



BREAKTHROUGH OF SUSTAINABILITY

Annual Report **2022**



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Corporate Overview



Aim to be the leading consumer packaged foods company in the region.

Wellspire Holdings Berhad was incorporated as an investment holding company in Malaysia on 6 August 2021. Our Group’s principal activities include the distribution and online retailer of consumer packaged foods. We possess more than 15 years of experience in the consumer packaged goods industry.

Our active subsidiaries within the Wellspire Group are Bai Li Enterprise Co., Ltd (“Bai Li Enterprise”) and Keymall Retail Co., Ltd (“Keymall Retail”). Both subsidiaries are operating in Thailand.

Our distribution centre is located in the province of Pathum Thani, Thailand. There are two (2) buildings with a combined built-up area of more than 4,000 square metres, which consist of dry storage facilities & chiller room to store our products. Our distribution centre has a professional logistics team to serve the Group’s customers throughout Thailand’s Central, Northeast, Northern, and Southern regions.



Bai Li Enterprise Co., Ltd

Baili Enterprise was incorporated in January 2007, focusing on consumer packaged foods distribution.



Keymall Retail Co., Ltd

Keymall Retail is an online retailer for consumer packaged foods which was incorporate in May 2020.





Corporate Information

▶ **Yang Hormat Mulia (“YHM”) Tengku Dato’ Indera Abu Bakar Ahmad Bin Almarhum Tengku Tan Sri Abdullah**

Independent Non-Executive Chairman

▶ **Mo Guopiao**

Executive Director/Chief Executive Officer

▶ **Saranjit Wang**

Executive Director

▶ **Kua Chin Teck**

Executive Director

▶ **Tang Yuen Kin**

Independent Non-Executive Director

▶ **Fazidah Bt Zakaria**

Independent Non-Executive Director

▶ **Yang Shing Sing**

Independent Non-Executive Director

AUDIT COMMITTEE

Tang Yuen Kin (*Chairman*)
Fazidah Bt Zakaria (*Member*)
Yang Shing Sing (*Member*)

RISK MANAGEMENT COMMITTEE

Fazidah Bt Zakaria (*Chairperson*)
Tang Yuen Kin (*Member*)
Yang Shing Sing (*Member*)

NOMINATING AND REMUNERATION COMMITTEE

Yang Shing Sing (*Chairperson*)
Fazidah Bt Zakaria (*Member*)
Tang Yuen Kin (*Member*)

COMPANY SECRETARIES

Tan Bee Hwee
(MAICSA 7021024)
(SSM PC No. 202008001497)

Lim You Jing
(MAICSA 7075638)
(SSM PC No. 202108000369)

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : +603-2783 9191
Fax No. : +603 2783 9111

HEAD OFFICE

Lot D/E, Level 12, Tower 1, Etiqa Twins
11, Jalan Pinang
50450 Kuala Lumpur
Tel No. : +603-9779 7066

AUDITORS

BDO PLT
Firm No.: 201906000013
(LLP0018825-LCA) & AF 0206
Level 8, BDO @ Menara CenTARa
360, Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel No. : +603-2616 2888

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : +603-2783 9299
Fax No. : +603-2783 9222

STOCK EXCHANGE LISTING

ACE Market of the Bursa Malaysia Securities Berhad
Stock Name: WELLS
Stock Code: 0271

WEBSITE

www.wellspireholdings.com

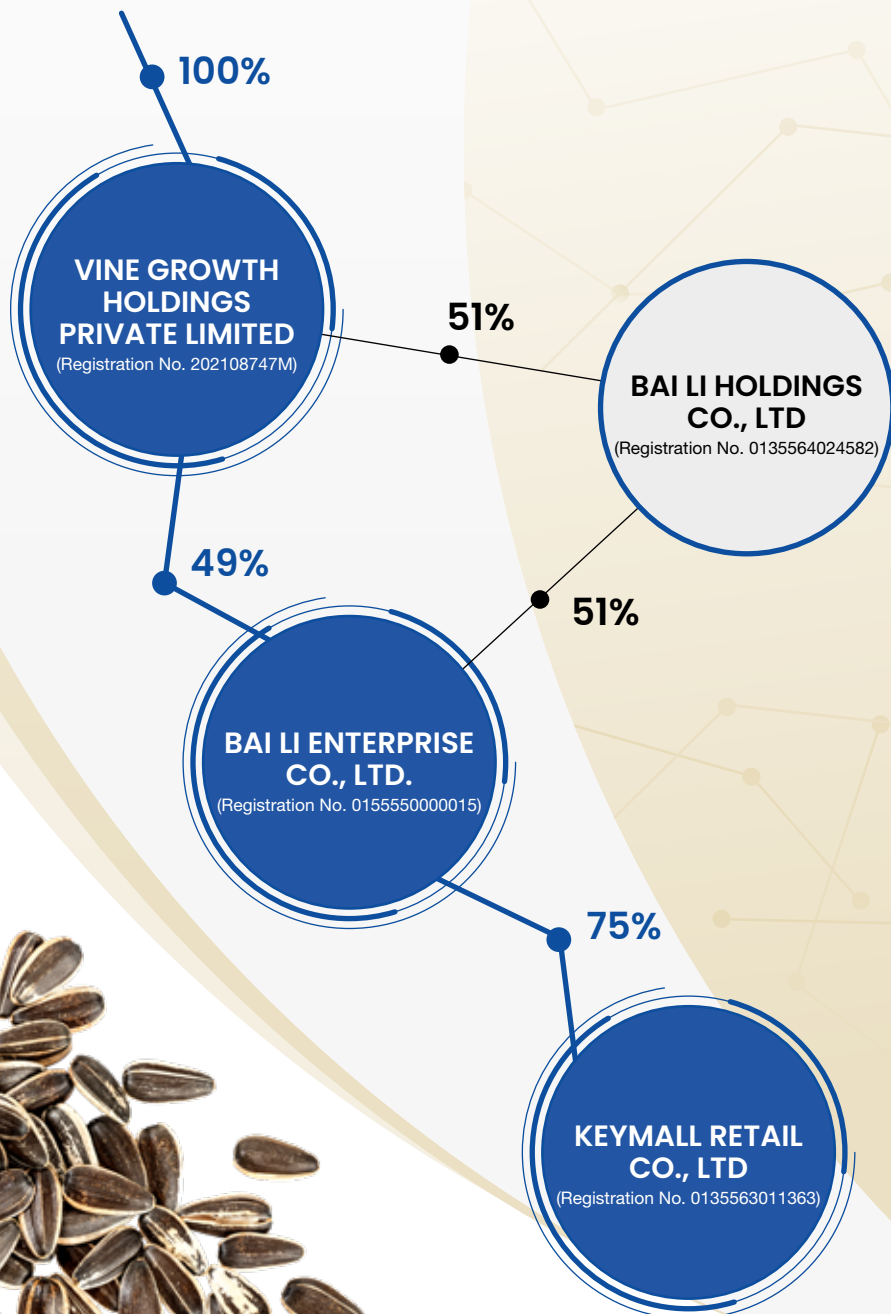
INVESTORS RELATIONS

Email : ir@wellspireholdings.com
Tel No. : +603-9779 7066

SPONSOR

TA Securities Holdings Berhad
(Registration No. 197301001467 (14948-M))
29th Floor, Menara TA One
22, Jalan P. Ramlee
50250 Kuala Lumpur
Tel No. : +603-2072 1277

Corporate Structure





Group Corporate Profile

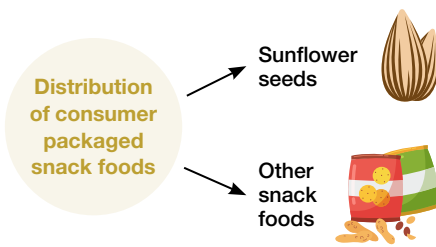
Our Company was incorporated under the name of Wellspire Holdings Sdn Bhd in Malaysia on 6 August 2021 under the Companies Act 2016 as a private limited company. Subsequently on 25 March 2022, our Company was converted to a public limited company to embark on the Listing on the ACE Market.

We are principally an investment holding company. As at the financial year end, we have four subsidiaries, namely Vine Growth Holdings, Bai Li Holdings, Bai Li Enterprise and Keymall Retail. Our subsidiaries are principally involved in the following:

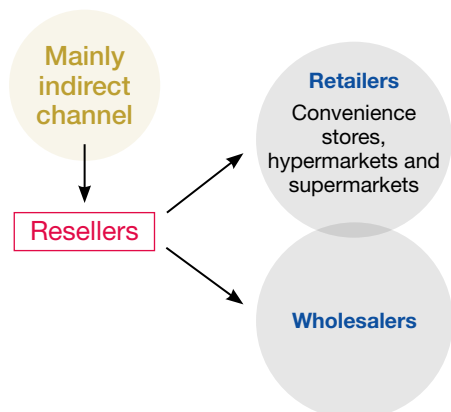


BUSINESS MODEL

Business activity and revenue stream



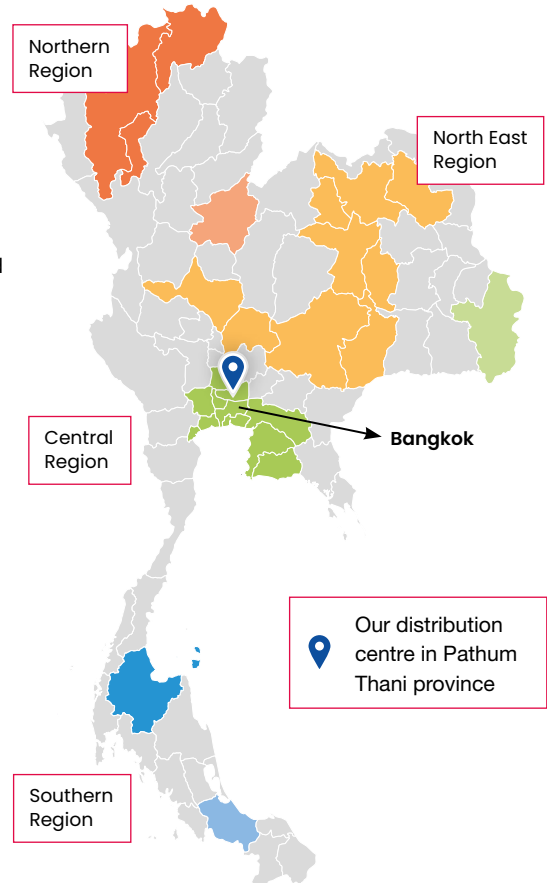
Distribution channel and customer base



Principal market



We deliver our products to our customers' sales and distribution points in these provinces





Key Corporate Milestones

2007

- Bai Li Enterprise was incorporated by Saranjit Wang, and commenced operations in Ang Thong province as an exporter of snack food products. Snack food products were sourced from Thailand to China namely Jilin, Heilongjiang, Fujian and Beijing provinces.

2010

- We commenced importing green bean snacks from Suzhou in Jiangsu province in China for sales in Thailand, which were sold to convenience stores. Since 2012, we have discontinued this business activity as the sales for the green bean snacks were not encouraging.

