use by first half of 2025.

In the event the approval for the conversion of land use is not forthcoming, we are able to produce drinking water at our other manufacturing plants in Sandakan and Kota Kinabalu. As such, there will be no material impact or interruptions to our Group's business operations.

(2) No OC is required as no building has been erected on this land as at the LPD.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
7.	<p><b>KK IZ8 Plant 1</b></p> <p><b>Title details</b> CL No. 015582153, District of Kota Kinabalu, Sabah<sup>(1)</sup></p> <p><b>Property address</b> Lot 805, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah</p>	<p><b>Registered owner</b> K.K.I.P Sdn Bhd</p> <p><b>Beneficial owner</b> Life Water Industries</p>	<p><b>Category of land use</b> Industrial commercial<sup>(1)</sup></p> <p><b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial and commercial<sup>(1)</sup></p> <p><b>Other endorsement</b> An area of approximately 0.679 acres of this land as indicated in the land title has been / will be acquired for the construction of the pipe line and road reserve, Kota Kinabalu.<sup>(1)</sup></p>	<p><b>Description</b> One single detached factory building (with 3 storey office), one single storey factory building and one single storey warehouse cladding</p> <p><b>Existing use</b> Office, warehouse, manufacturing of drinking water, PET preforms and bottle caps</p>	<p><b>Restrictions in interest</b> 1. Transfer, charge or sublease of this title is prohibited before fulfilment of the covenant in the title or without the written permission of the director of lands and surveys.</p> <p>2. Subdivision of this title is prohibited without the written permission from the director of lands and surveys.<sup>(1)</sup></p> <p><b>Material encumbrances</b> Assigned to Maybank Islamic Berhad</p>	<p><b>Tenure</b> Leasehold for 99 years. Around 72 years remaining<sup>(1)</sup></p> <p><b>Date of expiry of lease</b> Expiring 31 December 2096<sup>(1)</sup></p>	<p><b>Land area</b> 14,824,618<sup>(1)</sup></p> <p><b>Built-up area</b> 123,640</p>	<p>1. OC dated 14 March 2019 for 1 unit of factory and OC dated 23 November 2023 for office</p> <p>2. OC dated 16 March 2021 for additional new factory building to the adjacent existing factory</p> <p>3. OC dated 23 November 2023 for new roof and wall cladding warehouse building</p>	<p>23,784 (as at 30 June 2024)</p>

**Note:**

(1) As at the LPD, the individual title of KK IZ8 Plant has yet to be issued. The land details (i.e., land areas, tenure and special terms) are based on the master title on which the property is held under.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
8.	<b>Keningau Plant</b> <b>Title details</b> CL No. 135406147, District of Keningau, Sabah <b>Property address</b> Lot 4, Borneo Commercial Centre, Jalan Masak, 89000 Keningau, Sabah	Life Water Industries	<b>Category of land use</b> Commercial <sup>(1)</sup> <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such one 2-storey showroom / office <sup>(1)</sup>	<b>Description</b> One single storey detached factory with mezzanine floor and office (plus warehouse) <b>Existing use</b> Currently not in use but proposed to be used as sales office and manufacturing of drinking water <sup>(1)</sup>	<b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title and without the written permission from the director of lands and surveys department. 2. Subdivision of this title is prohibited without the written permission of the director of lands and surveys department. <b>Material encumbrances</b> Charged to Hong Leong Bank Berhad	<b>Tenure</b> Leasehold for 99 years. Around 87 years remaining <b>Date of expiry of lease</b> Expiring 31 December 2111	<b>Land area</b> 20,026 <b>Built-up area</b> 10,591	1. OC dated 16 December 2015 for showroom / office 2. CCC dated 15 March 2024 for extension to the existing building	3,433 (as at 30 June 2024)

**Note:**

(1) This is a commercial land located in a light industrial zone, with an existing one detached single storey factory building with 2-storey office erected on the land, acquired by Life Water Industries from Sinaborneo Sdn Bhd (as vendor) and Tiew Tiam Bok (as landowner) pursuant to a SPA dated 1 February 2021. One of the special terms of the land title provides that the land is to be used for showroom or office. Life Water Industries intends to use the buildings as sales office and manufacturing of drinking water. Upon completion of the said SPA on 29 September 2021, Life Water Industries had on 3 May 2023 through its solicitors submitted an application to the Sabah Lands and Surveys Department to convert the land use from commercial to industrial. Life Water Industries expects to complete the process of conversion of land use by second half of 2024.