2012

- Bai Li Enterprise relocated its place of operation to MT City Khlong Luang, Pathum Thani province in Thailand.
- We commenced distribution of ChaCha brand sunflower seeds to retailers in Thailand.

2013

- In January 2013, we were appointed by QiaQia as the exclusive distributor of ChaCha brand of sunflower seeds in Thailand.
- We commenced distribution of ChaCha brand sunflower seeds to major retailers in Thailand including 7-Eleven convenience store, Big C hypermarket and Tops supermarket.

2017

- We commenced distribution of our Pee Ree brand of snack food products namely watermelon seeds and sunflower kernels which were imported from China. Since 2020, we have discontinued distribution of sunflower kernels due to low demand.

2016

- We commenced sales of snack food products to Makro cash and carry stores, and FamilyMart convenience store.

2015

- Mo Guopiao and He Haibin joined Bai Li Enterprise as shareholders.
- We commenced sales of snack food products to a wholesaler that resells to traditional retailers.

2014

- We commenced sales of ChaCha brand sunflower seeds to Lotus's hypermarket (formerly known as Tesco Lotus).



Key Corporate Milestones

2018

- In August 2018, we relocated and expanded our operations to a distribution centre in the district of Thanyaburi in Pathum Thani province.

2019

- We commenced distribution of our King Kong brand of mixed nuts energy bar imported from China.

2020

- We commenced distribution of third-party Cundo brand of layer cakes and our Miyu brand of chocolate snacks imported from China.
- Keymall Retail was incorporated and commenced operations as an online retailer of snack food products via our e-commerce platform namely www.keymall.me as well as third-party online platform such as Shopee and Facebook, Thailand.

2021

- Incorporation of Wellspire Holdings to embark on the Listing on the ACE Market.

2023

Wellspire Holdings Berhad debuted on the ACE Market of the Bursa Malaysia Securities Berhad on 16 January 2023.



Four-Year Group Financial Highlights

YEAR ENDED 31 DECEMBER		2022	2021	2020	2019
Operating Results					
Revenue	RM'000	123,367	136,707	119,706	58,799
Gross Profit ("GP")	RM'000	25,955	38,172	36,706	10,162
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	RM'000	7,814	20,867	23,686	7,249
Profit Before Taxation ("PBT")	RM'000	5,902	19,101	21,978	5,722
Profit After Taxation ("PAT")	RM'000	2,955	15,403	15,759	4,155
Key Financial Position Data					
Total Assets	RM'000	40,625	32,893	35,000	21,070
Total Equity	RM'000	27,711	14,472	19,597	4,230
Total Liabilities	RM'000	12,915	18,422	15,403	16,840
Financial Ratios					
GP Margin	%	21.04	27.92	30.66	17.28
PBT Margin	%	4.78	13.97	18.36	9.73
PAT Margin	%	2.40	11.27	13.16	7.07
* Basic/Diluted Earnings Per Share ("EPS")	sen	0.16	1.56	1.66	0.44

* EPS is based on the expected number of shares of the Company upon completion of the Listing.

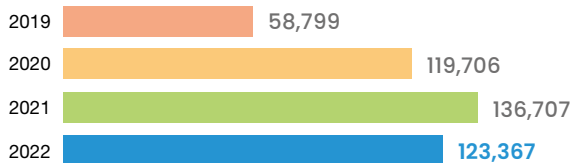


Four-Year Group Financial Highlights

Revenue
(RM'000)



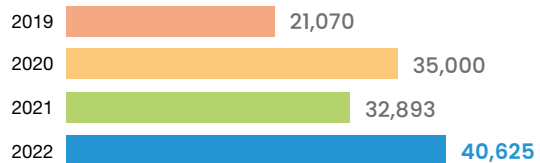
123,367



Total Assets
(RM'000)



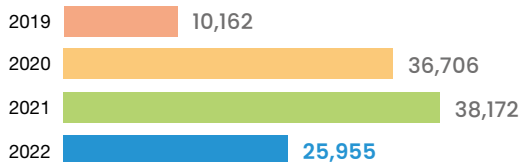
40,625



GP
(RM'000)



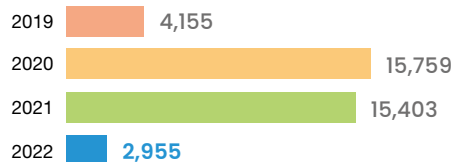
25,955



PAT
(RM'000)



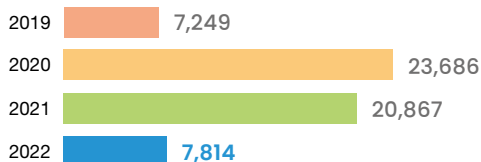
2,955



EBITDA
(RM'000)



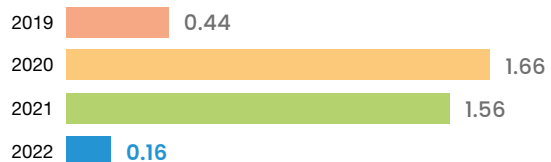
7,814



Basic/Diluted EPS
(RM'000)



0.16





In the News

THE EDGE MARKETS ACE MARKET LISTED

ACE-Market listed Wellspire climbs 87% on maiden trading day

Wellspire Holdings Bhd Sen

Source: Bloomberg

KUALA LUMPUR Jan 16 (The Edge) - Newly ACE-Market listed Wellspire Holdings Bhd ended its maiden trading day at 43 sen on Monday (Jan 16), up 87 sen or 481.8% versus its initial public offering (IPO) price of 23 sen.

It saw strong buying momentum, opening at 30 sen before surging to a high of 49 sen - a 107% premium from its issue price. The stock was traded between a low of 33.8 sen and a high of 49 sen on Monday.

At the closing price of 43 sen, the Thailand-based stock fund distributor had a market capitalization of RM306.21 million.

Its trading volume swelled more than 18 times to 28.7 million against 1.6 million within the first hour of trading - making it the second most active stock on the local bourse after Supers Energy Bhd (454.7 million).

Based on the IPO price of 23 sen per share, Wellspire is priced at a trading price to earnings ratio of 14.7 times of its earnings per share for the financial year ended Dec 31, 2021 (FY2021), according to TA Securities Research's note dated Jan 9. The research house derived a fair value of 37 sen for the issue.

Wellspire is an investment holding company which is principally involved in the distribution of consumer packaged brands. The group's main product is softdrink assets, where Wellspire has been the exclusive distributor of Chita brand softdrink assets and sets for the Thailand market since January 2023.

It also distributes other assets brands such as coffee assets and milk, and food and confectionery products comprising third party brands (Unilever) as well as own brands (The Red, Mya, Sing King).

The group's shares offered to the public under its IPO exercise were oversubscribed by 11.24 times. It offered 24.8 million shares for its listing exercise to raise RM227 million (net of cost), of which RM28 million will be utilized for the acquisition or construction of a warehouse and operational facilities in Thailand. RM2.88 million for working capital and another RM2.7 million will be allocated to defray listing expenses.

Wellspire chief executive officer and executive director Mr. Culpin said the company's journey over the year has been underpinned by its execution and strong management, which effectively earned the trust of its key customers, including CP, S&W, U-Chat and Iam Milk.

"Notwithstanding all of our group's revenue is derived from Thailand, we have chosen to list Wellspire in Malaysia and the overwhelming demand for our IPO clearly validates our decision. The successful listing of Wellspire on the ACE Market of Bursa Securities indeed marks the beginning of a brand new and exciting chapter for us, as we continue to build on the solid foundation and future growth trajectory of our group," he said in a statement.

On its financial performance, Wellspire posted a net profit of RM362,000 on a revenue of RM30.28 million for the third quarter ended Sept 30, 2022 (Q3FY2022). Its cash and bank balances stood at RM13.12 million, while its total borrowings were at RM1.62 million as of Sept 30.

Ta Securities Holdings Bhd is the principal adviser, sponsor, sole underwriter and sole placement agent for this IPO exercise.

BULETIN 13

Wellspire sasar raih RM28.66 juta daripada penyenaraian di Pasaran ACE

PEDALINO 200: Pengedar makanan anak di Thailand, Wellspire Holdings Bhd mensesa-uruk meraih RM28.66 juta daripada penawaran awam permulaan (IPO) pasaran penyenaraian di Pasaran ACE Bursa Malaysia yang dipulau 16 Januari 2023.

Ketua Pegawai Eksekutifnya Mr. Culpin berkata, penyertaan Wellspire bakal mengukuhkan benukara seperti dalam industri dan meningkatkan profil, selaras dengan rancangan pengembangannya.

"Kami akan menerangkan pelan perniagaan kami, termasuk memperih atau meminda gudang dan kemuliharaan operasi di Thailand. Kami akan terus mengukuhkan keupayaan kami dengan mengembangkannya rangkaian produk, termasuk pihak ketiga serta produk jenama kami sendiri," katanya pada majlis pelancaran IPO Pasaran ACE Wellspire Holdings secara maya di sini hari ini.

Melalui hasil yang diarah daripada penyenaraian awam, Wellspire bakal memperoleh RM10 juta untuk pemeliharaan atau pembaikan gudang dan kemuliharaan operasi di Thailand.

Manakala RM5.96 juta akan digunakan untuk modal kerja dan baki RM6.7 juta akan diperuntukkan untuk membiayai perbelanjaan penyenaraian.

Penyenaraian Wellspire melibatkan 24.8 juta saham terbitan awam pada harga terbitan 23 sen sekeping.

Pemilihan untuk terbitan awam dibuka sehingga 4 Januari 2023 jam 5.00 petang.

星洲网 WELLSPIRE首日上市 溢价一度达36仙

(吉隆坡6日讯) 中国经济活动及边境重开利好持续发酵, 有望推高原产品尤其原油价格, 马股多只油气能源股受追捧, 霸占10大热门股榜, 惟农历新年在即, 投资者持观望准备过年, 大盘走势萎靡, 一度跌至1489点水平。

沙布拉能源 (SAPNRG, 5218, 主板能源组) 交投火爆全场, 盘中最高升高2仙或44.44%至6.5仙, 截至11时30分升高1仙报5.5仙, 成交量有2亿1728万零300股。

VELESTO能源 (VELESTO, 5243, 主板能源组) 为第四大热门股, 最新报18仙, 微升0.5仙, 易手65558万5600股; 而就请盘展开上开程序的世霸动力 (SERBADK, 5279, 主板能源组) 也交投活跃, 平盘报2仙, 成交量有5425万6300股, 是第五大热门股。另外, 标志岸外 (ICON, 5255, 主板能源组) 起0.5仙报10仙, 是第十只热门股, 易手3437万4300股。

今日新上市的WELLSPIRE控股 (WELLS, 0271, 创业板消费产品服务组) 走势亮眼, 首宗交易溢价14仙以37仙起市, 盘中最高攀至59仙, 溢价达36仙, 最新报42.5仙, 仍升高19.5仙, 是第八大溢价股及第二大热门股, 易手1亿9887万9700股。

纵然油气股交投活跃, 但无财富时综合指数走高, 今早低开以1494.81点低开, 盘中一度下跌5.67点跌至1489.36点, 截至11时30分挂在1491.16点, 滑跌3.87点, 成交量有20亿3997万6600股; 成交量7亿7747万65111点吉。

THE STRAITS TIMES Wellspire Holdings Bhd IPO's public portion oversubscribed by 11.24 times

KUALA LUMPUR Wellspire Holdings Bhd's initial public offering (IPO) has been oversubscribed 11.24 times ahead of its listing on the ACE Market of Bursa Malaysia.

In a statement, it said that the 26 million public issue shares made available for application by the Malaysian public has been oversubscribed.

A total of 7,727 applications for 440.67 million public issue shares with a value of RM1,01.35 million were received from the Malaysian public, which represents an overall oversubscription rate of 11.24 times.

"For the BursaPublic portion, a total of 3,628 applications for 126.88 million public issue shares were received, which represents an oversubscription rate of 6.55 times.

"For the public portion, a total of 4,099 applications for 313.79 million public issue shares were received, which represents an oversubscription rate of 11.43 times," it said.

Meanwhile, 13 million shares made available for application by the eligible directors, employees and persons who have contributed to the success of the group have also been fully subscribed.

Further, the placement agent has confirmed that the 203.2 million public issue/offer shares made available for application by way of private placement have been fully placed out.

"The notices of allotment will be posted to all successful applicants on or after January 13.

"Ta Securities Holdings Bhd is the principal adviser, sponsor, underwriter and placement agent for this IPO," it added.

The company is scheduled to list on the ACE Market on Jan 16.

VUCA INSIGHTS PRESENTS

FamilyMart, makro, Tops

THAI DISTRIBUTION COMPANY GOING IPO IN BURSA MALAYSIA

13:37

Scan QR Code to view

Board of Directors



First row (from left)

Mo Guopiao

Executive Director/
Chief Executive Officer

YHM Tengku Dato' Indera Abu Bakar Ahmad Bin Almarhum Tengku Tan Sri Abdullah

Independent Non-Executive Chairman

Kua Chin Teck

Executive Director

Second row (from left)

Saranjit Wang

Executive Director

Fazidah Bt Zakaria

Independent
Non-Executive Director

Yang Shing Sing

Independent
Non-Executive Director

Tang Yuen Kin

Independent
Non-Executive Director

Directors' Profile

YHM Tengku Dato' Indera Abu Bakar Ahmad Bin Almarhum Tengku Tan Sri Abdullah

Independent Non-Executive Chairman

► Malaysian, Male, Aged 38



YHM Tengku Dato' Indera Abu Bakar Ahmad Bin Almarhum Tengku Tan Sri Abdullah was appointed as our Independent Non-Executive Chairman on 15 March 2022.

He graduated with a Bachelor of Business (Accounting) degree from Swinburne University of Technology, Melbourne, Australia in December 2009.

Since 2010 up till today, he has been a director of various public and private companies. In December 2011, he was appointed as an Executive Chairman of Unitab Medic Sdn. Bhd. (now known as FOMEMA Global Sdn. Bhd.), a company principally engaged in the supervision, monitoring and quality control of laboratories in the medical examination of foreign workers in Malaysia. He was also an Independent Non-Executive Director of Eduspec Holdings Berhad, a public company listed on the ACE Market from 2014 to 2017.

Throughout the years, he has a background in strategic planning, specialising in health-related, e-commerce and information technology businesses. He has been the Executive Chairman of FOMEMA Sdn. Bhd., which operates a foreign workers' medical examination screening system in Peninsular Malaysia since July 2016 where he oversees the operations of the company. He is also an Executive Director of Bookdoc Holdings Berhad, which operates a mobile application connecting patients with medical professionals since March 2019.

He has also throughout his career accumulated experience in dealing with multinational companies while providing guidance and support in the companies where he is a member of the board of directors.

Presently, he is an Independent Non-Executive Director of Central Global Berhad, a public company listed on the Main Market of Bursa Securities principally involved in manufacturing and construction and Independent Non-Executive Chairman of Ditrolic Energy Holdings Sdn. Bhd., a renewable energy holding company. In addition, he is the Non-Executive Director of Bookdoc Holdings Berhad and holds directorship in several private companies.



Directors' Profile

Mo Guopiao

Executive Director/Chief Executive Officer



► Singaporean, Male, Aged 42

Mo Guopiao is our Executive Director and Chief Executive Officer (“CEO”). He currently resides in Singapore. He was appointed as the director of Wellspire Holdings Berhad (“Wellspire”) upon its incorporation on 6 August 2021. He graduated with a Bachelor of Science (major in Applied Chemistry – Modern Merchandise Testing Technology, Urban Environmental Testing) degree from Shantou University, China in June 2004. He completed the Marketing Management Programme from NUS Business School, Singapore in November 2010. He then obtained his Master of Science in Technopreneurship & Innovation from Nanyang Technological University, Singapore in June 2018. He has more than 12 years of experience in business management and investment field.

In August 2004, he began his career in Shantou Yongtu Technology Co., Ltd., a company principally involved in website and software development as a sale representative responsible for telemarketing and maintaining clients’ relationships. He left in October 2006 and joined Shenzhen JuCheng Management Consulting Co., Ltd., a management consulting and advisory firm in China as Sales Manager in December 2006 responsible for leading the sales team to achieve the annual goal.

In December 2008, he left JuCheng Management Consulting Co., Ltd. and joined Golden Mango International Technology Co. Inc., a company principally involved in software development and

information technology consultancy in Philippines in February 2009 as Marketing Director responsible for design and implementation of comprehensive marketing strategies plan for the greater China area, overall marketing progress monitoring and preparation of performance reports. In March 2011, he left Golden Mango International Technology Inc. and joined Gosstech Pte. Ltd., a company principally involved in development of software and applications in April 2011. He was the Managing Director responsible for developing and executing the company’s strategies, and overseeing the company’s operation and financial performance. He was subsequently appointed to the board of directors of Gosstech Pte. Ltd. in May 2012 and resigned from the said board of directors in May 2021. He then left Gosstech Pte. Ltd. as Managing Director in September 2021.

In December 2017, he founded Good Partner Holdings Pte. Ltd., an investment holding company of shares and property where he was appointed as an Executive Director and also senior advisor to evaluate investment projects to be undertaken by Good Partner Holdings Pte., Ltd.. He resigned as an Executive Director and senior advisor of Good Partner Holdings Pte. Ltd. in May 2021. In October 2018, he was appointed as Executive Director of Esim Plus Pte. Ltd., a company principally involved in provision of voice over internet protocol services where he was in charge of the operations of the company. He resigned as an Executive Director of Esim Plus Pte. Ltd. in September 2021.



Directors' Profile

Mo Guopiao (cont'd)

In April 2020, he was appointed as a special advisor of the Infinite Growth Income Fund, a sub-fund of Nech VCC, a Singapore variable capital company, which in turn is being managed by Nech Capital Pte. Ltd., a fund management company in Singapore where he provides strategic input and recommendations relating to investment strategy and potential targets. As at the LPD, he is still the special advisor of Infinite Growth Income Fund, nevertheless, his time commitment as the special advisor is minimal and he will only provide advices based on the needs of the Infinite Growth Income Fund as and when required.

He became a substantial shareholder of Bai Li Enterprise since October 2015. Since then, he has been instrumental in the growth and development of our business operations, product offerings and revenue streams. He initiated diversification of our product offerings including creation of our own brand of products, through offering new snack food brands comprising a third party brand, namely, Cundo brand layer cakes, as well as our brands namely Miyu chocolate snacks and biscuits and Mina brand dried fruits (which is in the midst of rebranding) for our Group to grow our customer base and revenue sources. He has taken an active interest in his investment in our Group, through meetings with the management to discuss on our Group's business and set strategic goals for our Group.

By leveraging on his business experience, expertise and business networks which were garnered over the years, he spearheaded our Group's e-commerce and online sales initiatives and monitored trends in the distribution of consumer packaged foods to grow the presence of our Group's brands. He has guided our Company to strategically expand our Group's product offerings and strengthening our Group's revenue sources to further drive profitability and operational efficiency.

In October 2021, he assumed the position as Executive Director and CEO of our Group, and started to be formally involved in the operations of our Group by providing strategic, financial, and operational leadership to our Group. His present duties also include designing, evaluating, and implementing various medium to long term growth strategies, driving and reviewing the business and revenue expansion initiatives of our Group, and providing oversight and management on the overall operational and finance and performance of our Group. In addition, he also provides strategic input on major corporate decision-making matters, including, but not limited to, potential mergers and acquisitions, or joint venture partnerships.

He also holds directorships in several private companies. Save for his directorship of the Company, he does not hold any other directorship in public companies and listed corporation.



Directors' Profile

Saranjit Wang

Executive Director



► Thai, Female, Aged 43

Saranjit Wang, is our Executive Director as well as our Managing Director of Bai Li Enterprise. She currently resides in Thailand. She was appointed to our Board as Executive Director on 1 March 2022. In March 2020, she obtained her higher vocational certificate (major in Accounting) from the Inter Asia Technological College, Thailand.

Upon completion of her secondary education at Bangkok Non-Formal Education Center 4, Thailand in March 2001, she started her career as an entrepreneur where she was involved in food service by selling food seasoning and food paste to the local restaurants, retail business of fashion garments and local trading of dried fruits and dried fish businesses. She believes that these past business experience has groomed her to be more determined and decisive while managing business operations.

In January 2007, she founded Bai Li Enterprise and as the Managing Director of Bai Li Enterprise, her role and responsibilities in Bai Li Enterprise were managing Bai Li Enterprise and its business growth direction. She has been instrumental in the expansion of the business of Bai Li Enterprise over the past 15 years. She has approximately 20 years of experience in consumer packaged goods industry.

Currently, as the Managing Director of Bai Li Enterprise and Executive Director of our Group, her role remains the same as she continues to oversee our Group's overall management and business growth direction in Thailand. Her duties include overseeing the leadership team in Thailand as well as overseeing the sourcing of new products and distributions in Thailand market, and building relationship with customers. Her additional role and responsibilities also include reporting to the CEO and the Board of Directors of our Company.

She also holds directorships in several private companies. Save for her directorship of the Company, she does not hold any other directorship in public companies and listed corporation.

Directors' Profile

Kua Chin Teck

Executive Director



► Malaysian, Male, Aged 41

Kua Chin Teck is our Executive Director. He was appointed to our Board on 1 March 2022.

He graduated with a Bachelor of Business (Accountancy) degree from RMIT University, Australia in September 2004. Kua Chin Teck is a member of the Certified Practising Accountants, Australia since January 2005. He has more than 18 years of experience in the areas of audit, financial reporting, corporate finance and corporate development.

Kua Chin Teck started his career in October 2004 as an audit associate at Ernst & Young, a financial and audit services firm in Malaysia and was responsible for audit planning and fieldwork. In December 2006, he left Ernst & Young, Malaysia and joined Deloitte & Touche, a financial and audit services firm in Singapore as an audit assistant in the same month. He has worked on numerous initial public offering and financial audit engagements.