As at the LPD, we are not occupying or using the building for our manufacturing operations and will not be occupying or using the building until the completion of the conversion of land use and upon obtaining the CCC for the building.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
9.	<b>Keningau Plant</b> <b>Title details</b> CL No. 135406156, District of Keningau, Sabah <b>Property address</b> Lot 5, Borneo Commercial Centre, Jalan Masak, 89000 Keningau, Sabah	Life Water Industries	<b>Category of land use</b> Commercial <sup>(1)</sup> <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such one 2-storey showroom / office <sup>(1)</sup>	<b>Description</b> One single detached storey warehouse with 2-storey office <b>Existing use</b> Currently not in use but proposed to be used as sales office and warehouse <sup>(1)</sup>	<b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title and without the written permission from the director of lands and surveys department. 2. Subdivision of this title is prohibited without the written permission of the director of lands and surveys department. <b>Material encumbrances</b> Charged to Hong Leong Bank Berhad	<b>Tenure</b> Leasehold for 99 years. Around 87 years remaining <b>Date of expiry of lease</b> Expiring 31 December 2111	<b>Land area</b> 16,425 <b>Built-up area</b> 9,763	1. OC dated 16 December 2015 for showroom / office 2. CCC dated 15 March 2024 for extension to the existing building	2,392 (as at 30 June 2024)

**Note:**

(1) This is a commercial land located in a light industrial zone, with an existing one detached single storey warehouse with 2-storey office building erected on the land, acquired by Life Water Industries from Paulus @ Paul Alex @ Mansiw pursuant to a SPA dated 30 December 2019. One of the special terms of the land title provides that the land is to be used for showroom or office. Life Water Industries intends to use the buildings as sales office and warehouse. Upon completion of the said SPA on 27 October 2020, Life Water Industries had on 3 May 2023 through its solicitors submitted an application to the Sabah Lands and Surveys Department to convert the land use from commercial to industrial. Life Water Industries expects to complete the process of conversion of land use by second half of 2024.

As at the LPD, we are not occupying or using the one detached single storey warehouse for our business operations and will not be occupying or using the warehouse until we obtain CCC for the building.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
10.	<b>Lahad Datu DC 1</b>  <b>Title details</b> CL No. 115385718, District of Lahad Datu, Sabah  <b>Property address</b> MDLD 3399, Lot 41, Kimbell Light Industrial Estate, Batu 2.5, Jalan Lahad Datu, Sabah	Life Water Industries	<b>Category of land use</b> Industrial  <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such one industrial building	<b>Description</b> One single-storey semi- detached warehouse building with mezzanine floor  <b>Existing use</b> Sales office and warehouse	<b>Restrictions in interest</b> Subdivision of this title is prohibited without the written permission of the director.  <b>Material encumbrances</b> Charged to OCBC Bank (Malaysia) Berhad	<b>Tenure</b> Leasehold for 999 years. Around 909 years remaining  <b>Date of expiry of lease</b> Expiring 17 December 2933	<b>Land area</b> 6,226  <b>Built-up area</b> 4,842	31 July 2023 <sup>(1)</sup>	563 (as at 30 June 2024)