He then left in February 2008 to join Otto Marine Limited, a company principally involved in an offshore marine group engaged in shipbuilding, ship repair and conversion and ship chartering as a Finance Manager in March 2008 and was responsible for all finance related matters including amongst others, reviewing group consolidation accounts, financial report for management, preparing projected cash flow and forecast for the group. During his employment with Otto Marine Limited, he was involved in the initial public offering exercise undertaken by the company and has implemented the group reporting structure and procedure for the company post listing.

In September 2012, he left Otto Marine Limited and joined Swiber Corporate Services Pte. Ltd. (now known as Swiber Corporate Pte. Ltd.), a subsidiary of Swiber Holdings Limited

which is principally involved in integrated offshore construction and support service provider for shallow water oil and gas field development as a Regional Finance Manager in October 2012 and was responsible for regional corporate finance activities among the group. In September 2015, he was then promoted to the position of Associate Director, Corporate Finance. He was involved in various corporate exercises such as rights issue, issuance of medium-term notes and disposal exercises.

After he left Swiber Holdings Limited in August 2016, he continued his career with Vallianz Corporate Services Pte. Ltd., a subsidiary of Vallianz Holdings Limited which is principally involved in offshore marine business in October 2016 as a Director of Treasury & Corporate Development Department. He led the finance department and restructured the financial position of the group. He then left Vallianz Holdings Limited in March 2019.

In May 2019, he was appointed as the Group Corporate Services Director of Widad Business Group Sdn. Bhd., a company principally involved in construction, facility management, property development, education, hospitality and defence industry. He was responsible for reorganisation of the group including strategic acquisition. He left Widad Business Group Sdn. Bhd. in September 2021.

He joined our Group in October 2021 as Head of Corporate and was responsible for corporate strategy and corporate development of our Group. In March 2022, he was appointed as our Executive Director responsible for corporate strategy and corporate development of our Group. He also holds directorship in several private companies.

Save for his directorship of the Company, he does not hold any directorship in public companies and listed corporations.

Directors' Profile

Tang Yuen Kin

Independent Non-Executive Director

► Malaysian, Male, Aged 52



Tang Yuen Kin was appointed as our Independent Non-Executive Director on 15 March 2022. He is the Chairman of our Audit Committee. He is also the member of our Risk Management Committee, and Nominating and Remuneration Committee.

He graduated with a Bachelor of Accounting (First Class Honours) degree from the University of Malaya, Malaysia in August 1995. He obtained his Master of Business Administration (Banking & Finance) ("MBA") from Nanyang Technological University, Singapore ("NTU") in August 2000. He also obtained his Master of Law Executive (Business Law) from International Islamic University Malaysia in August 2006. He has been a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants since July 2000 and May 2015 respectively. He has more than 23 years of experience in the areas of audit, accounting and finance, corporate finance and corporate planning.

He began his career in May 1995 as an Audit Assistant with Price Waterhouse (now known as PricewaterhouseCoopers PLT) ("PW") where he was involved in audit works mainly for public listed and multi-national companies. He was promoted to the position of Audit Senior in January 1997. He then left PW in October 1997 and joined the Securities Commission Malaysia ("SC") in November 1997 as an Executive Officer in the Securities Issues Department. During his tenure with the SC, he was involved in evaluating and assessing corporate proposals, such as initial public offerings, restructurings, rights issues and other fund-

raising proposals undertaken by public companies. He was also involved in compliance monitoring.

He took a sabbatical leave from the SC in October 1998 to pursue his MBA at NTU and re-joined the SC in March 2000. He then left the SC in November 2004 as a Senior Executive Officer and joined KPMG Corporate Services Sdn Bhd as a Principal Consultant in the same month where he was involved in providing clients with corporate finance advisory services in areas such as valuations, financial modelling, mergers and acquisitions, initial public offerings and other corporate exercises. In September 2005, he was transferred to KPMG Corporate Advisory Sdn Bhd and was subsequently promoted to the position of Director, Corporate Finance.

In January 2008, he left KPMG Corporate Advisory Sdn Bhd and co-founded MainStreet Advisers Sdn Bhd ("MainStreet Advisers"). As an Executive Director of MainStreet Advisers, he provided corporate finance advisory services to clients mainly in the areas of initial public offerings and restructuring. Subsequently, he joined AmlInvestment Bank Berhad ("AmlInvestment Bank") in January 2010 as an Associate Director in its Corporate Finance Department. During his tenure with AmlInvestment Bank, he was involved in providing advisory services to clients mainly for initial public offerings, in areas such as structuring, project management, co-ordination, execution and implementation of listing proposals. He then left AmlInvestment Bank in September 2011.



Directors' Profile

Tang Yuen Kin (cont'd)

In January 2012, he joined ZJ Advisory Sdn Bhd as a Director, where he continued to provide corporate finance advisory services to clients. Thereafter, he joined Alliance Investment Bank Berhad ("Alliance Investment Bank") in May 2012 as Vice President in its Capital Market – Origination Department. During his tenure with Alliance Investment Bank, he was re-designated to the position of Vice President, Head in the Capital Market – Equity Execution Department in April 2013 and then promoted to the position of Senior Vice President, Head in the same department in October 2013. In these roles, he administered and managed the running of the Capital Market – Equity Execution Department, comprising the overall management and execution of corporate finance mandates for, among others, initial public offerings, independent advice and listing sponsorships.

He was also in charge of the department's risk management, liaising with clients and regulators on the execution of secured mandates, staff management and development and overall office administration.

In August 2014, he left his tenure in corporate finance/ investment banking advisory services and joined Sasbadi Holdings Berhad ("SHB"), an education solutions provider as a Group CFO in November 2014. As the Group CFO of SHB, he was responsible for overseeing financial, accounting and tax management and reporting functions, risk management and internal control system, corporate planning, legal matters and investor relations activities of SHB and its group of companies. He left SHB in April 2018 and joined Artius Dental Sdn Bhd ("Artius Dental"), a company providing dental care and other related services in May 2018 as a Group CFO for a short period of time. He then left to join Dancomech Holdings Berhad, a company principally involved in the trading and distribution of process control equipment, measurement instruments and industrial pumps as its Group CFO in November 2018. In his present position with Dancomech Holdings Berhad, his job responsibilities are similar to those undertaken by him in SHB.

Presently, he is also an Independent Non-Executive Director of SHB, a public company listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and an Independent Non-Executive Chairman of Powerwell Holdings Berhad, a public company listed on the ACE Market of Bursa Securities ("ACE Market"). He also holds directorships in several private companies.

Directors' Profile

Fazidah Bt Zakaria

Independent Non-Executive Director



► **Malaysian**, Female, Aged 55

Fazidah Bt Zakaria was appointed as our Independent Non-Executive Director on 15 March 2022. She currently resides in Malaysia. She is the Chairperson of our Risk Management Committee. She is also the member of our Audit Committee, and Nominating and Remuneration Committee.

She graduated with a Bachelor of Arts in Accounting and Financial Management degree from the University of Essex, United Kingdom in July 1991. She completed the ASEAN Senior Management Development Program organised by Harvard Business School Alumni Club of Malaysia in August 2017. She has more than 27 years of experience in capital market, corporate finance, Islamic banking, corporate strategy, project management, strategic planning and communications.

After graduation, she started her career in Ministry of Finance, Malaysia as an Assistant Director of Unit Pengurusan Kewangan in August 1991 where she was responsible for monitoring the successful implementation of government financial systems. In March 1993, she left the Ministry of Finance, Malaysia and joined the SC as an Executive in the Issues & Investment Division in April 1993 and was subsequently promoted to Senior Executive where she was involved in reviewing and recommending corporate proposals, such as initial public offerings, mergers and acquisitions, fund-raising exercise and issue of debt securities undertaken by public listed companies. In December 2001, she was transferred to Corporate Affairs, Chairman's Office where she was involved in managing stakeholders and industry development.

In September 2007, she left the SC and joined Kuwait Finance House (Malaysia) Berhad, a foreign Islamic bank as a Manager of Communications & Public Relations Department in the same month. She was subsequently promoted to Senior Manager/ Acting Head of the Department where she handled issues management in major deals and developed communication plans to manage negative perceptions impacting bank's credibility and foreign investments in Malaysia. She also devised a strategy and rolled out Corporate Social Responsibility programmes to support the critical needs of the community in consultation with the bank's Charity Fund Committee.

In December 2011, she left Kuwait Finance House (Malaysia) Berhad and joined Aliran Ihsan Resources Berhad, a private water company in March 2012. As the Head of Corporate Affairs Department, she spearheaded various corporate exercise including the delisting and capital reduction of the company and managed the regulatory compliance matters. She was then transferred to MMC Corporation Berhad (the holding company of Aliran Ihsan Resources Berhad), which is an infrastructure and utility company listed on Main Market of Bursa Securities as a Senior Manager, Group Strategy & Corporate Affairs in March 2013. During her tenure with MMC Corporation Berhad, she led the establishment of full-scale corporate affairs department for its group of companies including alignment of planning, activities and budget for all strategic issues management, corporate communications, branding and corporate social responsibility at group level.



Directors' Profile

Fazidah Bt Zakaria (cont'd)

She decided to leave MMC Corporation Berhad in April 2015 and took up the role of the Head, Corporate Strategy & Risk of Proton Parts Centre Sdn Bhd, a member of Proton Holdings Berhad group of companies in May 2015. She instituted monthly performance reviews to identify and resolve auto parts delivery issues. She was also responsible for identifying the top risks of the company and specifying mitigation plans for respective business sections. She then left to join CCM Chemicals Sdn Bhd ("CCM Chemicals"), a chemical manufacturing company as Head of Corporate & Strategy Department in January 2016.

During her tenure with CCM Chemicals, she was entrusted with the tasks covering strategic direction and key project implementation of the company. She had formulated corporate performance monitoring plan for the company and revamped the risk management plan to align with key performance indicators and overall top business risks. She was also involved in identifying, evaluating and executing growth opportunities through mergers and acquisitions, joint venture and partnerships for the organisation. She took up the Employee Separation Scheme offered by CCM Chemicals in August 2021.

In October 2021, she joined Kuala Lumpur Kepong Berhad, a company principally involved in oil palm plantation as the Senior Manager of Corporate Communications responsible for internal and external communication and government relations. She then left the company in August 2022 and is presently taking a career break.

Save for her directorship of the Company, she does not hold any other directorship in public companies and listed corporation.



Directors' Profile

Yang Shing Sing

Independent Non-Executive Director



► **Malaysian**, Female, Aged 35

Yang Shing Sing was appointed as our Independent Non-Executive Director on 15 March 2022. She currently resides in Malaysia. She is the Chairperson of our Nominating and Remuneration Committee. She is also the member of our Audit Committee and Risk Management Committee.

She obtained her Diploma in Business Administration from Southern College, Malaysia in May 2010. She was certified as an internal auditor for the ISO 9001:2008 in May 2014, a lead auditor for the ISO 9001:2015 in April 2016 and an internal auditor for the ISO 14001:2015 in November 2017. She was also certified as a Train-The-Trainer certified trainer by Pembangunan Sumber Manusia Berhad and Brownland HResources Sdn Bhd in October 2017. She has approximately 10 years of experience in the field of business consultation and management services on the ISO standards. She was awarded the recipient of the Top Emerging Leader of the Year 2019 by Des Prix Infinitus Media for her dedication in entrepreneurial and strong leadership skills.

In October 2011, she started her career in Loyal Reliance Pte. Ltd., a company principally involved in provision of business consultancy and training services as a Corporate Relationship Officer responsible in maintaining a good relationship and communications with the banks. In September 2012, she left Loyal Reliance Pte. Ltd. and joined Loyal Reliance Sdn. Bhd., a company principally involved in provision of business management consultancy services for information technology as a Personal Assistant to Managing Director in November 2012. She was promoted to General Manager in January 2013 responsible for overseeing the daily business activities, strategizing to improve the overall business functions, developing and implementing the operational policies and strategic plan, and providing ISO consultancy works to clients. She left Loyal Reliance Sdn. Bhd. in December 2016.

In January 2017, she was appointed as a Business Development Director of WBU International Sdn. Bhd., a company principally involved in provision of business solution and advisory services and she was responsible for overseeing the strategic development, marketing initiatives and implementing better business practices for the company.



Directors' Profile

Yang Shing Sing (cont'd)

In August 2018, she took up the role as the COO of IBC Assets Sdn. Bhd. (now known as IBC Assets Berhad), an investment holding company principally involved in managing in-house fund and she was responsible for refining and structuring the management reporting structure and overseeing and managing the internal audit procedures for ISO standards. She was then appointed as a COO of International Business Capital Sdn Bhd (the holding company of IBC Assets Sdn Bhd), a company principally involved in providing business advisory in January 2019. She is responsible for designing and implementing business operations and protocols for productivity and efficiency, establishing standard operating policies that promote the company's culture and vision, and overseeing general operations of the company and the overall performance of employees. Currently, she oversees the operations of both IBC Assets Berhad and International Business Capital Sdn. Bhd. as mentioned above.

Since March 2021, she has been the Executive Director of Newman Trust Investment Bank Ltd., an investment bank specializing in corporate finance and advance market advisory services and she oversees the origination and execution of end-to-end private equity, mergers and acquisitions and structured finance transactions.

She also holds directorships in several private companies. Save for her directorship of the Company, she does not hold any other directorship in public companies and listed corporation.

Additional Information:

► **Family relationship with any director and major shareholders**

All of the above Directors do not have any family relationship with any director and/or major shareholders of the Company.

► **Conflict of Interest**

None of the Directors have any conflict of interest with the Company.

► **Conviction of Offence, public sanction or penalty imposed by relevant regulatory bodies**

Other than traffic offenses, none of the Directors of the Company have any convictions for offenses within the past 5 years or have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



Key Senior Management's Profile



► Wang Zheng

Chief Operation Officer

Male, 41, Chinese

Wang Zheng is the Chief Operation Officer (“COO”) of our Group. He currently resides in Thailand. He obtained his Bachelor of Management (major in Marketing) degree from Liaoning Huashang Economic University, China in July 2009. He then obtained his Master in Business Administration degree from The Cavite State University, Philippines in August 2021. He has approximately 15 years of experience in the areas of logistics management, supply chain management and setting up operational procedures for companies.

He started his career as a personal business advisor to Saranjit Wang, the Managing Director of Bai Li Enterprise since January 2007. He was assisting Bai Li Enterprise to source food and snacks product from China and export of fried fish and fruit products from Thailand into China market. Since July 2012, he was also advising Saranjit Wang, the Managing Director of Bai Li Enterprise on sales and operations planning and providing guidance on product knowledge to the sales team of Bai Li Enterprise. He was assisting in sourcing new products and distribution of the new products in Thailand market.

He was appointed as COO of our Group in July 2020. As the COO of our Group, he oversees the overall operations of our Group. He assists to source new products from both local and/or overseas market for distribution in Thailand market. He is also responsible for annual business planning and supplier relationship management of our Group.



► Tin Jiing Soon

Chief Financial Officer

Male, 43, Malaysian

Tin Jiing Soon, is the Chief Financial Officer (“CFO”) of our Group. He currently resides in Malaysia. He obtained his Bachelor of Business (Accountancy) degree from RMIT University, Australia in July 2003. He has approximately 19 years of experience in the areas of audit, financial reporting, budgeting, cost management and corporate planning.

He started his career in December 2003 at Ernst & Young, a financial and audit services firm in Malaysia as an audit associate in the Assurance and Advisory Business Services Division where he was involved in due diligence and statutory audits of public listed and non-public listed companies in various industries. He then left Ernst & Young, Malaysia in December 2006 as a Senior Associate and joined Ernst & Young, Singapore as a Senior Associate in the Assurance and Advisory Business Services Division in March 2007.



Key Senior Management's Profile

► Tin Jiing Soon (cont'd)

In September 2007, he left Ernst & Young, Singapore and joined CIMC Raffles Offshore (Singapore) Ltd. (now known as CIMC Raffles Offshore (Singapore) Pte. Ltd.), a company principally involved in building and repairing of ships, tankers and other ocean-going vessels as Group Assistant Finance Manager. He was responsible for preparation of annual cash flow forecast and expense budget of the group, consolidated reporting packs of China entities and analysis of the group's monthly management reports. He was then promoted to Group Finance Manager in March 2009. During his tenure with CIMC Raffles Offshore (Singapore) Ltd., he had also been assigned to assist the Group Deputy CFO to oversee the budget and progress of the drilling rig construction project in Russia and manage finance department of the group's subsidiaries in China.

In January 2012, he left CIMC Raffles Offshore (Singapore) Pte. Ltd. and joined Sea Forrest Offshore Pte. Ltd., a marine and offshore project management company as Head of Finance in February 2012. He was responsible for the finance department functions, managing project and operation cash flow and preparation of financial forecast and budget of the company. He then left the company in February 2014 and took a career break.

In July 2014, he joined Infraavest Pte. Ltd., a company principally involved in provision of business management consultancy services as Director of Special Project / Finance and Business Development. He was responsible for the group financial reporting and review. He also handled acquisition exercises and/or establishment of new business entities in several industries. He left Infraavest Pte. Ltd. in September 2021.

He joined our Group as CFO in October 2021. As the CFO of our Group, he is responsible for overseeing the accounts and finance department of Wellspire Group.



Male, 49, Thai

► Wanchai Wanichkulthumrong

Deputy COO

Wanchai Wanichkulthumrong is the Deputy COO of our Group. He currently resides in Thailand. He obtained his Bachelor of Business Administration from The University of The Thai Chamber of Commerce, Thailand in February 1995. He has approximately 25 years of experience in the areas of procurement, merchandising and inventory management.

He started his career in Ek-Chai Distribution System Co., Ltd., a company operating hypermarket chains in Thailand in October 1995 as an Assistant Buyer responsible for market survey and sourcing, negotiating and purchasing of goods. He left as a Senior Buyer in March 2007.

He joined Big C Supercenter Public Co., Ltd., a company operating supermarkets and discount stores in Thailand as a Senior Category Manager in April 2007. He was responsible for preparation of sales budget and target and monitoring of sale turnover and profit plan. He also handled the negotiation with both international and local vendors for trade agreement and performance review with key vendors yearly.

He left Big C Supercenter Public Co., Ltd. in June 2012 and joined CPF Trading Company Limited, a consumer goods company in Thailand as Assistant Vice President of Merchandise Department in the same month. He was responsible for merchandise strategy, category strategy and preparation of sales budget and trade plan. He then left the company in July 2014.



Key Senior Management's Profile

► **Wanchai Wanichkulthumrong (cont'd)**

In August 2014, he joined TCC Logistics and Warehouse Co., Ltd., a food retailer as a Vice President of Food Merchandise Department. His job responsibilities are similar to those undertaken by him in Big C Supercenter Public Co., Ltd.

He then left TCC Logistics and Warehouse Co., Ltd. in June 2015 and took a 6-month career break before joining TOA Paint (Thailand) Public Company Limited, a chemical manufacturing company in January 2016. He was appointed as a business consultant of TOA Paint (Thailand) Public Company Limited responsible for conducting feasibility study, exploring new retail model, sourcing products from China and set-up of new retail stores. He then left the company in September 2017 to take care of a sick family member.

In October 2018, he joined Central Food Retail Co., Ltd., a company operating supermarket chains in Thailand as Assistant Vice President – General Merchandise Buying Lifestyle Products responsible for merchandise strategy, preparation of sales budget and sourcing products from China. He then left in June 2019 to explore business opportunities.

In October 2019, he joined Mega Alliance Co., Ltd., a wholesaler as a Director overseeing the company's operation and strategising the expansion plan of traditional trade market.

In February 2021, he left Mega Alliance Co., Ltd. and joined Valueplus Worldwide Co., Ltd., a wholesaler as Vice President of Traditional Trade Channel Department in March 2021. He was responsible for expansion of the traditional trade market channels and managing customer satisfaction of the company's products. He left Valueplus Worldwide Co., Ltd. in September 2021.

He joined our Group as Deputy COO in October 2021. As the Deputy COO of our Group, he is responsible for the customer relationship management of Wellspire Group. He also oversees the sales department, delivery of action plans of each department and implementation of the performance framework and monthly operational performance meeting.

Additional Information:

► **Family relationship with any director and major shareholders**

Save for Wang Zheng who is the spouse of Saranjit Wang, there are no other family relationship with the Directors and/or major shareholders of the Company.

► **Any directorship in other public companies and listed companies**

None of any Key Senior Management holds any directorship in public companies and listed companies.

► **Conflict of Interest**

None of the Key Senior Management have any conflict of interest with the Company.

► **Conviction of Offence, public sanction or penalty imposed by relevant regulatory bodies**

Other than traffic offenses, none of the Directors of the Company have any convictions for offenses within the past 5 years or have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CEO's Statement

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Wellspire Holdings Berhad (“Wellspire”, and together with its relevant subsidiaries collectively, the “Group”) was formally incorporated as Wellspire Holdings Sdn Bhd in Malaysia on 6 August 2021 under the Companies Act, 2016 (“Act”) as a private limited company and was subsequently converted into a public limited company on 25 March 2022. The principal business activity of Wellspire is investment holding, and the Group is principally involved in the distribution of consumer-packaged foods, primarily focussing on sunflower seeds, whereby the Group is the exclusive distributor of the ChaCha brand of sunflower seeds in Thailand.

In addition, the Group distributes other snack food products, such as other seeds and nuts, baked and confectionery products comprising third-party brands, as well as its in-house brands. Based in Pathum Thani, Thailand, the Group's market reach throughout Central, Northeast, Northern and Southern regions of Thailand has been established since 2007, growing from a humble family-owned enterprise into a thriving company with a wide coverage of end-consumers for its snack food products via its extensive indirect distribution network.

”

Mo Guopiao
Executive Director/
Chief Executive Officer





CEO's Statement

Evolution Into a Public Listed Company

Prior to the listing, the Group underwent an internal reorganisation to streamline its shareholding structure, enabling well-defined roles and responsibilities, and ensuring the separation of ownership and stewardship functions, thus promoting greater accountability and efficiency.

The founder and Managing Director of Bai Li Enterprise, Saranjit Wang, remains the Executive Director of the Group as she guides the Group along its original purpose of the import-export business of snack food products from Thailand to China. The Group has been focusing on the distribution of snack foods, mainly sunflower seeds which uses indirect distribution channels such as wholesalers and retailers, including hypermarkets, supermarkets and convenience stores that also sell a large variety of other consumer packaged goods in Thailand.