**Note:**

- (1) The original OC for the buildings built on this land was dated 19 February 1993. Subsequently, Life Water Industries carried out renovation and/or expansion on the buildings, for which the Lahad Datu District Council approved the amended building plan on 3 January 2023. Upon completion of the renovation, Life Water Industries had through its appointed civil & structural consulting engineers submitted an application to the Lahad Datu District Office to obtain an OC for the buildings, and the OC was granted on 31 July 2023.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
11.	<b>Lahad Datu DC 2</b>  <b>Title details</b> CL No. 115385530, District of Lahad Datu, Sabah  <b>Property address</b> MDLD 3381, Lot 23, Kimbell Light Industrial Estate, Batu 2.5, Jalan Lahad Datu, Sabah	Life Water Industries	<b>Category of land use</b> Industrial  <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such one industrial building	<b>Description</b> One single storey semi- detached light industrial building with mezzanine floor  <b>Existing use</b> As at the LPD, we are using the one single storey semi-detached light industrial building as warehouse. We are not occupying or using the mezzanine floor of the building for our business operations and will not be occupying such space until we have obtained the OC.	<b>Restrictions in interest</b> Subdivision of this title is prohibited without the written permission of the director  <b>Material encumbrances</b> Charged to Hong Leong Bank Berhad	<b>Tenure</b> Leasehold for 999 years. Around 909 years remaining  <b>Date of expiry of lease</b> Expiring 17 December 2933	<b>Land area</b> 6,237  <b>Built-up area</b> 5,137	19 February 1993 for a single storey semi-detached light industrial building <sup>(1)</sup>	966 (as at 30 June 2024)

**Note:**

(1) Erected on the land are one single storey semi-detached light industrial building with mezzanine floor, acquired by Life Water Industries from Moslimin Bin Bijato, Lubis Bin Selama, Alimudin Bin Ngire pursuant to a SPA dated 1 March 2021. As at the LPD, save for the OC dated 19 February 1993 for a single storey semi-detached light industrial building, there is no OC for the mezzanine floor of the building. Upon completion of the said SPA on 21 July 2022, Life Water Industries had on 30 October 2023 through its appointed civil & structural consulting engineers submitted a building plan for the whole building structure (i.e., one single storey semi-detached light industrial building with mezzanine floor) to the Lahad Datu District Office for approval and expects to obtain the building plan approval by second half of 2024. Upon obtaining the approved building plan, Life Water Industries will then submit an application to the Lahad Datu District Office to obtain an OC for the building and expects to obtain the same by second half of 2024. As at the LPD, we are not occupying or using the mezzanine floor of the building for our business operations and will not be occupying such space until we have obtained the OC. In the event the building plan approval is not forthcoming, we will dismantle the mezzanine floor to align with the description of the OC dated 19 February 1993 which provides for a single storey semi-detached light industrial building. The cost of dismantling the mezzanine floor is estimated to be approximately RM10,000, which is less than 0.07% of our Group's PAT for the Financial Years Under Review. As such, there will be no material impact or interruptions to our Group's business operations.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
12.	<b>KK I22 DC</b> <b>Title details</b> CL No. 015586562, District of Kota Kinabalu, Sabah <b>Property</b> <b>address</b> Lot 49, Jalan 1H, KKIP Selatan, Industrial Zone 2, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	<b>Registered</b> <b>owner</b> Green Borneo Industries	<b>Category of land</b> <b>use</b> Industrial commercial <b>Express</b> <b>conditions of land</b> <b>use</b> The said land is demised expressly and only for the purpose of erecting thereon for use as such industrial and commercial	<b>Description</b> One single detached warehouse building <b>Existing use</b> Rented out to Leasing Logistics (E.M.) Sdn Bhd to be used as warehouse pursuant to a tenancy agreement dated 17 July 2023 between Green Borneo Industries and Leasing Logistics (E.M.) Sdn Bhd. We retained approximately 8,000 sq.ft. of the premises for our warehouse storage and pay monthly fees of RM9,600 to Leasing Logistics (E.M.) Sdn Bhd.	<b>Restrictions in interest</b> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title and without the written permission of the director of lands and surveys. 2. Subdivision of this title is prohibited without the written permission from the director of lands and surveys. <b>Material encumbrances</b> Charged to Public Bank Berhad	<b>Tenure</b> Leasehold for 99 years. Around 72 years remaining <b>Date of</b> <b>expiry of</b> <b>lease</b> Expiring 31 December 2096	<b>Land area</b> 95,153 <b>Built-up</b> <b>area</b> 52,829	18 October 2023	13,214 (as at 30 June 2024) <sup>(1)</sup>