The Group's listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") was primarily to raise funds for its operations and working capital in addition to raising its profile among stakeholders such as customers, suppliers and employees as an international distributor and online retailer of consumer-packaged foods. Given that the business operations are based in Thailand, the Group views the listing exercise on the foreign exchange in Malaysia as a strategic move to enhance the Group's profile and gain greater recognition in our home market. Additionally, this listing provides valuable collaboration opportunities with Malaysian snack distributors and manufacturers, enabling the Group to distribute Malaysia products in Thailand and cross-sell our products in Malaysia. As Malaysia is also a leading global halal hub, our snack food products would have the accessibility to obtain halal certification, allowing the Group

to expand its business not only in Malaysia but also in other countries. This presents a significant growth potential in the halal food market.

Wellspire's initial public offering ("IPO") was priced at 23 sen per share. With the IPO shares earmarked for private placement fulfilled, the retail portion of the IPO reserved for application by the Malaysian public registered a total demand of approximately RM101.35 million worth of shares, or an oversubscription rate of 11.24 times. On its official debut on Bursa Securities, Wellspire's shares began trading with a 43.5% premium of 33 sen against its initial IPO price. The Group is indeed humbled and grateful for the support and level of investor confidence in its listing. Through this IPO, the Group had successfully raised gross proceeds of RM28.66 million via its public issue of 124.60 million new shares, which will be used for the aforesaid purposes.



23 sen per share
IPO price

RM101.35 million
IPO reserved for application by
the Malaysian public registered

11.24 times
IPO's oversubscription rate

RM28.66 million
raised gross proceeds via its
public issue of 124.60 million
new shares



CEO's Statement

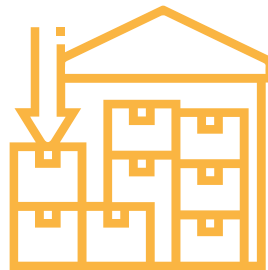


► Our current warehouse/distribution centre, which serves our customers throughout Central, Northeast, Northern and Southern regions in Thailand.

On Track to the Next Phase of Growth

The business's main operations remain in Thailand, with the product line-up mainly comprising of the ChaCha brand of sunflower seeds. The total number of products carried by the Group amounts to no less than 40 different stock-keeping units (SKUs) that include other brands currently, all contributing positively to the Group's revenue stream.

In the near term, the Group will continue to grow its market share further in the Thai market, driven mainly by organic growth. The Group will further leverage its established network of indirect distribution channels by actively sourcing new snack products from China to widen its distributed snack food product range that it carries and distributes to its customers' sales and distribution points. At the same time, as the Group deploys its IPO proceeds to enhance its warehouse and operating facility in Thailand, it anticipates to further streamline costs for greater efficiency, thus allowing the Group to continue delivering top-notch service quality.



≥ 40 SKUs
(stock-keeping units)

Total number of products carried by the Group

In line with the overarching strategy to list on Bursa Securities and to facilitate the Group's longer-term growth strategy, the Group intends to explore strategic partnerships and tie-up with snack food owners in Malaysia and Singapore with a view of penetrating the Thai market and distributing their products through the Group's various established distribution channels in Thailand. The Group believes that such collaborations, which will result in an enhanced market presence in the region, will effectively enable mutually beneficial synergies in the form of cross-selling of products between the geographical markets.

Acknowledgements

On behalf of the senior management team, I would like to take this opportunity to thank our shareholders, investors, business partner, suppliers, advisors and financiers who continue to place their trust in the Group and its ability to create value and grow sustainably. I would also like to thank my fellow Board members for their wisdom, guidance, and support.

In addition, the Management and employees of the Group are an invaluable source of strength, and together, we can achieve better results in the upcoming year on the back of the economic tailwinds following the post-pandemic full economic reopening.

Mr Mo Guopiao
CEO / Executive Director



Management Discussion and Analysis



Wellspire Holdings Berhad (“Wellspire” or the “Company”) was incorporated under the name of Wellspire Holdings Sdn Bhd in Malaysia on 6 August 2021 under the Companies Act 2016 and was subsequently converted into a public limited company on 25 March 2022. Wellspire successfully completed its initial public offering (“IPO”) and listing on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 16 January 2023. This Management Discussion and Analysis (“MD&A”) discusses Wellspire’s full year financial results for the financial year ended (“FYE”) 31 December 2022 on a combined basis and should be read in conjunction with the Audited Financial Statements of Wellspire and its subsidiaries (“the Group”) (“AFS”).



I Principal Business Activity

The principal activities of the Company is investment holding. The Company’s subsidiaries are principally involved in distribution and online retailer of consumer-packaged foods. For the distribution of consumer-packaged foods, the Group purchases the ‘ready-to-distribute’ form of consumer-packaged food and subsequently resells them in cartons.

The Group’s primary focus is on the distribution of consumer- packaged foods in Thailand. The Group’s flagship product is the popular ChaCha brand sunflower seeds, whereby its subsidiary, Bai Li Enterprise Co., Ltd. is the exclusive distributor of the ChaCha brand consumer packaged foods product in the Thailand market. In addition to sunflower seeds, the Group distributes a range of other food products, including seeds and nuts, as well as baked and

confectionery products, featuring both third-party and proprietary brands, totalling more than 40 stock keeping units within the Group’s distributorship.

The Group’s operational headquarters is in Pathum Thani, Thailand, strategically within its client base area in Bangkok. The Group’s market reach extends to the Central, North-Eastern, Northern and Southern regions of Thailand.

The key strengths of the Group’s business are its exclusive distributorship of the ChaCha brand sunflower seeds, established indirect distribution channels covering a broad base of end consumers and its networking capabilities with some of the largest retail chain outlets in Thailand market. The Group is also professionally run by a team of experienced directors and senior management team.

Management Discussion and Analysis



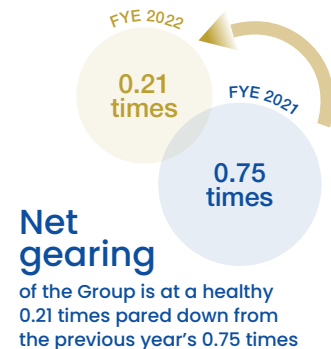
Principal Business Activity (cont'd)

The Thailand economy is expected to expand within the range of 3.0% to 4.0% in 2023 (Source: Office National Economic and Social Development Council (Thailand)), mainly supported by recovery of domestic tourism, expansion of both private and public investments, improved domestic demand and the growth of agricultural sector. As the operating environment stages a recovery, the Group expects that demand for healthy snacks like sunflower seeds and nut products to increase in Thailand in tandem with the post-pandemic improvement in household income and consumer spending.

Financial Performance and Financial Condition

For the FYE 2022, the Group recorded RM123.37 million in revenue, a decrease of 9.76% from the previous financial year. However, the Group still garnered a respectable profit before tax of RM5.90 million while profit after tax stood at RM2.96 million.

The Group has a robust financial position. Prior to the IPO, the Group had undertaken a restructuring exercise and completed a share split of Wellspire's shares. Pursuant to the above, during the financial year under review, earnings per share attributable to the equity holders of the Company was 0.19 sen per Share as compared to 1.89 sen per Share for the FYE 2021. Shareholders' equity stood at RM10.53 million and RM21.87 million as at 31 December 2021 and 31 December 2022, respectively. As of 31 December 2022, the Group had cash and bank balances of RM10.47



million and total borrowings were RM5.30 million. As of 31 December 2021, the Group had cash and bank balances of RM5.88 million and total borrowings were RM10.12 million. The Group had pared down its net gearing to 0.21 times in FYE 2022 from 0.75 times in FYE 2021.

Through the IPO and listing on the ACE Market of Bursa Securities, the Group successfully raised gross proceeds of RM28.66 million via its public issue of 124.60 million new ordinary shares in Wellspire ("Wellspire Shares" or "Shares"). Further information for the utilisation of proceeds raised from IPO is disclosed under the "Additional Compliance Information" section of this Annual Report.



10.00 million ordinary shares
issued to Directors and significant stakeholders important to the business



Management Discussion and Analysis

warehousing
needs grew to
3,600
sq. m

Operational and Segmental Review

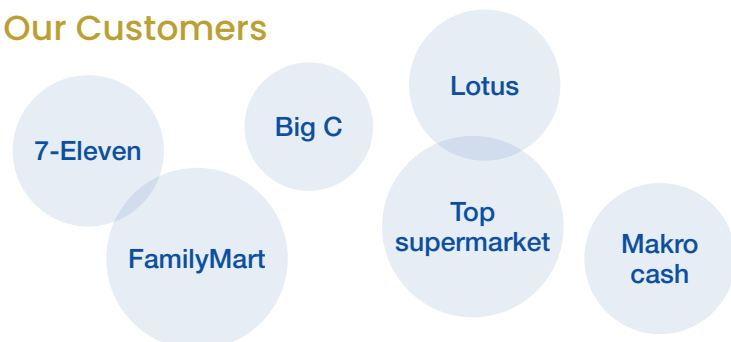
► Warehouse

The Group's long-term performance is largely attributed to the strategic location of its warehouse and operational facility in Pathum Thani, situated in close proximity to Laem Chabang port in Bangkok and its customers' sales and distribution centres. As the Group's operations expanded, its warehousing requirements increased from 1,500 square meters ("sq. m") in FYE 2019 to 3,600 sq. m in FYE 2021, in tandem with the increased in the Group's sales from RM58.80 million in FYE 2019 to RM136.71 million in FYE 2021. This prompted the Group's to purchase a warehousing property instead of continue leasing.

► Our Customers

The Group's customer base mainly operates large chain retail outlets, providing a wide distribution network that enables market access for its snack food products to a large potential end-consumer base in Thailand. Among them are 7-Eleven and FamilyMart convenience stores, Big C and Lotus's hypermarket, Tops supermarket and Makro cash and carry stores. Within the Group's

Our Customers



wholesaler network is Valueplus Worldwide Co., Ltd. which supply traditional retailers such as sundry shops and small retailers in suburban areas and town centres as well as market stall operators and street vendors.

In 2020, the Group via Keymall Retail Co., Ltd., commenced its e-commerce business as an online retailer of snack food products, to provide direct-to-market access to customers and through third-party online platforms such as Shopee and Facebook in Thailand.

► Revenue

Overall, the Group's revenue stream is anchored by its top-selling product, the ChaCha brand sunflower seeds, which have been a consistent major

contributor to its earnings. Over time, the Group has expanded its product offerings with its in-house Pee Ree snack brand established in 2017, and the King Kong mixed nuts energy bar in 2019. In 2020, the Group added third-party brands such as Cundo layer cakes, followed by its in-house Miyu chocolate snacks in 2021.

During the year under review, the Group derived most of its revenue from the sales of ChaCha brand sunflower seeds, which contributed 92.89% or RM114.60 million of its total revenue in FYE 2022 while the remaining revenue comprised the sales of baked and confectionery products, other seeds and nuts, and other snack foods at 5.46%, 1.43% and 0.22% respectively.