**Note:**

- (1) Our Group acquired this property subsequent to FYE 2023. The SPA for the acquisition of this property was entered into on 8 February 2022, but the transaction was only completed on 20 November 2023. The delay in the completion of the acquisition was due to procurement of the OC for this property (which is one of the conditions precedent in the SPA) which was obtained on 18 October 2023.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
13.	<u>Lot 50 KKIP</u> <u>Title details</u> CL No. 01586571, District of Kota Kinabalu, Sabah  <u>Property</u> <u>address</u> Lot 50, Jalan 1H, KKIP Selatan, Industrial Zone 2, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	<u>Registered</u> <u>owner</u> Green Borneo Industries	<u>Category of land</u> <u>use</u> Industrial commercial  <u>Express</u> <u>conditions of land</u> <u>use</u> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial and commercial	<u>Description</u> One single detached warehouse building with 2 storey office building  <u>Existing use</u> Rented out to Leasing Logistics (E.M.) Sdn Bhd to be used as warehouse and office pursuant to a tenancy agreement dated 17 July 2023 between Green Borneo Industries and Leasing Logistics (E.M.) Sdn Bhd.	<u>Restrictions in interest</u> 1. Transfer or sublease of this title is prohibited before fulfilment of the covenant in the title and without the written permission of the director of lands and surveys.  2. Subdivision of this title is prohibited without the written permission from the director of lands and surveys.  <u>Material encumbrances</u> Charged to Public Bank Berhad	<u>Tenure</u> Leasehold for 99 years. Around 72 years remaining  <u>Date of</u> <u>expiry of</u> <u>lease</u> Expiring 31 December 2096	<u>Land area</u> 96,983  <u>Built-up</u> <u>area</u> 32,823	30 November 2023	8,397 (as at 30 June 2024) <sup>(1)</sup>

**Note:**

- (1) Our Group acquired this property subsequent to FYE 2023. The SPA for the acquisition of this property was entered into on 8 February 2022, but the transaction was only completed on 4 December 2023. The delay in the completion of the acquisition was due to procurement of the OC for this property (which is one of the conditions precedent in the SPA) which was obtained on 30 November 2023.



**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
14.	<b>KK IZ8 Plant 2</b>  <b>Title details</b> CL No. 015582153, District of Kota Kinabalu, Sabah <sup>(1)</sup>  <b>Property address</b> Lot 815, Jalan 7, KKIP Timur, Industrial Zone 8, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	<b>Vendor</b> K.K.I.P Sdn Bhd  <b>Purchaser</b> Life Water Industries	<b>Category of land use</b> Industrial and commercial <sup>(1)</sup>  <b>Express conditions of land use</b> This land is demised expressly and only for the purpose of erecting thereon for use as such industrial and commercial <sup>(1)</sup>  <b>Other endorsement</b> An area of approximately 0.679 acres of this land as indicated in the land title has been / will be acquired for the construction of the pipe line and road reserve, Kota Kinabalu <sup>(1)</sup>	<b>Description</b> Vacant land  <b>Existing use</b> Currently not in use but proposed to be used as a new manufacturing facility <sup>(1)</sup>	<b>Restrictions in interest</b> 1. Transfer, charge or sublease of this title is prohibited before fulfilment of the covenant in the title or without the written permission of the director of lands and surveys.  2. Subdivision of this title is prohibited without the written permission from the director of lands and surveys. <sup>(1)</sup>  <b>Material encumbrances</b> Nil	<b>Tenure</b> Leasehold for 99 years. Around 72 years remaining <sup>(1)</sup>  <b>Date of expiry of lease</b> Expiring 31 December 2096 <sup>(1)</sup>	<b>Land area</b> 14,824,618 <sup>(1)</sup>  <b>Built-up area</b> N/A	N/A	18,850 (as at 30 June 2024)

**Note:**

(1) As at the LPD, the individual title of this land has yet to be issued. The land details (i.e., land areas, tenure and special terms) are based on the master title on which the property is held under.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

No.	Title details/ Property address	Registered/ Beneficial owner	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Date of issuance of CCC / OC	NBV (RM'000)
15.	<b>Tawau DC</b> <b>Title details</b> CL No. 105244442 in the, District of Tawau, Sabah <b>Property address</b> CL No. 105244442, Kinabutan, Off KM 8, Jalan Apas, 91000 Tawau, Sabah	<b>Registered owner</b> Green Borneo Industries	<b>Category of land use</b> Agriculture <sup>(1)</sup> <b>Express conditions of land use</b> The land herein described is expressly alienated for the cultivation thereon of coconuts. The lease shall plant and, after planting, maintain throughout the term of this lease in a good husbandmanlike manner, at least forty coconut trees per acre on the land hereby alienated.	<b>Description</b> A single-storey office and open shed building <b>Existing use</b> Currently not in use but proposed to be used as a distribution centre	<b>Restrictions in interest</b> Nil <b>Material encumbrances</b> Charged to Maybank Islamic Berhad	<b>Tenure</b> Leasehold for 999 years. Around 892 years remaining <b>Date of expiry of lease</b> Expiring 24 October 2916	<b>Land area</b> 86,248.8 <b>Built-up area</b> N/A	-(2)	4,120 (as at 30 June 2024)

**Notes:**

- (1) This is an agricultural land acquired on an as-is-where-is basis by Green Borneo Industries from Khoo Kok Wah @ Khoo Chin Hai and Khoo Lee Seng from pursuant to a SPA dated 7 February 2024. Upon completion of the said SPA on 20 June 2024, Green Borneo Industries had on 18 June 2024 through its solicitors submitted an application to Sabah Lands and Surveys Department to convert the land use from agricultural to industrial. Life Water Industries expects to complete the process of conversion of land use by second half of 2025. As at the LPD, we are not and will not be occupying or using the land until the completion of the conversion of land use.
- (2) As at the LPD, there is no CCC/ OC for the single-storey office and open shed building. Upon completion of the conversion of the land use, our Group will apply for the building plan approval to renovate the existing building into a warehouse. Following this, our Group will apply for CCC/OC for the new warehouse building. Our Group targets to commence operations at Tawau DC by the first half of 2026. Pending issuance of the CCC/ OC, our Group does not plan to occupy or use the property.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

**B. Material properties to be acquired by our Group**

The details of the material properties to be acquired by our Group as at the LPD are as follows:

No.	Title details/ Property address	Vendor/ Purchaser	Category of land use/ Express conditions of land use	Description/ Existing use/ Approximate age of building(s)	Restrictions in interest/ Material encumbrances	Tenure/ Date of expiry of lease	Land/ Built-up area (sq.ft.)	Purchase Price (RM)	Date of SPA/ Targeted completion date
1.	<p><b>Title details</b> CL No. 105244451 in the District of Tawau, Sabah</p> <p><b>Property address</b> Country Lease No. 105244451, Mile 5, Jalan Apas, 91000 Tawau, Sabah</p>	<p><b>Vendor</b> Chin Pui Chee, Ivy Wong Tshui Yin, and Chin Yun Wui</p> <p><b>Purchaser</b> Green Borneo Industries</p>	<p><b>Category of land use</b> Agriculture<sup>(1)</sup></p> <p><b>Express conditions of land use</b> The land herein described is expressly alienated for the cultivation thereon of coconuts. The lease shall plant and, after planting, maintain throughout the term of this lease in a good husbandmanlike manner, at least forty coconut trees per acre on the land hereby alienated</p> <p><b>Other endorsement</b> NIL</p>	<p><b>Description</b> Vacant land</p> <p><b>Existing use</b> Currently not in use in view that the SPA was recently completed on 15 October 2024</p>	<p><b>Restrictions in interest</b> NIL</p> <p><b>Material encumbrances</b> Charged to Maybank Islamic Berhad as security</p>	<p><b>Tenure</b> Leasehold for 999 years. Around 892 years remaining</p> <p><b>Date of expiry of lease</b> 24 October 2916</p>	<p><b>Land area</b> 66,646.8</p> <p><b>Built-up area</b> N/A</p>	2,550,000.00	<p>Date of SPA 10 June 2024</p> <p>Targeted completion of SPA<sup>(2)</sup></p>

**Notes:**

(1) This is an agricultural land acquired on an as-is-where-is basis by Green Borneo Industries from Chin Pui Chee, Ivy Wong Tshui Yin and Chin Yun Wui pursuant to a SPA dated 10 June 2024.

(2) Subsequent to the LPD, the SPA was recently completed on 15 October 2024.