Management Discussion and Analysis

Operational and Segmental Review (cont'd)

Revenue (cont'd)

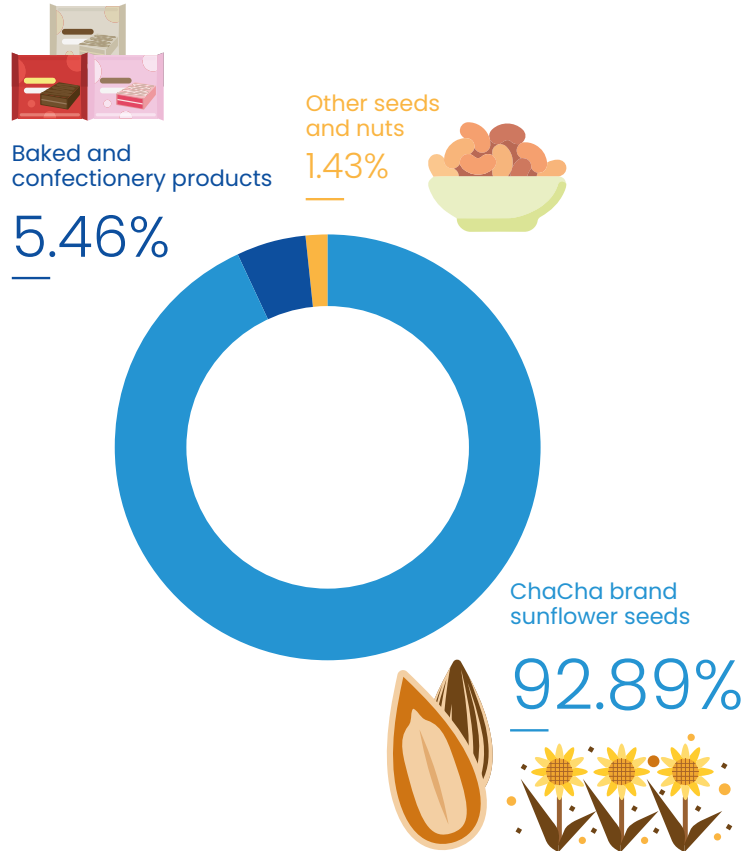
The Group's total revenue decreased by RM13.34 million to RM123.37 million on a year-on-year basis, mainly due to reduced sales to Siam Makro Public Company Limited, Big C Supercenter Public Company Limited, Mega Alliance Co., Ltd. and CP All Public Company Limited by a total of RM25.19 million. However, the impact was partially mitigated by increased sales to Valueplus Worldwide Co., Ltd., TD Tawandang Co., Ltd. and other customers amounting to RM8.14 million, RM3.29 million and RM0.42 million respectively. The overall decrease in revenue during FYE 2022 was primarily due to the normalisation of customer orders during the year under review. Following the gradual easing of Covid-19 restrictions and upliftment of curfews as the Thailand economy slowly transitioned to the endemic state from August 2021, the Group had experienced an outsized demand from its customers who had immediately increase their stock inventory level during FYE 2021. However, demand began to normalise from the second quarter of 2022, as customers adopted a more prudent approach in their purchases by purchasing fewer stocks due to earlier purchases made.

Cost of Sales

The Group's margins were impacted in FYE 2022 by an increase in material costs arising from an increase in purchase price of ChaCha sunflower seeds. This was largely due to the general increase in the cost of raw materials, packaging materials and energy cost that was passed on by the brand principal in Thailand.

Gross Profit

The Group decided to absorb the increase in cost and maintained the selling prices of ChaCha sunflower seeds to customers, as well as the final retail selling prices to the Thailand market to maintain competitiveness. As a result, the Group's earnings were correspondingly affected. Despite the challenges, the strength of the Group's distribution network and ability to execute its strategies despite an uncertain external environment allowed the Group to report an overall positive earnings during FYE 2022. As such, the Group's gross profit margin decreased to 21.04% for the FYE 2022 as compared to 27.92% in the corresponding financial year.



Profit Before Tax ("PBT")

The Group reported PBT of RM5.90 million, for the FYE 2022, a decrease of 69.10% from prior year, reflecting the impact of higher raw material price on the Group's margins, as well as one-off listing expenses incurred amounting to RM3.93 million during the financial year under review. As a result, PBT margin reduced from 13.97% in FYE 2021 to 4.78% in FYE 2022, respectively.

Save as aforementioned, the Group is not aware of any other known trends and events that are reasonably likely to have a material effect on our operations, performance, financial condition and liquidity.

Risks and Opportunities

One of the most important business relationships the Group has is its exclusive distributorship of the ChaCha brand sunflower seeds. The Group is dependent on a single product, sunflower seeds and the Cha Cha Group (comprising of QiaQia Food Co., Ltd., ChaCha Food (Thailand) Co., Ltd. and Jet Voyage Enterprises Limited) as the single supplier for the sunflower seeds. The Group is also dependent on the distributor agreement for ChaCha sunflower seeds and nuts in Thailand, which is renewable annually. Over the years, the Group has diversified its product range in part to mitigate the risk of single product dependency, and has successfully introduced several new products to the Thailand market, including other seeds and nuts and baked and confectionery products comprising third party brands as well as the Group's own brands.



Management Discussion and Analysis

I Risks and Opportunities (cont'd)

On the demand side, the Group is also cognisant of the fact that marketing and supplying its products to a group of major customers and needs to maintain good business relations are important for the Group to continue to sustain its performance. There are also other associated risks such as inflationary pressures on the costs of supply for consumer-packaged foods and factors related to the product itself, such as product liability, negative perception, reputation, and either labelling/licensing liabilities. Nevertheless, the Group has established a network of indirect distribution channels and fostered stable business relationship with its customers that are large chain retail outlets over the years. This provides continued market access of the Group's distributed products to a large pool end-consumers, as well as the ability to navigate pricing discussions and respond to any possible operational issues in an agile manner, thus allowing the Group to preserve and grow its footprint in Thailand.

In terms of supply chain, any disruptions to warehousing and operations, including those affecting external manufacturers and distributors for the consumer-packaged snack foods has the potential to affect the Group's operations. Additionally, the outbreak of an epidemic or a pandemic such as Covid-19 may result in a significant disruption to business operations and financial performance, including that of the Group.

The Group is helmed by a capable and experienced management team, which is a crucial success factor for the Group. The overall Group strategy allows the management of the Group ("Management") to have sufficient oversight needed to guide the Group over intermittent periods of uncertainty, address execution risk

and ultimately to expand the Group's business and improve its financial performance.

I A Fresh Start

The Group recognises that there is room to serve the underserved markets in Thailand, and more work needs to be done to develop and bring more new products into the Thailand market. Being the exclusive distributor of ChaCha products in Thailand, sunflower seeds will remain the major revenue contributor of the Group. Apart from tapping on unpenetrated markets via its wide indirect distribution network, the Group anticipates its business-to-consumer channel to be a source of business growth, going forward. As such, part of the expansion plans is to enhance the features of the existing e-commerce platform, to further complement the Group's existing business model and to increase its online presence. In addition, the Group will continuously widen its product range by leveraging on the advantage its reputable customers base and extensive distribution network in the Thailand market.

In this respect, the Group had in early 2023 subsequent to its listing, secured an exclusive distributor agreement with HH International Enterprise Limited, a subsidiary of Weilong Delicious Global Holdings Ltd to distribute its spicy snack food products in Thailand. This new collaboration has solidified Wellspire's position as the go-to distributor for successful brands aiming to expand into Thailand.

The Group's efforts to increase sales mix will continue to accelerate in 2023 as the Group actively sources and imports new snack food products from existing suppliers, as well as new third parties from foreign countries, including potato chips, tortilla chips, and corn puff snacks, to the Thailand market.

The successful listing of Wellspire has thus strengthened the Group's strategies and Management's commitment to be the preferred distribution partner for snack food products from other regions into the Thailand market. In addition, it has laid the foundation for the Group's future trajectory, and will serve as an important enabler for potential synergistic cross-country distribution of snack food products. Towards this end, the Group intends to explore strategic partnership or acquisition of minority stakes with other distribution companies to fast track its plan to create and establish its presence in Malaysia and Singapore.

As the Group proceeds into its maiden year as a listed entity, it has undertaken to oversee and manage the Group's risk factors that it has identified both operationally and strategically in order to create value for its shareholders.

I Dividends

The Board will consider various factors when recommending dividends for approval by shareholders or when declaring any interim dividends. These factors (which are non-exhaustive) include the level of cash and level of indebtedness, required and expected interest expense, cash flows, profits, return on equity and retained earnings, the Group's expected results of operations and future level of operations, and the projected levels of capital expenditure and other investment plans.

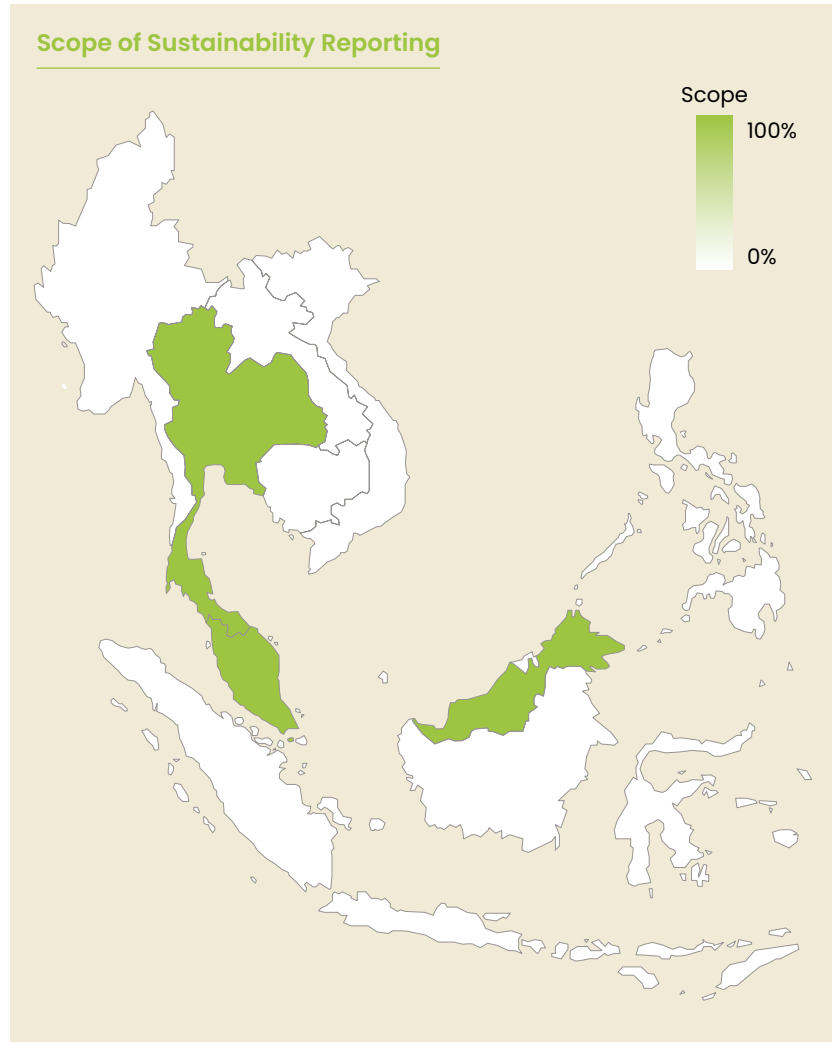
The Group did not declare dividend in FYE 2022.