**ANNEXURE B – OUR MATERIAL PROPERTIES (CONT'D)**

**C. Material properties rented out by our Group**




No.	Property address	Landlord	Tenant	Description and existing use	Tenure	Land/Built-up area (sq.ft.)	Rental per month (RM)
1.	<b>KK IZ2 DC</b> Lot 49, Jalan 1H, KKIP Selatan, Industrial Zone 2, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	Green Borneo Industries	Leasing Logistics (E.M.) Sdn Bhd	<b>Description</b> One single storey detached warehouse building <b>Existing use</b> Warehouse	20 November 2023 to 16 January 2025	<b>Land area</b> 95,153 <b>Built-up area</b> 52,829	64,250.00
2.	Lot 50, Jalan 1H, KKIP Selatan, Industrial Zone 2, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	Green Borneo Industries	Leasing Logistics (E.M.) Sdn Bhd	<b>Description</b> One single storey detached warehouse building with 2 storey office building <b>Existing use</b> Office and warehouse	4 December 2023 to 16 July 2026	<b>Land area</b> 96,983 <b>Built-up area</b> 32,823	40,750.00

(The rest of this page has been intentionally left blank)



**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS**

As at the LPD, save for the following trademarks and copyrights, our Group has not registered or applied for any other trademarks, patents, copyrights or other intellectual property rights.



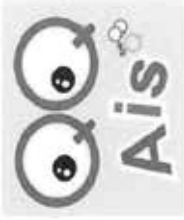

**A. Trademarks**

No.	Trademark	Issuing authority	Registered owner / Name of applicant	Trademark number / Application number	Validity period / Application date	Description	Status
1.		MyIPO	Life Water Industries	TM2021011306	19 April 2021 to 19 April 2031	Class 32 <sup>(1)</sup>	Registered
2.		MyIPO	Life Water Industries	TM2021007449	16 March 2021 to 16 March 2031	Class 32 <sup>(2)</sup>	Registered
3.		MyIPO	Life Water Industries	TM2021007451	16 March 2021 to 16 March 2031	Class 32 <sup>(3)</sup>	Registered
4.	Green Borneo	MyIPO	Life Water Industries	2018050257	5 January 2018 to 5 January 2028	Class 32 <sup>(4)</sup>	Registered
5.	Kitzai	MyIPO	Life Water Industries	2017001930	24 February 2017 to 24 February 2027	Class 32 <sup>(5)</sup>	Registered

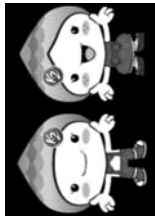

**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

No.	Trademark	Issuing authority	Registered owner / Name of applicant	Trademark number / Application number	Validity period / Application date	Description	Status
6.	<b>Al-Nafura</b>	MyIPO	Life Water Industries	2016000562	20 January 2016 to 20 January 2026	Class 32 <sup>(6)</sup>	Registered
7.	<b>SUMANDAK</b>	MyIPO	Life Water Industries	2015056850	5 May 2015 to 5 May 2025	Class 32 <sup>(6)</sup>	Registered
8.		MyIPO	Life Water Industries	2014013516	4 December 2014 to 4 December 2024	Class 32 <sup>(7)</sup>	Registered
9.	<b>TRITONIC</b>	MyIPO	Life Water Industries	2013013894	7 October 2023 to 7 October 2033	Class 32 <sup>(8)</sup>	Registered
10.		MyIPO	Life Water Industries	2012017713	18 October 2022 to 18 October 2032	Class 32 <sup>(9)</sup>	Registered

**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

No.	Trademark	Issuing authority	Registered owner / Name of applicant	Trademark number / Application number	Validity period / Application date	Description	Status
11.		MyIPO	Life Water Industries	2012008732	25 May 2022 to 25 May 2032	Class 40 <sup>(10)</sup>	Registered
12.		MyIPO	Life Water Industries	2012007189	2 May 2022 to 2 May 2032	Class 32 <sup>(11)</sup>	Registered
13.		MyIPO	Life Water Industries	07023470	29 November 2017 to 29 November 2027	Class 30 <sup>(12)</sup>	Registered
14.		MyIPO	Life Water Industries	TM2022021673	24 August 2022 to 24 August 2032	Class 32 <sup>(13)</sup>	Registered

**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

No.	Trademark	Issuing authority	Registered owner / Name of applicant	Trademark number / Application number	Validity period / Application date	Description	Status
15.		MyIPO	Life Water Industries	TM2022021675	24 August 2022 to 24 August 2032	Class 32 <sup>(13)</sup>	Registered
16.		MyIPO	Life Water Industries	TM2022021674	24 August 2022 to 24 August 2032	Class 32 <sup>(14)</sup>	Registered
17.	<b>TRITONIC</b>	Trademark Office of the State Administration for Industry and Trademark, People's Republic of China ("China Trademark Office") <sup>(15)</sup>	Life Water Industries	17410876	14 September 2016 to 13 September 2026	Class 32 <sup>(16)</sup>	Registered
18.	<b>KITZAI</b>	China Trademark Office <sup>(15)</sup>	Life Water Industries	27744914	28 October 2018 to 27 October 2028	Class 32 <sup>(16)</sup>	Registered



**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

No.	Trademark	Issuing authority	Registered owner / Name of applicant	Trademark number / Application number	Validity period / Application date	Description	Status
19.	<b>2MORE</b>	Intellectual Property Office Brunei Darussalam <sup>(15)</sup>	Life Water Industries	49375	27 November 2017 to 27 November 2027	Class 32 <sup>(17)</sup>	Registered
20.	<b>POWERCAZ</b>	MyIPO	Life Water Industries	TM2023034475	13 November 2023 to 13 November 2033	Class 32 <sup>(18)</sup>	Registered
21.	<b>MANDAK</b>	MyIPO	Life Water Industries	TM2023034974	17 November 2023 to 17 November 2033	Class 32 <sup>(19)</sup>	Registered
22.	<b>Tojo</b>	MyIPO	Green Borneo Industries	TM2021007452	16 March 2021 to 16 March 2031	Class 30 <sup>(20)</sup>	Registered

**B. Copyrights**

Notification No.	Date of Notification	Description of Creative Work	Type of Creative Work	Registered Owner	Country of Registration
CRM00000081	5 May 2015	2MORE FUN THEME 2015 <sup>(21)</sup>	Music	Life Water Industries	Malaysia
CRSR00000121	5 May 2015	2MORE FUN THEME 2015 <sup>(21)</sup>	Sound Recording	Life Water Industries	Malaysia

**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

**Notes:**

- (1) Aerated mineral waters, aerated spring waters, aerated water, bottled water (not for medical purposes), carbonated water, drinking water, mineral water (beverages), natural mineral water (not for medical purposes), natural spring waters (not for medical purposes), natural water (not for medical purposes), non-medicated mineral spring waters, spring water (beverages), other than for medical purposes, still water (not for medical purposes), water (beverage) other than for medical use, water for drinking (other than for medical purposes), waters (beverages).
- (2) Non-alcoholic beverages, cordials, essences for making beverages, flavoured carbonated beverages, flavoured carbonated beverages, spring water drinks, carbonated spring water drinks.
- (3) Mineral and aerated waters and other non-alcoholic drinks; isotonic drinks; fruit juices and fruit drinks; fruit concentrates for use in preparation of carbonated and non-carbonated soft drinks; syrups and other preparations for making beverages.
- (4) Beer, ale and porter, mineral and aerated waters and other non-alcoholic drinks; syrups and other preparations for making beverages; soya bean-based carbonated and non-carbonated drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; non-soya bean-based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; soya bean-based and non-soya bean based black bean drinks, oat drinks, sesame drinks, and other cereal and grain-based drinks; syrups, powders, pure soya bean extracts, soya bean extracts, soya bean-based extracts and concentrates for making carbonated and non-carbonated drinks and beverages; non-soya bean-based extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable drinks and juices of all kinds, soft drinks; all included in class 32.
- (5) Beer, ale and porter, mineral and aerated waters and other non-alcoholic drinks; syrups and other preparations for making beverages; soya bean-based carbonated and non-carbonated drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; non-soya bean-based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; soya bean-based and non-soya bean based black bean drinks, oat drinks, sesame drinks, and other cereal and grain-based drinks; syrups, powders, pure soya bean extracts, soya bean extracts, soya bean-based extracts and concentrates for making carbonated and non-carbonated drinks and beverages; non-soya bean-based extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable drinks and juices of all kinds, soft drinks; all included in class 32.
- (6) Non-alcoholic beverages, cordials, essences for making beverages, flavoured carbonated beverages, spring water drinks, carbonated spring water drinks; all included in class 32.
- (7) Non-alcoholic beverages, cordials, essences or making beverages, flavoured carbonated beverages, spring water drinks, carbonated spring water drinks; all included in class 32.
- (8) Mineral and aerated waters and other non-alcoholic drinks; isotonic drinks; fruit juices and fruit drinks; fruit concentrates for use in preparation of carbonated and non-carbonated soft drinks; syrups and other preparations for making beverages; all included in class 32.
- (9) Carbonated soft drinks included in class 32.
- (10) Water treatment services included in class 40.
- (11) Reverse osmosis drinking water included in class 32.

**ANNEXURE C – OUR INTELLECTUAL PROPERTY RIGHTS (CONT'D)**

- (12) Flavoured ices included in class 30.
- (13) Aerated mineral waters, aerated spring waters, aerated water, bottled water (not for medical purposes), carbonated water, drinking water, mineral water (beverages), natural mineral water (not for medical purposes), natural spring waters (not for medical purposes), natural water (not for medical purposes), non-medicated mineral spring waters, spring water (beverages), other than for medical purposes, carbonated spring water drinks, still water (not for medical purposes), water (beverage) other than for medical use, water for drinking (other than for medical purposes), waters (beverages); non-alcoholic beverages, cordials, essences for making beverages, flavoured beverages, flavoured carbonated beverages.
- (14) Carbonated water, carbonated spring water drinks, non-alcoholic beverages, cordials, essences for making beverages, flavoured beverages, flavoured carbonated beverages; all containing or flavouring with lime.
- (15) We registered the TRITONIC and KITZAI trademarks in China and 2MORE trademark in Brunei with the intention to expand our market presence in China and Brunei. However, we put the plans on hold as we directed our focus and resources to our expansion in Sabah to meet the market demand in Sabah.
- (16) Aerated water; non-alcoholic fruit juices; fruit juices; isotonic drinks; mineral water (drinks); non-alcoholic beverages.
- (17) Beer, ale and porter, mineral and aerated waters and other non-alcoholic drinks; syrups and other preparations for making beverages; soya bean-based carbonated and non-carbonated drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; non-soya bean-based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks, distilled water and mineralized water; soya bean-based and non-soya bean based black bean drinks, oat drinks, sesame drinks, and other cereal and grain-based drinks; syrups, powders, pure soya bean extracts, soya bean extracts, soya bean-based extracts and concentrates for making carbonated and non-carbonated drinks and beverages; non-soya bean-based extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable drinks and juices of all kinds, soft drinks.
- (18) Mineral and aerated waters and other non-alcoholic drinks; isotonic drinks; fruit juices and fruit drinks; fruit concentrates for use in preparation of carbonated and non-carbonated soft drinks; syrups and other preparations for making beverages.
- (19) Aerated mineral waters, aerated spring waters, aerated water, bottled water (not for medical purposes), carbonated water, drinking water, mineral water (beverages), natural mineral water (not for medical purposes), natural spring waters (not for medical purposes), natural water (not for medical purposes), non-medicated mineral spring waters, spring water (beverages), other than for medical purposes, still water (not for medical purposes), water (beverage) other than for medical use, water for drinking (other than for medical purposes), waters (beverages).
- (20) Baked goods in this class; biscuits; bread; cakes; chocolate; cookies; coffee; tea; confectionery; crackers; pretzels; flour and preparations made from cereals; honey; pastry; pies; puddings; snack foods in this class, including snack foods made from rice or corn; sauces in this class; sugar; spices; muesli bars and slices; fruit bars, yoghurt based snacks, ice-cream and snackfoods including ice cream.
- (21) The 2MORE FUN THEME 2015 is our Group's theme song and we play this theme song whenever we have corporate events, advertising campaigns, and other business activities.