Sustainability Statement

Scope & Boundary of Statement

Wellspire Holdings Berhad (“Wellspire” or the “Company”) successfully completed its initial public offering (“IPO”) and listing on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 16 January 2023. In view that the Group had completed its listing on 16 January 2023, the disclosures in this Statement will reflect the Group’s activities on a combined basis prior to listing, as per stated in the rest of this Annual Report and in the Audited Financial Statement. In addition, the Group intends to perform step-up reporting, which will show an enhanced and robust Sustainability Report in the future.

As Bursa Securities has released its Third Edition of its Sustainability Reporting Guide (“SRG”) in October 2022, this statement will uphold the updated reporting standards, including the junction between the Global Reporting Initiative (“GRI”) 4 guidelines and the Task Force on Climate-related Financial Disclosures (“TCFD”). Despite this being the inaugural Sustainability Statement of the Group, it will endeavour to discuss Material Sustainability Matters (“MSM”) and link it to the framework of the United Nations’ Sustainable Development Goals (“SDG” or “UN SDG”).



Although Wellspire is mainly a holding company, this report will take into consideration investors’ interest in reporting the Group’s main business activities in Thailand as well as its wholly-owned subsidiary, Vine Growth Holdings Pte Ltd, which is a Singaporean-based investment holding company and provider of management consultancy services. The overall scope of the Sustainability Statement is reflected in the map above.

Sustainability Governance

As the Group embarks on its new journey as a Listed Company, it will begin to put in place policies and procedures that will ensure its long-term business sustainability. At this point in time, the tone from the top mandates the key sustainability functions of the Group to the Group CEO, reflecting the direction of the Board of Directors (“BOD”), who are cognisant of the need to embed a robust and lively sustainability culture within the Group. In the upcoming year, Wellspire intends to set up a Sustainability Committee and will engage in consultancy to perform the advisory functions on Sustainability Matters while the Board functions as a check and balance to the Group’s Sustainability activities and reporting.

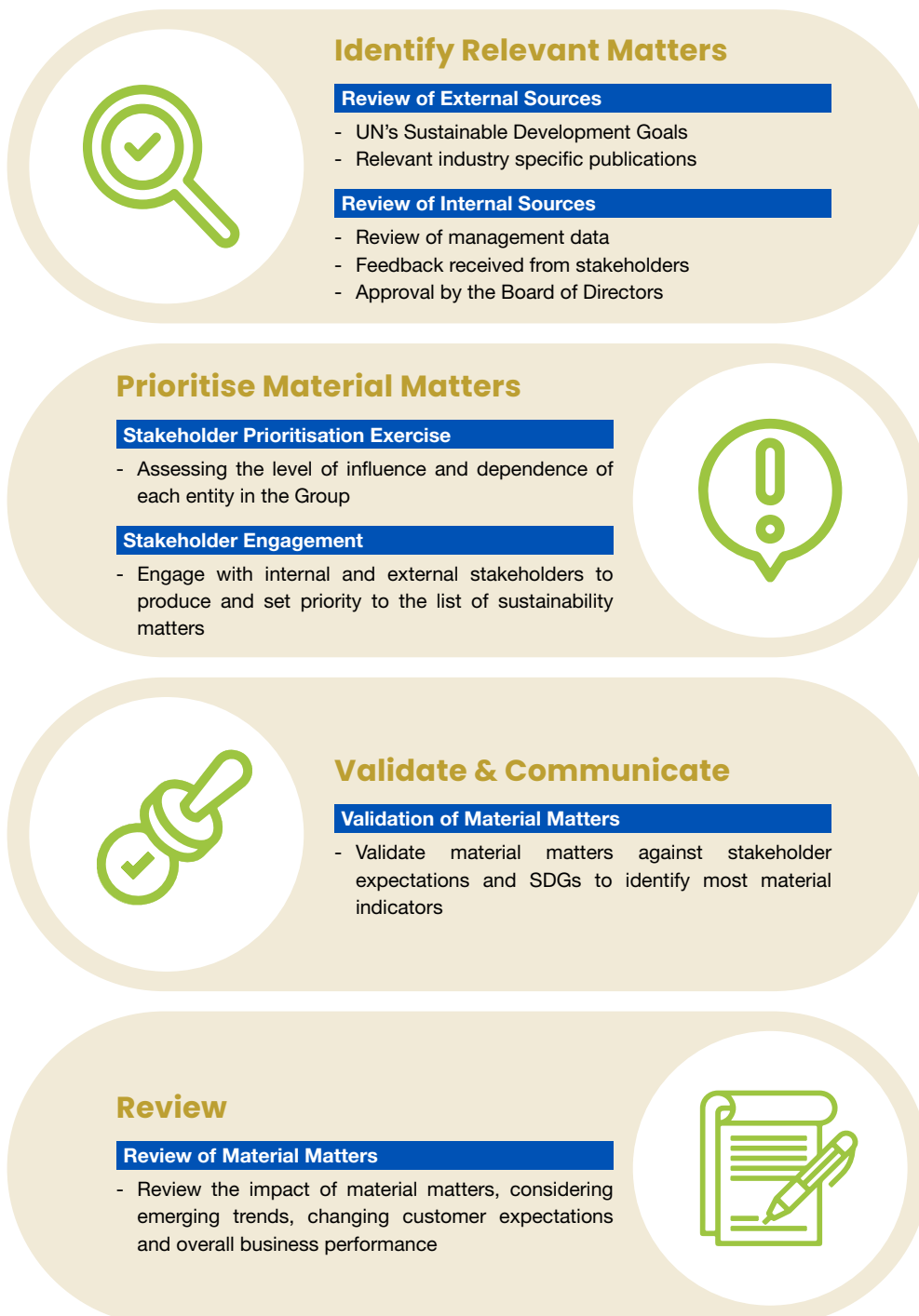


Sustainability Statement

Material Assessment Criteria

Material topics were determined based on a review of current and anticipated future demands of society and environment, which were then aligned with the Group's business model and direction as well as the relevant UN SDG.

The Group identified the relevant sustainability matters through a review of internal and external sources, which includes feedback from stakeholders, as tabled below:





Sustainability Statement

Stakeholder Engagement

The Group has identified its key stakeholder groups including those with material influence and impact over their main business activity, which include:

Stakeholder	Engagement	Frequency
Senior Management Team	Management Meetings	Weekly
Investors & Shareholders	Annual General Meetings Corporate Website Analyst Briefings/Meetings Announcements	Annually Minimum quarterly Timely updates When necessary
Government & Regulators	Business Meetings/Internal Meetings Labelling New product	Every month-end When needed When needed
Suppliers & Vendors	Supplier & Vendor Discussions	Weekly
Employees	Internal Meetings Employee Evaluation	When necessary Annually
Customers	Sales Meetings	Weekly

Within the upcoming financial year, the Group intends to perform a prioritization of material matters to derive the ranking for its Material Sustainability Matters (“MSM”). However, as the Group is still nascent in its sustainability journey, the Group has decided to report on the relevant themes and indicators from within Bursa Securities’ SRG.

Common Indicators

For FYE 2022, the Group will not be able to disclose its Environmental-related goals as it is still in the process of setting up the structure to monitor, measure and report on matters such as **Energy Management, Water Usage, Emissions Management** and **Waste Management**. On the matter of Waste Management, the Group proactively handles its food waste through a managed list for its annual disposed food products that are written off due to food safety and management standards.

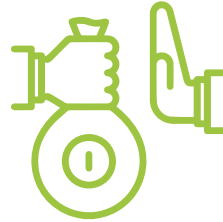
The Group has embraced the core values of social responsibility by serving the community. A willing heart to give back to the community is the main driving factor to carry out the corporate social activities besides business activities as it believes in the importance of this core value to move them forward.



Sustainability Statement

Anti-Corruption

However, within the Group is a high awareness and practice for measures that prevent **Anti-Corruption**. While the Group hasn't embarked on a Group-wide training programme for anti-corruption by employees, the Group has an Anti-Bribery and Anti-Corruption (ABAC) manual that it instills within the orientation programme for new employees. There is also a whistleblowing policy for the Group instituted in the first quarter of 2022. In the upcoming year, the Group may consider enhancing its monitoring and assessment of corruption-related risks, involving different sections of its operations and establishing channels to support anti-corruption reporting within the Group.



Sector-specific Indicators

Within the operational core of the business is **Customer Health & Safety** matters, where the **Product Responsibility for Consumer Products & Services** sector applies to the Group. In the financial year under review, the Group is proud to uphold that there has been no reports of health or safety incidences involving its product range. There have also been no reported cases of recalls nor any cases with any regulatory matters where the Group's range of products and services are concerned.

As for the Group's **Supply Chain** management, for both **Environmental and Social** indicators, the Group intends to look into instituting stronger practices for screening on both environmental and social criteria in the upcoming year.

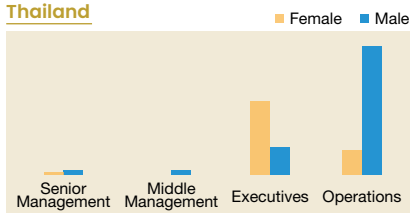
Employees

As the key for any organization lies in its talent pipeline, the Group is cognisant of how it handles its employees. As the Group chooses to disclose the Malaysian holdings company for this Statement, the **Labour Practices & Standards** include all full-time workers in white collar jobs with some seasonal or ad hoc workers taken on in a part-time capacity as and when the business requires it.

The Company's main operational headquarters in Pathum Thani are where all employees situated in the warehouse office are trained on **Health & Safety standards** for optimal operations. On this matter however, there is a Black Box system in place to raise operational issues to the Management. This is an anonymous and effective way to manage concerns regarding workplace issues that any employee might have with concerns their health and wellbeing.

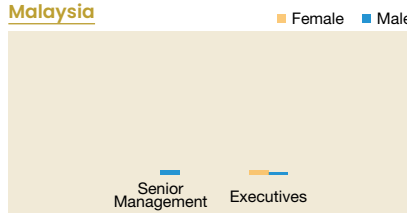
On the matter of **Diversity**, the Group believes in employing a multi-talented and diverse workforce that enables robust exchanges of ideas, viewpoints and industry best practices to attract and retain top talent. The following charts show the Group's Thai and Malaysian workforce:

Thailand



	Male	Female
Senior Management	2	1
Middle Management	2	0
Executives	9	27
Operations	41	8
TOTAL	54	36

Malaysia



	Male	Female
Senior Management	2	0
Executives	1	2
TOTAL	3	2

Summation

The Group's main business activity as a holdings company in this year's reporting has a significant impact on the relevant UN SDGs which reflect the Group's overall Sustainability stance. Among the select UN SDGs which are relevant to the Group and will form the basis of the next cycle of Sustainability reporting are:

