



ANNUAL
REPORT
2022



大穩控股有限公司

TA WIN HOLDINGS BERHAD

(Registration No.: 199401005913 (291592-U))
(Incorporated in Malaysia)

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Yeo Boon Leong, JP
*Chairman,
Non-Independent Non-Executive Director*

Dato' Sri Ngu Tieng Ung, JP
Managing Director

Mr. Tan Poo Chuan
Executive Director

Mr. Lim Boon Shen
Non-Independent Non-Executive Director

Datuk Zakaria Bin Sharif
Independent Non-Executive Director

Dato' Paduka Dr. Hii King Hiong
Independent Non-Executive Director

Datin Seri Azreen Binti Abu Noh
Independent Non-Executive Director

REGISTERED OFFICE AND CORPORATE OFFICE

Unit 26-11 & 26-12,
Level 26, Q Sentral,
Jalan Stesen Sentral 2,
50470 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel No. : 03-2276 6522
Fax No. : 03-2276 6511
Email : info@ta-win.com
Website : www.ta-win.com

SHARE REGISTRARS

Securities Services (Holdings) Sdn. Bhd.

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel No. : 03-2084 9000
Fax No. : 03-2094 9940

PRINCIPAL BANKERS

Malayan Banking Berhad
Maybank Islamic Berhad
AmBank (M)Berhad
MBSB Bank Berhad
CIMB Bank Berhad
Public Bank Berhad

INVESTOR RELATIONS

Mr. Tan Seng Pang
Tel No. : 03-2276 6522
Fax No. : 03-2276 6511
Email : info@ta-win.com

Mr. Lee Chee Keen
Tel No. : 03-2276 6522
Fax No. : 03-2276 6511
Email : info@ta-win.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

	Ordinary Shares	Preference Shares	Warrants B
Stock Name	TAWIN	TAWIN-PA	TAWIN-WB
Stock Code	7097	7097PA	7097WB

AUDIT COMMITTEE

Datuk Zakaria Bin Sharif (*Chairman*)
Dato' Paduka Dr. Hii King Hiong
Datin Seri Azreen Binti Abu Noh
Mr. Lim Boon Shen

RISK MANAGEMENT COMMITTEE

Dato' Paduka Dr. Hii King Hiong (*Chairman*)
Datin Seri Azreen Binti Abu Noh
Datuk Zakaria Bin Sharif

NOMINATION COMMITTEE

Datuk Zakaria Bin Sharif (*Chairman*)
Datin Seri Azreen Binti Abu Noh
Mr. Lim Boon Shen

REMUNERATION COMMITTEE

Datin Seri Azreen Binti Abu Noh (*Chairman*)
Dato' Paduka Dr. Hii King Hiong
Datuk Zakaria Bin Sharif

COMPANY SECRETARY

Ms. Kimberly Ong Sweet Ee
(SSM Practicing Certificate No. 201908000841)
(LS0009852)

AUDITORS

Ecovis Malaysia PLT

Chartered Accountants
201404001750 (LLP0003185-LCA) & AF001825
No. 54, Jalan Kempas Utama 2/2,
Taman Kempas Utama,
81200 Johor Bahru,
Johor Darul Takzim, Malaysia.
Tel No. : 07-562 9000
Fax No. : 07-562 9090

CORPORATE PROFILE

Ta Win Holdings Berhad (“Ta Win” or “the Company”) was incorporated in Malaysia under the Companies Act, 1965 (deemed registered under the Companies Act, 2016) on 7 March 1994 under the name Sinmah Holdings Berhad. Subsequently, on 15 November 1994, the Company changed its name to Medan Perdana Berhad. The Company assumed its present name on 27 June 1998.

Ta Win’s shares were offered to the public on 15 August 2000 in conjunction with its listing on Bursa Malaysia Securities Berhad. Ta Win is currently listed under the “Industrial Products & Services” Sector of the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of Ta Win are investment holding and provision of management services while the principal activities of its subsidiaries are as follows:-

COMPANY	DATE AND COUNTRY OF INCORPORATION	EQUITY INTEREST (%)	PRINCIPAL ACTIVITIES
Ta Win Industries (M) Sdn. Bhd.	12 February 1990, Malaysia	100.00	Manufacturing of enamelled copper wires, copper rods and trading of copper products.
Ta Win Manufacturing Sdn. Bhd.	19 April 2018, Malaysia	100.00	Manufacturing of copper wires and copper rods.
TWH Energy Sdn. Bhd.	28 December 2017, Malaysia	100.00	Carry on business of electric power generation, distribution of all energy power, fuel and its related infrastructure provider; and project management, R&D on energy related products in the EV charging industrial, and/or products with electron beam irradiation technology.
Cyprium Capital Sdn. Bhd.	31 January 2019, Malaysia	100.00	Investment holding and venture capital for metal and copper related products and industries, manufacturing and trading of non-ferrous metals including copper power cable and other copper related products.
Twin Industrial (HK) Co. Ltd.	21 July 1989, Hong Kong, SAR	100.00	Trading copper wires & copper rods to overseas markets.
Ta Win Copper Biohealth Sdn. Bhd.	17 September 2020, Malaysia	100.00	Design, R&D, production, marketing, investment and venture capital of healthcare and pharmaceutical products, devices and services which include application of antimicrobial copper, copper additives, biochemistry and chemistry of copper and copper proteins.
Ta Win Symbiosis Sdn. Bhd.	8 June 2021, Malaysia	100.00	Provision of property development, property management services, property facilities services, renting and operating, construction, non-ferrous metals waste management services and recycling.

CORPORATE PROFILE

(CONTINUED)

COMPANY	DATE AND COUNTRY OF INCORPORATION	EQUITY INTEREST (%)	PRINCIPAL ACTIVITIES
Ta Win Copper Ecocycle Sdn. Bhd.	13 August 2020, Malaysia	80.00	Investment and management company specially setup to undertake the design, development, financing, build to operate, sell and market the industrial park called "Terengganu Ecocycle Park".
Ta Win Copper Sdn. Bhd.	19 September 2018, Malaysia	65.00	Manufacturing of copper wires, copper rods and dealing in all kind of copper products.
Held through a subsidiary, Ta Win Industries (M) Sdn. Bhd.:-			
Ta Win Innotech Sdn. Bhd.	22 October 2021, Malaysia	100.00	Manufacturing of copper wires, copper rods, cables and trading of copper products.
Held through a subsidiary, Cyprium Capital Sdn. Bhd.:-			
Cyprium Wire Technology Sdn. Bhd.	15 April 2019, Malaysia	51.00	Manufacturing wire and/or cable products, including but not limited to, using electron beam irradiation technology which utilise proprietary cross-linking/ ionizing radiation treatment.
Sin Line Tek Electronic Co. Sdn. Bhd.	13 August 1999, Malaysia	51.00	Carry on the business of manufacturing, assembling, supplier, trading of electrical and electronic products and providing transportation and logistic.
Held through a subsidiary, Sin Line Tek Electronic Co. Sdn. Bhd.:-			
TASLT Technology (M) Sdn. Bhd.	1 October 2020, Malaysia	100.00	Manufacturing of AC power cord, DC cord, wire harness assembly, electronic and electrical assembly product and trading of all type of electronic and electrical products.
Dyon Warehouse & Logistic Sdn. Bhd. (formerly known as Dyon Technology (M) Sdn. Bhd.)	20 June 2013, Malaysia	70.00	Carry on business of providing transport and logistic services and bonded warehouse.
Superteam International (M) Sdn. Bhd. (formerly known as Superteam Logistics Sdn. Bhd.)	15 July 2020, Malaysia	51.00	Carry on the business of a wide range of logistic services in relation to brokering the freight, insurance, cargo, fleet management and owners representative in all dealings involving the carrier and its services, to act as forwarding, shipping, transport agent, freight forwarders, cargo superintendent, ship brokers, ship owners, shippers, warehouse and storage and other related activities.

CORPORATE PROFILE

(CONTINUED)

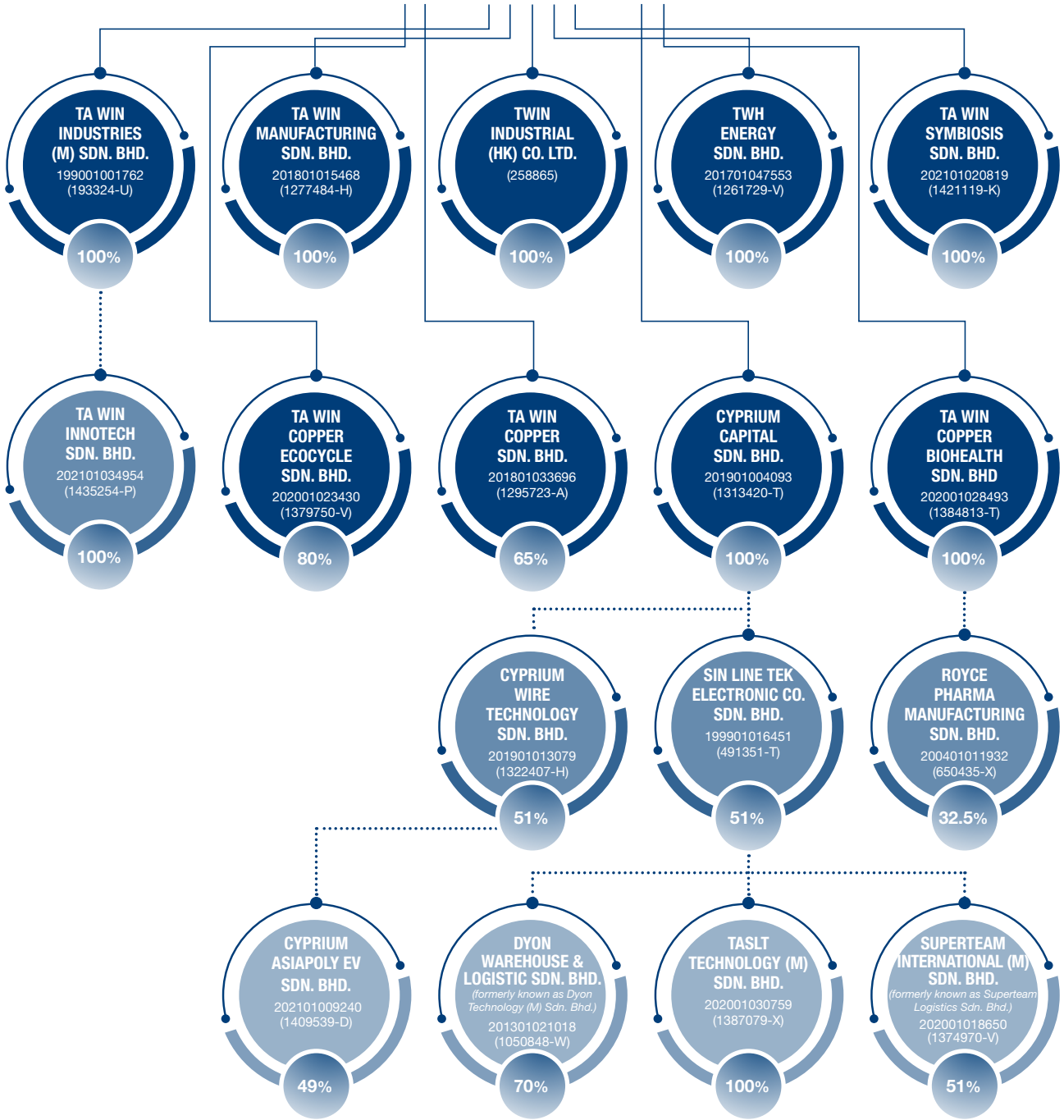
COMPANY	DATE AND COUNTRY OF INCORPORATION	EQUITY INTEREST (%)	PRINCIPAL ACTIVITIES
Held through a subsidiary, Cyprium Wire Technology Sdn. Bhd.:-			
Cyprium Asiapoly EV Sdn. Bhd.	15 March 2021, Malaysia	49.00	Manufacturing and distribution of power and signal distribution system, high tension cable, battery cable, cast acrylic products and any other automotive parts or components for electric vehicles.
Held through a subsidiary, Ta Win Copper Biohealth Sdn. Bhd.:-			
Royce Pharma Manufacturing Sdn. Bhd.	26 April 2004, Malaysia	32.50	Manufacturer and distributor of all kinds of Pharmaceutical Products.

CORPORATE STRUCTURE



TA WIN HOLDINGS BERHAD

199401005913 (291592-U)



CORPORATE EVENT

DATE	EVENTS
8 November 2021	Signing and Ground Breaking Ceremony between Ta Win Group and BRB Properties Sdn. Bhd. at Taman Perindustrian Pulau Indah, West Port, Klang, Selangor Darul Ehsan.
17 November 2021	Ground Breaking Ceremony of E-Beam Plant of Cyprium Wire Technology Sdn. Bhd. ("CWT") in Alor Gajah Industrial Park, Melaka.
29 November 2021	Twenty Seventh ("27th") Annual General Meeting of the Company.
27 January 2022	Extraordinary General Meeting – Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.
31 May 2022	Ta Win Copper Biohealth Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a Research and Development Collaboration Agreement with Universiti Putra Malaysia to collaborate in the project named "The modulation of the mechanistic effect of copper in exerting its antioxidant and anti-diabetes effect in diabetes wound healing <i>in vitro</i> and <i>in vivo</i> ".



Ground Breaking Ceremony at Taman Perindustrian Pulau Indah, West Port, Klang, Selangor Darul Ehsan.

Standing from left: Mr. Phua Yee Boon (Former Chief Financial Officer), Datuk Zakaria Bin Sharif (Independent Non-Executive Director), Datin Seri Azreen Binti Abu Noh (Independent Non-Executive Director), Mr. Tan Poo Chuan (Executive Director), Dato' Yeo Boon Leong, JP (Chairman, Non-Independent Non-Executive Director), Dato' Sri Ngu Tieng Ung, JP (Managing Director), Mr. Kim Ki Yun (Managing Director of Posco International Malaysia Sdn. Bhd.), Mr. Chris Kim Yong Won (General Manager of Posco International Malaysia Sdn. Bhd.), Mr. Tan Kang Shu (General Manager of Ta Win Industries (M) Sdn. Bhd. ("TWI")), and Mr. Chang Wei Siang (Project Manager of TWI).

CORPORATE EVENT

(CONTINUED)



The Board of Directors' of the Company officials launched the factory by presented plaque signing.



Presented the plaque signing between Ta Win Group and Malaysia Nuclear Agency ("MNA") to launch the E-Beam Plant.

Standing from left: Ts. Dr. Ishak Bin Mansor (Director of Technical Support Division of MNA), Encik Mohd Sidek Bin Othman (Senior Director of Commercialization and Planning Program of MNA), Ts. Dr. Siti A'iasah Binti Hashim (Former Director General of MNA), Dato' Sri Ngu Tieng Ung, JP (Managing Director), Dato' Yeo Boon Leong, JP (Chairman, Non-Independent Non-Executive Director), Mr. Justin Wong Chen Feng (Sales and Marketing Director of CWT), and Mr. Wong Ah Piaw (Chief Technical Director of CWT).

CORPORATE EVENT

(CONTINUED)



Standing from left: Ts. Dr. Ishak Bin Mansor (Director of Technical Support Division of MNA), Encik Mohd Sidek Bin Othman (Senior Director of Commercialization and Planning Program of MNA), Ts. Dr. Siti A'iasah Binti Hashim (Former Director General of MNA), Dato' Sri Ngu Tieng Ung, JP (Managing Director), Dato' Yeo Boon Leong, JP (Chairman, Non-Independent Non-Executive Director), Mr. Justin Wong Chen Feng (Sales and Marketing Director of CWT), and Mr. Wong Ah Piaw (Chief Technical Director of CWT).



Ta Win Copper Biohealth Sdn. Bhd., a wholly owned subsidiary of the Company, entered into a Research and Development Collaboration Agreement with University Putra Malaysia ("UPM").

Standing from left: Professor Dr. Zamberi Sekawi (Dean of Faculty of Medicine and Health Sciences, UPM), Professor Dr. Nazamid Saari (Deputy Vice Chancellor (Research & Innovation) of UPM), Dato' Sri Ngu Tieng Ung, JP (Managing Director) and Dato' Sr. Dr. Kamarul Rashdan Bin Salleh (Project Associate Director).

PROFILE OF BOARD OF DIRECTORS

DATO' YEO BOON LEONG, JP

Malaysian, Male, Age 56

Chairman,
Non-Independent Non-Executive Director

Dato' Yeo Boon Leong, JP ("Dato' Yeo") joined the Board as a Chairman and a Non-Independent Non-Executive Director on 23 November 2017.

Dato' Yeo graduated with a Bachelor of Commerce Degree from Victoria University of Wellington, New Zealand. He is the Executive Chairman and a substantial shareholder of Asia Poly Holdings Bhd. He is also currently a substantial shareholder of Ta Win Holdings Berhad.

With close to 25 years' experience under his belt, Dato' Yeo is an entrepreneur where he started as a Sales Manager in Denko Industrial Bhd. From there, he ventured into industries which involve the retailing, distributing and manufacturing of household and industrial products, logistics and warehouse management, property development and construction, energy & power plant concessionaire and multimedia technology programmes.

Dato' Yeo is also the Managing Director in various other private companies in Malaysia such as Gere Industries (M) Sdn. Bhd. ("Gere") which is renowned for manufacturing, assembly and packaging of door lock & handle and other household DIY hardware based in Puchong, High Reserve Marketing Sdn. Bhd., an exclusive marketer for Gere's products for export across Asia countries, and Dian Be Hardware Co. Sdn. Bhd., a specialised retailer for all household hardware products based across the Peninsular States of Malaysia.

DATO' SRI NGU TIENG UNG, JP

Malaysian, Male, Age 55

Managing Director

Dato' Sri Ngu Tieng Ung, JP ("Dato' Sri Ngu") joined the Board as a Non-Independent Executive Director on 9 November 2018. He was appointed as the Managing Director of the Company on 1 July 2020 and is currently a substantial shareholder of Ta Win Holdings Berhad.

Dato' Sri Ngu graduated with a Honours UK Degree in Accountancy and a Member of the Association International Accountants.

He is equipped with close to two decades of experience as an accountant-turned entrepreneur and a venture capitalist with specialisation in corporate finance, business consultancy, investment banking and venture capital.

Dato' Sri Ngu diverted his business ventures beyond Malaysia frontiers and participated in several public and private investments as chief investment strategist and investor in Mongolia, Kazakhstan, China, Hong Kong, Indo-China, Australia, PNG, New Zealand, USA, Canada, UK and Indonesia. These investments span across a broad spectrum of business sectors including oil & gas, mineralisation, commodities & non ferrous metals, info technology, manufacturing, financial services, plantation and real-estate development. The broad-based business set-up has created for him a wealth of business experience and valuable business networking from the Asia to Europe and the North America business community.

MR. TAN POO CHUAN

Malaysian, Male, Age 65

Executive Director

Mr. Tan Poo Chuan ("Mr. Tan") joined the Board as an Independent Non-Executive Director on 5 December 2017 and was re-designated as a Non-Independent Executive Director of the Company on 20 April 2018.

Mr. Tan has more than 40 years of experience in the industrial business dealing with the export and import of motor vehicle parts, commercial machinery & equipment, property investment and development in Malaysia.

PROFILE OF BOARD OF DIRECTORS

(CONTINUED)

MR. LIM BOON SHEN

Malaysian, Male, Age 34

Non-Independent Non-Executive Director

Mr. Lim Boon Shen (“Mr. Lim”) joined the Board as a Non-Independent Non-Executive Director on 30 March 2021. He is a member of the Audit Committee and Nomination Committee of the Company.

Mr. Lim graduated from Tunku Abdul Rahman College with a Diploma in Business Accounting in year 2008.

Mr. Lim has over 10 years’ corporate experience in finance, auditing, accounting in the respective industrial dealing with manufacturing, construction and development, logistic and transportation, food and beverages and etc. He is also experienced in the finance managerial position in a public listed company in local and overseas which involved in group of companies’ investment activities, accounting and finance, initial public offering activities and internal control related matters. Currently, Mr. Lim is the Finance and Account Manager overseeing the accounting and finance activities of Asia Poly Industrial Sdn. Bhd.

DATUK ZAKARIA BIN SHARIF

Malaysian, Male, Age 65

Independent Non-Executive Director

Datuk Zakaria Bin Sharif (“Datuk Zakaria”) joined the Board as an Independent Non-Executive Director on 7 August 2020. He is the Chairman of the Audit Committee and Nomination Committee. Currently, he appointed as a member of Remuneration Committee and Risk Management Committee on 1 June 2022.

Datuk Zakaria has vast experience in the corporate sector involving auditing, property development, re-insurance and fund management. He served in Lembaga Tabung Angkatan Tentera Group since 1988 to 2019 where he retired as Deputy Chief Executive. Datuk Zakaria served on the Board of public listed and private companies not only as a Board member but also as Chairman and member of Investment and Audit subcommittees of the Board.

He is a Fellow of the Australian Society of Certified Practising Accountants, Associate of the Malaysian Institute of Certified Public Accountants and Member of Malaysian Institute of Accountants. He holds a Bachelor of Degree in Economics majoring in Accountancy from Monash University, Australia.

DATO’ PADUKA DR. HII KING HIONG

Malaysian, Male, Age 77

Independent Non-Executive Director

Dato’ Paduka Dr. Hii King Hiong (“Dato’ Paduka Dr. Hii”) joined the Board as an Independent Non-Executive Director on 22 February 2018. He is the Chairman of the Risk Management Committees, a member of the Audit Committee and Remuneration Committee.

He holds a Bachelor of Commerce from Singapore and University of Otago, New Zealand. He also has a PHD in Economics from the United States of America.

Dato’ Paduka Dr. Hii has been a Founder and Managing Partner of Hii King Hiong & Co with branches span across Malaysia in Miri, Bintulu, Kuching, Sibul, Sarikei, Bintangor and Kuala Lumpur. He also sits on the board of various private companies mostly in plantation, agricultural, property development, oil & gas exploration, mineral mining, tour and traveling sector.

Dato’ Paduka Dr. Hii is also an active politician and vibrant communities’ leader. He was three-term Barisan Nasional Member of Sarawak State Legislative Assemblyman (ADUN) for Meradong from 1983-1996, Vice Chairman of Meradong-Julau District Council, Sarawak from 1981-1984, Board Member of Sarawak Land Custody and Development Agency from 1987-1996 and Pemanca for Meradong from 2014-2016.

Dato’ Paduka Dr. Hii is a Member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, Chartered Tax Institute of Malaysia, Institute of Cooperative Auditors Malaysia, New Zealand Institute of Chartered Accountants and an Associate Member of the Institute of Cooperative & Management Accountants.

PROFILE OF BOARD OF DIRECTORS

(CONTINUED)

DATIN SERI AZREEN BINTI ABU NOH

Malaysian, Female, Age 53

Independent Non-Executive Director

Datin Seri Azreen Binti Abu Noh (“Datin Seri Azreen”) joined the Board as an Independent Non-Executive Director on 22 February 2018. She is also a Chairman of the Remuneration Committee and a member of the Audit, Risk Management and Nomination Committees of the Company.

She is a graduate in The National University of Malaysia (University Kebangsaan Malaysia) with a Bachelor of Law LLB (Hons).

Datin Seri Azreen was admitted as an Advocate and Solicitor of the High Court of Malaya in 1996. In addition, she is a senior professional lawyer specialised in construction, corporate litigation, arbitration and commercial matters. Since 2003, she is the Managing Partner of Messrs Firuz Jaffril, Aidil & Zarina where she built her reputation on managing legal aspects of Tenaga Nasional Berhad (TNB), Kuala Lumpur International Airport (KLIA) and other government’s construction related joint venture projects.

Besides her solid legal background, Datin Seri Azreen is also a Managing Director for various private companies where she accumulated vast entrepreneurial experience such as organizing annual food feast, mountain biking and children with learning disability charity event for her Black Forest Golf Club in 2015, business setup and franchise expansion of Deluxe Merchant Sdn Bhd’s branded F&B cafe business in 2016 which involved Petronas Dagangan Berhad as its new franchise partner. She was awarded by Niaga Times the Personaliti Industri Usahawan Malaysia in 2017 for her immense contribution to expand the F&B cafe franchise business. Currently, she where created the idea and conceptualization of DM Mart convenience store in Melaka. This product has been acknowledged by the state of Malacca in their budget 2021 as “Produk Pelancong Baru” in the State.

She is currently an Independent Non-Executive Director of Amway (Malaysia) Holdings Berhad and Asia Poly Holdings Bhd.

Notes:

Family Relationships

None of the Directors have any family relationship with any other Director and/ or major shareholder of the Company.

Conflict of Interest

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

Conviction for Offences

None of the Directors have been convicted for any offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

Attendance at Board Meetings

The attendance of the Directors at Board of Directors’ meetings for the financial year ended 30 June 2022 is disclosed in the Statement on Corporate Governance.

PROFILE OF KEY SENIOR MANAGEMENT

MR. TAN SENG PANG

Malaysian, Male, Age 52

Chief Operating Officer
- Ta Win Holdings Berhad Group

Mr. Tan Seng Pang (“Mr. Seng Pang”) appointed as the Chief Operating Officer of the Company on 7 December 2021. He holds a Master of Business Administration from Henley Business School, University of Reading, United Kingdom. He also has a Bachelor of Business majoring in Banking and Finance from Monash University, Melbourne, Australia.

Mr. Seng Pang is equipped with more than 20 years of corporate experience in strategic planning, corporate performance management, business venture, corporate integration and change management. His experience was gained from working with leading industrial conglomerates in automotive, technology research and development, oil and gas and service providers.

MR. WONG WENG KEONG

Malaysian, Male, Age 46

Finance Manager
- Ta Win Holdings Berhad Group

Mr. Wong Weng Keong (“Mr. WK Wong”) joined the Company as a Finance Manager on 1 August 2019. He graduated in Diploma in Accountancy from Jasa Accountancy Centre.

Mr. WK Wong has extensive experience in the finance and accounting industry. He was a Senior Auditor in Yuen Tang & Co, a Senior Accounting Executive at Excelcorp Services and as Finance Manager at several companies such as Haworth Industrial (M) Sdn. Bhd., Radius Hotel Management Sdn. Bhd. and Governance Advisory Sdn. Bhd.

MR. TAN KANG SHU

Malaysian, Male, Age 37

General Manager
- Ta Win Industries (M) Sdn. Bhd.

Mr. Tan Kang Shu (“Mr. KS Tan”) joined Ta Win Industries (M) Sdn. Bhd., a wholly-owned subsidiary of the Company as a General Manager on 1 February 2018. He holds a Bachelor of Degree in Finance and Accounting from Sheffield Hallam University, UK.

Mr. KS Tan has more than 7 years’ experience in finance, accounting and also banking market research. He has also extensive experience as General Manager dealing with the import and export of car parts and commercial vehicles for approximately five years. Well equipped with his involvements and experiences in import and export businesses, Mr. KS Tan thereafter joined Ta Win Industries (M) Sdn. Bhd. as a General Manager and is currently involved in the factory management and business development of the Company.

PROFILE OF KEY SENIOR MANAGEMENT

(CONTINUED)

MR. WONG AH PIAW

Malaysian, Male, Age 70

Chief Technical Director
- Cyprium Wire Technology Sdn. Bhd.

Mr. Wong Ah Piaw (“Mr. AP Wong”) joined Cyprium Wire Technology Sdn. Bhd. (“CWT”), a subsidiary of Cyprium Capital Sdn. Bhd., which in turn the subsidiary of the Company as a Chief Technical Director on 2 May 2019. He is also a shareholder of CWT, deemed interested by virtue of his interest via Latitute Technology Sdn. Bhd. and Elextron Hitec Sdn. Bhd.. He holds a Bachelor of Degree of Chemical Engineering from Cheng Kong University, Taiwan.

Mr. AP Wong commenced his career as a Production Supervisor in Golden Lady Textile Sdn. Bhd. in 1975. From 1978 to 1980, he was employed as a Production Engineer in Malayan Weaving Mills Bhd and Flywheel Rubber Works Sdn. Bhd. where he implemented various effective cost-cutting measures which successfully improved factories’ operational and production efficiency. From 1981 to 2006, he was employed as Senior Manager in Chong Sing Cable Sdn. Bhd., Leader Universal Cable Bhd and Flexomers Sdn. Bhd. and developed various cost-saving and efficient cable products for his clients from the automobile, electrical and electronics and oil & gas industries.

He was appointed as Independent Director in Wonderful Wire & Cable Bhd and Managing Director in Wonderful Compound Sdn. Bhd. from 2007 to 2014. He further fine-tuned his skills in the research and development of a proprietary electron beam irradiation cross-linked wire production technology for application in the automobile and telecommunication sector in Malaysia. During the period of 2014 up to present, he is an interim Technical Consultant for various wire, cable, and chemical local companies which include FEC Cables (M) Sdn. Bhd.

Mr. AP Wong was also awarded a RM3million Techno Grant by the Ministry of Science, Technology (MOSTI) and Innovation in September 2009 for Commercialization of Product Improvement and Product Scaling Up of Flame Retardant Compounds for Radiation Crosslinked Automotive Wire and Cable Applications (TF0309D043).

MR. WONG CHEN FENG

Malaysian, Male, Age 38

Sales and Marketing Director
- Cyprium Wire Technology Sdn. Bhd.

Mr. Wong Chen Feng (“Mr. CF Wong”) joined Cyprium Wire Technology Sdn. Bhd. (“CWT”), a subsidiary of Cyprium Capital Sdn. Bhd., which in turn the subsidiary of the Company as a Sales and Business Development Director on 2 May 2019. He was appointed as a Managing Director of CWT on 2 July 2020 and currently re-designated as a Sales and Business Development Director on 1 September 2022. He is also a shareholder of CWT, deemed interested by virtue of his interest via Latitute Technology Sdn. Bhd. and Elextron Hitec Sdn. Bhd.. He holds a Bachelor of Degree of Business Administration from Tamkang University, Taiwan.

Mr. CF Wong commenced his career as a Sales Technical Executive of Wonderful Wire & Cable Bhd in 2009 and as a Sales Technical & Administration Manager in 2011 in its subsidiary, Wonderful Compound Sdn. Bhd. During his tenure, Mr. CF Wong has successfully boosted Wonderful’s group of businesses with an increase in its annual sales from 10+ million (2011) to 20+ million (2012). During the period of 2014 up to present, he is an interim Technical Consultant for various wire, cable, and chemical local companies which include FEC Cables (M) Sdn. Bhd., etc.

Together with his father Mr. Wong Ah Piaw, Mr. CF Wong had successfully developed and fine-tuned a proprietary electron beam irradiation cross-linked wire production technology to enable numerous local companies to compete in both local and international cable & wire supply markets that had long been monopolized by their Western, Japanese and Korean counterparts. The technology had been patented in Malaysia on 16 June 2015 with Application No. P12014701606.

PROFILE OF KEY SENIOR MANAGEMENT

(CONTINUED)

MR. ANG THIAM TECK

Malaysian, Male, Age 37

Head of E-Beam
- Cyprium Wire Technology Sdn. Bhd.

Mr. Ang Thiam Teck (“Mr. TT Ang”) joined Cyprium Wire Technology Sdn. Bhd., a subsidiary of Cyprium Capital Sdn. Bhd., which in turn is the subsidiary of the Company, as a Head of E-Beam in E-Beam Curing Service Division on 1 September 2021.

Mr. TT Ang holds a Bachelor Degree of Mechanical & Manufacturing Engineering from Sheffield Hallam University, United Kingdom.

Mr. TT Ang started his career with Tan Chong Ekspres Auto Servis Sdn. Bhd. in 2009. From 2010 to 2015, he had worked in numerous automotive companies in Malaysia, i.e. in Hong Leong Yamaha Motor Sdn. Bhd. as a procurement and vendor development engineer, UMW Toyota Motor Sdn. Bhd. as a production and logistic engineer and Tan Chong Nissan as a mechanical engineer.

From 2015 to 2021, Mr. TT Ang was employed by Cycle & Carriage Industries Pte Ltd (Mercedes – Benz) as an operation executive and XMH Pte Ltd as a procurement engineer in Singapore.

MR. LIM AIK GEE

Malaysian, Male, Age 55

Managing Director
- Sin Line Tek Electronic Co. Sdn. Bhd.

Mr. Lim Aik Gee (“Mr. AG Lim”) is a founder of Sin Line Tek Electronic Co. Sdn. Bhd. (“Sin Line Tek”) in 13 August 1999. The Company had acquired Sin Line Tek on 8 March 2021 via its subsidiary Cyprium Capital Sdn. Bhd. Upon the acquisition, he remains as the Managing Director of Sin Line Tek. Mr. AG Lim graduated with a Diploma in Business Administration from Feng Chia University, Taiwan.

Mr. AG Lim commenced his career as a Purchasing Officer in Capetronic (M) Sdn. Bhd. in 1990. Between 1993 and 1994, he served as a Marketing Manager with Taiwan Linetek, in Malaysia. He was also attached to Longwell Electronic (M) Sdn. Bhd., a subsidiary of Longwell Company (a listed company in Taiwan) from 2003 to 2009. His roles were to manage and expand the South East Asia Market as well as to set up Longwell Electronic India Pvt Ltd from 2006 to 2012 to manage the India market.

He is one of the founders of Sin Line Tek and was its first director since its inception on 13 August 1999. He has more than 20 years of experience in global marketing and the manufacturing and trading of cable, wire harness, AC & DC power cords for equipment and appliance. He is actively involved in the research and development, management and generation of value of Sin Line Tek products to achieve higher customer satisfaction. He is also in charge of Sin Line Tek sales and marketing.

MR. LIM WAI KEONG

Malaysian, Male, Age 27

Executive Director
- Sin Line Tek Electronic Co. Sdn. Bhd.

Mr. Lim Wai Keong (“Mr. WK Lim”) joined Sin Line Tek Electronic Co. Sdn. Bhd. (“Sin Line Tek”) in 1 July 2020 as an Executive Director. The Company had acquired Sin Line Tek on 8 March 2021 via its subsidiary Cyprium Capital Sdn. Bhd. Upon the acquisition, he remains as an Executive Director of Sin Line Tek.

Mr. WK Lim graduated with a Bachelor of Science in Life Science (Biomedical Science) from Tunghai University in 2018. He also graduated in Medicine Institute of Molecular Medicine from the National Taiwan University in 2020. He received an Honor of Phi Tau Phi Scholastic Honor Membership in 2018 and an Academic Honor from 2016 to 2018.

Upon graduation, Mr. WK Lim joined Sin Line Tek to oversee the day to day business activities, conduct performance review, prepare comprehensive budgets and financial accounts, report on revenue and expenditure as well as direct and develop organizational strategies.

PROFILE OF KEY SENIOR MANAGEMENT

(CONTINUED)

DATO' SR. DR. KAMARUL RASHDAN BIN SALLEH

Malaysian, Male, Age 50

Project Associate Director
- Ta Win Holdings Berhad Group

Dato' Sr. Dr. Kamarul Rashdan Bin Salleh ("Dato' Kamarul") joined the Company as an Associate Director - Project of Ta Win Holdings Berhad Group on 2 January 2020. Dato' Kamarul graduated with Bachelor of Science (Honours) in Quantity Surveying from Glasgow Caledonian University, United Kingdom ("UK"). Subsequently, he obtained his Master of Philosophy majoring in Facilities Management from University of Strathclyde, UK. He also obtained his Doctor of Philosophy in Construction Economics from University of Salford, UK. Dato' Kamarul is a member of Royal Institution of Chartered Surveyors United Kingdom and Royal Institution of Surveyors Malaysia.

With close to 20 years' experience under his belt, Dato' Kamarul delivering property development, project management, cost management and facilities management in a wide range of sectors particularly in industrial, commercial, residential, education and healthcare both in UK and Malaysia.

He began his career in EC Harris (now Arcadis) in UK in 1999 as a Quantity Surveyor providing cost consultancy and contract administration services. Then in 2002, he joined Balfour Beatty in United Kingdom as a Commercial Manager providing cost advice, contractual compliance and consultancy services.

He was an Associate Director of CM Parker Browne (now Synergy), Davis Langdon (now Aecom) and Mace Group (UK) from 2004 to 2009, in providing cost consultancy, project management, technical risk advisory and contract administration services.

In 2009, he was appointed as a Managing Director of Syarikat Perumahan Negara Berhad ("SPNB") to lead and oversee the Malaysian government's affordable homes initiative. He was also appointed as a Director of Felcrabina Sdn. Bhd. to oversee the construction of Malaysian Anti-Corruption Commission (MACC) State Headquarter Building.

In 2016, Dato' Kamarul was appointed as a Chief Operating Officer of Syarikat Pembinaan BLT Sdn. Bhd. to lead and manage the construction of 74 projects under Polis Di Raja Malaysia (PDRM). He was also appointed as a Director of Aman Sukuk Berhad to work on Islamic Medium-Term Notes (IMTN).

Following that, he joined Kampong Bharu City Centre Sdn. Bhd. as the Non-Executive Director in 2018 to oversee the mixed development and capital investment of 221 acres land of Kampong Bharu.

Presently, he joined Ta Win Holdings Berhad as an Associate Director - Project of the Group to initiate the sustainable industrial development of Terengganu Ecocycle – the first South East Asian One Stop Non-Ferrous Metal Industrial Ecosystem on 500 acres land in Jabor, Terengganu.

PROFILE OF KEY SENIOR MANAGEMENT

(CONTINUED)

MR. CHONG MING KONG

Malaysian, Male, Age 59

Director
- Ta Win Copper Ecocycle Sdn. Bhd.

Mr. Chong Ming Kong (“Mr. MK Chong”) joined the Ta Win Copper Ecocycle Sdn. Bhd., a subsidiary of the Company as a director on 15 August 2020. Mr. MK Chong graduated with a Bachelor of Building Science from the University of Science, Malaysia. Subsequently, he perused a Master of Business Administration from University of Malaya.

Mr. MK Chong has more than 30 years of working experience in the construction and property development industry. He started as a Development Officer in Bandar Raya Development Bhd, and subsequently became the Senior Manager at Bolton Bhd (known as Symphony Life Bhd) at the year 1997 and F&N Holdings in 2003. Mr. MK Chong was a Senior Vice President at Property at Genting Plantations Bhd and held the position of directors in few of its subsidiaries.

With more than 30 years in the property development industry, he started his career as a Development Officer in Bandar Raya Development Bhd in 1988. He was involved in the project management and sub-contract works for the development of a housing scheme in Serdang and Tivoli Villas, a high-end luxury condominium in Bangsar, Kuala Lumpur with a gross development value of approximately RM200 million.

In 1990, he joined MBF Property Services Sdn. Bhd. as an Assistant Project Manager. He was later employed by Mulpha International Bhd as a Development Manager in 1994.

Subsequently, he joined Bolton Berhad, now known as Symphony Life Berhad in 1997 as a Senior Manager, Development. During his employment with Bolton Berhad, he was involved in the project management and sub-contract works for the development of Tijani 1 and Tijani 2 in Bukit Tunku, Kuala Lumpur.

In 2003, he left Bolton Berhad and joined Fraser & Neave Holdings Berhad as a Senior Manager, Property. He was involved in the project management and sub-contract works for the development of Fraser Business Park in Jalan Loke Yew, Kuala Lumpur with a gross development value of RM690 million.

He later joined Genting Plantation Berhad as a Vice President, Property in 2008 and was promoted to Senior Vice President in 2016 as the Head of Property Division, overseeing the functions of Sale and Marketing, Procurement, Contract Administration, Project Management & Customer Service in 2 integrated township projects in Johor. He was also acted as director in a few of its subsidiaries. He left Genting Plantations Berhad in 2019 to pursue his own business interest in property development before joining Ta Win Holding Berhad Group.

Notes:-

- (a) Except Mr. Tan Kang Shu is a son of Mr. Tan Poo Chuan, a director of the group and of the company, none of the other Key Senior Management have any family relationship with any other directors/major shareholders of the Company.
- (b) None of the Key Senior Management have any conflict of interest with the Group.
- (c) None of the Key Senior Management have been convicted of any offenses (excluding traffic offences) in past five (5) years and there were no public sanctions or penalties imposed by any regulatory bodies during the financial year ended 30 June 2022.
- (d) None of the Key Senior Management have directorship in any public company or listed public companies.

5-YEARS GROUP FINANCIAL SUMMARY

YEAR/ PERIOD ENDED	GROUP				
	2022	2021	2020	2019 ⁽¹⁾	2017 ⁽²⁾
KEY COMPREHENSIVE INCOME STATEMENT DATA (RM'000)					
Revenue	543,542	491,488	251,779	563,130	401,516
Gross profit / (loss)	21,174	14,246	459	(271)	5,473
Operating profit /(loss)	85	(9,826)	(11,698)	6,874	5,892
Earnings /(loss) before interest, tax, depreciation and amortisation	5,533	(6,363)	(9,046)	8,182	6,708
(Loss) / profit before taxation	(2,276)	(12,888)	(14,156)	1,984	3,684
(Loss) / profit from continuing operations	(3,093)	(13,194)	(14,457)	888	2,750
Profit from discontinuing operations	–	–	–	–	–
Net (loss) / profit attributable to equity holders	(2,790)	(11,957)	(13,721)	1,156	2,750
KEY FINANCIAL POSITION STATEMENT DATA (RM'000)					
Total assets	431,328	433,912	181,018	177,733	122,688
Total borrowings (Include lease liabilities)	92,020	86,458	57,408	80,948	47,185
Net (cash) / debt ⁽³⁾	7,081	(113,193)	16,041	47,164	41,565
Total equity	301,120	303,619	110,635	87,153	67,287
SHARE INFORMATION					
Per share (sen)					
Basic (loss) / earnings	(0.08)	(1.67)	(4.08)	1.45	4.28
Net assets per share (RM)	0.09	0.09	0.31	1.09	1.05
FINANCIAL RATIOS (%)					
Gross profit / (loss) margin	3.90	2.90	0.18	(0.05)	1.36
Net (loss) / profit margin	(0.42)	(2.68)	(5.74)	0.16	0.68
Return on equity	(0.76)	(4.35)	(13.07)	1.02	4.09
Gearing ratio	2.35	N/A	14.50	54.12	61.77

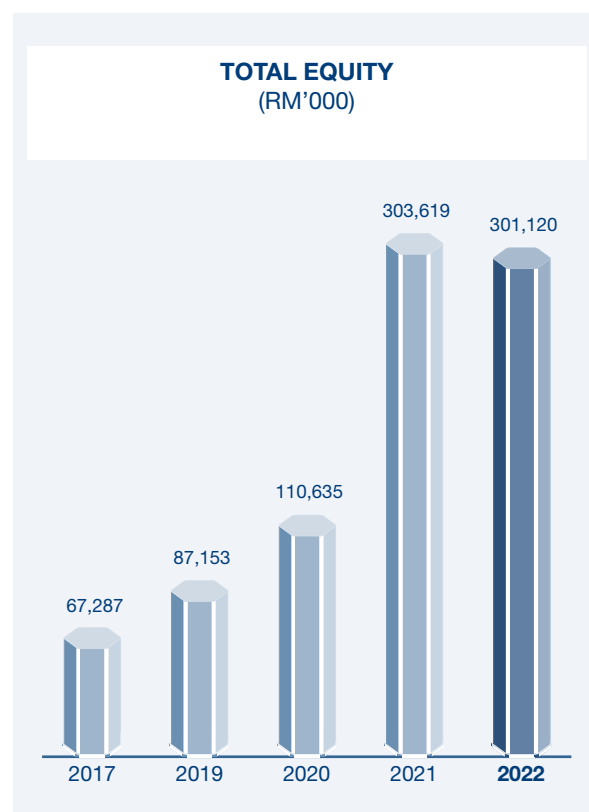
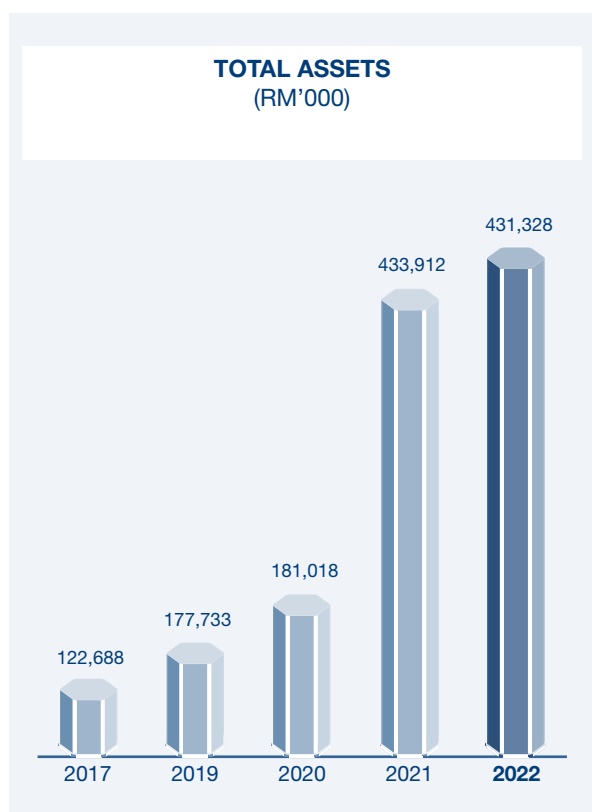
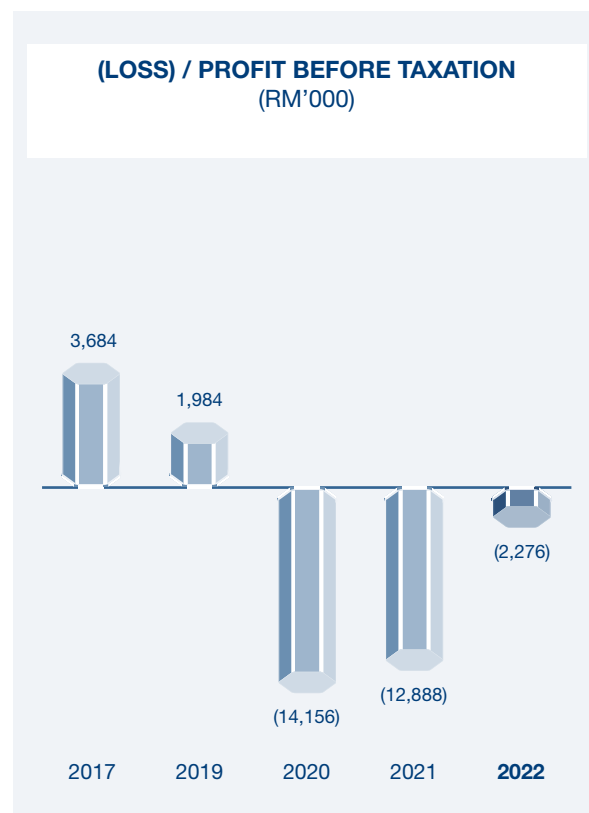
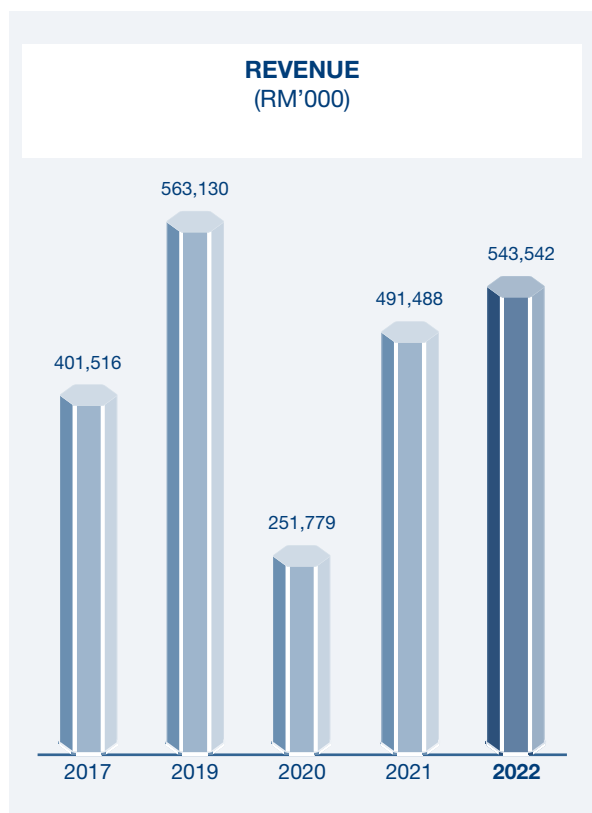
(1) Referring to the 18-month financial period ended 30 June

(2) Referring to the 12-month financial year ended 31 December

(3) Computed based on the total borrowings (include lease liabilities) and trade and other payables, less any cash and bank balances

5-YEARS GROUP FINANCIAL SUMMARY

(CONTINUED)



MANAGEMENT DISCUSSION & ANALYSIS

On behalf of the Board of Directors (“the Board”) of the Company and its subsidiaries (“the Group”), it is my pleasure to present to you the management discussion and analysis (“MD&A”) of the Group. The objective of this MD&A is to provide shareholders with an overview of the Group’s business, operations, and financial position in the year 2022 and outlook for the year 2023. Under new management since 2018, the Group has been undergoing a major transformation on a strategic, operational, and financial level.

STRATEGIC REVIEW

On a strategic level, the Company has made a priority to transform the current business into a modern diversified, horizontally and vertically integrated copper-related manufacturing business internationally. The Group aim is to augment the value we have created along with other value chain by venturing both downstream and upstream and also discontinuing any business segments that doesn’t have the favourable prospects.

The Group continues to strengthen its core businesses with its three major subsidiaries Ta Win Industries (M) Sdn. Bhd. (“TWI”), Cyprium Wire Technology Sdn. Bhd. (“CWT”) and Sin Line Tek Electronics Co. Sdn. Bhd. (“SLTEC”)

To strengthen the existing core copper rod, wire, cable and wire harness manufacturing business, the Group has undertaken a few strategic initiatives via (i) building a new copper-rod manufacturing plant for TWI at Taman Perindustrian Pulau Indah, Selangor; (ii) building a new e-beam plant for CWT at our current plant at Alor Gajah Industrial Park, Melaka; and (iii) acquisition of 51% equity stake in Superteam International Sdn. Bhd. (“Superteam”) through SLTEC in January 2022.

The completion of the new copper rod manufacturing plant for TWI is expected to increase the existing annual production capacity to cater TWI supplies to POSCO International and other major clients internationally.

Furthermore, with the completion of the new CWT e-beam plant is expected to boost the image as well as its vision to be the sought after premium wires and cables manufacturer in SEA and also worldwide targeting industries in local and regional automotive as well as electronical and electrical segments. In lieu, the CWT output capacity is expected to increase from 50,000km to over 130,000km. The output capacity expansion would be instrumental to CWT in procuring substantial orders from major automotive manufacturers.

Through the business acquisition of Superteam will strengthen SLTEC’s logistics and exposure to more opportunities for SLTEC to improve its service qualities for their important customers in manufacturing, OEM, and trading of cable, wire harness, AC & DC power cords for electrical and electronic equipment and appliances industries.

OPERATIONAL REVIEW

Despite COVID-19 pandemic, Ukraine-Russia war and semiconductor and microchips shortages have impacted directly and indirectly to the Group’s performance and growth this year, the Group has remained focused to continue the improvement of its business. The Risk Management Committee (“RMC”) has addressed and assessed all possible risks faced by the Group. The RMC has recommended appropriate and relevant actions to be taken to overcome adversities and to mitigate operating risks. The official management meetings were actively held this year to address the ongoing risk management challenges to the business.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

FINANCIAL REVIEW

The Group has recorded its revenue at RM543.54 million for the for financial year ended 30 June 2022 as compared to RM491.49 million in the financial year ended 30 June 2021, shown an increase of RM52.05 million or 10.59%. The Group has recorded a loss before tax of RM2.28 million as compared to RM12.89 million in the financial year ended 30 June 2021, representing an improvement of RM10.61 million or 82.31%. The gross profit margin has also increased from 2.90% for financial year ended 30 June 2021 to 3.90% for financial year ended 30 June 2022. The improvement in revenue, profitability and gross profit margin were mainly due to the successful strategic plans such as increasing production capacity and capability to meet global demand and continued efforts in strengthening our downstream copper business in manufacturing of cable and wires.

The Group has a strong net current assets position of RM171.09 million with a current ratio of 2.32 times as at 30 June 2022. Our cash and bank balances has remained robust, which stood at RM113.10 million as at 30 June 2022, proving the adequacy of our Group's working capital which will result in substantial improvement to the profitability of the Group.

BUSINESS RISKS

(a) Foreign exchange and commodity price risks

Fluctuation in foreign exchange and copper commodity prices may affect the Group's margin and profitability from the product sales and the purchases of raw materials. The difference in foreign exchange and copper price will result in currency gains or losses that would affect the Group's financial performance.

To mitigate the foreign exchange risk, the Group uses FX hedging facilities with its banks. Besides, payments received from its international customers are in USD and we are using USD for international remittance as well without having to convert the currency. To mitigate the commodity price risk, the Group attempts to pass through the cost of increment from its suppliers to its customers by locking in the copper prices via the back-to-back arrangements.

(b) Competition Risk

The Group faces stiff competition from existing competitors and new entrants. Any stiff competition may impact the Group's market share, revenue, and profitability. The Group's ability to compete depends on many factors, amongst others, the principal elements of competition include quality, innovation in products and technologies, expertise, pricing, reliability, reputation, brand name, and customer service. There can be no assurance that the Group would be able to sustain its competitiveness against current and future competitors.

(c) Investment Risks

There are risks that any anticipated benefits from the Group's existing or other future new ventures will not be realized or that the Group will not be able to generate sufficient returns to offset the associated cost of investments. Nevertheless, the Group has exercised due care in considering the potential risks and benefits associated with such investments and believes that the investment will be valued accretive to the Group.

(d) Business and Operation Risks

The Group has no experience in operating the new Alor-Gajah based electron beam plant. The electron beam plant may expose the Group to risks inherent to the wire and cable manufacturing industries. These may include, amongst others, plummeting demand or disruption in the supply chain for cross-linked wire and cable within the automotive industries, an increase in the cost of copper related raw materials, shortage of skilled workers, and changes in the legal and environmental framework within which the cable and wire manufacturing industries. Although the Group seeks to limit these risks through, inter-alia, leverage on its key management's expertise in the wire and cable manufacturing industries, engage the services of professionals and contractors with proven track records, and careful planning and allocation of resources, no assurance can be given that any changes to these factors will not have a material adverse effect on the Group's business and earnings in the future.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

BUSINESS RISKS (CONTINUED)

(e) Project Completion Risks

Delay in any project completions can be contributed from the unforeseen circumstances such as natural disasters, shortage of manufacturing materials, adverse weather conditions, major labour disputes, unfavourable credit terms, unsatisfactory performance of OEM/ sub-contractors appointed for its manufacturing operations, delays in obtaining the necessary approvals from local authorities, major changes in government/local authorities' policies and/or other unforeseen circumstances or any adverse developments may lead to interruptions or delays in the completion of the Group's business or projects, which may consequently result in cost overruns that affect the Group's profitability and cash flow. The Group is seeking to curb this risk by careful planning, close monitoring of the manufacturing progress of its business operations.

(f) Licensing Risks

If the Group fails to comply with all applicable regulations, to renewal or retains any of these licenses, permits or certificates this will have the effect on the manufacturing progress of its business operations will be parallelly affected. There may even be restrictions imposed on licenses, approvals/ permits, limitations on foreign workers imposed by the Ministry of Home Affairs, restrictions/ ceiling on import of certain building/ raw materials, or any other unfavourable laws introduced or amended from time to time. Nevertheless, the Group will use its best endeavors to obtain and retain those licenses and ensure full compliance with the requirements in obtaining such licenses.

(g) Economic, Political, and Regulatory Risks

The prospect and profitability level of the Group's manufacturing business operations could indirectly be affected in the changes in economic, political and regulatory environment of Malaysia. Political and economic uncertainties which includes changes in the economic scenarios such as the possibility of global recession, business and credit conditions, government legislation and policies affecting its investors, suppliers, and customers, inflation, interest rates, political or social welfare development, renegotiation or nullification of existing contracts and methods of taxation.

The Group will constantly review its business operations to adapt to the prevailing economic, political, regulatory environment, practice prudent financial risk management, and efficient operating procedures to control its business operating cost. However, there is no assurance that adverse economic and political developments, which are beyond the control of the Group, will not materially affect the Group.

FORWARD-LOOKING

Overall, with the various action plans and strategies that have been put into place in the past years, the Group is looking forward to close the upcoming financial year 2022 to a profit making company against the global economic uncertainty that could cause from the anticipated world recession in 2023. The group's confidence is based on the demand in copper production as well as becoming agile in the industry.

Going forward, the Group aims to further strengthen its main businesses (Ta Win Industries (M) Sdn. Bhd., Ta Win Copper Sdn. Bhd. and Cyprium Capital Sdn. Bhd.) by focusing on i) copper rod and wire manufacturing; ii) wire and cable harness (with electron beam or cross-linking technology application) for clients in automobile industry; iii) AC & DC power cords equipment and appliances for clients in electrical and electronic industry. Notwithstanding the above, the Group will undertake an extensive studies to provide a risk-reward assessment on the viability of such organic / inorganic growth initiatives before implementing any new strategies to benefit the growth.

The Group also aiming progressively in taking on new ways of doing business by taking into consideration of the rapid transformation in the end-wire and cable design and manufacturing industry whilst we will continue in our efforts to achieve operational excellence for all our existing businesses. The Group will also continuously make use of its extensive network in the industry to secure more business collaborations and investors participation to support the vision.

Consistent growth in revenues and earnings in the future will be our Board's priorities. The Board will continue to strive to create and enhance value for its stakeholders with new business strategies.

MANAGEMENT DISCUSSION & ANALYSIS

(CONTINUED)

ACKNOWLEDGEMENT

On behalf of the Board, I would like to take this opportunity to thank all the Management and the staff for their commitment, contribution, and loyalty to the Group and during the year 2021 and 2022 have been difficult years, involving a major business reposition efforts to set up the Group for continued sustainable success in its existing markets as well as new markets. All of this hard works is expected to pay off in year 2023 when our efforts start to cascade into improvements in financial results.

I would like to convey our deepest appreciation and thanks to our valued customers, suppliers, bankers, business associates and advisers for their contribution towards the Group's growth and success as well as their unwavering confidence and endorsement and I sincerely hope that our relationships will continue to flourish for many years to come.

I would also like to express gratitude to various government and statutory organizations and our shareholders for their ongoing assistance and continued support, trust, and confidence in the Group.

Finally, I would like to thank the Board members for their untiring efforts, professional advice, continuous support, and invaluable contribution to the growth and success of the Group, and I hope that the Board continues to be committed to achieve the Group's objectives as we move forward.

DATO' SRI NGU TIENG UNG, JP
Group Managing Director

SUSTAINABILITY STATEMENT

INTRODUCTION

Ta Win Holdings Berhad (“Ta Win” or “the Company”), through its subsidiaries, is engaged in the manufacturing of copper rods and wires, power and signal distribution systems, high tension cable, battery cable, and other automotive components/parts for automobile and electric vehicles and other copper-related products, which include wire harness, AC & DC power cords for electrical and electronic equipment and appliances.

Ta Win’s sustainability leadership is led by the Company’s Board of Directors (“the Board”). The Board oversees and ensures that Ta Win pursues its commercial objectives while remaining a responsible and sustainable organisation. The Company is committed to enhancing long-term shareholders’ value regarding the stakeholders’ economic, social, and environmental responsibility. These stakeholders include its customers, employees, shareholders, government and regulatory bodies, local communities, and the natural environment. In this Sustainability Statement, the Company aims to provide greater insight into sustainability practices based on Economic, Environmental and Social considerations in line with Bursa Malaysia Sustainability Reporting Guidelines.

SCOPE OF REPORT

The reporting period captured the sustainability performance of Ta Win and its group of companies (“Group”) is from 1 July 2021 to 30 June 2022.

COVERAGE

The scope of reporting covers the entire operations of Ta Win and the subsidiaries in Malaysia, of which the Group has direct control and holds a majority stake. Accordingly, activities and operations of the associate company are excluded unless mentioned otherwise. This Sustainability Statement is to be read in conjunction with the rest of the Company’s Annual Report, highlighting other financial and non-financial aspects of the Group’s business.

STAKEHOLDER ENGAGEMENT

Although the Group has not formally engaged with all stakeholders, the Group has in place the following channels of engagement with various stakeholders:

Stakeholders	Mode of engagement
Customers	<ul style="list-style-type: none"> Customers’ feedback Customers’ meetings
Employees	<ul style="list-style-type: none"> Management meetings Learning and development programmes Staff appraisals
Shareholders	Annual General Meetings
Suppliers	<ul style="list-style-type: none"> Suppliers’ feedback Suppliers’ meetings
Government and regulators	Regulatory requirements
Local communities	Community programmes

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY AND AREAS OF FOCUS

Ta Win has conducted a series of materiality assessments to identify topics prioritised by the stakeholders to provide a framework for the Company's annual disclosure and alignment with the Group's strategic objectives. The stakeholders' feedback, combined with an assessment of industry trends and research, forms the key areas on which the Company's sustainability focus lies. These areas are:

- Business Ethics & Anti-Corruption
- Health and Safety
- Developing Human Capital
- Product Quality and Innovation
- Energy consumption

Business Ethics & Anti-Corruption

The Group strives to undertake all its business operations with integrity. A successful company seeks to gain stakeholders' confidence in the management of the business and ensure the Company's reputation remains unblemished in the public eye. Corruption and fraudulent practices are some of the main causes of inefficiency for any business. These actions can result in serious ramifications, from criminal sanctions to the halting of further business activities and reputational damage in the areas the Group operates. As such, the Group takes strict measures to avoid any corruption and unethical business behaviour.

In compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act) on corporate liability for corruption offences, the Company had adopted its Anti-Bribery and Anti-Corruption Policy. Ta Win believes the Anti-Bribery and Anti-Corruption Policy is key to making all employees equally responsible for preventing, detecting, and reporting bribery and other forms of corruption. As such, the Company has made the following policies available on Ta Win's corporate website at <https://www.ta-win.com/investor-relations/corporate-governance> and consistently informs stakeholders, including employees and business partners, about the principles of business conduct:

- (i) Code of Conduct and Ethics;
- (ii) Anti-Bribery and Anti-Corruption Policy; and
- (iii) Whistleblowing Policy.

Ta Win also encourages the employees to report any suspicious activities through Ta Win's whistleblowing channels. The reporting employee's identity will remain confidential without fear of being harassed, demoted, or experiencing any victimisation. Reported cases will be investigated thoroughly. If found to be of any merit, appropriate actions will be taken on the individual responsible for the wrongdoing, including a verbal reprimand, supervisory intervention, suspension, termination or even legal proceedings.

There has not been any incidence of conduct violation or breach during the reporting period.

Health and Safety

Health and safety procedures in the workplace are essential for the well-being of the Group's employees. Therefore, the Group does not compromise on the wellness and welfare of the Group's workforce, and risk mitigation strategies have been designed to reduce and prevent major accidents from happening.

Ta Win has structured internal safety and health programmes based on specific operation sites and work areas requirements. The orientation and job training on health and safety education aim to instil proper knowledge and eliminate unsafe working habits and attitudes that may result in possible accidents in the workplace. Employees are required to wear protective equipment such as safety shoes, masks and gloves at all times during work hours to minimise workplace hazards and prevent serious injuries.

During the reporting period, there were 3 work-related injury incidents reported but no fatalities within the Group. The Group will continuously raise awareness on health and safety measures among employees towards the potential risks in the operations to prevent workplace incidents.

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY AND AREAS OF FOCUS (CONTINUED)

Developing Human Capital

Ta Win strives to be a fair and equitable employer that genuinely cares for the growth and future of its employees. Employees' performance, commitment and loyalty to the job are critical not only in achieving the Company's goal and objectives but, more importantly, for the Group's long-term survival and sustainability. For these reasons, Ta Win devotes special attention to these issues as part of the Company's human resource strategy.

Ta Win provides an industry-competitive remuneration package and staff benefits to attract talents. Besides appropriately scaled wages, Ta Win also offers numerous benefits for its permanent employees, including annual leave, sick leave, compassionate leave, disaster leave, maternity and paternity leave, marriage leave, and examination leave. The Company believes there is strength in diversity. It is privileged to draw on the talents of a varied workforce that is well-represented in terms of age, educational qualification, gender, and ethnicity.

The numbers and range of the Group's full-time employees are provided as below:

Employees by Gender	As at 30 June 2021	As at 30 June 2022
Male	544	524
Female	100	110
	644	634
Employees by Ethnicity		
Local		
Malay	130	173
Chinese	54	68
Indian	32	28
	216	269
Non-local	428	365
	644	634

During the reporting period, the Group has employed additional 156 new employees and 166 resigned employees.

In enhancing the learning and retention of local talents, the Group's practice is to offer on-the-job practical training required for new employees to help them gain insight into the Group's corporate culture, processes and operations. The Group is also constantly nurturing the skills and knowledge of its employees. Employees are encouraged to participate in in-house or external training to enhance their skills and productivity.

With a long-term view to scale mindfully and maximise the Group's value, the Company has also incentivised the workforce to pursue long-term rewards. Accordingly, the Company had on 26 August 2021 implemented a share issuance scheme of up to 15% of the total number of the Company's issued shares (excluding treasury shares, if any), where eligible employees are rewarded based on, amongst other considerations, their performance and the duration of their service, as well as to encourage the retention of the employees.

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIALITY AND AREAS OF FOCUS (CONTINUED)

Product Quality and Innovation

Ta Win recognises that product quality and innovation are fundamental to improve the Group's sales and maintains the Company's position as a market leader. The Group works closely with the customers and implements continuous improvement strategies that will meet their expectations at every product development process to deliver the best experience to the customer.

On 21 January 2021, Cyprium Wire Technology Sdn Bhd ("CWT") received the IATF 16949:2016 and ISO 9001:2015 certifications for implementing quality management systems in manufacturing wires and cables for automotive production and relevant service part organisation. On 7 May 2021, CWT entered into a sales and consultation agreement with the China CGN Nuclear Technology Development Co. Ltd. group (who is the largest industrial electron accelerator manufacturer in China listed on the Shenzhen Stock Exchange) to purchase electron beam irradiation systems and build the first local privately-owned Electron Beam Irradiation Plant in Malaysia. The Electron Beam Irradiation Plant will enable the Group to utilize its proprietary technology to manufacture and supply superior quality cross-linked wire and cable products to customers.

Further, the Group invested in machinery and equipment via the proceeds raised from the renounceable rights issue of 2,556,501,561 new ordinary shares in the Company to, amongst others, scale up production volume, expand capacity and improve operational efficiency.

Energy Consumption

Ta Win recognises the need for and importance of environmental conservation. The Group believes it can manage its internal environment through waste management, energy savings, and water conservation. As an integrated copper manufacturer, the Group's energy consumption primarily arose from production machinery and facility equipment. The Group is committed to properly managing energy consumption by undertaking several energy-saving initiatives to reduce operational costs and minimise the impact on the environment such as the LNG-based furnace which is scheduled for installation in our new Pulau Indah factor by end of year 2022. The furnace is expected to generate 30% less carbon dioxide (CO₂) than fuel oil and 45% less than coal, with a twofold reduction in nitrogen oxide (NO_x) emissions and almost no environmentally-damaging sulphur dioxide (SO₂) emissions. The installation of retrofitted solar PV system on the roof structure of Ta Win's Telok Panglima Garang factory with power capacity of 270 KWP is expected to save approximately 85% of the average electricity expenses of the said factory (as compared to typical TNB billing).

THE GROUP'S COMMITMENT

Ta Win believes that the improvement in the conditions surrounding its stakeholders, employees, society and the environment is vital to the growth of the Group. Therefore, as a responsible organisation that aims to enhance shareholder value further, the Group undertakes the above sustainable and responsible practices to continue adding value to sustainable business growth, environmental stewardship, and social responsibility.

This Sustainability Statement is made in accordance with the approval of the Board of Directors on 20 October 2022.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“the Board”) of Ta Win Holdings Berhad (“Ta Win” or “the Company”) recognises the importance of good Corporate Governance and is committed to uphold and implement a high standard of Corporate Governance throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of Ta Win and its group of companies (“Group”).

The Board takes note of the updates on the Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission Malaysia which took effect on 28 April 2021. The MCCG introduces new practices and additional guidance to strengthen the corporate governance culture of public listed companies.

The Board is pleased to present this Statement which outlines the key aspects of how the Group has applied the principles and best practices of the MCCG 2021 (“the Code”) during the financial year ended 30 June 2022. This statement is prepared in compliance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and takes guidance from the key CG principles as set out in the MCCG 2021. It is to be read together with the Corporate Governance Report of the Company which is available on the Company’s website at www.ta-win.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(I) BOARD RESPONSIBILITIES

Board’s Roles and Responsibilities

The Board is responsible to ensure long term success and delivering of sustainable value to its stakeholders through its leadership and management of the Group’s businesses. For the foregoing, the Board sets the strategic direction of the Group while exercising oversight on day-to-day management and operation delegated to Managing Director, Executive Director and the Senior Management to ensure that the conduct of the business of the Group is in compliance with relevant laws, practices, standards and guidelines applicable to the Group. The Board sets the appropriate tone at the top, providing leadership and managing good governance and practices throughout the Group.

To ensure orderly and effective discharge of the Board’s function and responsibilities, the Board has in place an internal governance model for the Group where specific powers of the Board are delegated to the relevant Board Committees and the Senior Management. The respective Chairman of the Board Committees will report to the Board on key issues deliberated by the Board Committees in order to develop effective communication.

Internal Governance Model

<p>Board of Directors</p> <p>Leadership and oversight</p>	<p>Board Committees</p> <ol style="list-style-type: none"> 1. Audit Committee 2. Risk Management Committee 3. Nomination Committee 4. Remuneration Committee <p>Entrusted by the Board with specific responsibilities to oversee the Group’s affairs</p>	<p>Managing Director, Executive Director & Senior Management</p> <p>Day to day operations and management decisions</p>	<p>Risk Management Committee</p> <p>Managing Risks</p>
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STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(I) BOARD RESPONSIBILITIES (CONTINUED)

The Chairman

Dato' Yeo Boon Leong, JP ("Dato' Yeo") is the Non-Independent Non-Executive Chairman of the Board was appointed on 23 November 2017. As Chairman of the Board, Dato' Yeo carries out a leadership role in guiding the conduct of the Board and its relationships with shareholders and other stakeholders. He is able to provide strong leadership and leading the Board in adoption and implementation of good corporate governance practices. The Chairman is primarily responsible for running the Board and leading discussions thus enhancing effectiveness at the Board level.

Separation of Responsibilities of the Chairman and Chief Executive Officer

The role of Chief Executive Officer ("CEO") is assumed by Dato' Sri Ngu Tieng Ung, JP, the Group Managing Director. The roles of the Chairman and the CEO are separate with clear distinction of responsibilities between them to provide effective leadership of the Board and the Group. Dato' Yeo, JP, the Non-Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the CEO is responsible for the effective running of the business and implementation of the Board's policies and decisions. The details of the responsibilities of the Chairman and CEO are clearly set out in the Board Charter. This segregation ensures there is a balance of power and authority so that no one individual can influence or dominate the Board's decision.

The Chairman is primarily responsible for ensuring that the Board meets regularly throughout the year and the meetings are conducted in an orderly manner. The Chairman also plays a pivotal role in ensuring that the Directors are effectively apprised on the business and operations of the Group and encourages healthy debate on issues arising at the Board meetings to ensure that decisions are arrived after taking into consideration the interests of shareholders, employees, customers and other stakeholders. The Chairman also bears the responsibility of ensuring the integrity and effectiveness of the Non-Executive Directors. The CEO is focus on the business and day-to-day management of the Group's businesses, which include implementing the policies and decisions of the Board, overseeing the operations to ensure organizational effectiveness, and managing the development and implementation of the Company's business and corporate strategies.

The Chairman of the Board should not be a member of the Audit Committee, Nomination Committee and Remuneration Committee

The Board took note on the recommendation MCCG 2021 which states that the Chairman of the Board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

Dato' Yeo is the Non-Independent Non-Executive Chairman of the Board sits as a member of the Remuneration Committee of the Company and resigned as a member on 1 June 2022. This is to promote check and balance as well as objective review by the Board on deliberations and decisions from the Board Committees, Dato' Yeo is not a member of any of the Board Committees.

Qualified and Competent Company Secretary

Ms. Kimberly Ong Sweet Ee was appointed as the Company Secretary on 3 March 2020. Ms. Kimberly Ong is qualified to act as Company Secretary under Section 235 of the Companies Act 2016.

The key role of the Company Secretary is to provide advice and services for the Directors as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

The Board is supported by suitably qualified and competent Company Secretary in every role and responsibilities and the Board has unrestricted access to the advice of the Company Secretary in ensuring the effective functioning of the Board. The Company Secretary plays an advisory role to the Board in advising on its roles and responsibilities, governance matters and ensuring the Company is complied with its own Constitution and all the laws and regulations prescribed by the Companies Act, 2016 and MMLR of Bursa Securities.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(I) BOARD RESPONSIBILITIES (CONTINUED)

Qualified and Competent Company Secretary (Continued)

The Company Secretary also ensures that all meetings of the Board and Board Committees are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory records of the Company. The Company Secretary has an oversight on overall corporate secretarial functions.

Access to Information and Advice

The Board has access to the information and advices, from the Senior Management and the Company Secretary as well as to independent professional advisers including the External Auditors, which facilitate Directors to oversee the Company's business affairs and performance. The Board is regularly updated and advised by the Company Secretary, who is qualified, experienced and competent on the new statutory requirements and the implications to the Company and Directors in discharging their duties and responsibilities.

A set of Board papers on the matters to be deliberated are made available to Directors prior to each Board Meeting to enable the Directors to obtain further information. The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting. Minutes of each Board meeting are circulated to all Directors in advance for their perusal prior to confirmation of these minutes at the commencement of the Board Meeting. The Directors are allowed to make comments before the minutes were tabled for confirmation as a correct record of the proceedings.

Board Charter

The Board Charter which sets out the roles, composition, responsibilities, operations and processes of the Board and also outlines the matters and decisions reserved for the Board. It serves as a reference and primary induction literature providing insights to prospective Board members and senior management. In addition, it would assist the Board in the assessment of its own performance and that of its individual Directors.

The Board Charter was last reviewed and approved on 20 October 2022 and would be reviewed and updated periodically. The Board Charter is available on the Company's website at www.ta-win.com.

Code of Conduct and Ethics

The Group has in place a Code of Conduct and Ethics which sets out the rules or standard for all who is participating in the Group and represent themselves outside the Group. Its covers among others, all aspect affecting the business operations such as standards of conduct, conflicts of interest, other business opportunity, bribes, gifts, gratuities, hospitality, confidentiality and sensitive information, insider dealing, accuracy of information, compliance with laws & regulations, health & safety, protection of assets, corruption and money laundering.

The employees are made aware that relevant disciplinary actions will be taken for unethical behaviour and gross misconduct that is in contravention with the ethos of the said Code of Conduct and Ethics. Heads of Departments play an important role to oversee the culture of the Group to ensure it engenders ethical conduct.

The Code of Conduct and Ethics was last reviewed and updated on 26 May 2022 and would be reviewed and updated periodically. The Code of Conduct and Ethics is available at the Company's website at www.ta-win.com.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(I) BOARD RESPONSIBILITIES (CONTINUED)

Whistle Blowing Policy

The Group has in place a Whistle Blowing Policy to provide an avenue for all employees of the Group and the members of the public to voice their grievances and raise concerns on any improper conduct and irregularities through an established channel without fear of reprisal.

The policy also sets out the steps the Company will take in respect of the report received from the employees and members of the public with the strict enforcement of this policy. It will reduce the risk to the Group's reputation from fraudulent acts.

The Whistle Blowing Policy was last reviewed and updated on 26 May 2022 and would be reviewed and updated periodically. The Whistle Blowing Policy is available at the Company's website at www.ta-win.com.

Anti-Bribery Anti-Corruption Policy

The Board has adopted an Anti-Bribery Anti-Corruption Policy which sets out parameters to prevent the occurrence of bribery and corrupt practices in the conduct of the Group's business. This policy is to provide information and guidelines to all Directors and employees of the Group on the standard of behaviour which they must adhere to and how to recognise and deal with bribery and corruption.

The Anti Bribery Anti-Corruption Policy was last reviewed and updated on 26 May 2022 and would be reviewed and updated periodically by the Board. The Anti Bribery Anti-Corruption Policy is available at the Company's website at www.ta-win.com.

Fit and Proper Policy

The Board has adopted a Fit and Proper Policy which sets out parameters to serve as a guidance and to provide a systematic, rigorous and transparent procedure for the appointment of Directors and Key Senior Management as well as re-election of Directors of the Group to carry out their duties and responsibilities with full competence, character, diligence, integrity and judgement related to the key roles they are appointed to.

The Fit and Proper Policy has been adopted and reviewed periodically by the Board on 26 May 2022. The Fit and Proper Policy is available at the Company's website at www.ta-win.com.

(II) BOARD COMPOSITION

Board Balance and Independence

The Company's diverse Board includes and leverages differences in skills, industry experience, background, gender and other attributes. Board members have a wide range of relevant experiences in accounting, law, economics, investment, and business operations, to bear on the governance, strategies, resources and performance of the Group.

The Board comprises seven (7) Directors and three (3) of whom are Independent Directors. This complies with Paragraph 15.02(1) of the MMLR of Bursa Securities which requires at least two (2) or one third (1/3) of the Board of the Company, whichever is higher, to be Independent Directors.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(II) BOARD COMPOSITION (CONTINUED)

Board Balance and Independence (Continued)

The present members of the Board are as follows:-

Name of Directors	Designation	Directorship
Dato' Yeo Boon Leong, JP	Chairman	Non-Independent Non-Executive Director
Dato' Sri Ngu Tieng Ung, JP	Member	Managing Director
Mr. Tan Poo Chuan	Member	Executive Director
Mr. Lim Boon Shen	Member	Non-Independent Non-Executive Director
Datuk Zakaria Bin Sharif	Member	Independent Non-Executive Director
Dato' Paduka Dr. Hii King Hiong	Member	Independent Non-Executive Director
Datin Seri Azreen Binti Abu Noh	Member	Independent Non-Executive Director

Tenure of Independent Directors

The MCCG 2021 recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

During the financial year ended 30 June 2022, none of the Independent Directors have served on the Board for more than nine (9) years.

In order to ensure independent and objective judgment is brought to the Board's deliberation by genuine independence of the independent directors and to ensure conflict of interest or undue influence from interested parties is well taken care of the Board is commitment to ensure the independence of the independent directors are assessed by the Nomination Committee prior to their appointment based on formal nomination and selection process with the results of the review reported to the Board for consideration and decision.

The Board has not adopted a policy which limits the tenure of its Independent Directors to nine (9) years and will address the issue if the need arise.

Diverse Board and Senior Management Team

The Board acknowledges the importance of fostering diversity to enhance effectiveness of the Board and Senior Management. Having a range of diverse dimensions brings different perspectives to the boardroom and to various levels of Management within the Group.

Nomination Committee is responsible to identify and select potential candidate(s) and to make recommendations to the Board for the appointment of Director(s) based on a set of selection criteria in order to ensure the Board has the right mix of skill to meet its objectives.

The Managing Director and Executive Director are responsible for selection and appointment of candidates for Senior Management position based on selection criteria which best matches the requirements of the open position.

All appointments and employment are based on objective criteria, merit and with due regards for diversity in skills, experience, age, cultural background and gender.

The Group is committed to maintaining an environment of respect for people in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion or age.

STATEMENT ON CORPORATE GOVERNANCE

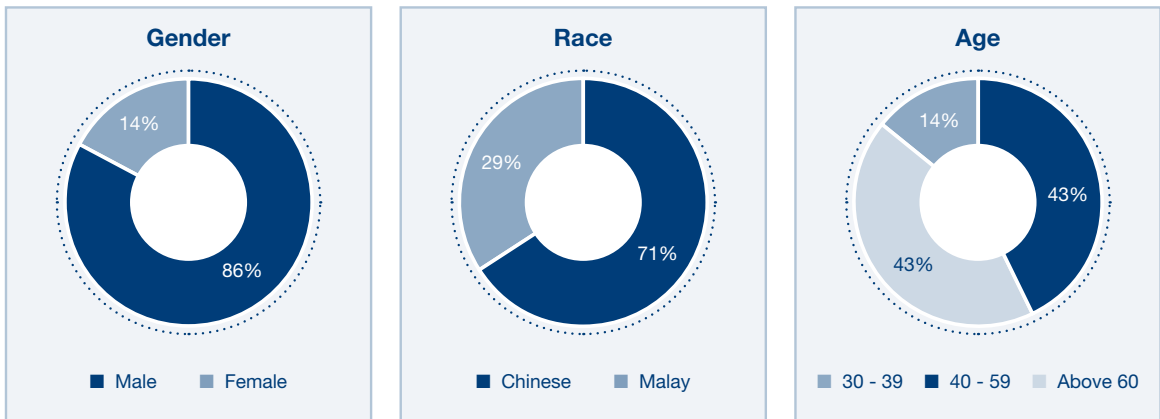
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PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

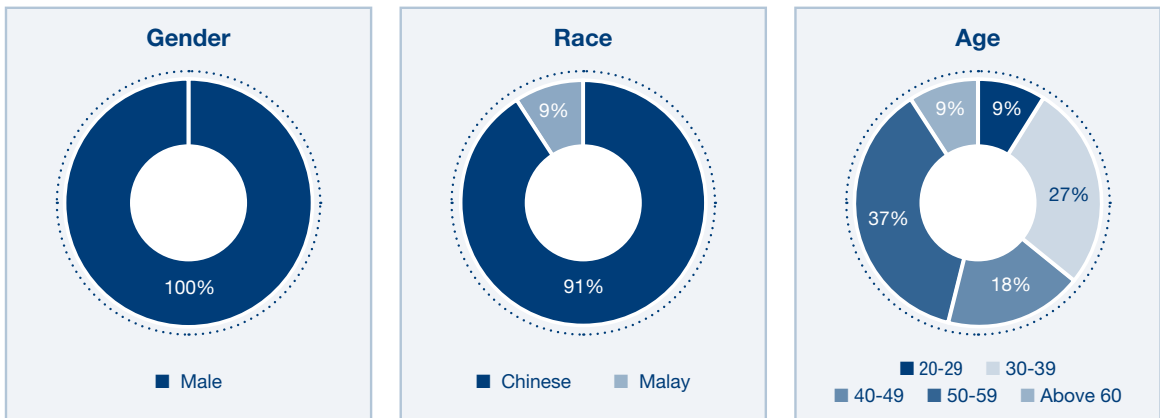
(II) BOARD COMPOSITION (CONTINUED)

Diverse Board and Senior Management Team (Continued)

(a) Gender, Ethnicity and Age diversity in the Board



(b) Gender, Ethnicity and Age diversity in the Senior Management



Gender Diversity

The Board is judicious of the gender diversity recommendation promoted by the Code in order to offer greater depth and breadth for discussions and constructive debates in Board and Senior Management level.

The Board practices gender diversity and has one (1) female Director which represents 14% of seats at Board level, out of a total of seven (7) Directors, even though it does not have a formalised policy on setting targets for female candidates. The Group will continue to identify suitable candidates for appointment to the Board based on merit and competence and the contribution that each potential candidate can bring to further strengthen the Board.

Appointment of additional women to the Board in order to meet the target will be made when a suitable candidate who can add value to the Board is identified.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(II) BOARD COMPOSITION (CONTINUED)

New Candidates for Board Appointment

The Company has in place its procedures and criteria for appointment of new directors. Selection of candidates to be considered for appointment as Directors is facilitated through recommendations from the Directors, management, major shareholders or external parties including the Company's contacts in related industries. The Company has sourced for the most suitable candidates from various sources such as recommendation of the existing Board and referrals from external sources to fill the casual vacancy.

Nomination Committee

The Board through its Nomination Committee conducts an annual review of its size and composition, to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company's objectives and strategic goals. The Board through the Nomination Committee considers gender diversity as part of its selection of candidates for the Board and Senior Management positions.

Presently, the Nomination Committee is chaired by Datuk Zakaria Bin Sharif. The members of Nomination Committee comprising of Non-Executive Directors, a majority of whom are Independent Directors, whose membership is:-

Name of Directors	Designation	Directorship
Datuk Zakaria Bin Sharif	Chairman	Independent Non-Executive Director
Datin Seri Azreen Binti Abu Noh	Member	Independent Non-Executive Director
Mr. Lim Boon Shen	Member	Non-Independent Non-Executive Director

The Chairman ensures that the Board's decisions are reached by consensus or failing this, by the will of the majority, and any concern or dissenting view expressed by any Director on any matter deliberated at meetings of the Board or any of its Board Committees will be addressed and the meetings decisions duly recorded in the minutes of the meeting.

The Terms of Reference of the Nomination Committee were last reviewed and updated on 20 October 2022 and would be reviewed and updated periodically. The Terms of Reference of the Nomination Committee is available at the Company's website at www.ta-win.com.

Activities of the Nomination Committee

During the financial year ended 30 June 2022, the Nomination Committee met thrice and carried out the following mentioned activities, in accordance with its Terms of Reference and in compliance with MMLR of Bursa Securities:-

- (a) assessed and recommended the appointment of members of Board Committees;
- (b) assessed the size and composition of the Board, board balance and contribution of each Director and the effectiveness of the Board Committees;
- (c) assessed the independence of each Independent Director by taking into their self-assessments/declarations and based on the guidelines as set out in the MMLR of Bursa Securities and other criteria such as, tenure, relationship between the Independent Directors and the Company and their involvement in any significant transaction with the Company;
- (d) deliberated on the re-election of the affected Directors retiring pursuant to the Company's Constitution before making recommendations to the Board and shareholders for its consideration. Appropriate assessment and recommendation by the Nominating Committee would be based on the yearly assessment conducted;
- (e) conducted an evaluation and assessment of the compliance status of the Company in respect of the Code;
- (f) assessed the training needs for Directors; and
- (g) reviewed the succession planning programme.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**(II) BOARD COMPOSITION (CONTINUED)****Annual Evaluation**

The Board has adopted a formal and objective annual evaluation of the Board, Board Committees and Directors' performance.

During financial period ended 30 June 2022, the Company Secretary assisted in the preparation of documents and facilitation of the annual evaluation.

The evaluation process was led by the Chairman of the Nomination Committee with the assistance of the Company Secretary. Each Director participated in the evaluation by answering a set of questionnaires.

The evaluation process was based on self-assessments whereby the Directors assessed each other and themselves, the Board as a whole and the performance of each Board Committee. The results of all assessments and comments were collated by the Company Secretary and were deliberated at the Nomination Committee meeting and thereafter the Nomination Committee's Chairman reported the results and deliberation to the Board.

Time Commitment

The Board meets on a quarterly basis with additional meetings convened as and when required.

Details of the attendance of Board and Board Committees who were in office during the financial year ended 30 June 2022 are set out below. All Directors in office during the said period have complied with the minimum 50% attendance requirement under the MMLR of Bursa Securities.

Name of Directors	Board Meeting	Audit Committee Meeting	Risk Management Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting
Dato' Yeo Boon Leong, JP ⁽¹⁾	5/5	–	–	–	3/3
Dato' Sri Ngu Tieng Ung, JP	5/5	–	–	–	–
Mr. Tan Poo Chuan ⁽²⁾	5/5	–	2/2	–	–
Mr. Lim Boon Shen	5/5	5/5	–	3/3	–
Datuk Zakaria Bin Sharif ⁽³⁾	5/5	5/5	–	3/3	–
Dato' Paduka Dr. Hii King Hiong	5/5	5/5	2/2	–	3/3
Datin Seri Azreen Binti Abu Noh	5/5	5/5	2/2	3/3	3/3

Notes:-

(1) Dato' Yeo Boon Leong, JP resigned as a Member of Remuneration Committee on 1 June 2022.

(2) Mr. Tan Poo Chuan resigned as a Member of Risk Management Committee on 1 June 2022.

(3) Datuk Zakaria Bin Sharif was appointed as a Member of Remuneration Committee and Risk Management Committee on 1 June 2022.

The Board is satisfied with the level of commitment given by the Directors in fulfilling their roles and responsibilities as Directors of the Company. To ensure that the Directors devote sufficient time to carry out their roles and responsibilities and in line with the MMLR of Bursa Securities, a Director of the Company must not hold directorships of more than five (5) Public Listed Companies.

In the intervals between Board Meetings, any matters requiring urgent Board decisions and/or approvals can be sought via circular resolutions which are supported with all the relevant information and explanations required for informed decisions to be made.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(II) BOARD COMPOSITION (CONTINUED)

Time Commitment (Continued)

The Directors are required to submit an update on their other directorships from time to time for monitoring of the number of directorships held by the Directors of the Company and for notification to Companies Commission of Malaysia accordingly.

To facilitate the work of the Board, the Board has approved a formal schedule of matters reserved specifically for its decision to ensure the overall control of the Group is firmly in its hands.

Meeting of the Board and Board Committees

Meeting notices, agendas and board papers are circulated to the Board with sufficient time for members to prepare for Board and Board Committee meetings. All Board and Board Committee meetings held during the year were conducted in an open atmosphere which allowed for constructive challenge and debate, and all Directors were able to exert their independent judgement to bear on issues discussed. The Directors and Management continue to be in frequent contact between meetings.

The Board has unrestricted access to independent and expert advice at the Company's expense in performing its duties.

Directors' Training

Directors will receive further training from time to time on various aspects of their responsibilities as Directors of the Company such as new laws and regulations, to further enhance their skills and knowledge, where relevant. All the Directors have attended the educational training and seminars to keep abreast with new regulatory developments, the business environment and assisted them in the discharge of their duties. The seminars attended by the Directors during the financial year ended 30 June 2022 are listed below:-

Name of Directors	Course Attended
Dato' Yeo Boon Leong, JP	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
Dato' Sri Ngu Tieng Ung, JP	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
Mr. Tan Poo Chuan	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
Mr. Lim Boon Shen	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
Datuk Zakaria Bin Sharif	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
Dato' Paduka Dr. Hii King Hiong	Webinar - National Tax Conference 2021 on 27 & 28 July 2021 by Lembaga Hasil Dalam Negeri.
	Webinar - Determining Materiality in Audit on 4 October 2021 by Malaysian Institute of Accountants.
	Webinar – Seminar Percukaian Kebangsaan 2021 on 16 November 2021 by Lembaga Hasil Dalam Negeri.
	Webinar - ISQC 1 to ISQM 1 & 2 - Including First Time Implementation Requirements on 17 February 2022 by Malaysian Institute of Accountants.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**(II) BOARD COMPOSITION (CONTINUED)****Directors' Training (Continued)**

Name of Directors	Course Attended
Dato' Paduka Dr. Hii King Hiong	Webinar – Submission of Return Forms 2021 – Information, Implications & Consequences Form C, B, E and EA on 11 March 2022 by Malaysian Institute of Accountants.
	Webinar - Group Accounting (MFRS 3, 10, 11): Basic to Intermediate by using MS Excel Worksheets on 27 & 28 April 2022 by Malaysian Institute of Accountants.
	Webinar - Mastering the Principles of Deferred Taxation - From Fundamental to Complex Transactions and Events on 9 & 10 May 2022 by Malaysian Institute of Accountants.
	Webinar - Capital Allowances on 11 May 2022 by Certified Public Accountant.
	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.
	Webinar - Industrial Building Allowances on 31 May 2022 by Certified Public Accountant.
Datin Seri Azreen Binti Abu Noh	In-House Online Training - Enterprise Risk Management on 26 May 2022 by Sharma Management International.

In addition, Directors' education also includes briefings by the Internal Auditors, External Auditors and the Company Secretary on the relevant updates on statutory and regulatory requirements from time to time during the Audit Committee and Board meetings.

(III) REMUNERATION**Remuneration Committee**

A Remuneration Committee was established by the Board comprising of Non-Executive Directors, a majority of whom are Independent Directors. The memberships of the Remuneration Committee are as follows:-

Name of Directors	Designation	Directorship
Datin Seri Azreen Binti Abu Noh	Chairman	Independent Non-Executive Director
Dato' Paduka Dr. Hii King Hiong	Member	Independent Non-Executive Director
Datuk Zakaria Bin Sharif	Member	Independent Non-Executive Director

Remuneration Committee's primary responsibilities include establishing, reviewing and recommending to the Board the remuneration packages of each individual Director and Key Senior Management to ensure that their remuneration commensurate with that of their responsibilities and commitment.

The Chairman of the Committee may request for a meeting as and when deemed necessary. The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendation of the Committee.

The Terms of Reference of the Remuneration Committee was last reviewed and updated on 20 October 2022 and would be reviewed and updated periodically. The Terms of Reference of the Remuneration Committee is available at the Company's website at www.ta-win.com.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

(III) REMUNERATION (CONTINUED)

Remuneration policy

The Board has in place a set policies and procedures for remuneration of Directors and Senior Management. The objective of Remuneration Policy of the Company is to attract, retain and motivate Directors and Senior Management of the quality required to manage the business of the Group. The remuneration of Managing Director, Executive Director and Senior Management comprises basic salary, allowances, bonuses and other customary benefits as appropriate. In the case of the Non-Executive Directors, a basic fee as ordinary remuneration and meeting allowances will be paid.

The Managing Director and Executive Director play no part in deciding their own remuneration. It is the ultimate responsibility of the Board to approve the remuneration package of Managing Director and Executive Director. The Directors' Fee payable and other benefits payable to Directors are subject to the members' approval at the Annual General Meeting ("AGM") in accordance with Section 230(1) of the Companies Act 2016.

On 28 February 2019, the Board reviewed and adopted the new Remuneration Policy and Procedures for Directors and Senior Management to ensure it is relevant and appropriate in the current structure of the Group. The Remuneration Policy and Procedures for Directors and Senior Management is available on the Company's website at www.ta-win.com.

Details of Directors' Remuneration

Details of Directors' remuneration of the Company and of the Group for the financial period ended 30 June 2022 are as follows:-

(i) Company

	Salaries (RM)	Bonuses (RM)	Fees (RM)	⁽¹⁾ Other Remuneration (RM)	Total (RM)
Executive Directors					
Dato' Sri Ngu Tieng Ung, JP	960,000	80,000	–	99,158	1,139,158
Mr. Tan Poo Chuan	960,000	80,000	–	100,558	1,140,558
Non-Executive Directors					
Dato' Yeo Boon Leong, JP	–	–	84,000	985,100	1,069,100
Dato' Paduka Dr. Hii King Hiong	–	–	60,000	12,900	72,900
Datin Seri Azreen Binti Abu Noh	–	–	60,000	15,900	75,900
Datuk Zakaria Bin Sharif	–	–	60,000	13,600	73,600
Mr. Lim Boon Shen	–	–	60,000	11,200	71,200
Total	1,920,000	160,000	324,000	1,238,416	3,642,416

Notes:

(1) Other remuneration includes amongst others, the allowance and consultation fees payable to the Directors.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**(III) REMUNERATION (CONTINUED)****Details of Directors' Remuneration (Continued)****(ii) Group**

	Salaries (RM)	Bonuses (RM)	Fees (RM)	⁽¹⁾ Other Remuneration (RM)	Total (RM)
Executive Directors					
Dato' Sri Ngu Tieng Ung, JP	960,000	80,000	120,000	219,158	1,379,158
Mr. Tan Poo Chuan	960,000	80,000	–	100,558	1,140,558
Non-Executive Directors					
Dato' Yeo Boon Leong, JP	–	–	84,000	985,100	1,069,100
Dato' Paduka Dr. Hii King Hiong	–	–	60,000	12,900	72,900
Datin Seri Azreen Binti Abu Noh	–	–	60,000	15,900	75,900
Datuk Zakaria Bin Sharif	–	–	60,000	13,600	73,600
Mr. Lim Boon Shen	–	–	60,000	11,200	71,200
Total	1,920,000	160,000	444,000	1,358,416	3,882,416

Notes:

(1) Other remuneration includes amongst others, the allowance and consultation fees payable to the Directors.

Remuneration of Top Five Senior Management

The top five (5) Senior Management's remuneration for the financial period ended 30 June 2022 are as follows:-

Range of Remuneration (RM)	Top Five Senior Management
250,000-500,000	3
200,000-250,000	2
150,000-200,000	–
100,000-150,000	–
Total	5

The Board is of the opinion that the disclosure of the Senior Management Personnel names and the various remuneration component (salary, bonus, benefits in-kind, other emoluments) would not be in the best interest of the Group due to the confidentiality and sensitivity of each remuneration package.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(I) AUDIT COMMITTEE

Audit Committee Composition and Chairman

The present Chairman of the Audit Committee is Datuk Zakaria Bin Sharif. He was re-designated as Chairman of Audit Committee on 25 May 2021. The Chairman of the Board is Dato' Yeo Boon Leong, JP.

Having the positions of Board Chairman and Audit Committee Chairman assumed by different individuals allows the Board to objectively review the Audit Committee's findings and recommendations.

The Chairman of the Audit Committee is responsible to ensure the overall effectiveness and independence of the Audit Committee. The roles and responsibilities of the Committee as well as the rights are set out in the Terms of Reference of the Audit Committee, which is published on the Company's website.

Details of activities carried out by the Audit Committee during the financial period ended 30 June 2022 are set out in the Audit Committee Report of this Annual Report.

Policy on Appointment of a Former Key Audit Partner as Audit Committee Member

As a measure to safeguard the independence and objectivity of the audit process, the Company has incorporated a policy stipulation that governs the appointment of a former key audit partner to the Audit Committee.

The policy, which is codified in the Audit Committee's Terms of Reference, requires a former key audit partner to observe a cooling-off period of at least three (3) years before he can be considered for appointment as an Audit Committee member.

Assessment on the Suitability, Objectivity and Independence of the External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the Audit Committee. Based on the current practice, the Audit Committee invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Group's audited financial statements. In addition, the Audit Committee also has private meetings with the External Auditors without the presence of the Senior Management to enable exchange of views on issues requiring attention. The Board has delegated to the Audit Committee to perform an annual assessment on the quality of the audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The assessment process involves identifying the areas of assessment and devising tools to obtain the relevant data. Upon completion of the assessment, the Audit Committee will make recommendation for re-appointment of the External Auditors to the Board. The proposed appointment will be subject to shareholders' approval at the annual general meeting.

The policies and procedures to access the sustainability, objectivity and independence of the external auditors are in place. The said policies and procedures is available at the Company's website www.ta-win.com.

In the annual assessment on the suitability, objectivity and independence of the auditors, the Audit Committee is guided by the factors as prescribed under MMLR of Bursa Malaysia Securities Berhad as well as the policies and procedures which were adopted by the Board.

All Audit Committee Members are Financially Literate

The Audit Committee consists of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, which is in compliance with the MMLR of the Bursa Securities.

The present Chairman of the Audit Committee, Datuk Zakaria Bin Sharif and the previous Chairman Dato' Paduka Dr. Hii King Hiong are member of Malaysian Institute of Accountants (MIA). All members of the Audit Committee are financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting process. They possess sufficient financial knowledge to provide satisfactory input on financial matters. The Committee members possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the Audit Committee.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

(II) RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Effective Risk Management and Internal Control Framework

The Board affirms its overall responsibility for maintaining a sound internal control system and risk management as well as reviewing its adequacy and integrity of the system.

The Risk Management Committee assessed and monitored the efficacy and effectiveness of the risk management controls and measures taken whilst the adequacy and effectiveness of the internal controls were reviewed by the Audit Committee in conjunction with the activities and reports of the outsourced Internal Auditors.

Effective Governance, Risk Management and Internal Control Framework

The Risk Management Committee comprises of three (3) Independent Non-Executive Directors. On 1 June 2022, Mr. Tan Poo Chuan, the Executive Director was resigned as a Member of Risk Management Committee and in place of Datuk Zakaria Bin Sharif. The present Chairman of the Risk Management Committee is Dato' Paduka Dr. Hii King Hiong. The Risk Management Committee was entrusted by the Board to oversee the adequacy and effectiveness of the risk management framework and internal control systems.

The roles and responsibilities of the Risk Management Committee are set out in Terms of Reference of Risk Management Committee, which is published on the Company's website.

The Senior Management will present the Risk Management Report to the Risk Management Committee at least twice a year to provide an overview of the Group's significant risks and action plans to mitigate the risks. The Risk Management Committee provides its views which are then communicated to the respective risk owners. The significant risks are then escalated to the Board upon deliberation by Risk Management Committee.

Internal Audit Function

The Group's Internal Audit function is outsourced to a professional service firm, Messrs Ivan Law & Co., to provide the Audit Committee with an independent assessment on the adequacy and effectiveness of the Group's system of internal controls.

During the financial year ended 30 June 2022, the outsourced internal audit function carried out audits in accordance with the risk-based internal audit plan reviewed and approved by the Audit Committee. The results of their review presented in the Internal Audit Report, which include a summary of internal audit findings and management's responses, were discussed with the Senior Management and subsequently presented to the Audit Committee. Follow up visits were also conducted by Internal Auditors to ensure that management's action plans in respect of the matters highlighted in the Internal Audit Reports have been adequately addressed. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report.

To ensure effectiveness of the Group's Internal Audit function, the Audit Committee assesses the following:-

- (a) the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work; and
- (b) the internal audit plan, processes, the results of the internal audit assessment and whether appropriate actions have been taken on the recommendations of the internal audit function.

The engagement partner of the outsourced internal audit function, Mr. Ivan Law, has diverse professional experience in internal audits, risk management and corporate governance advisory and possesses relevant qualification.

The internal audit staff on the engagement are free from any family relationship with any Directors and/or major shareholders and do not have any conflict of interest with the Group.

The internal audit was conducted using a risk-based approach and was guided by a recognised framework.

STATEMENT ON CORPORATE GOVERNANCE

(CONTINUED)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

(I) COMMUNICATION WITH STAKEHOLDERS

Continuous Communication between the Company and Stakeholders

The Board leverages on a number of formal channels for effective dissemination of information to shareholders and other stakeholders, particularly through Annual Reports, Circular to Shareholders, announcements to Bursa Securities, media releases, AGM, Extraordinary General Meeting (“EGM”) and the Company’s website, www.ta-win.com.

Integrated Reporting

The Company is not a Large Company as defined by the Code. The Company will consider adopting integrated reporting if the Board is of the view that the benefits of the adoption outweigh the costs.

(II) CONDUCT OF GENERAL MEETINGS

The AGM and other general meetings of the Company are the primary forum for dialogue with its shareholders. All notices of general meetings and accompanying explanatory materials are published on the company website (www.ta-win.com), advertised in a leading mainstream local newspaper, and the necessary announcement made to Bursa Securities. In addition, the notice of AGM, which forms part of the Annual Report, and the CD-ROM, is circulated to its shareholders. The form and content of the notices of the general meetings comply with the Companies Act, 2016 and any other applicable regulatory requirements under Bursa Securities and the Securities Commission Malaysia.

The Board’s members had attended the following general meetings held during the financial period ended 30 June 2022:-

Date	Meeting
30 July 2021	EGM
29 November 2021	Twenty Seventh AGM
27 January 2022	EGM

Shareholders are provided with the sufficient notices of general meetings and accompanying explanatory material such as notes, circular and Annual Report in order for the shareholders to make arrangements to attend the general meetings and exercise their rights. Shareholders are encouraged to appoint proxy/proxies to vote on their behalf if they are unable to attend the meeting. In line with the recommendations of the Code, the Notice of Twenty Seventh AGM of the Company was issued 28 days before the AGM date. The copies of the proxy forms are available in the Company’s website and in the Company’s Annual Report.

The Company values feedback from its shareholders and encourages them to actively participate in discussion and deliberations. All Board members will ensure their attendance in the AGM and the respective chairman of the Board Committees shall attend to questions raised pertaining to their duties.

The Company had conducted fully virtual Twenty Seventh AGM on 29 November 2021 and EGMs on 30 July 2021 and 27 January 2022 to ensure that all Directors and shareholders are able to participate in the AGM and EGMs under a safe condition.

The Company has leveraged on technology to convene the virtual Twenty Seventh AGM and EGMs through live streaming where shareholders participated and voted remotely during the AGM and EGMs, as guided by the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia. Voting at the AGM and EGMs was conducted using remote participation and voting facilities. The Company will continue to utilise the technology to conduct the forthcoming AGM on a virtual basis as part of our safety measures and to contain the spread of Covid-19.

This Corporate Governance Overview Statement was approved by the Board of Directors on 20 October 2022.

AUDIT COMMITTEE REPORT

MEMBERSHIP AND AUTHORITY

The Board of Directors (“the Board”) is pleased to present the following Audit Committee Report and its activities for the financial year ended 30 June 2022.

The Audit Committee was established with the objective to assist the Board in the area of corporate governance, systems of internal control and management and financial practices Ta Win Holdings Berhad and its group of companies (“Group”).

The Audit Committee comprises three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Directors. The present members of the Audit Committee are as follows:-

Name of Directors	Designation	Directorship
Datuk Zakaria Bin Sharif	Chairman	Independent Non-Executive Director
Dato’ Paduka Dr. Hii King Hiong	Member	Independent Non-Executive Director
Datin Seri Azreen Binti Abu Noh	Member	Independent Non-Executive Director
Mr. Lim Boon Shen	Member	Non-Independent Non-Executive Director

The composition of the Audit Committee meets the requirements of paragraph 15.09 (1)(a) and (b) and 15.10 of Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad. The Audit Committee consists of members with a broad spectrum of skills, professional experience, and backgrounds with high integrity. Alternate directors cannot be appointed as a member of the Audit Committee.

The Audit Committee is chaired by Datuk Zakaria Bin Sharif. He is a Fellow of the Australian Society of Certified Practising Accountants, Associate of the Malaysian Institute of Certified Public Accountants and Member of Malaysian Institute of Accountants and fulfills the requirement of paragraph 15.09 (1)(c) of the MMLR.

The Board has entrusted the Nomination Committee to review the terms of office of the Audit Committee members and the performance of the Audit Committee and its members through an annual evaluation. The Board is satisfied with the members of the Audit Committee in discharging their functions, duties and responsibilities in accordance with the Terms of Reference of the Audit Committee. The Terms of Reference of the Audit Committee is available at the Company’s website, www.ta-win.com.

During the financial year ended 30 June 2022, the Chairman of the Audit Committee has engaged on a continuous basis with the Management, Internal Auditors and the External Auditors, in order to keep abreast of matters and issues affecting the Company.

ATTENDANCE OF MEETINGS

During the financial year ended 30 June 2022, the Audit Committee held a total of five (5) meetings. The details of attendance of the Audit Committee members are as follows:-

Members	Attendance
Datuk Zakaria Bin Sharif	5/5
Dato’ Paduka Dr. Hii King Hiong	5/5
Datin Seri Azreen Binti Abu Noh	5/5
Mr. Lim Boon Shen	5/5

AUDIT COMMITTEE REPORT

(CONTINUED)

ATTENDANCE OF MEETINGS (CONTINUED)

The Audit Committee meetings were convened with proper notices and agenda. The Chairman of the Audit Committee reported the key issues discussed at each meeting to the Board. The Management was invited to all the Audit Committee meetings to facilitate direct communication and to provide clarification on audit issues and the Group's operations.

All deliberations during the Audit Committee meetings were duly minuted. Minutes of the Audit Committee meetings were tabled for confirmation at every succeeding Audit Committee meeting and the Minutes were circulated to each Board member for their notation.

SUMMARY OF WORKS PERFORMED BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2022

During the year under review, the Audit Committee carried out the following work in the discharge of its functions and duties:-

(1) Financial Reporting

Reviewed the unaudited interim consolidated financial statements to ensure that the financial reporting and disclosure requirements of relevant authorities had been complied with, focusing particularly on:-

- the going concern assumption;
- compliance with accounting standards and regulatory requirements;
- any changes in accounting policies and practices;
- significant issues and unusual event; and
- significant adjustment arising from the audit, if any.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with the Management and External Auditors on the salient accounting and audit issues, significant risks and audit focus areas, any deficiency on internal control, reasonableness of significant judgements, amendments to the reporting standards and other legal requirements.

(2) External Audit

- (a) Reviewed, evaluated and approved the Messrs. Ecovis Malaysia PLT's Audit Planning Memorandum for the financial year ended 30 June 2022. The statutory responsibilities of the Auditors, audit approach, areas of audit emphasis, engagement team, the timing of audit, accounting standards updates and other updates were discussed and brought to the attention of Audit Committee;
- (b) Reviewed the Audit Review Memorandum presented by the External Auditors which serves to provide the Audit Committee a status update of the key findings and issues arising from the audit. A summary of key findings was presented to the Audit Committee;
- (c) Reviewed with the External Auditors the approved accounting standards applicable to the financial statements of the Group;
- (d) Reviewed the assistance given by the Company's employees to the External Auditors;
- (e) Reviewed the annual audited financial statements of the Company and the Group prior to the submission to the Board for approval;
- (f) Reviewed and discussed the audit and accounting matters highlighted by the External Auditors and recommendations made by them and the Management's responses;
- (g) Reviewed and assessed the independence and performance of the External Auditors;
- (h) Assessed the fee chargeable by the External Auditors to ensure that the policies governing the provision of non-audit fees are observed; and
- (i) Conducted independent meetings (without the presence of Management) with the External Auditors.

AUDIT COMMITTEE REPORT

(CONTINUED)

SUMMARY OF WORKS PERFORMED BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2022 (CONTINUED)

During the year under review, the Audit Committee carried out the following work in the discharge of its functions and duties (continued):-

(3) Internal Audit

- (a) Reviewed the letter of engagement of Messrs. Ivan Law & Co. as Internal Auditors of the Group;
- (b) Reviewed and approved the Internal Audit Plan to ensure that the scope and coverage of the internal audit on the Group's operations is adequate and that all the risk areas are audited by Internal Auditors;
- (c) Reviewed and deliberated internal audit reports containing approaches of internal audit reviews, findings, the recommendation action plans, and the management's response and the status of implementation of the action plans; and
- (d) Reviewed the effectiveness of internal audit processes as well as the adequacy of the scope, functions, competency, and resources of the internal audit function and whether it has the necessary authority to carry out its works.

(4) Other activities

- (a) Reviewed the related party transactions (if any), entered by the Company or its subsidiaries to ensure that the related party transactions (if any), are in the best interest of the Company, fair, reasonable and on normal commercial terms and are not detrimental to the interest of the non-interested shareholders of the Company;
- (b) Reviewed the Statement on Risk Management and Internal Control for inclusion in the Annual Report;
- (c) Reviewed the Audit Committee Report for inclusion in the Annual Report;
- (d) Reviewed and recommended to the Board the Anti-Bribery and Anti-Corruption Policy of the Company in compliance with the MMLR of Bursa Malaysia Securities Berhad and Malaysian Anti-Corruption Commission Act; and
- (e) Reviewed the Policies and Procedures to assess the suitability and independence of External Auditors.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION DURING THE FINANCIAL YEAR ENDED 30 JUNE 2022

The Group outsourced its internal audit function to Messrs. Ivan Law & Co. as Internal Auditors of the Group to assist the Audit Committee in discharging its duties and responsibility more effectively. Messrs Ivan Law & Co. acted independently and with due professional care. The Internal Auditors has presented the findings and recommendations in the internal audit reports to the Audit Committee.

The internal audit reviews were performed in accordance with accepted auditing practices. The internal audit reviews involved walk through the process and procedures, discussion with key staffs, review documentation as well as observation of the current practices. The Internal Auditors also reviewed and considered the six broad control components ie. Control Activities, Segregation of Duties, Authorization, Access to Assets, Assets Accountability and Recording in the respective functional areas.

The Audit Committee has full and direct access to the outsourced Internal Auditors, reviews its internal audit plan and reports on audits performed and monitors its performance. The Audit Committee also reviews the adequacy of the scope, functions, competency and resources of outsourced internal audit functions from time to time.

AUDIT COMMITTEE REPORT

(CONTINUED)

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION DURING THE FINANCIAL YEAR ENDED 30 JUNE 2022 (CONTINUED)

In respect of the financial year ended 30 June 2022, the Internal Auditors had carried out internal audit reviews on Ta Win Industries (M) Sdn. Bhd. and Ta Win Copper Sdn. Bhd., the subsidiaries of the Company, in the following functional areas:-

(1) Production Cycle

- Production and Resources Planning
- Job Order and Production
- Production Output Monitoring
- Rework and Reject
- Production Quality Control Procedures

(2) Purchase and Payment Cycle

- Purchase Planning Procedures
- Requisition Process and Procedure
- Quotation Sourcing Process
- Order Receiving Process
- Payment and Disbursement Procedure
- New Vendor Selection and Existing Vendor Performance Monitoring and Assessment

They also had carried out follow-up audit visits to review the implementation status of Management's action plans that were reported in the previous Internal Audit Reports.

The internal audit findings and recommendations for improvement and the status of the implementation status of management's action plans were presented at the Audit Committee meetings.

The fees incurred in maintaining the outsourced internal audit function for the financial year ended 30 June 2022 amounted to RM22,000.

This Audit Committee Report was approved by the Board of Directors on 20 October 2022.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board of Directors (“the Board”) to maintain a sound risk management framework and internal control system. Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) requires the Board of public listed companies to include in the Annual Report a “statement about the state of risk management and internal control of the listed corporation as a group”. The Board and Management are committed to maintain a sound system of risk management and internal control in Ta Win Holdings Berhad (“Ta Win” or “the Company”) and its group of companies (“Group”) and are pleased to provide the following statement, which outlines the nature and scope of risk management and internal control of the Group.

BOARD RESPONSIBILITY

The Board acknowledges and is committed to its overall responsibility for maintaining a sound internal control system and for reviewing its adequacy and integrity on financial, operational, environmental, and compliance controls, and risk management procedures. Its responsibilities also include embedding the risk management framework in all aspects of the Group’s activities and approving the Board’s acceptable risk appetite after assessing whether the risks are managed within tolerable ranges. The Board believes that an integrated and effective system of governance, risk management, and internal control is desirable to sustain the Group’s success. The Board considers that it is in the public’s interest that the Group is well managed, act ethically, be transparent, and more responsive to the shareholders.

The Board recognises that the review of the Group’s system of internal control involves a concerted and continuing process where the system is designed to manage rather than eliminate the risks of failures to achieve all business goals and objectives. However, in pursuing this objective, the Group’s internal control system is designed to only provide a reasonable but not absolute assurance against material misstatement, operational failure, fraud or loss. The concept of reasonable assurance recognises that the cost of control procedures shall not exceed the expected benefits. Furthermore, because of the changing business environment, the effectiveness of an internal control system may vary over time. The rationale of implementing the internal control system is to assist the Group in achieving its corporate objectives within acceptable risk, including the likelihood of a significant adverse impact arising from a future event or situation. The Board has also acknowledged that the Group’s risk management and internal control system are operating adequately and effectively in all material aspects concerned.

The Board is assisted by the Risk Management Committee in reviewing and assessing the risk governance framework and the risk management processes of the Group with respect to their adequacy and effectiveness. The Board will receive formal feedback on the adequacy of risk management and internal control from the Internal Auditors on a half-yearly basis.

MANAGEMENT RESPONSIBILITY

The Management is responsible for establishing, implementing, and maintaining the processes of identifying, evaluating, monitoring, and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for assuring the Board that the processes have been carried out.

The Board assigned these responsibilities to the key senior management including the Managing Director, Executive Directors, Directors of subsidiary company, General Manager and Chief Operation Officer, who will provide the Board with an annual report on the adequacy and efficacy of the Group’s risk management and internal control process in all material aspects, based on the Group’s risk management template. Upon taking the appropriate steps to resolve the risks, the Management shall inform and bring to the Board’s attention continuously an adjustment to the risks or emerging risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONTINUED)

RISK MANAGEMENT

The Board and Management recognise that effective risk management is an integral part of business management practice. The Board also acknowledges that all areas of the Group's activities involve some degree of risk and is committed to ensuring that the Group has an effective risk management framework that allows the Group to identify, evaluate and manage risks within defined risk parameters to achieve the Group's business objectives. The Board will continue to identify, assess, and manage a key business, operational, and financial risks.

During the financial year ended 30 June 2022, the Risk Management Committee highlighted and reported to the Board on the processes, findings, and actions taken by the Management. The Risk Management Committee will continuously identify new risks by taking into consideration the Group's business objectives, strategies, targets, and external environmental factors. This covers matters such as responses to significant risks identified, the output from monitoring processes, and changes made to the internal control systems. The Audit Committee or Risk Management Committee then reports any significant changes in the business and the external environment to the Board.

INTERNAL CONTROL

The Board entrusts the Managing Director, Executive Director and the Management team with the day-to-day running of the business. The Managing Director, Executive Director and the Management team would receive regular financial information consisting of quantitative and qualitative trends and analyses.

The Managing Director has a crucial role in communicating with the Management of the Board's requirements on the internal control process. This is accomplished by their frequent engagements in business operations and their participation at numerous scheduled meetings of the Management Committee. The Management Committee, which includes department heads, meets weekly to discuss production, operational, sales, and human resources issues. These meetings represent the platform for the Group to monitor the critical issues which have been identified and ensure those issues are resolved on time. The Managing Director and Executive Directors track the progress of these issues through regular management meetings and minutes of the Management Committee updates.

The Board monitors the Group's performance, operations, and business development through Board papers which are tabled at quarterly meetings. In addition, the Managing Director, Executive Directors and Chief Operation Officer brief the Board on the Group's activities while highlighting significant matters that require further discussion and decision making.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The Board has implemented an internal control system, which comprises underlying control environment, control processes and, communication and monitoring system such as the following:-

- Organisational structure with well-defined lines of responsibility, a delegation of authority, segregation of duties, and the flow of information which are effectively communicated to all levels. Besides the predominantly non-executive standing committees, such as the Audit, the Remuneration, and the Nomination Committees, the Managing Director, Executive Director and Management Committees will support the Board. These Committees convene at the Board and Management meetings to assess performance and controls in all areas of operations to ensure that the risk management and control framework is embedded into the culture, processes, and structures of the Company;
- Document internal policies and procedures for the Group including those set out in the
 - Quality Management Systems Automotive under IATF 16949:2016;
 - Quality Management Systems under ISO 9001: 2000; and
 - Various overseas' product certification awarded from Underswriters Laboratories.
- Provide continuous training and developmental programs for all employees to maintain their competency and efficiency;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONTINUED)

OTHER KEY ELEMENTS OF INTERNAL CONTROL (CONTINUED)

The Board has implemented an internal control system, which comprises underlying control environment, control processes and, communication and monitoring system such as the following (continued):-

- Prepare timely public releases of quarterly reports upon review by the Audit Committee and the approval of the Board; and
- Monitor mechanisms in the form of financial and operational reports and operational review meetings which are responsive to changes in the business environment.

INTERNAL AUDIT

The objective of the Audit Committee is to monitor and review all pertinent systems on controls, procedures, and operations to ensure that the overall internal control system is adequate and satisfactory. The Internal Auditors report directly to the Audit Committee. Their role is to provide the Audit Committee with independent and objective reports on the effectiveness of the internal control systems within the Group.

The Internal Auditors assist the Audit Committee in monitoring the effectiveness of policies, processes, and activities that should manage internal controls and maintain risk management and corporate governance processes during the year. The Internal Auditors assist the Audit Committee to identify any internal control weaknesses. In addition, the Audit Committee also plays a key role in reviewing and deliberating on any matters relating to internal controls highlighted by the External Auditors when preparing the audit for the Group's financial statements.

During the year under review, the Internal Auditors carried out various internal audit tests. Several minor internal control weaknesses were identified during the year, all of which have been, or are being, addressed. None of the weaknesses had resulted in any material losses, contingencies, or uncertainties that would require disclosure in the Group's Annual Report.

Besides, as required by the ISO 9001:2000 where certification is accredited to the Group, scheduled internal ISO audits are conducted once a year. The results of these audits were reported to the Managing Director and the Executive Directors.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Listing Requirement of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement for inclusion in the Annual Report for financial year ended 30 June 2022. The review was performed pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control. The External Auditors reported that nothing has come to their attention that caused them to believe that the Statement on Risk Management and Internal Control, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate. AAPG3 does not require the External Auditors to form an opinion on the adequacy on risk management and effectiveness of the risk management and internal control system of the Group.

THE BOARD'S COMMITMENT

The Board believes that there is no significant breakdown or weaknesses in the internal control system of the Group that may result in material losses for the financial year ended 30 June 2022. The Group continues to take the necessary measures to strengthen its internal controls.

This Statement of Risk Management and Internal Control was approved by the Board of Directors on 20 October 2022.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF AUDITED FINANCIAL STATEMENTS

The Directors are responsible to ensure that the financial statements are drawn up in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act, 2016 in Malaysia and so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022 and of their financial performance and cash flows for the financial year then ended.

In preparing these financial statements for the year ended 30 June 2022, the Directors have:-

- selected suitable accounting policies and then applied them consistently;
- made estimates and judgements that are reasonable and prudent;
- prepared the financial statements on and on going concern basis unless it is inappropriate to presume that the Group will continue its business; and
- ensured that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

This Statement of Directors' Responsibilities was approved by the Board of Directors on 20 October 2022.

ADDITIONAL COMPLIANCE INFORMATION

(1) Utilisation of Proceeds

(a) Rights Issue

During the financial year ended 30 June 2022, the Company has undertaken the renounceable rights issue of up to 3,106,101,171 new ordinary shares in the Company (“Shares”) (“Right Shares”) at an issue price of RM0.06 per Rights Share on the basis of 3 Rights Shares for every 1 existing Share held on 6 May 2021 (“Rights Issue”). The Rights Issue has been completed on 9 June 2021 following the listing of and quotation for 2,556,501,561 Rights Shares. Ta Win has successfully raised RM153,390,093.66 from the Rights Issue and the status of utilisation of proceeds as at 30 September 2021 is as follows:-

Purpose	Approved Utilisation RM' million	Actual Utilisation RM' million	Balance Utilisation RM' million	Estimated time Frame for utilisation of proceeds from date of listing of the Rights Shares
Working Capital	64.1	(31.5)	32.6	Within 24 months
Repayment of Bank Borrowings	40.2	(33.9)	6.3	Within 12 months
Purchase of Machineries and Equipment	35.1	(16.9)	18.2	Within 24 months
Investment in Sin Line Tek	12.7	(12.7)	–	Within 1 months
Estimated Expenses	1.3	(1.3)	–	Within 1 months
Total	153.4	(96.3)	57.1	

(2) Non-Audit Fees

The amount of non-audit fees paid or payable to the External Auditors or a firm or corporation affiliated to the Auditors' firm for the financial year ended 30 June 2022 are as follows:-

For the Financial Year Ended 30 June 2022	The Company	The Group
Non-Audit Fees paid or payable to External Auditors	RM4,360	RM4,360
TOTAL	RM4,360	RM4,360

(3) Material Contracts

The Company and its subsidiaries do not have any material contracts involving the interests of Directors and major shareholders either subsisting at the end of the financial period or entered into since end of the previous financial year.

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

(4) Recurrent Related Party Transaction of Revenue Nature

At the EGM held on 27 January 2022, the Company had obtained a shareholders' mandate to allow the Company and/or its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature from 27 January 2022 to 29 November 2022.

Pursuant to Paragraph 10.09(2)(b) of the MMLR and Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Securities, the details of the RRPTs entered into by the Group during the financial year ended 30 June 2022 are as follows:

Transacting parties	Related party(ies)	Nature of transaction	Name of interested related party(ies)	Actual value transacted from the date on which the existing mandate was obtained up to the LPD (RM'000)
Ta Win Industries (M) Sdn. Bhd. ("TWI") and Cyprium Wire Technology Sdn. Bhd. ("CWT")	CWT	Purchase of copper rods and wires by CWT from TWI.	(i) Dato' Yeo Boon Leong, JP; (ii) Asia Poly Holdings Berhad; (iii) Dato' Sri Ngu Tieng Ung, JP; (iv) Mr. Tan Poo Chuan; and (v) Mr. Lim Boon Shen	9,899
TWI and CWT	CWT	Factory and hostel rental charged by TWI to CWT.		318
TWI and CWT	CWT	Provision of worker outsourcing services by TWI to CWT.		-
Ta Win Group and CWT	CWT	Provision of financial assistance as follows:- (i) Pooling of funds within the Ta Win Group via a centralized treasury management function on a short or medium term basis (i.e. for a duration not exceeding 3 years); and (ii) Provision of guarantee, indemnity or such other collateral to or in favour of another person which is necessary in order for CWT to procure a contract or secure work from the other person to commence and/ or complete a contract or work for CWT.		25,028
TOTAL				35,245

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

(5) Workforce Diversity

The Company did not discriminate staffs based on age, gender, physical disability, race or religion. Diversity enriched the work environment. The experience and perspectives of staffs helped the company form relationships with a wider spectrum of customers. The Company had made it its policy to hire talented people from diverse backgrounds from Malaysia and abroad. The Company encouraged workforce diversity and provided equal opportunity for all team members regardless of age, gender, race, religion, nationality and education to work in harmony and to have equal opportunity to succeed.

The Total workforce by gender, age and race as at 30 June 2022 were as follows:-

Gender	Number of Employees
Male	532
Female	111
Total	643

Age Group/Race	Malay (M)	Chinese (C)	Indian (I)	Foreigner	Total
Below 21	18	0	0	0	18
21 - 30	98	22	13	237	370
31 - 40	31	11	6	72	120
41 - 55	24	29	8	56	117
Above 55	5	12	1	0	18
Total Workforce	176	74	28	365	643

Category	Malaysian									Foreign National			Total	
	Degree			Diploma/ Technical			Others			Degree	Diploma/ Technical	Others		
	M	C	I	M	C	I	M	C	I					
Board of Directors	2	2	0	0	1	0	0	2	0	0	0	0	0	7
Managerial Staff	1	9	0	5	11	0	5	13	2	0	0	2	48	
Executive	3	8	0	5	11	2	1	5	1	0	0	6	42	
Technical Staff	6	0	0	4	2	1	17	0	4	0	0	0	34	
Operators	1	0	0	11	1	0	77	1	13	0	0	357	461	
Clerical Staff	5	1	0	9	0	2	5	6	2	0	0	0	30	
General Staff	0	0	0	1	0	0	18	1	1	0	0	0	21	
Total	18	20	0	35	26	5	123	28	23	0	0	365	643	

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

(6) Share Issuance Scheme (“SIS”)

The Company had terminated the existing Employees’ Share Option Scheme and replaced with a SIS on 26 August 2021.

From the effective date for the implementation of the SIS, 26 August 2021, there was no Share Option Offer or Share Grant Offer exercised by the Company during the financial year ended 30 June 2022.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries and associates are disclosed in Notes 6 and 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net loss for the year		
Attributable to:-		
Owners of the Company	(2,790)	(5,175)
Non-controlling interests	(303)	-
	<hr style="border-top: 1px solid black;"/> (3,093)	<hr style="border-top: 1px solid black;"/> (5,175)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued:-

- i) 8,063,777 new ordinary shares arising from the exercise of Warrant-A at the exercise price of RM0.10 each for cash;
- ii) 3,894,400 new ordinary shares arising from the conversion of Irredeemable Convertible Preference Shares ("ICPS") at the conversion price of RM0.025 each for cash.

All the new ordinary shares that were issued rank pari passu in all respects with the existing shares of the Company.

There were no issue of debentures by the Company during the financial year.

DIRECTORS' REPORT

(CONTINUED)

ISSUE OF WARRANTS

Warrant-A 2019/2022

On 8 August 2019, the Company issued 159,227,757 warrants pursuant to its rights issue of ordinary shares and Irredeemable Convertible Preference Shares. On 4 June 2021, additional 144,969,824 Warrant-A were issued pursuant to the renounceable rights issue of ordinary shares and adjustment was performed to the exercise price.

The Warrant-A were constituted under the Deed Poll dated 17 April 2019. During the financial year, 8,063,777 (2021: 25,000) units of warrant-A are exercised and the total number of warrants that remain unexercised is 296,108,804 (2021: 304,172,581).

Warrant-B 2021/2024

On 20 August 2021, the Company issued 1,365,365,814 new Warrant-B via a bonus issue on the basis of two (2) free Warrant-B for every five (5) existing ordinary shares.

The Warrant-B were constituted under the Deed Poll dated 16 August 2021 As at the financial year end, 1,365,365,814 Warrants-B remained unexercised.

The salient features of warrants and further information are disclosed in Note 16 to the Financial Statements.

DIRECTORS

The directors who served during the financial year up to the date of this report are: -

Dato' Yeo Boon Leong, JP *
Dato' Sri Ngu Tieng Ung, JP *
Tan Poo Chuan *
Dato' Paduka Dr. Hii King Hiong
Datin Seri Azreen Binti Abu Noh
Datuk Zakaria Bin Sharif
Lim Boon Shen

* Directors of the Company and certain subsidiaries

The name of the Directors of subsidiary companies in office since the beginning of the financial year up to the date of this report (not including those directors listed above) are:-

Chong Ming Kong	
Dato' Dr Zulkifli Mohamed Hashim	(resigned on 15.7.2021)
Haji Wan Adnan Bin Wan Derahman	
Lim Aik Gee	
Lim Wai Keong	
Lui Kim Chiu Danny	
Mohamed Saleh Bin Ahamed Samion	
Ngu Tieng Lung	
Tan, Yongtao	
Tengku Hassan Bin Tengku Omar	
Wong Ah Piaw	
Wong Chen Feng	
Wong Weng Keong	(appointed on 14.2.2022)
Phua Yee Boon	(resigned on 3.1.2022)
Yeoh Chin Kiang	(resigned on 31.10.2021)

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit, other than a benefit included in the aggregate amount of fees and emoluments received or due and receivable by the directors from the Company, or the fixed salary of a full time employee of the Company as disclosed in the financial statements, by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than certain directors who have substantial financial interests in companies which traded with the Company in the ordinary course of business.

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, being arrangements with the object of enabling directors of the Company to acquire benefits by means of the acquisitions of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests and deemed interests of Directors in office at the end of the financial year in the shares and options over shares of the Company and its related corporation during the financial year are as follows:-

	<----- Number of ordinary shares ----->			
	As at 1.7.2021	Acquired	Disposed	As at 30.6.2022
Dato' Yeo Boon Leong, JP				
- <i>Direct interest</i>	119,291,331	181,808,669	(98,100,000)	203,000,000
- <i>Deemed interest (\$)</i>	133,000,000	19,497,900	(5,497,900)	147,000,000
- <i>Deemed interest (%)</i>	12,400,000	31,600,000	-	44,000,000
- <i>Deemed interest (#)</i>	86,641,331	-	-	86,641,331
Dato' Sri Ngu Tieng Ung, JP				
- <i>Direct interest</i>	-	14,250,000	-	14,250,000
- <i>Deemed interest (#)</i>	86,641,331	-	-	86,641,331
- <i>Deemed interest (@)</i>	93,698,400	-	(19,500,000)	74,198,400
- <i>Deemed interest (&)</i>	275,659,277	74,500,000	(45,200,000)	304,959,277
Tan Poo Chuan				
- <i>Direct interest</i>	31,017,000	11,003,000	-	42,020,000
- <i>Deemed interest (#)</i>	86,641,331	-	-	86,641,331
- <i>Deemed interest (+)</i>	-	4,300,000	-	4,300,000

- (*\$*) Held through Asia Poly Holdings Berhad
(*%*) Held through Asia Poly Ventures Sdn. Bhd.
(*#*) Held through Triad Capital Sdn. Bhd.
(*@*) Held through Heritage Winners Sdn. Bhd.
(*&*) Held through Timur Enterprise Sdn. Bhd.
(*+*) By virtue of his child's direct shareholding

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

	<----- Number of Warrants B ----->			As at 30.6.2022
	As at 1.7.2021	Acquired	Disposed	
Dato' Yeo Boon Leong, JP				
- <i>Direct interest</i>	-	57,320,000	(53,820,000)	3,500,000
- <i>Deemed interest (\$)</i>	-	51,000,840	(51,000,840)	-
- <i>Deemed interest (%)</i>	-	4,960,000	(4,960,000)	-
- <i>Deemed interest (#)</i>	-	34,656,532	-	34,656,532
Dato' Sri Ngu Tieng Ung, JP				
- <i>Deemed interest (#)</i>	-	34,656,532	-	34,656,532
- <i>Deemed interest (@)</i>	-	37,479,360	-	37,479,360
- <i>Deemed interest (&)</i>	-	110,583,710	-	110,583,710
Tan Poo Chuan				
- <i>Direct interest</i>	-	23,608,000	-	23,608,000
- <i>Deemed interest (#)</i>	-	34,656,532	-	34,656,532
- <i>Deemed interest (+)</i>	-	5,000,000	-	5,000,000

- (\$) Held through Asia Poly Holdings Berhad
 (%) Held through Asia Poly Ventures Sdn. Bhd.
 (#) Held through Triad Capital Sdn. Bhd.
 (@) Held through Heritage Winners Sdn. Bhd.
 (&) Held through Timur Enterprise Sdn. Bhd.
 (+) By virtue of his child's direct shareholding

None of the other directors in office at the end of the financial year hold any shares in the Company or its related corporations during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act 2016 throughout the year. The insurance covers the Company and subsidiaries up to an aggregate limit of RM20 million against any legal liability incurred by the directors and officers in the discharge of their duties while holding office in the Company. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them. The premium for the insurance is RM34,200.

There was no indemnity given to or insurance affected for the auditors of the Company in accordance with Section 289 of the Companies Act 2016.

DIRECTORS' REMUNERATION

Details of directors' remuneration are set out in Note 25 to the Financial Statements.

AUDITORS' REMUNERATION

Details of auditors' remuneration are set out in Note 25 to the Financial Statements.

DIRECTORS' REPORT

(CONTINUED)

OTHER STATUTORY INFORMATION

- (a) The directors, before the Statements of Profit or Loss and Other Comprehensive Income and Statements of Financial Position of the Group and of the Company were prepared, took reasonable steps:-
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.
- (b) The directors are not aware of any circumstances, at the date of this report, which would render:-
- (i) the amount written off for bad debts or the allowance for doubtful debts inadequate to any substantial extent; or
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:-
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:-
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the year of twelve months after the end of the financial year which will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

(CONTINUED)

AUDITORS

The auditors, ECOVIS MALAYSIA PLT, have expressed their willingness to accept re appointment.

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

DATO' SRI NGU TIENG UNG, JP

TAN POO CHUAN

Date: 20 October 2022

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, DATO' SRI NGU TIENG UNG, JP and TAN POO CHUAN, being two of the directors of TA WIN HOLDINGS BERHAD, do hereby state that, in the opinion of the directors, the financial statements set out on pages 68 to 139 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2022 and of their financial performance and cash flows for the year then ended.

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

DATO' SRI NGU TIENG UNG, JP

TAN POO CHUAN

Date: 20 October 2022

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, DATO' SRI NGU TIENG UNG, JP, being the director primarily responsible for the financial management of TA WIN HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 68 to 139, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
DATO' SRI NGU TIENG UNG, JP at Puchong in the state of
Selangor Darul Ehsan on 20 October 2022

)
)
)

DATO' SRI NGU TIENG UNG, JP

Before me,

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TA WIN HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of TA WIN HOLDINGS BERHAD, which comprise the statements of financial position as at 30 June 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 June 2022, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the 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 and of the Company 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of inventories</p> <p>Inventories represent approximately 17% of the consolidated total assets as at 30 June 2022. Inventories are carried in the financial statements at the lower of cost and net realisable value.</p> <p>The cost of inventories is highly dependent on the market prices of copper as listed on London Metal Exchange ("LME"), which are subject to volatility. As a result, there is a risk that the carrying amount of inventory exceeds its net realisable value.</p> <p>In addition, management's judgement is required in determining the valuation of inventories and adequacy of allowance for slow-moving and obsolete inventories.</p> <p>The directors conducted their impairment test to assess the recoverability of the cost of inventories. In order to establish whether an indication of impairment exists, net realisable value which represent estimated selling price less estimated costs of completion are determined and compared to the cost of the inventories.</p>	<p>Our audit procedures included understanding the internal controls over the inventories as well as substantive testing on quantity and price components affecting the inventory value.</p> <p>We assessed the inventory taking processes and attended the inventory count at the end of the financial year. In addition, we performed a recalculation of the major inventory balances at the year end.</p> <p>We reviewed the Group's basis for pricing inventories and work-in-progress and determine that basis used is reasonable and consistent with previous financial period.</p> <p>Net realisable value test was carried out, by comparing the carrying amount of the inventories to transacted sales subsequent to the reporting date in order to determine the inventories are recorded at the lower of costs and net realisable value.</p> <p>We assessed and evaluated the basis of allowance for slow-moving and obsolete inventories that based on the age of the inventories relative to past and resent sales.</p> <p>We also considered the disclosure of inventories to be appropriate for purpose of the consolidated financial statements.</p>

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report and other information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability 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 the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 basis of these financial statements.

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, 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 Group's and the Company's internal control.
- (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 Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company 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 auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company 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 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.

INDEPENDENT AUDITORS' REPORT

(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries and associates of which we have not acted as auditors, are disclosed in Notes 6 and 7 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ECOVIS MALAYSIA PLT
AF 001825
Chartered Accountants

JOHOR BAHRU

Date: 20 October 2022

KHOR KENG LIEH
02733/07/2023 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	3	129,219	70,296	750	200
Intangible assets	4	2,712	2,681	–	–
Goodwill on consolidation	5	11,534	11,123	–	–
Investment in subsidiaries	6	–	–	102,132	102,132
Investment in associates	7	–	20,895	–	–
Other investment	8	4,000	–	–	–
		147,465	104,995	102,882	102,332
CURRENT ASSETS					
Inventories	10	74,480	47,943	–	–
Trade and other receivables	11	72,581	78,267	6,164	5,476
Property development costs	12	2,583	2,607	–	–
Amount due by subsidiaries	13	–	–	132,046	61,235
Current tax assets		271	449	–	–
Cash and bank balances	14	113,098	199,651	67,828	151,256
		263,013	328,917	206,038	217,967
Assets held for sale	9	20,850	–	–	–
TOTAL ASSETS		431,328	433,912	308,920	320,299
EQUITY AND LIABILITIES					
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	15	298,323	297,250	298,323	297,250
Reserves (Accumulated losses)/ Retained profits	16	47,199 (56,322)	19,208 (24,947)	34,784 (30,552)	6,368 3,208
		289,200	291,511	302,555	306,826
Non-controlling interests		11,920	12,108	–	–
TOTAL EQUITY		301,120	303,619	302,555	306,826

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

STATEMENTS OF FINANCIAL POSITION

(CONTINUED)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
NON-CURRENT LIABILITIES					
Loan and borrowings	18	2,534	3,025	–	–
Deferred tax liabilities	19	6,477	5,475	–	–
Lease liabilities	20	7,746	3,354	366	–
		16,757	11,854	366	–
CURRENT LIABILITIES					
Trade and other payables	17	28,159	31,064	3,336	3,234
Derivative financial liabilities	17	370	1,845	–	–
Provisions	21	3,182	4,913	–	–
Amount due to subsidiaries	13	–	–	2,482	10,160
Loans and borrowings	18	78,999	78,857	–	–
Lease liabilities	20	2,741	1,222	109	–
Current tax liabilities		–	538	72	79
		113,541	118,439	5,999	13,473
TOTAL LIABILITIES		130,208	130,293	6,365	13,473
TOTAL EQUITY AND LIABILITIES		431,328	433,912	308,920	320,299

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
REVENUE	22	543,542	491,488	2,268	867
COST OF SALES		(522,368)	(477,242)	-	-
GROSS PROFIT		21,174	14,246	2,268	867
ADD: OTHER INCOME	23	6,774	628	325	3
LESS: DISTRIBUTION EXPENSES		(2,667)	(2,410)	-	-
LESS: ADMINISTRATIVE EXPENSES		(20,741)	(13,517)	(7,761)	(7,210)
LESS: OTHER OPERATING EXPENSES		(4,249)	(8,754)	-	-
LESS: IMPAIRMENT OF FINANCIAL INSTRUMENTS		(206)	(19)	-	-
PROFIT/(LOSS) FROM OPERATIONS		85	(9,826)	(5,168)	(6,340)
LESS: FINANCE COSTS	24	(2,493)	(3,107)	(7)	(2)
SHARE OF PROFIT OF ASSOCIATES		132	45	-	-
LOSS BEFORE TAX	25	(2,276)	(12,888)	(5,175)	(6,342)
INCOME TAX EXPENSE	26	(817)	(306)	-	-
LOSS FOR THE YEAR		(3,093)	(13,194)	(5,175)	(6,342)
OTHER COMPREHENSIVE INCOME, NET OF TAX					
<i>Items that may be reclassified subsequently to profit or loss:-</i>					
Foreign currency translation differences for foreign operations		(55)	21	-	-
Cash flow hedge					
- loss during the year		(921)	-	-	-
- reclassified to profit or loss		551	-	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		425	21	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		(3,518)	(13,173)	(5,175)	(6,342)

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(CONTINUED)

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
LOSS ATTRIBUTABLE TO:					
Owners of the Company		(2,790)	(11,957)	(5,175)	(6,342)
Non-controlling interests		(303)	(1,237)	–	–
		(3,093)	(13,194)	(5,175)	(6,342)
TOTAL COMPREHENSIVE EXPENSE					
ATTRIBUTABLE TO:					
Owners of the Company		(3,215)	(11,936)	(5,175)	(6,342)
Non-controlling interests		(303)	(1,237)	–	–
		(3,518)	(13,173)	(5,175)	(6,342)
LOSS PER ORDINARY SHARE (SEN)					
Basic	27	(0.08)	(1.67)		
Diluted	27	Anti-dilutive	Anti-dilutive		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

Group	Attributable to owners of the Company										Total equity
	Non-distributable					Distributable					
	Share capital (Note 15) RM'000	Irredeemable convertible preference share (Note 15) RM'000	Warrants reserve (Note 16) RM'000	Translation reserve (Note 16) RM'000	Revaluation reserve (Note 16) RM'000	Hedging reserve (Note 16) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000	
At 1 July 2020	93,739	10,969	6,369	(400)	13,219	-	(15,307)	108,589	2,046	110,635	
Loss for the year	-	-	-	-	-	-	(11,957)	(11,957)	(1,237)	(13,194)	
Other comprehensive income: Foreign currency translation differences for foreign operations	-	-	-	21	-	-	-	21	-	21	
Total comprehensive income/ (expense) for the year	-	-	-	21	-	-	(11,957)	(11,936)	(1,237)	(13,173)	

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

STATEMENTS OF CHANGES IN EQUITY

(CONTINUED)

Group	Irredeemable convertible preference share		Attributable to owners of the Company				Distributable		Total equity
	Share capital (Note 15) RM'000	Warrants reserve (Note 16) RM'000	Translation reserve (Note 16) RM'000	Revaluation reserve (Note 16) RM'000	Hedging reserve (Note 16) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	
<i>Contributions by and distributions to owners of the Company</i>									
Issue of ordinary shares:									
- Rights issue	153,390	-	-	-	-	-	153,390	-	153,390
- Conversion of irredeemable convertible preference share	41,554	(10,408)	-	-	-	-	31,146	-	31,146
- Acquisition of subsidiary	8,000	-	-	-	-	-	8,000	-	8,000
- Conversion of Warrant	6	-	(1)	-	-	-	5	-	5
	202,950	(10,408)	(1)	-	-	-	192,541	-	192,541
<i>Arising from business combination</i>									
Change in ownership interests in subsidiary	-	-	-	-	-	-	-	9,633	9,633
	-	-	-	-	-	-	2,317	1,666	3,983
Total transactions with owners of the Company	-	-	-	-	-	-	2,317	11,299	13,616
	202,950	(10,408)	(1)	-	-	-	2,317	11,299	206,157
At 30 June 2021	296,689	561	6,368	(379)	13,219	-	(24,947)	12,108	303,619

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

STATEMENTS OF CHANGES IN EQUITY

(CONTINUED)

Group	Irredeemable convertible preference share (Note 15) RM'000		Warrants reserve (Note 16) RM'000		Translation reserve (Note 16) RM'000		Revaluation reserve (Note 16) RM'000		Hedging reserve (Note 16) RM'000		Accumulated losses RM'000		Total RM'000		Non-controlling interests RM'000		Total equity RM'000	
	Share capital (Note 15) RM'000	Irredeemable convertible preference share (Note 15) RM'000	Warrants reserve (Note 16) RM'000	Translation reserve (Note 16) RM'000	Revaluation reserve (Note 16) RM'000	Hedging reserve (Note 16) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000								
At 1 July 2021	296,689	561	6,368	(379)	13,219	-	(24,947)	291,511	12,108	303,619								
Loss for the year	-	-	-	-	-	-	(2,790)	(2,790)	(303)	(3,093)								
Other comprehensive income:																		
Cash flow hedge	-	-	-	-	-	(370)	-	(370)	-	(370)								
Foreign currency translation differences for foreign operations	-	-	-	(55)	-	-	-	(55)	-	(55)								
Total comprehensive income/ (expense) for the year	-	-	-	(55)	-	(370)	(2,790)	(3,215)	(303)	(3,518)								

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

STATEMENTS OF CHANGES IN EQUITY

(CONTINUED)

Group	Attributable to owners of the Company										Total equity
	Non-distributable					Distributable					
	Share capital (Note 15) RM'000	Irredeemable convertible preference share (Note 15) RM'000	Warrants reserve (Note 16) RM'000	Translation reserve (Note 16) RM'000	Revaluation reserve (Note 16) RM'000	Hedging reserve (Note 16) RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000	
<i>Contributions by and distributions to owners of the Company</i>											
Issue of ordinary shares:											
- Conversion of irredeemable convertible preference share	196	(98)	-	-	-	-	-	98	-	98	
- Conversion of warrants	975	-	(169)	-	-	-	-	806	-	806	
Bonus issue of Warrant-B	-	-	28,585	-	-	-	(28,585)	-	-	-	
	1,171	(98)	28,416	-	-	-	(28,585)	904	-	904	
Arising from business combination	-	-	-	-	-	-	-	-	500	500	
Finalisation of purchase price allocation	-	-	-	-	-	-	-	-	(385)	(385)	
Total transactions with owners of the Company	1,171	(98)	28,416	-	-	-	(28,585)	904	115	1,019	
At 30 June 2022	297,860	463	34,784	(434)	13,219	(370)	(56,322)	289,200	11,920	301,120	

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

STATEMENTS OF CHANGES IN EQUITY

(CONTINUED)

Company	<----- Non-distributable ----->			Distributable Retained profits/ (Accumulated losses) (Note 16) RM'000	Total RM'000
	Share capital (Note 15) RM'000	Irredeemable convertible preference shares (Note 15) RM'000	Warrants reserve (Note 16) RM'000		
At 1 July 2020	93,739	10,969	6,369	9,550	120,627
Loss/Total comprehensive expense for the year	-	-	-	(6,342)	(6,342)
Issue of ordinary shares:-					
- Rights issue	153,390	-	-	-	153,390
- Conversion of irredeemable convertible preference shares	41,554	(10,408)	-	-	31,146
- Conversion of warrant	6	-	(1)	-	5
- Acquisition of a subsidiary	8,000	-	-	-	8,000
At 30 June 2021	296,689	561	6,368	3,208	306,826
Loss/Total comprehensive expense for the year	-	-	-	(5,175)	(5,175)
Issue of ordinary shares:-					
- Conversion of irredeemable convertible preference shares	196	(98)	-	-	98
- Conversion of warrant	975	-	(169)	-	806
Bonus issue of Warrant-B	-	-	28,585	(28,585)	-
At 30 June 2022	297,860	463	34,784	(30,552)	302,555

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(2,276)	(12,888)	(5,175)	(6,342)
Adjustments for:-				
Allowance for impairment loss on trade receivables	206	-	-	-
Amortisation of intangible assets	469	469	-	-
Bad debts written off	-	19	-	-
Depreciation of property, plant and equipment	4,999	2,870	158	100
Depreciation of right-of-use assets	-	124	-	124
Gain on disposal of property, plant and equipment	(304)	-	-	-
Impairment loss on assets held for sale	177	-	-	-
Interest expenses	2,493	3,107	7	2
Interest income	(406)	(440)	-	-
Provision and loss on fair value of derivative	-	5,152	-	-
Write-down of inventories	2,420	-	-	-
Reversal of write-down on inventories	(75)	-	-	-
Reversal of slow moving inventories	(233)	-	-	-
Rental income	(23)	(27)	-	-
Share of profit of associates	(132)	(45)	-	-
Unrealised gain on foreign exchange	(542)	(441)	-	-
Operating profit/(loss) before changes in working capital	6,773	(2,100)	(5,010)	(6,116)
Decrease/(Increase) in working capital				
Inventories	(28,649)	(4,052)	-	-
Trade and other receivables	5,480	(28,136)	(688)	(4,328)
Trade and other payables	(6,035)	4,113	102	2,970
Provision	(1,731)	-	-	-
Cash generated used in operations	(24,162)	(30,175)	(5,596)	(7,474)
Interest paid	(2,493)	(3,107)	(7)	(2)
Interest received	406	440	-	-
Tax (paid)/refund	(960)	187	(7)	3
Net cash used in operating activities	(27,209)	(32,655)	(5,610)	(7,473)

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

STATEMENTS OF CASH FLOWS

(CONTINUED)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of subsidiaries, net of cash	925	(2,045)	–	(1,300)
Investment in associate	–	(15,850)	–	–
Purchase of property, plant and equipment (Note 29)	(56,136)	(2,615)	(206)	(33)
Proceeds from disposal of property, plant and equipment	1,049	–	–	–
Procurement of development expenditure	–	(2,607)	–	–
Placement of pledged fixed deposit	(3,888)	(981)	–	–
Other investment	(4,000)	–	–	–
Rental received	23	27	–	–
Net cash used in investing activities	(62,027)	(24,071)	(206)	(1,333)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of ordinary shares	904	184,541	904	192,541
Proceeds from issuance of ordinary shares to non-controlling interests	–	3,992	–	–
Advances to subsidiaries	–	–	(78,489)	(39,435)
Drawdown of loans and borrowings	317,270	333,146	–	–
Repayment of loans and borrowings	(318,214)	(313,389)	–	–
Repayment of lease liabilities	(1,705)	(971)	(27)	(132)
Net cash (used in)/from financing activities	(1,745)	207,319	(77,612)	152,974
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS				
FOREIGN EXCHANGE DIFFERENCES	(90,981)	150,593	(83,428)	144,168
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(55)	–	–	–
	180,060	29,467	151,256	7,088
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 14(c))	89,024	180,060	67,828	151,256
Cash outflows for leases as a lessee				
<i>Included in net cash from operating activities:</i>				
Payment relating to short-term and low value assets (Note 25)	268	196	236	104
Interest paid in relation to lease liabilities (Note 24)	362	232	7	2
<i>Included in net cash from financing activities:</i>				
Payment of lease liabilities	1,705	971	27	132
Total cash outflows for leases	2,335	1,399	270	238

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries and associates are disclosed in Notes 6 and 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and the principal place of business of the Company is located at Unit 26-11 & 26-12, Level 26, Q Sentral, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Wilayah Persekutuan.

The consolidated financial statements of the Group as at and for the financial year ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interests in associates.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 October 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group and the Company, unless otherwise stated.

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and comply with Malaysian Financial Reporting Standards (MFRSs), International Financial Reporting Standards and the Companies Act 2016 in Malaysia.

The financial statements are reported in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(b) Statement of compliance

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendment to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020)
- Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework
- Amendment to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018 - 2020)
- Amendments to MFRS 116, Property, Plant and Equipment - Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
- Amendment to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018 - 2020)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Statement of compliance (continued)****MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023**

MFRS 17, Insurance Contracts and Amendments to MFRS 17, Insurance Contracts
Amendment to MFRS 17, Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101, Presentation of Financial Statements – Classification of liabilities as current or non-current
Amendments to MFRS 101, Presentation of Financial Statements – Disclosure of Accounting Policies
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 112, Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial years when the above standards, amendments and interpretations become effective.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior period financial statements of the Group and the Company.

(c) Basis of consolidation**(i) Subsidiaries**

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (continued)

(ii) Business combination

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:-

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or a financial asset depending on the level of influence retained.

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investment in an associate is accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associate, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(c) Basis of consolidation (continued)****(v) Associates (continued)**

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(vi) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impaired value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates.

(vii) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows:

- (i) A joint arrangement is classified as "joint operation" when the Group or the Company has rights to the assets and obligations for the liabilities relating to an arrangement. The Group and the Company account for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.
- (ii) A joint arrangement is classified as "joint venture" when the Group or the Company has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method. Investments in joint venture are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. A joint arrangement is either a joint operation or a joint venture.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (continued)

(viii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(ix) Transactions eliminated on consolidation

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

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(d) Foreign currencies

(i) Functional and presentation currency

The separate financial statements of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transaction and balances

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a cash flow hedge, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Foreign currencies (continued)

(iii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combinations before 1 January 2011 (the date when the Group first adopted MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence of joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(e) Financial instruments

(i) Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group or the Company becomes a party to the contractual provisions for the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, 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.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Classification and subsequent measurement

Financial assets: Classification

On initial recognition, a financial asset is classified as measured at:

- (a) amortised cost;
- (b) fair value through other comprehensive income ("FVOCI") – debt investment;
- (c) fair value through other comprehensive income ("FVOCI") – equity investment; or
- (d) fair value through profit or loss ("FVTPL").

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(e) Financial instruments (continued)****(ii) Classification and subsequent measurement (continued)****Financial assets: Classification (continued)**

Financial assets are not reclassified subsequent to their initial recognition unless the Group or the Company changes its 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 in the business model.

A financial asset is measured at amortised cost if it is 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. The financial assets are not designated as FVTPL.

A debt investment is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, 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. The debt investment is not designated as FVTPL.

An equity investment is measured at FVOCI if it is not held for trading and the Group or the Company can irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on investment-by-investment basis. If not elected, equity investment is measured at FVTPL.

All financial assets not measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company 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.

Financial assets: Subsequent measurement and gains and losses**(a) Financial assets at amortised cost**

These financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is 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) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets: Subsequent measurement and gains and losses (continued)

(c) *Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to 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.

(d) *Equity investments at FVTPL*

These assets are subsequently measured at fair value. Dividend and other net gains and losses are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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

Financial liabilities: Classification and subsequent measurement and gains or losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

Financial liabilities categorised as FVTPL are measured at fair value and net gains and losses, including any interest expenses, are recognised in profit or loss. For financial liabilities categorised as FVTPL upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability credit risk would create or enlarge an accounting mismatch.

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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, Revenue from Contracts with Customers.

Liabilities arising from financial guarantees are presented together with other provisions.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

(iv) Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and accumulated in equity and the ineffective portion is recognised in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss immediately.

The Group designates only the change in fair value of the spot element of forward contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") and/or the foreign currency basis spread are separately accounted for as cost of hedging and recognised in a cost of hedging reserve within equity.

(v) Derecognition

The Group and the Company derecognise a financial asset or a part of it when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

The Group and the Company derecognise a financial liability or a part of it when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(f) Property, plant and equipment****(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount or which a property could be exchanged between knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within 'other income' and 'other expenses' respectively in profit or loss.

Property, plant and equipment under the revaluation model

The Group revalues its property comprising land and building every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(f) Property, plant and equipment (continued)****(iii) Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Freehold land is not depreciated. Property, plant and equipment under construction is not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows: -

Leasehold land	50 - 99 years
Buildings	33 - 50 years
Plant and machinery	10 years
Furniture and equipment	3 - 10 years
Motor vehicles	5 years
Renovation	5 - 10 years
Right-of-use assets	2 - 3 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

(g) Leases**(i) Definition of a lease**

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:-

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Leases (continued)****(ii) Recognition and initial measurement****(a) As a lessee**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:-

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

The Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Leases (continued)****(iii) Subsequent measurement****(a) As a lessee**

The right-of-use asset is subsequently depreciated using the straight-line method from the 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

The Group recognises finance income over the lease term under finance lease, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease. The Group aims to allocate finance income over the lease term on a systematic and rational basis. The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The net investment in the lease is subject to impairment requirements in MFRS 9, Financial Instruments.

(h) Intangible assets

Intangible assets, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised from the date that are available for use. Amortisation is based on the cost of an assets less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as follows:-

Intellectual property

3 to 15 years

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(i) Inventories**

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

The cost of inventories is calculated using the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

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

Property development cost

Property development costs are properties being constructed for sale in the ordinary course of business and are stated at the lower of costs and net realisable value. The cost of land, related development costs common to whole projects and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statement of financial position as property development costs.

The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer. Property development cost of unsold unit is transferred to completed development unit once the development is completed.

(j) Contract assets and liabilities

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, Financial Instruments.

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(k) Contract cost**(i) Incremental cost of obtaining a contract**

The Group or the Company recognises incremental costs of obtaining contracts when the Group or the Company expects to recover these costs.

(ii) Costs to fulfill a contract

The Group or the Company recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group or the Company, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. When the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Non-current assets held for sale and discontinued operations

Non-current assets, or disposal group comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution to owners rather than through continuing use, are classified as held for sale or distribution.

Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs of disposal.

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, contract assets, contract costs, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity-accounted associates and joint venture ceases once classified as held for sale or distribution.

(m) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three month or less, and are used by the Group and the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(n) Impairment

Financial instruments and contract assets

The Group and the Company recognise loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability – weighted estimate of credit losses.

The Group and the Company apply a two-step approach to measure the ECL on financial assets other than trade receivables, contract assets and lease assets.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balances and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

The Group and the Company assess at each financial year end whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(n) Impairment (continued)****Financial instruments and contract assets (continued)**

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in the profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in the profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-off

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

Other assets

The carrying amounts of the other assets (except for inventories, contract assets, lease receivables, deferred tax asset, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purposes of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Impairment (continued)

Other assets (continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating unit) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(o) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity is recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(iii) Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distribution within equity.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if the dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss accrued.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(p) Employee benefits****(i) Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Share-based payment transactions

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group or the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenue and other income**Revenue from contracts with customers**

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group and the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group and the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided as the Group and the Company performs;
- (ii) The Group's and the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) The Group's and the Company's performance does not create an asset with an alternative use and the Group and the Company has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Revenue and other income (continued)

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and that the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis in the useful life of the asset.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(s) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(t) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(t) Income tax (continued)**

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Any unutilised portion of a tax incentive that is not a tax base of an asset is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

(u) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(v) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly executive director, which is the decision maker of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(w) Contingencies**(i) Contingent liabilities**

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(w) Contingencies (continued)****(ii) Contingent assets**

Where an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

(x) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, 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 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.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

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

The Group recognises transfer between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

(y) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:-

(i) Valuation of inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. The reviews require the use of judgements and estimates. Possible changes in these estimates may result in revision to the valuation of inventories. The carrying amounts of inventories are disclosed in Note 10 to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT

Group 2022	As at 1.7.2021 RM'000	Additions RM'000	Acquisition of subsidiary RM'000	Disposals/ Written off RM'000	Reclassifi- cation RM'000	As at 30.6.2022 RM'000
At valuation						
Freehold land	5,700	–	–	–	–	5,700
Leasehold land	6,175	–	–	–	–	6,175
Buildings	33,219	–	–	–	–	33,219
At cost						
Plant and machinery	45,415	5,829	250	–	–	51,494
Furniture and equipment	2,482	1,073	196	(72)	–	3,679
Motor vehicles	3,565	2,438	1,062	(131)	–	6,934
Renovation	762	519	408	–	–	1,689
Capital-in-progress	7,309	53,255	–	(745)	–	59,819
Right-of-use assets	636	–	–	(636)	–	–
	105,263	63,114	1,916	(1,584)	–	168,709

Group 2022	As at 1.7.2021 RM'000	Charge for the year RM'000	Acquisition of subsidiary RM'000	Reclassifi- cation RM'000	As at 30.6.2022 RM'000
Accumulated depreciation					
Leasehold land	870	87	–	–	957
Buildings	4,710	706	–	–	5,416
Plant and machinery	24,709	3,016	49	–	27,774
Furniture and equipment	1,424	321	47	(72)	1,720
Motor vehicles	2,276	632	227	(131)	3,004
Renovation	342	237	40	–	619
Right-of-use assets	636	–	–	(636)	–
	34,967	4,999	363	(839)	39,490

Group 2021	As at 1.7.2020 RM'000	Additions RM'000	Acquisition of subsidiary RM'000	Disposals/ Written off RM'000	Reclassifi- cation RM'000	As at 30.6.2021 RM'000
At valuation						
Freehold land	–	–	5,700	–	–	5,700
Leasehold land	6,175	–	–	–	–	6,175
Buildings	25,120	43	8,056	–	–	33,219
At cost						
Plant and machinery	41,203	1,046	2,682	–	484	45,415
Furniture and equipment	1,630	474	378	–	–	2,482
Motor vehicles	3,097	421	47	–	–	3,565
Renovation	561	168	33	–	–	762
Capital-in-progress	3,818	3,975	–	–	(484)	7,309
Right-of-use assets	636	–	–	–	–	636
	82,240	6,127	16,896	–	–	105,263

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group 2021	As at 1.7.2021 RM'000	Charge for the year RM'000	Disposals/ Written off RM'000	Reclassifi- cation RM'000	As at 30.6.2021 RM'000
Accumulated depreciation					
Leasehold land	782	88	–	–	870
Buildings	4,131	579	–	–	4,710
Plant and machinery	23,068	1,641	–	–	24,709
Furniture and equipment	1,318	106	–	–	1,424
Motor vehicles	1,940	336	–	–	2,276
Renovation	222	120	–	–	342
Right-of-use assets	512	124	–	–	636
	31,973	2,994	–	–	34,967

Group	2022 RM'000	2021 RM'000
Net carrying amount		
Freehold land	5,700	5,700
Leasehold land	5,218	5,305
Buildings	27,803	28,509
Plant and machinery	23,720	20,706
Furniture and equipment	1,959	1,058
Motor vehicles	3,930	1,289
Renovation	1,070	420
Capital-in-progress	59,819	7,309
Right-of-use assets	–	–
	129,219	70,296

Company 2022	As at 1.7.2021 RM'000	Additions RM'000	Written off RM'000	As at 30.6.2022 RM'000
At cost				
Furniture and equipment	95	264	–	359
Motor vehicles	–	414	–	414
Renovation	422	30	–	452
Right-of-use assets	636	–	(636)	–
	1,153	708	(636)	1,225

Company 2022	As at 1.7.2021 RM'000	Charge for the year RM'000	Written off RM'000	As at 30.6.2022 RM'000
Accumulated depreciation				
Furniture and equipment	36	32	–	68
Motor vehicles	–	37	–	37
Renovation	281	89	–	370
Right-of-use assets	636	–	(636)	–
	953	158	(636)	475

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company 2021	As at 1.7.2020 RM'000	Additions RM'000	As at 30.6.2021 RM'000
At cost			
Furniture and equipment	62	33	95
Renovation	422	–	422
Right-of-use assets	636	–	636
	1,120	33	1,153

Company 2021	As at 1.7.2020 RM'000	Charge for the year RM'000	As at 30.6.2021 RM'000
Accumulated depreciation			
Furniture and equipment	20	16	36
Renovation	197	84	281
Right-of-use assets	512	124	636
	729	224	953

Company	2022 RM'000	2021 RM'000
Net carrying amount		
Furniture and equipment	291	59
Motor vehicles	377	–
Renovation	82	141
Right-of-use assets	–	–
	750	200

(i) Revaluation of land and buildings

Had the revalued land and buildings been carried at cost model, their carrying amounts would have been as follows:

	Group	
	2022 RM'000	2021 RM'000
Leasehold land	2,037	2,073
Buildings	5,510	5,690
	7,547	7,763

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**(i) Revaluation of land and buildings (continued)**

The land and buildings are stated at valuation by accredited independent valuers having appropriate recognised professional qualification based on the open market values on an existing use basis, as follow:

Date of valuation	Description of property	Valuation amount RM'000
5 July 2018	Factory	25,500

(ii) Lease**(a) Leasehold land**

Leasehold land is in respect of right-of-use assets for which the Group has land title. Certain leasehold land and buildings of a subsidiary with carrying amount of RM24,883,611 (2021: RM25,835,813) are charged to banks as security for banking facilities as referred to in Note 18.

(b) Asset held under finance lease

The movement of property, plant and equipment of the Group and of the Company held under the hire purchase arrangement as referred to in Note 20 are as follows:-

	Motor vehicles RM'000	Group Plant and machinery RM'000	Company Total RM'000	Motor vehicles RM'000
Carrying amount as at 1 July 2020	827	64	891	–
Arising from business combination	–	1,267	1,267	–
Addition	421	3,240	3,661	–
Less: current year depreciation	(237)	(217)	(454)	–
Carrying amount as at 30 June 2021	1,011	4,354	5,365	–
Arising from business combination	760	–	760	–
Addition	2,524	5,850	8,374	708
Less: current year depreciation	(476)	(324)	(800)	(43)
Carrying amount as at 30 June 2022	3,819	9,880	13,699	665

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(ii) Lease (continued)

(c) Right-of-use assets

The right-of-use assets are held under lease liabilities as referred to in Note 20.

The Company leases building that run for three years that include an extension option for additional one to two years. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and to align with the Company's business needs. The Company had performed an assessment at lease commencement whether it is reasonably certain to exercise the extension options. The lease arrangements generally do not allow for subleasing of the leased assets to another party.

(iii) Security

The freehold land and buildings of a subsidiary with a carrying amount of RM13,476,000 (2021: RM13,799,000) are pledged as security for banking facilities as referred to in Note 18.

(iv) Asset held in trust

As at the end of the financial year, a subsidiary has property, plant and equipment with net carrying amount of RM453,951 (2021: Nil) registered in the name of third party trustees through trust arrangement.

4. INTANGIBLE ASSETS

	Group	
	2022	2021
	RM'000	RM'000
Intellectual property		
Cost		
At 1 July	3,428	3,428
Finalisation of purchase price allocation	500	–
At 30 June	3,928	3,428
Accumulated amortisation		
At 1 July	747	278
Amortisation for the year	469	469
At 30 June	1,216	747
Net carrying amount	2,712	2,681

The Group entered into Consulting and Service Agreement (“CSA”) as well as Technology Transfer and Sales Agreement (“TTSA”) for the right to use the intellectual property (“IP”) in relation to the production of copper and irradiation PVC compound material. These would allow the Group the rights to use the IP exclusively for a period of three years for CSA and a period of ten years with an automatic extension of another 5 years at the end of the tenth years for TTSA. Fair value of RM500,000 has been allocated to public bonded warehouse licence of a subsidiary arising from business combination. The amortisation of the intangible assets is recognised as administrative expenses in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

5. GOODWILL ON CONSOLIDATION

	Group	
	2022	2021
	RM'000	RM'000
Cost		
At 1 July	11,123	–
Arising from business combination	511	11,123
Finalisation of purchase price allocation	(100)	–
	<hr/>	<hr/>
At 30 June	11,534	11,123

For impairment testing, goodwill acquired through business combinations are allocated to the wire harness and power code and the warehousing and logistic cash-generating unit (“CGU”). The aggregate carrying amount of goodwill allocated to each unit are as follows:-

Wire harness and power code	10,895	10,495
Warehousing and logistic	639	628
	<hr/>	<hr/>
	11,534	11,123

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the CGUs based on value-in-use. Value-in-use is determined by discounting the cash flows projections based on past experience, actual operating results and the 5-year business plan. The revenue growth rate use is ranging from 3% to 5% and the discount rate used is ranging from 8.5% to 9.5%.

The higher the revenue growth rate or the lower the discount rate, the higher the value-in-use. A reasonably possible change in the assumptions above would not cause material impairment loss on goodwill.

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022	2021
	RM'000	RM'000
Unquoted shares, at cost	114,841	114,841
Less: Impairment losses	(12,709)	(12,709)
	<hr/>	<hr/>
	102,132	102,132

Details of the subsidiaries are as follows:-

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2022	2021
Ta Win Industries (M) Sdn Bhd	Malaysia	Manufacturing of copper wire, copper rods and trading of copper products	100%	100%
Twin Industrial (HK) Co Ltd * ^	Hong Kong, SAR	Trading of copper wires and copper rods to oversea markets	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:-

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2022	2021
TWH Energy Sdn Bhd ^	Malaysia	Electronic power generation, distribution of all energy, power, fuel and its related infrastructure provider; and project management, R&D on energy related products, in the EV charging industrial, and/or products with the electron beam irradiation technology	100%	100%
Ta Win Manufacturing Sdn Bhd ^	Malaysia	Manufacturing of copper wires and copper rods	100%	100%
Ta Win Copper Sdn Bhd	Malaysia	Manufacturing of copper wires, copper rods and dealing in all kinds of copper products	65%	65%
Cyprium Capital Sdn Bhd ^	Malaysia	Investment holdings and venture capital for metal and copper related products and industries, manufacturing and trading of non-ferrous metals including copper power cables and other copper related products	100%	100%
Ta Win Copper Ecocycle Sdn Bhd ^	Malaysia	Investment and management company which specially setup to undertake the design, development, financing, build to operate, sell and market the industrial park called 'Terengganu Ecocycle Park'	80%	80%
Ta Win Copper Biohealth Sdn Bhd ^	Malaysia	Design, R&D, production, marketing, investment and venture capital of healthcare and pharmaceutical products, devices and services which include application of antimicrobial copper, copper additives, biochemistry and chemistry of copper and copper proteins	100%	100%
Ta Win Symbiosis Sdn Bhd ^	Malaysia	Provision of property development, property management services, property facilities services, renting and operating, construction, non-ferrous metals waste management services and recycling	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:-

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2022	2021
Held through a subsidiary, Cyprium Capital Sdn Bhd				
Cyprium Wire Technology Sdn Bhd	Malaysia	Manufacturing wire and/or cable products including but not limited to using Electron Beam Irradiation Technology which utilise proprietary cross-linking/ionizing radiation treatment	51%	51%
Sin Line Tek Electronic Co. Sdn Bhd ("SLT")	Malaysia	Manufacture and supplies of electronic products and electrical products	51%	51%
Held through a subsidiary, Sin Line Tek Electronic Co. Sdn Bhd				
Dyon Warehouse & Logistic Sdn Bhd <i>(f.k.a Dyon Technology (M) Sdn Bhd)</i>	Malaysia	Provide transport and logistics services and bonded warehouse	70%	70%
TASLT Technology (M) Sdn Bhd	Malaysia	Manufacture of AC power cord, DC cord, wire harness assembly, electronic and electrical assembly product and trading of all types of electronic and electrical products	100%	100%
Superteam International (M) Sdn Bhd *	Malaysia	Provide logistic service in relation to brokering the freight, insurance, and act as transport agent, shippers and other related activities	51%	–
Held through a subsidiary, Ta Win Industries (M) Sdn Bhd				
Ta Win Innotech Sdn Bhd ^	Malaysia	Manufacture of copper wires, copper rods, cables and trading of copper products	100%	–

* Not audited by Ecovis Malaysia PLT.

The audited financial statements are not available and the management's financial statements were used in the preparation of the consolidated financial statements.

^ The subsidiaries remained dormant during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	SLT RM'000	Others RM'000	Total RM'000
2022			
Carrying amount of NCI	9,409	2,511	11,920
Profit/(Loss) allocated to NCI	1,458	(1,761)	(303)
2021			
Carrying amount of NCI	9,806	2,302	12,108
Loss allocated to NCI	(12)	(1,225)	(1,237)
Summarised financial information before intra-group elimination			
	2022	SLT	
	RM'000	2021	RM'000
As at 30 June			
Non-current assets	19,716	17,678	
Current assets	24,985	19,724	
Non-current liabilities	(5,094)	(5,033)	
Current liabilities	(17,430)	(13,166)	
Net assets	22,177	19,203	
Year ended 30 June			
Revenue	62,105	52,518	
Profit for the year/period	2,975	25	
Cash flows from operating activities	828	(508)	
Cash flows from investing activities	(1,924)	(1,209)	
Cash flows from financing activities	(692)	5,023	
Net increase in cash and cash equivalents	(1,788)	3,306	

Restriction imposed by shareholders' agreements

Generally, for all the subsidiaries which are not wholly owned by the Company, the non-controlling shareholders hold protective rights restricting the Group's ability to use the assets of the subsidiary and settle the liabilities of the Group, unless approval is obtained from non-controlling interest shareholders.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

7. INVESTMENTS IN ASSOCIATES

Details of the associates are as follows:-

	2022 RM'000	Group 2021 RM'000
At 1 July	20,895	–
Additions	–	20,850
Share of post-acquisition profit	132	45
Less: Transferred to assets held for sale (Note 9)	(21,027)	–
At 30 June	–	20,895

Included is an amount of RM49 (2021: RM49) for investment in an associate.

Details of the associates are as follows:-

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2022	2021
Held through subsidiary, Cyprium Wire Technology Sdn Bhd				
Cyprium Asiapoly EV Sdn Bhd ^ *	Malaysia	Manufacturing and distribution of power and signal distribution system, high intension cable, battery cable, cast acrylic products and any other automative parts or components for electric vehicles	49%	9%
Held through subsidiary, Ta Win Biohealth Sdn Bhd				
Royce Pharma Manufacturing Sdn Bhd *	Malaysia	Manufacturer and distributor of all kinds of pharmaceutical products	–	32.5%

* Not audited by Ecovis Malaysia PLT.

^ The associate remained dormant during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

7. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

Royce Pharma Manufacturing Sdn Bhd	2021 RM'000
Summarised financial information	
As at 30 June	
Non-current assets	16,063
Current assets	10,300
Non-current liabilities	(1,414)
Current liabilities	(18,752)
Net assets	6,197
Profit for the period	140
Reconciliation of net assets to carrying amount	
Group's share of net assets	5,389
Goodwill	15,506
Carrying amount in the statement of financial position	20,895
Group's share of results for the year	
Group's share of results of an associate	45

8. OTHER INVESTMENT

	2022 RM'000	Group 2021 RM'000
At cost:-		
Unquoted preference shares in Malaysia	4,000	-

On 21 July 2021, the Group purchased redeemable convertible preference shares of Royce Pharma Manufacturing Sdn Bhd of 1,078,167 units at a price of RM3.71 each for cash. The preference shares is mature in year 2024 and convertible into ordinary shares at the option of the holder between year 2023 and 2024, and entitled for annual interest of 8% on each year.

The Group designated the investment as fair value through other comprehensive income because this investment in equity securities represents investment that the Group intends to hold for long-term strategic purpose.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

9. ASSETS HELD FOR SALE

On 16 June 2022, the Group had entered into a Share Sale Agreement with Poly Laboratories Sdn. Bhd. and Jelita Serbaneka Sdn. Bhd. for the disposal of 3,897,197 ordinary shares in its associate company, Royce Pharma Manufacturing Sdn. Bhd., representing approximately 32.5% of the total issued and paid-up ordinary shares of the associate company, for a total disposal consideration of RM20,850,000 only. The disposal is going to be completed within 6 months from the date of Share Sale Agreement. The assets held for sale as at 30 June 2022 are as follows:-

	Group	
	2022	2021
	RM'000	RM'000
Investment in Royce Pharma Manufacturing Sdn Bhd		
Transferred from Investment in associates (Note 7)	21,027	-
Less: Impairment	(177)	-
	20,850	-

10. INVENTORIES

	Group	
	2022	2021
	RM'000	RM'000
At cost/net realisable value:		
Raw materials	37,662	22,174
Work-in-progress	10,299	9,035
Finished goods	16,757	6,767
Consumables	9,033	9,083
Packaging materials	177	185
Spare parts	558	699
	74,480	47,943
Recognised in profit or loss:-		
Inventories recognised as cost of sales	519,210	466,104
Write-down to net realisable value	2,420	-
Reversal of write-down	(75)	-
Reversal of allowance for slow moving	(233)	-

The write-down, allowance and reversal are included in other operating expenses or other income.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade receivables				
- Third parties	50,343	42,788	-	-
- Subsidiaries	-	-	1,107	151
	50,343	42,788	1,107	151
Less: Allowance for doubtful debts	(753)	(547)	-	-
	49,590	42,241	1,107	151
Other receivables				
Asset receivables	4,251	6,519	-	-
Sundry receivables	8,169	4,921	4,863	4,902
Sundry deposits	2,234	7,180	134	91
Prepayments	1,604	614	60	332
Advance payment to suppliers	6,733	16,792	-	-
	22,991	36,026	5,057	5,325
	72,581	78,267	6,164	5,476

Included in deposits of the Group was amount of RM300,000 (2021: RM300,000) pledged for bank guarantee issued in favor of Public Bonded Warehouse.

12. PROPERTY DEVELOPMENT COSTS

	Group	
	2022 RM'000	2021 RM'000
Property development costs	2,583	2,607

The development costs include preliminary surveyor costs and project consultancy fees incurred in relation to the development of the Terengganu Ecocycle Park.

13. AMOUNT DUE BY/(TO) SUBSIDIARIES

These are unsecured, bears interests at average of 0% to 7% (2021: 0% to 7%) per annum and repayable on demand.

14. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Deposits placed with licensed banks	23,046	21,168	-	-
Short-term funds	66,535	159,523	66,535	151,023
Bank balances and cash	23,517	18,960	1,293	233
	113,098	199,651	67,828	151,256

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

14. CASH AND BANK BALANCES (CONTINUED)

- (a) The deposits placed with licensed banks of the Group are pledged for banking facilities granted to subsidiaries as referred to in Note 18.
- (b) Short-term funds represent investments in highly liquid money market instruments which are readily convertible to known amount of cash and are subject to an insignificant risk of change in value.
- (c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Deposits placed with licensed banks	23,046	21,168	–	–
Short-term funds	66,535	159,523	66,535	151,023
Bank balances and cash	23,517	18,960	1,293	233
Bank overdraft (Note 18)	(1,028)	(433)	–	–
	112,070	199,218	67,828	151,256
Less: Deposits pledged with licensed banks	(23,046)	(19,158)	–	–
Cash and cash equivalents	89,024	180,060	67,828	151,256

- (d) The reconciliation of liabilities arising from financing activities are as follows:-

Group	Loans and borrowings RM'000	Lease liabilities RM'000	Total RM'000
At 1 July 2020	56,516	892	57,408
<u>Cash flows:-</u>			
Drawdown	333,146	–	333,146
Repayment	(313,389)	(971)	(314,360)
<u>Non-cash changes:-</u>			
Arising from business combination	5,176	1,143	6,319
Addition (Note 29)	–	3,512	3,512
At 30 June 2021	81,449	4,576	86,025
<u>Cash flows:-</u>			
Drawdown	317,270	–	317,270
Repayment	(318,214)	(1,705)	(319,919)
<u>Non-cash changes:-</u>			
Arising from business combination (Note 34)	–	638	638
Addition (Note 29)	–	6,978	6,978
At 30 June 2022	80,505	10,487	90,992

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

14. CASH AND BANK BALANCES (CONTINUED)

(d) The reconciliation of liabilities arising from financing activities are as follows (continued):-

Loans and borrowings consists of:

	2022	2021	
	RM'000	RM'000	
Group			
Bankers acceptance (Note 18)	77,473	77,980	
Term loan (Note 18)	3,032	3,469	
	80,505	81,449	
Company	Subsidiaries	Lease	Total
	RM'000	liabilities	RM'000
		RM'000	
At 1 July 2020	(11,640)	132	(11,508)
<u>Cash flows:-</u>			
Advances	(39,435)	–	(39,435)
Repayment	–	(132)	(132)
At 30 June 2021	(51,075)	–	(51,075)
<u>Cash flows:-</u>			
Advances	(70,811)	–	(70,811)
Repayment	(7,678)	(27)	(7,705)
<u>Non-cash changes:-</u>			
Addition (Note 29)	–	502	502
At 30 June 2022	(129,564)	475	(129,089)

15. SHARE CAPITAL

	Group/Company			
	2022			2021
	Number ('000)	RM'000	Number ('000)	RM'000
Ordinary shares issued and fully paid:-				
At 1 July	3,410,236	296,689	357,391	93,739
Rights issue	–	–	2,556,502	153,390
Acquisition of a subsidiary	–	–	80,000	8,000
Conversion of warrant	8,064	975	25	6
Conversion of irredeemable convertible preference shares	3,894	196	416,318	41,554
At 30 June	3,422,194	297,860	3,410,236	296,689

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

15. SHARE CAPITAL (CONTINUED)

	Group/Company			
	2022 Number ('000)	RM'000	2021 Number ('000)	RM'000
Irredeemable convertible preference shares:-				
At 1 July	22,430	561	438,748	10,969
Conversion to ordinary shares	(3,894)	(98)	(416,318)	(10,408)
At 30 June	18,536	463	22,430	561
Total	3,440,730	298,323	3,432,666	297,250

During the financial year, the Company issued:-

- i) 8,063,777 new ordinary shares arising from the exercise of Warrant-A at the exercise price of RM0.10 each for cash;
- ii) 3,894,400 new ordinary shares arising from the conversion of Irredeemable Convertible Preference Shares ("ICPS") at the conversion price of RM0.025 each for cash;

All the new ordinary shares that were issued rank pari passu in all respects with the existing shares of the Company.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Company, all rights are suspended until those shares are reissued.

Irredeemable convertible preference shares ("ICPS")

The Company has the sole discretion to decide whether to declare any non-cumulative dividend to the holders of ICPS. The ICPS holders do not have the rights to participate in any additional distributions declared for ordinary shareholders. They do not carry the rights to vote at any general meeting of the Company except for variation of holders' rights to the class of shares.

16. RESERVES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-distributable Reserves				
Cash flow hedge	(370)	-	-	-
Foreign currency translation reserve	(434)	(379)	-	-
Revaluation reserve	13,219	13,219	-	-
Warrants reserve	34,784	6,368	34,784	6,368
	47,199	19,208	34,784	6,368

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

16. RESERVES (CONTINUED)

(i) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

(ii) Revaluation reserve

The revaluation reserve represents increases in the fair value of land and buildings, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

(iii) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(iv) Warrants reserve

Warrant-A 2019/2022

On 8 August 2019, the Company issued 159,227,757 warrants pursuant to its rights issue of ordinary shares and Irredeemable Convertible Preference Shares. On 4 June 2021, additional 144,969,824 Warrant-A were issued pursuant to the renounceable rights issue of ordinary shares and adjustment was performed to the exercise price.

The Warrant-A were constituted under the Deed Poll dated 17 April 2019. During the financial year, 8,063,777 (2021: 25,000) units of warrant-A are exercised and the total number of warrants that remain unexercised is 296,108,804 (2021: 304,172,581).

Warrant-B 2021/2022

On 20 August 2021, the Company issued 1,365,365,814 new warrants by bonus issue on the basis of two (2) free Warrant-B for every five (5) existing ordinary shares.

The Warrant-A were constituted under the Deed Poll dated 13 August 2021. As at the financial year end, 1,365,365,814 Warrants-B remained unexercised.

The main features of the warrants are as follows:-

- (i) Each warrant entitles the registered holder to subscribe for one new ordinary share of RM0.10 each in the Company at the exercise price of RM0.10 during exercise period, subject to the adjustments in accordance with the Deed Poll constituting the warrants;
- (ii) The warrants may be exercised at any time on or after 17 April 2019 for Warrant-A and 20 August for Warrant-B until the end of the tenure of the warrants. The tenure of the warrants is for a period of three years. The warrants not exercised during the exercise period shall thereafter lapse and become void;
- (iii) The new shares to be issued upon the exercise of the warrants shall, on allotment and issue, rank pari passu in all respects with the then existing shares of the Company except that they will not be entitled to any dividends, rights, allotments and/or distributions declared, made or paid by the Company prior to the relevant date of allotment of the new shares to be issued pursuant to the exercise of the warrants;
- (iv) For purpose of trading on Bursa Securities, a board lot for the warrants shall comprise one hundred (100) warrants carrying rights to subscribe for 100 new shares at any time during the exercise period or such denomination as determined by Bursa Securities; and
- (v) The Deed Poll and accordingly the warrants are governed by and shall be construed in accordance with the laws of Malaysia.

Any warrants not exercised during the exercise period will lapse and cease to be valid. The warrants reserve was arising from the allocation of (of) fair value of warrants. These reserves are not available for distribution as dividends.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade payables	11,046	16,662	–	–
Other payables				
Sundry payables	12,491	10,357	3,167	2,924
Accruals	2,237	2,078	169	310
Deposit payables	127	134	–	–
Directors	884	459	–	–
Amount due to shareholders	1,374	1,374	–	–
	17,113	14,402	3,336	3,234
	28,159	31,064	3,336	3,234
Derivatives liabilities				
- Forward contracts	370	1,845	–	–

Forward contracts are used to manage the commodity copper price risk arising from the Group's sales and purchases. Most of the forward contracts have maturities of less than one year after the end of the reporting period.

Credit terms of trade payables are within 1 to 3 month (2021: 1 to 3 month).

18. LOANS AND BORROWINGS

	Group	
	2022 RM'000	2021 RM'000
Secured		
Non-current	2,534	3,025
Current	78,999	78,857
	81,533	81,882
Represented by:-		
Secured		
- Bankers acceptance	77,473	77,980
- Bank overdraft	1,028	433
- Term loan	3,032	3,469
	81,533	81,882

The loans and borrowings are secured by mean of:-

- fixed charge over certain land and buildings of the Group as referred to in Note 3;
- deposits placed with licensed banks as referred to in Note 14;
- guarantee under Credit Guarantee Corporation Malaysia Berhad;
- corporate guarantee by the Company; and
- jointly and severally guaranteed by certain directors of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

19. DEFERRED TAX LIABILITIES

	Group	
	2022 RM'000	2021 RM'000
At 1 July	5,475	4,968
Acquisition of a subsidiary	–	507
Finalisation of purchase price allocation	785	–
Recognised in profit or loss (Note 26)	217	–
At 30 June	6,477	5,475
Represented by:-		
Deferred tax assets	(35)	(35)
Deferred tax liabilities	6,512	5,510
	6,477	5,475

The components of deferred tax assets and liabilities as at the end of the financial year, prior to offsetting are as follows:-

Group	Unrealised profits on inventories RM'000	Foreign exchange RM'000	Total RM'000
Deferred tax assets			
At 1 July 2020	(41)	(35)	(76)
Recognised in profit or loss	41	–	41
At 30 June 2021 and 30 June 2022	–	(35)	(35)

Group	Accelerated capital allowance RM'000	Revaluation surplus and fair value RM'000	Total RM'000
Deferred tax liabilities			
At 1 July 2020	212	4,791	5,003
Acquisition of a subsidiary	507	–	507
At 30 June 2021	719	4,791	5,510
Finalisation of purchase price allocation	–	785	785
Recognised in profit or loss	250	(33)	217
At 30 June 2022	969	5,543	6,512

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

20. LEASE LIABILITIES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current	7,746	3,354	366	–
Current	2,741	1,222	109	–
	10,487	4,576	475	–
Represented by:-				
Hire purchase payables	10,487	4,576	475	–
Lease obligations	–	–	–	–
	10,487	4,576	475	–

The hire purchase payables are in respect of financing the property, plant and equipment as referred to in Note 3.

The lease liabilities for right-of-use assets as referred to in Note 3 to the financial statements are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Company's incremental borrowing rate of 5.60%.

The Company has recognised the lease payments associated with short-term leases and low value assets on a straight-line basis over the lease terms and recognised as rental expenses as disclosed in Note 25 to the financial statements.

21. PROVISIONS

	Group	
	2022 RM'000	2021 RM'000
Cost		
At 1 July	4,913	1,730
Additions	–	3,183
Repayment	(1,731)	–
At 30 June	3,182	4,913

The provision represents a contingent liability related to additional custom duty and sales tax raised by Royal Malaysia Customs Department. The provision is based on estimated duty, tax and penalty to be incurred.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

22. REVENUE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contract with customers	541,639	491,304	500	489
Other revenue:-				
Interest income	1,583	184	1,768	378
Dividend income	320	–	–	–
	543,542	491,488	2,268	867

Disaggregation of the revenue from contract with customers:

Major goods and services

Sale of goods	539,596	491,304	–	–
Services rendered	2,043	–	–	–
Management fee	–	–	500	489
	541,639	491,304	500	489

Timing of revenue recognised

At a point in time	541,639	491,304	–	–
Over time	–	–	500	489
	541,639	491,304	500	489

Sales of goods

Revenue from sales of copper rod, cable and wire, wire harness and power code are recognised at a point in time when the Company transfers the control over the products to customers, being when the goods are delivered and accepted by the customers or shipped on board evidenced by bill of lading. The Group allows return only for exchange with new goods, no cash refunds are offered. No variable element and there were not subject to warranty. Credit terms of the receivables range from 1 to 3 months (2021: 1 to 3 months) from invoice date.

Services

Revenue from providing of logistic services is recognised at a point in time in which the services are rendered. No variable element and there were not subject to obligation for refunds and warranty. Credit terms of the receivables range from 1 to 3 months (2021: 1 to 3 months) from invoice date.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

23. OTHER INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Government grants	236	176	4	3
Insurance claim	598	–		
Interest income	406	440	320	–
Rental income	23	27	–	–
Gain on disposal of property, plant and equipment	304	–	–	–
Gain on fair value of derivative	2,638	–	–	–
Gain/(Loss) on foreign exchange				
- Realised	1,219	–	(5)	–
- Unrealised	997	14	(2)	–
Reversal of write-down on inventories	75	–	–	–
Reversal of slow-moving inventories	233	–	–	–
Sundry income	45	(29)	8	–
	6,774	628	325	3

24. FINANCE COSTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- Loan and borrowings	2,131	2,875	–	–
- Lease liabilities	362	232	7	2
	2,493	3,107	7	2

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

25. LOSS BEFORE TAX

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Loss before tax are stated after charging/(crediting):-				
Allowance for impairment loss on trade receivables	206	-	-	-
Amortisation of intangible assets	469	469	-	-
Auditors' remuneration				
- current year	217	165	77	94
- under/(over) provision in prior year	(5)	6	-	-
- other services	4	48	4	48
Bad debts written off	-	19	-	-
Depreciation of property, plant and equipment	4,999	2,870	158	100
Depreciation of right-of-use assets	-	124	-	124
Executive directors' remuneration:				
Other emoluments				
- directors of the Company	2,279	2,333	2,279	2,333
- directors of subsidiaries	886	481	-	-
Executive directors' fees:				
- directors of subsidiaries	689	434	-	-
Non-executive directors' fees	1,363	1,257	1,363	1,257
Loss on fair value on derivative	2,087	5,152	-	-
Impairment loss on asset held for sale	177	-	-	-
Loss/(gain) on foreign exchange				
- Realised	617	(433)	-	-
- Unrealised	455	619	-	-
Rental expenses				
- low value	20	9	-	8
- short-term	248	187	-	96
Staff costs (excludes directors' remuneration):				
- wages, salaries and others	20,346	7,390	1,044	890
- contribution to state plans	1,106	822	132	103
- other personnel costs	359	189	10	15

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

26. INCOME TAX EXPENSE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Recognised in profit or loss:-				
Malaysian income tax:-				
- current year	644	306	-	-
- overprovision in prior years	(44)	-	-	-
	600	306	-	-
Deferred tax expense:-				
Origination and reversal of temporary differences	217	-	-	-
	217	-	-	-
Total income tax expense	817	306	-	-
Reconciliation of tax expense:-				
Loss before tax	(2,276)	(12,888)	(5,175)	(6,342)
Share of profit from associates	(132)	(45)	-	-
	(2,408)	(12,933)	(5,175)	(6,342)
Income tax calculated using				
Malaysian tax rate of 24%	(515)	(3,104)	(1,242)	(1,522)
Income not subject to tax	(61)	(62)	-	-
Change in tax rates	-	4	-	-
Non-deductible expenses	2,008	2,022	1,242	750
Deferred tax assets not recognised	1,432	1,446	-	772
Tax savings arising from utilisation of unrecognised unutilised tax losses	(2,003)	-	-	-
Overprovision of income tax in prior years	(44)	-	-	-
Tax expense for the year	817	306	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

26. INCOME TAX EXPENSE (CONTINUED)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unabsorbed capital allowances	9,609	7,541	540	40
Unutilised tax losses	11,027	11,939	2,287	2,287

Potential deferred tax assets are not recognised in the financial statements because it is not probable that sufficient taxable profit will be available in the future to offset the tax credits. The unutilised tax losses accumulated up to year of assessment ("YA") 2018 and from 2019 onwards can be set off against income from any business source for 10 consecutive YA only and the unabsorbed capital allowances do not expire under current tax legislation.

27. EARNINGS PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share

The calculation of basic earnings/(loss) per ordinary share was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:-

	Group	
	2022	2021
Loss attributable to ordinary shareholders (RM'000)	(2,790)	(11,957)
Weighted average number of ordinary shares (in thousand)	3,415,107	717,412
Basic loss per ordinary share (sen)	(0.08)	(1.67)

Diluted earnings per ordinary share

The calculation of diluted earnings per share as at 30 June 2022 was based on loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all diluted potential ordinary shares. The diluted earnings per share is not presented as the effects are anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

28. OPERATING SEGMENTS

The Group has four reportable segments, as described below, which offer different products and services. For each of the business segments, the Group Managing Director reviews the internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- | | |
|--|---|
| (i) <i>Copper product</i> | - The sales of copper wire and rod; |
| (ii) <i>Cable and wire</i> | - Manufacturing of cable and wire using Irradiation technology and ionizing treatment |
| (iii) <i>Wire harness and power code</i> | - Manufacture and supplies of electronic and electrical products |
| (iv) <i>Warehouse and Logistic</i> | - Providing public bonded warehousing and logistic services |

Performance is measured based on revenue and operating profit as the management believes that such information is the most relevant in evaluating the results of the operation.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed upon.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is also included in the internal management reports provided to the Group Managing Director.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and investment properties.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

28. OPERATING SEGMENTS (CONTINUED)

2022	Copper product RM'000	Cable and wire RM'000	Wire harness and power code RM'000	Warehousing and Logistic RM'000	Other RM'000	Total RM'000
<u>Primary geographical markets</u>						
External revenue						
- Malaysia	329,565	21,604	42,382	2,043	-	395,594
- Korea	121,107	-	-	-	-	121,107
- Brunnei	5,216	-	-	-	-	5,216
- China	-	-	12,936	-	-	12,936
- Vietnam	-	-	6,402	-	-	6,402
- Others	-	-	384	-	-	384
	455,888	21,604	62,104	2,043	-	541,639
<u>Results</u>						
Segment results	(10,762)	(3,821)	3,852	102	-	(10,629)
Interest income	-	-	-	-	2,261	2,261
Other income	-	-	-	-	5,804	5,804
Gain on disposal of property, plant and equipment	304	-	-	-	-	304
Reversal of impairment and write-down on inventories	308	-	-	-	-	308
Allowance for impairment loss on trade receivables	-	-	(206)	-	-	(206)
Write-down on inventories	2,420	-	-	-	-	2,420
Impairment loss on assets held for sale	-	-	-	-	(177)	(177)
Share of profit of associate	-	-	-	-	132	132
Finance cost	-	-	-	-	(2,493)	(2,493)
Income tax	-	-	-	-	(817)	(817)
Net profit for the year	5,524	(3,931)	2,975	97	4,710	(3,093)
<u>Other information</u>						
Segment assets	139,854	64,835	44,701	3,147	178,791	431,328
Segment liabilities	111,323	66,885	22,254	2,055	(72,224)	130,293
Capital expenditure	25,117	35,091	1,816	192	898	63,114
Amortisation of intangible assets	335	134	-	-	-	469
Depreciation of property, plant and equipment	2,365	1,398	959	96	181	4,999

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

28. OPERATING SEGMENTS (CONTINUED)

2021	Copper product RM'000	Cable and wire RM'000	Wire harness and power code RM'000	Warehousing and Logistic RM'000	Other RM'000	Total RM'000
<u>Primary geographical markets</u>						
External revenue						
- Malaysia	409,113	9,641	72,550	-	-	491,304
	409,113	9,641	72,550	-	-	491,304
<u>Results</u>						
Segment results	(7,949)	(2,992)	506	-	-	(10,435)
Interest income	-	-	-	-	624	624
Other income	-	-	-	-	4	4
Bad debts written off	-	-	(19)	-	-	(19)
Share of profit of associate	-	-	-	-	45	45
Finance cost	-	-	-	-	(3,107)	(3,107)
Income tax	-	-	-	-	(306)	(306)
Net profit for the year	5,524	(3,931)	2,975	97	(2,740)	(13,194)
<u>Other information</u>						
Segment assets	19,702	25,712	37,402	-	351,096	433,912
Segment liabilities	15,033	23,831	18,199	-	73,230	130,293
Capital expenditure	4,660	1,286	146	-	34	6,127
Amortisation of intangible assets	335	134	-	-	-	469
Depreciation of property, plant and equipment	835	914	1,245	-	-	2,994

(b) Major customers

There is one (2021: one) major customer with revenue equal or more than 10% (2021: 10%) of the Group's revenue which amounted to RM121,568,000 (2021: RM117,307,000).

29. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Additions during the year	63,114	6,127	708	33
Lease liabilities	(6,978)	(3,512)	(502)	-
Cash payment for acquisition	56,136	2,615	206	33

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:-

- (i) Financial instruments measured at fair value through profit or loss ('FVTPL');
- (ii) Financial instruments measured at fair value through other comprehensive income ('FVTOCI');
- (iii) Financial assets measured at amortised cost ('FAAC'); and
- (iv) Financial liabilities measured at amortised cost ('FLAC')

	Group			Company		
	Carrying amount RM'000	FVTPL RM'000	FAAC/ (FLAC) RM'000	Carrying amount RM'000	FVTPL RM'000	FAAC/ (FLAC) RM'000
30 June 2022						
Financial assets						
Trade receivables	49,590	-	49,590	1,107	-	1,107
Other receivables (exclude prepayments and advance payment to suppliers)	14,654	-	14,654	4,997	-	4,997
Amount due by subsidiaries	-	-	-	132,046	-	132,046
Cash and bank balances	113,098	66,535	46,563	67,828	66,535	1,293
	177,342	66,535	110,807	205,978	66,535	139,443
Financial liabilities						
Trade payables	(11,046)	-	(11,046)	-	-	-
Other payables	(17,113)	-	(17,113)	(3,336)	-	(3,234)
Amount due to subsidiaries	-	-	-	(2,482)	-	(2,482)
Loans and borrowings	(81,533)	-	(81,533)	-	-	-
	(109,692)	-	(109,692)	(5,818)	-	(5,716)
	Carrying amount RM'000	FVTOCI RM'000	FAAC/ (FLAC) RM'000	Carrying amount RM'000	FVTOCI RM'000	FAAC/ (FLAC) RM'000
Derivative financial liabilities	(370)	(370)	(370)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

	Group			Company		
	Carrying amount RM'000	FVTPL RM'000	FAAC/ (FLAC) RM'000	Carrying amount RM'000	FVTPL RM'000	FAAC/ (FLAC) RM'000
30 June 2021						
Financial assets						
Trade receivables	41,694	–	41,694	151	–	151
Other receivables (exclude prepayments and advance payment to suppliers)	18,620	–	18,620	4,993	–	4,993
Amount due by subsidiaries	–	–	–	61,235	–	61,235
Cash and bank balances	199,651	159,523	40,128	151,256	151,023	233
	259,965	159,523	100,442	217,635	151,023	66,612
Financial liabilities						
Trade payables	(16,662)	–	(16,662)	–	–	–
Other payables	(14,402)	–	(14,402)	(3,234)	–	(3,234)
Amount due to subsidiaries	–	–	–	(10,160)	–	(10,160)
Loans and borrowings	(81,882)	–	(81,882)	–	–	–
	(112,946)	–	(112,946)	(13,394)	–	(13,394)
	Carrying amount RM'000	FVTOCI RM'000	FAAC/ (FLAC) RM'000	Carrying amount RM'000	FVTOCI RM'000	FAAC/ (FLAC) RM'000
Derivative financial liabilities	(1,845)	(1,845)	(1,845)	–	–	–

(b) Financial risk management

The Group has exposure to the following risks from its use of financial instruments:-

- Credit risk
- Liquidity risk
- Market risk

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Credit risk**

Credit risk is the risk of a financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of its receivables from customers. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries. There are no significant changes as compared to prior periods.

(i) Trade Receivables***Risk management objectives, policies and processes for managing the risk***

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statement of financial position.

The Group does not require collateral in respect of trade and other receivables. The Group does not have trade receivable for which no loss allowance is recognised because of collateral.

Concentration of credit risk

Approximately 22% (2021: 38%) of the Group's product sales was from a customer (2021: two customers) in Korea (2021: Malaysia and Korea) and approximately 7% (2021: 35%) of the Group's accounts receivable was from these customers. The Group determines concentration of risk by monitoring its trade receivable individually on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Credit risk (continued)

(i) Trade Receivables (continued)

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers.

To measure the expected credit losses, trade receivables have been grouped based on credit risk and days past due.

The Group provides for lifetime expected credit loss for all trade receivables. Expected loss rate are incorporated historical credit loss experience and forecast of economic conditions.

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables:-

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group 2022			
Current (Not past due)	29,866	–	29,866
Past due 0 to 1 month	8,180	–	8,180
Past due 1 to 2 months	2,304	–	2,304
Past due more than 2 months	9,993	(753)	9,240
	50,343	(753)	49,590
Group 2021			
Current (Not past due)	27,250	–	27,250
Past due 0 to 1 month	7,745	–	7,745
Past due 1 to 2 months	3,563	–	3,563
Past due more than 2 months	4,230	(547)	3,683
	42,788	(547)	42,241

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

	Group 2022 RM'000	Group 2021 RM'000
Lifetime ECL		
Balance at 1 July	547	547
Loss allowance	206	–
	753	547

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)**(c) Credit risk (continued)****(ii) Cash and bank balances**

The cash and bank balances are mainly held with bank and financial institution counterparties, which have financial strength and are reputable with high credit rating and no history of default. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The Group considers that the cash and bank balances have low credit risk based on the creditworthiness of the counterparties.

(iii) Other receivables

Credit risk on other receivables are mainly arising from sundry debtors and deposits receivables. The Group monitors the repayment on an individual basis on the 12-month expected loss basis.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

(iv) Financial guarantees

The Company provides secured and unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis by using internal information available.

The maximum exposure to credit risk is the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(v) Inter-company loans and advances

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly and on the 12-month expected loss basis.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Generally, the Company considers amounts due from fellow subsidiaries as low credit risk.

As at the end of the reporting period, there was no indication that the loans and advances to subsidiaries are not recoverable.

(d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and bank balances and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(e) Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

<u>Group</u>	<u>Carrying amount</u> RM'000	<u>Contractual rate</u>	<u>Contractual cash flows</u> RM'000	<u>Under 1 year</u> RM'000	<u>2-5 years</u> RM'000	<u>More than 5 years</u> RM
2022						
<i>Non-derivative financial liabilities</i>						
Trade payables	11,046	–	11,046	11,046	–	–
Other payables	17,113	–	17,113	17,113	–	–
Bankers acceptance	77,473	4.50%	77,473	77,473	–	–
Bank overdraft	1,028	5.05%	1,028	1,028	–	–
Term loan	3,032	3.50%	3,353	604	1,764	985
Lease liabilities	10,487	4.00%	10,633	2,945	5,132	2,556
	120,179		120,646	110,209	6,896	3,541
<i>Derivative financial liabilities</i>						
Forward contracts (gross outflow settled)	370		7,639	7,639	–	–
	120,549		128,285	117,848	6,896	3,541
2021						
<i>Non-derivative financial liabilities</i>						
Trade payables	16,662	–	16,662	16,662	–	–
Other payables	14,402	–	14,402	14,402	–	–
Bankers acceptance	77,980	4.50%	77,980	77,980	–	–
Bank overdraft	433	5.05%	433	433	–	–
Term loan	3,469	3.50%	3,885	604	2,362	919
Hire purchase payables	4,576	4.00%	5,093	1,461	3,562	70
	117,522		118,455	111,542	5,924	989
<i>Derivative financial liabilities</i>						
Forward contracts (gross outflow settled)	1,845		8,193	8,193	–	–
	119,367		126,648	119,735	5,924	989

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(e) Maturity analysis (continued)

<u>Company</u>	Carrying amount RM'000	Contractual rate	Contractual cash flows RM'000	Under 1 year RM'000	2-5 years RM'000	More than 5 years RM
2022						
<i>Non-derivative financial liabilities</i>						
Other payables	3,336	–	3,336	3,336	–	–
Amount due to subsidiaries	2,482	–	2,482	2,482	–	–
Lease liabilities	475	4.00%	530	133	397	–
	6,293		6,348	5,951	397	–
2021						
<i>Non-derivative financial liabilities</i>						
Other payables	3,234	–	3,234	3,234	–	–
Amount due to subsidiaries	10,160	–	10,160	10,160	–	–
	13,394		13,394	13,394	–	–

(f) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity price that will affect the Group's financial position or cash flows.

(i) Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currency of the Group entities. The currency giving rise to this risk are primarily U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

In respect of monetary assets and liabilities held in currencies other than Ringgit Malaysia, the Group does not hedge this exposure. However, the Group keeps this policy under review.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(f) Market risk (continued)

(i) Currency risk (continued)

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Functional currency of Group entities	Group Denominated in USD	
	2022 RM'000	2021 RM'000
Trade and other receivables	21,338	39,983
Cash and bank balances	2,412	4,177
Trade and other payables	(9,600)	(8,673)
Net exposure	14,150	35,487

Currency risk sensitivity analysis

A 10% (2021: 10%) strengthening of the Ringgit Malaysia against U.S. Dollar at the end of the reporting period would have decreased pre-tax profit by RM1,415,000 (2021: RM3,548,700). This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period.

The analysis assumes that all other variables, in particular interest rates, remained constant.

A 10% (2021: 10%) weakening of Ringgit Malaysia against the above currency at the end of the reporting period would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remained constant.

(ii) Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group managed interest rate risk through effective use of its floating and fixed rate debts.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(f) **Market risk (continued)**

(ii) **Interest rate risk (continued)**

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Deposits placed with licenced banks	23,046	21,168	–	–
Lease liabilities	(10,487)	(4,576)	(475)	–
	12,559	16,592	(475)	–
Floating rate instruments				
Short-term funds	66,535	159,523	66,535	151,023
Loans and borrowings	(81,533)	(81,882)	–	–
	(14,998)	77,641	66,535	151,023

Interest rate risk sensitivity analysis

- *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

- *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased or decreased loss before tax by RM149,980 (2021: RM776,410).

(iii) **Commodity price risk**

The Group is affected by the price volatility of copper as its manufacturing activities of copper wires and copper rods require a continuous supply of copper. The Group monitors the material price fluctuation closely and purchase forward contracts when necessary in order to reduce the impact of material price risk.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)**(g) Fair value of financial instruments**

The carrying amounts of cash and bank balances, short-term receivables and payables, amount due by/ (to) subsidiaries, amount due to shareholders and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

The carrying amount of the non-current portion of term loans that carry floating interest rates approximate their fair value as they are re-priced to market interest rates on or near the reporting date. The carrying amount of non-current portion of lease liabilities that carry fixed interest rates approximate their fair values as the insignificant impact of discounting.

The short-term funds and derivative liabilities are carried at Level 2 of fair value hierarchy. The fair value of short-term funds arrived at by reference to transaction prices of comparable product. The fair value of forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

31. CAPITAL COMMITMENTS

	Group	
	2022 RM'000	2021 RM'000
Approved and contracted for	35,941	14,921
<i>Property, plant and equipment</i>	35,941	14,921

32. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The directors monitor and are determined to maintain an optimal gearing ratio that complies with debt covenants and regulatory requirements.

The gearing ratios were as follows:-

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade and other payables	28,159	31,064	3,336	3,234
Amount due to subsidiaries	-	-	2,482	10,160
Loans and borrowings	81,533	81,882	-	-
Lease liabilities	10,487	4,576	-	-
Less: Cash and bank balances	(113,098)	(199,651)	(67,828)	(151,256)
Net debt	7,081	(82,129)	(62,010)	(137,862)
Total equity	301,120	303,619	302,555	306,826
Gearing ratio	2.35%	N/A	N/A	N/A

There was no change in the Group's approach to capital management during the financial year.

The subsidiary of the Group is required to maintain net worth of not less than RM40,000,000 and gearing ratio of no more than 1.5 times to comply with a bank covenant, falling which, the bank may call an event of default. The subsidiary has not breached this covenant.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

33. RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company 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 or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel 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, and certain members of senior management of the Group.

The Group has related party relationship with its subsidiaries, directors, and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
A. Subsidiary				
Interest income	–	–	185	193
Management fee income	–	–	500	489
B. Key management personnel				
Directors' remuneration	5,217	4,505	3,642	3,590

Significant related party balances related to the above transactions are disclosed in respective notes to the financial statements.

34. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS AND ASSOCIATES

On 3 March 2022, the Group entered into a Sale and Purchase agreement to acquire 850,000 ordinary shares in Superteam International (M) Sdn Bhd ("Superteam"), representing 51% of the issued shares of the subsidiary, for a total cash consideration of RM1,031,900. Upon acquisition, the Group obtained control over the company and Superteam becoming a subsidiary of the Group.

Fair value of the identifiable assets acquired and the liabilities assumed

	2022 RM
Property, plant and equipment	1,553
Cash and cash equivalents	1,957
Trade and other payables	(1,277)
Amount owing to directors	(574)
Lease liabilities	(638)
Net assets assumed	1,021
Non-controlling interest	(501)
Goodwill on consolidation	511
Fair value of consideration transferred	1,032

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

34. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS AND ASSOCIATES (CONTINUED)Effects of acquisition on cash flows

Group	2022 RM
Fair value of consideration transferred	1,032
Cash and cash equivalents acquired	(1,957)
<hr/>	
Acquisition of subsidiary, net of cash acquired	(925)

Effects of acquisition in statement of comprehensive income

From the date of acquisition, the subsidiary's contributed revenue and profit net of tax are as follows:

	2022 RM
Revenue	1,992
Profit for the financial period	97

If the acquisition had occurred on 1 July 2021, the consolidated results for the financial year ended 30 June 2022 would have been as follows:

	RM
Revenue	550,396
Loss for the financial year	(3,791)

The Group incurred acquisition-related costs of RM46,800 and have been included in other operating expenses in the profit or loss.

LIST OF GROUP PROPERTIES

Location	Tenure/ Expiry Date	* Existing Use	Age of Building (year/ month)	Land area (m ²)/Built-up area (m ²)	Carrying Amount @ 30.06.2022 RM ('000)	Year of Valuation
Lot Nos. 7699 to 7706 (Formerly known as PT 1234 to 1237 and Lot PT 1287 to 1290) Mukim of Kelemak, Alor Gajah, Melaka	99 years leasehold expiring on 26/6/2089 for Lot Nos. 7699 to 7706 (Formerly known as PT 1234 to 1237), leaving unexpired terms of about 70 years 99 years leasehold expiring on 25/6/2089 or Lot PT 1287 to 1290 leaving unexpired terms of about 76 years	* Industrial land, factory building & office	15,16,19, 22 years (4 factories)	31,794/ (17,920)	24,884	2018
PT 1513 & 1516, Mukim of Kelemak, Alor Gajah, Melaka	99 years leasehold expiring on 24/9/2091, leaving unexpired terms of about 78 years	* Apartments	16 years	N/A/ (728)	362	2015
PT 464, Jalan Kasawari, Kawasan Perindustrian Kebun Baru, 42500 Telok Panglima Garang, Selangor Darul Ehsan	Grant in perpetuity (Freehold land and building)	# Office, factory & warehouse	9 years	6,616/ (6,014)	13,476	2020
Lot 162725 (P.T. 136844), Jalan Perigi Nanas 7/2, KS 11, Taman Bandar Diraja, Selangor Darul Ehsan	99 years leasehold expiring on 24/2/2097, leaving unexpired terms of about 75 years	*Industrial land, factory building & office	24 years	16,187.00 square meters (approximately 174,236.87 square feet)	In progress of completion acquisition	2021

Note:

* All land and buildings are presently owned by Ta Win Industries (M) Sdn. Bhd.

Land and office build are presently owned by Sin Line Tek Electronic (M) Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS

AS AT 21 OCTOBER 2022

ORDINARY SHARES

Number of Issued Shares Capital : 3,423,875,238 Ordinary Shares
Voting Rights : One (1) vote per ordinary share

DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF SECURITIES HELD IN RESPECT OF ORDINARY SHARES

Size of Holdings	No. of Holders	%	Total Holdings	%
Less than 100	35	0.34	1,358	0.00
100 – 1,000	459	4.49	273,671	0.01
1,001 – 10,000	2,463	24.11	15,948,850	0.47
10,001 – 100,000	4,809	47.07	219,009,064	6.40
100,001 – to less than 5% of issued shares	2,451	23.99	3,188,642,295	93.13
5% and above of issued shares	0	0.00	0	0.00
Total	10,217	100.00	3,423,875,238	100.00

DIRECTORS' SHAREHOLDINGS

As per the Register of Directors' Shareholdings, save for the Directors named below, no other Directors of the Company has any interest in shares, direct or indirect, in the Company.

No.	Name of Directors	Direct		Indirect		Note
		No. of Shares held	%	No. of Shares held	%	
1.	Dato' Yeo Boon Leong, JP	203,000,000	5.93	277,641,331	8.11	(i)
2.	Dato' Sri Ngu Tieng Ung, JP	19,250,000	0.56	465,799,008	13.60	(ii)
3.	Mr. Tan Poo Chuan	42,020,000	1.23	90,941,331	2.66	(iii)

Notes:-

- (i) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd., Asia Poly Holdings Berhad and Asia Poly Ventures Sdn. Bhd.
- (ii) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd., Timur Enterprise Sdn. Bhd. and Heritage Winners Sdn. Bhd.
- (iii) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd. and his son, Tan Kang Shu.

ANALYSIS OF SHAREHOLDINGS

(CONTINUED)

SUBSTANTIAL SHAREHOLDERS

(excluding bare trustees)

No.	Name of Substantial Shareholders	Direct		Indirect		Note
		No. of Shares held	%	No. of Shares held	%	
1.	Dato' Yeo Boon Leong, JP	203,000,000	5.93	277,641,331	8.11	(i)
2.	Dato' Sri Ngu Tieng Ung, JP	19,250,000	0.56	465,799,008	13.60	(ii)
3.	Timur Enterprise Sdn. Bhd.	304,959,277	8.91	–	–	–
4.	Asia Capital Assets Limited	–	–	304,959,277	8.91	(iii)
5.	Asia Poly Holdings Berhad	147,000,000	4.29	44,000,000	1.29	(iv)

Notes:-

- (i) Deemed interested by virtue of his interest via Triad Capital Sdn. Bhd., Asia Poly Holdings Berhad and Asia Poly Ventures Sdn. Bhd.
- (ii) Deemed interested by virtue of his interest via Triad Capital Sdn. Bhd., Heritage Winners Sdn. Bhd. and Timur Enterprise Sdn. Bhd.
- (iii) Deemed interested by virtue of the interest via Timur Enterprise Sdn. Bhd.
- (iv) Deemed interested by virtue of the interest via Asia Poly Ventures Sdn. Bhd.

THIRTY (30) LARGEST SECURITIES HOLDERS

No.	Registered Holders	No. of Shareholdings	%
1.	ASIA POLY HOLDINGS BERHAD	130,600,000	3.81
2.	TA NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TIMUR ENTERPRISE SDN. BHD.	120,000,000	3.50
3.	CITIGROUP NOMINEES (ASING) SDN. BHD., EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	87,854,200	2.57
4.	TRIAD CAPITAL SDN. BHD.	86,641,331	2.53
5.	TIMUR ENTERPRISE SDN. BHD.	69,518,900	2.03
6.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD., TIMES FINE CHEMICAL SDN. BHD. FOR HERITAGE WINNERS SDN. BHD.	67,298,400	1.97
7.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR YEO BOON LEONG	60,161,900	1.76
8.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD., TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	57,626,100	1.68
9.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TAN KOK AUN (7012070)	50,000,000	1.46
10.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., EXEMPT AN FOR ARECA CAPITAL SDN. BHD. (CLIENTS' ACCOUNT)	44,091,500	1.29
11.	ASIA POLY VENTURES SDN. BHD.	44,000,000	1.29

ANALYSIS OF SHAREHOLDINGS

(CONTINUED)

THIRTY (30) LARGEST SECURITIES HOLDERS (CONT'D)

No.	Registered Holders	No. of Shareholdings	%
12.	SOUTHERN REALTY RESOURCE SDN. BHD.	40,000,000	1.17
13.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD., URUSHARTA JAMAAH SDN. BHD. (AFFIN 2)	39,262,900	1.15
14.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD., CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	38,839,000	1.13
15.	KENANGA NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR CHIN LIH LIH	33,460,200	0.98
16.	LIM AIK GEE	33,393,600	0.98
17.	UOBM NOMINEES (TEMPATAN) SDN. BHD., UNITED OVERSEAS BANK NOMINEES (PTE) LTD FOR YEO BOON LEONG	31,930,400	0.93
18.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR NEO CHING YUEN	31,000,000	0.91
19.	TAN POO CHUAN	30,000,000	0.88
20.	SJ SEC NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TIMUR ENTERPRISE SDN. BHD. (SMT)	28,719,277	0.84
21.	THAM KIN YEE	27,289,300	0.80
22.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TIMUR ENTERPRISE SDN. BHD. (MY4372)	26,000,000	0.76
23.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	26,000,000	0.76
24.	CHONG MING KONG	23,000,000	0.67
25.	RONIE TAN CHOO SENG	20,800,000	0.61
26.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR RONIE TAN CHOO SENG	20,000,000	0.58
27.	RONIE TAN CHOO SENG	20,000,000	0.58
28.	RONIE TAN CHOO SENG	20,000,000	0.58
29.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LOO CHAI LAI (7005187)	19,400,000	0.57
30.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR NGU TIENG UNG (7003466)	19,250,000	0.56

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES HOLDINGS

AS AT 21 OCTOBER 2022

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (“ICPS”)

Number of ICPS : 18,055,913 ICPS
Voting Rights : The holders of ICPS are not entitled to any voting right except in circumstances set out in the Company’s Constitution

DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF ICPS HELD IN RESPECT OF ISSUED HOLDINGS

Size of Holdings	No. of Holders	%	Total Holdings	%
Less than 100	3	1.13	91	0.00
100 – 1,000	19	7.14	6,342	0.04
1,001 – 10,000	64	24.06	430,600	2.38
10,001 – 100,000	143	53.76	5,307,980	29.04
100,001 – to less than 5% of issued shares	35	13.16	10,120,300	56.05
5% and above of issued shares	2	0.75	2,190,600	12.13
Total	266	100.00	18,055,913	100.00

THIRTY (30) LARGEST ICPS HOLDERS

No.	Registered ICPS Holders	No. of ICPS Holdings	%
1.	KINGSLEY LIM FUNG WANG	1,180,000	6.54
2.	APEX NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR THOO CHEE YOON (MARGIN)	1,010,600	5.60
3.	SEE EAN SENG	750,000	4.15
4.	KENNY TAN GIAM LOONG	600,000	3.32
5.	TA NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TAN SENG TUNG	590,000	3.27
6.	WONG SIOK SAK	590,000	3.27
7.	TEH KENG KAA	540,000	2.99
8.	CITIGROUP NOMINEES (ASING) SDN. BHD., EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	500,000	2.77
9.	CHIN CHIN SEONG	485,000	2.69
10.	TAN KEE RIAN	360,000	1.99
11.	THAM KIN YIP	345,600	1.91
12.	TEH CHEE KANG	330,000	1.83
13.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR NG SEONG PUN (E-TCS)	319,200	1.77
14.	APEX NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR TEE JEN TONG (STA1)	300,000	1.66
15.	FOONG KUO KANG	300,000	1.66

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES HOLDINGS

(CONTINUED)

THIRTY (30) LARGEST ICPS HOLDERS (CONT'D)

No.	Registered ICPS Holders	No. of ICPS Holdings	%
16.	PANG FEI MING	300,000	1.66
17.	SYARIKAT RIMBA TIMUR (RT) SDN. BHD.	300,000	1.66
18.	LOH SOON SHAN	277,500	1.54
19.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LAI KING LUNG	250,000	1.38
20.	TEE SEW PENG	245,000	1.36
21.	LOW HUI MAI	240,000	1.33
22.	KENANGA NOMINEES (TEMPATAN) SDN. BHD., RAKUTEN TRADE SDN. BHD. FOR GAN CHWEN TECK	238,000	1.32
23.	ONG BOK SAN	210,000	1.16
24.	TEE JEN TONG	207,100	1.15
25.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR CHIN LOO SIN (TTDI-CL)	200,000	1.11
26.	HIAN BEE GEOK	200,000	1.11
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., CHOW HO	166,200	0.92
28.	CHANG, CHENG-TSUNG	151,200	0.84
29.	LUI PONG TENG	150,000	0.83
30.	KENANGA NOMINEES (TEMPATAN) SDN. BHD., CHOW MEE LING	148,500	0.82

ANALYSIS OF WARRANTS B HOLDINGS

AS AT 21 OCTOBER 2022

WARRANTS B

Number of Issued Size : 1,365,365,814 Warrants B

DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF WARRANTS B HELD IN RESPECT OF ISSUED HOLDINGS

Size of Holdings	No. of Holders	%	Total Holdings	%
Less than 100	324	5.90	15,207	0.00
100 – 1,000	614	11.18	332,657	0.02
1,001 – 10,000	1,786	32.51	8,323,018	0.61
10,001 – 100,000	1,832	33.35	72,253,910	5.29
100,001 – to less than 5% of issued shares	937	17.05	1,186,941,022	86.93
5% and above of issued shares	1	0.02	97,500,000	7.14
Total	5,494	100.00	1,365,365,814	100.00

DIRECTORS' WARRANTS B HOLDINGS

As per the Register of Directors' Shareholdings, save for the Directors named below, no other Directors of the Company has any interest in Warrants B, direct or indirect, in the Company.

No.	Name of Directors	Direct		Indirect		Note
		No. of Warrants B held	%	No. of Warrants B held	%	
1.	Dato' Yeo Boon Leong, JP	3,500,000	0.26	34,656,532	2.54	(i)
2.	Dato' Sri Ngu Tieng Ung, JP	–	–	182,719,602	13.38	(ii)
3.	Mr. Tan Poo Chuan	23,608,000	1.73	39,656,532	2.90	(iii)

Notes:-

- (i) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd..
- (ii) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd., Heritage Winners Sdn. Bhd. and Timur Enterprise Sdn. Bhd.
- (iii) Deemed interest by virtue of his interest via Triad Capital Sdn. Bhd. and his son, Tan Kang Shu.

ANALYSIS OF WARRANTS B HOLDINGS

(CONTINUED)

THIRTY (30) LARGEST WARRANTS B HOLDERS

No.	Registered Warrants B Holders	No. of Warrants B Holdings	%
1.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LAI CHENG KUAN (8058893)	97,500,000	7.14
2.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD., TIMES FINE CHEMICAL SDN. BHD. FOR HERITAGE WINNERS SDN. BHD.	37,479,360	2.75
3.	TIMUR ENTERPRISE SDN. BHD.	35,381,500	2.59
4.	TRIAD CAPITAL SDN. BHD.	34,656,532	2.54
5.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LAI CHENG KUAN (8070081)	30,000,000	2.20
6.	CHONG KOK FAI	30,000,000	2.20
7.	SOUTHERN REALTY RESOURCE SDN. BHD.	30,000,000	2.20
8.	TAN BAN TATT	23,500,000	1.72
9.	TAN POO CHUAN	21,027,500	1.54
10.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD., CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	19,077,680	1.40
11.	KENANGA NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LOH KIM KIONG	17,180,000	1.26
12.	P.H.TRUCK PARTS SERVICE SDN. BHD.	16,390,840	1.20
13.	YEO BOON LEONG	15,000,000	1.10
14.	E CHUAN MANAGEMENT SDN. BHD.	14,573,900	1.07
15.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD., URUSHARTA JAMAAH SDN. BHD. (AFFIN 2)	14,448,360	1.06
16.	LIM AIK GEE	13,357,440	0.98
17.	THAM KIN YEE	11,768,000	0.86
18.	LIM KENG CHUAN	11,510,000	0.84
19.	TRILLION OSCAR SDN. BHD.	11,424,000	0.84
20.	SON TONG LEONG	11,292,040	0.83
21.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., EXEMPT AN FOR ARECA CAPITAL SDN. BHD. (CLIENTS' ACCOUNT)	11,262,200	0.82
22.	SU KIM PENG	10,500,000	0.77
23.	KENANGA NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR CHIN LIH LIH	10,115,000	0.74
24.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD., LIM SEN LEE	10,000,000	0.73
25.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD., CHANG THIAN POH	10,000,000	0.73
26.	TAN WEN YI	10,000,000	0.73
27.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD., PLEDGED SECURITIES ACCOUNT FOR LAI HOE YAN	9,754,000	0.71
28.	LEE CHEE HONG	9,000,000	0.66
29.	CHA HUEY LING	8,900,000	0.65
30.	RONIE TAN CHOO SENG	8,320,000	0.61

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Eighth (“28th”) Annual General Meeting (“AGM”) of Ta Win Holdings Berhad (“Ta Win” or “the Company”) will be conducted as a virtual meeting through live streaming from the broadcast venue at Meeting Room of Ta Win of Unit 26-11 & 26-12, Level 26, Q Sentral, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Tuesday, 29 November 2022 at 10.00 a.m. to transact the following businesses:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note A.
2. To re-elect the following Directors who retire in accordance with Article 110 of the Company’s Constitution:-
 - (a) Dato’ Yeo Boon Leong, JP **Resolution 1**
 - (b) Dato’ Sri Ngu Tieng Ung, JP **Resolution 2****Please refer to Explanatory Note B.**
3. To approve the payment of aggregate Directors’ Fees of RM800,000.00 for the period from the date of the forthcoming AGM until the conclusion of the next AGM of the Company.
Please refer to Explanatory Note C. **Resolution 3**
4. To approve the payment of aggregate Directors’ Benefits (excluding Directors’ Fees) to the Directors up to an amount of RM250,000.00 for the period from the date of the forthcoming AGM until the conclusion of the next AGM of the Company.
Please refer to Explanatory Note D. **Resolution 4**
5. To re-appoint Messrs. Ecovis Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **Resolution 5**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without modifications:-

6. **ORDINARY RESOLUTION**
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (“ACT”)

“THAT pursuant to Sections 75(1) and 76(1) of the Act, and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this ordinary resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares), whichever is applicable, and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad (“Bursa Securities”); AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.

AND THAT pursuant to Section 85 of the Act to be read together with the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act.”

Please refer to Explanatory Note E.

Resolution 6

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

7. ORDINARY RESOLUTION PROPOSED RENEWAL SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

"THAT subject to the provisions of the Main Market Listing Requirements ("MMLR") of Bursa Securities, approval be and is hereby given for the renewal of the existing shareholders' mandate for the Company and its subsidiaries ("Ta Win Group") to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Sections 2.4 and 2.5 under Part A of the circular/statement to shareholders dated 28 October 2022 ("Circular") which are necessary for the day-to-day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Ta Win Group on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to minority shareholders of the Company and such approval shall continue to be in force until:-

THAT such approval shall continue to be in force until the earlier of:-

- (i) the conclusion of the next AGM of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
- (ii) the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Act but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier,

THAT the Board of Directors ("Board") of the Company be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities and to deal with all matters relation thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the transactions contemplated and/or authorised by this Ordinary Resolution;

AND THAT as the estimates given for the recurrent related party transactions specified in Section 2.5 of the Circular being provisional in nature, the Directors of the Company and/or any one of them be and are hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the procedures set out in Section 2.7 of the Circular."

Please refer to Explanatory Note F.

Resolution 7

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

**8. ORDINARY RESOLUTION
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE
ITS OWN ORDINARY SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK
AUTHORITY”)**

“THAT subject to the Act, provisions of the Constitution of the Company, the MMLR of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in Ta Win (“Ta Win Shares”) as may be determined by Ta Win’s Board from time to time through Bursa Securities as the Board may deem fit, necessary and expedient in the interest of the Company, provided that:-

- (i) the maximum aggregate number of Ta Win Shares which may be purchased and/or held by the Company as treasury shares shall not exceed 10% of the total number of issued shares of the Company at any point in time of the said purchase(s); and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing Ta Win Shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s),

THAT the authority conferred by this resolution will commence immediately upon passing of this resolution and shall continue to be in force until:-

- (i) the conclusion of the next AGM at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required to be held by law; or
- (iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders in a meeting of members,

whichever occurs first;

THAT upon completion of the purchase of Ta Win Shares by the Company, the Board be authorised to deal with Ta Win Shares purchased in its absolute discretion in the following manner:-

- (i) to cancel the Ta Win Shares so purchased; or
- (ii) to retain the Ta Win Shares so purchased as the treasury shares which may be distributed as shares dividends to shareholders and/or be resold on Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred for the purposes of an employees’ share scheme and/or transferred as purchase consideration and/or cancelled subsequently; or
- (iii) to retain part of Ta Win Shares so purchased as treasury shares and cancel the remainder of the Ta Win Shares; or
- (iv) to deal with the Ta Win Shares so purchased in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time,

and such authority to deal with the Ta Win Shares so purchased shall continue to be valid until all such Ta Win Shares have been dealt with by the Board;

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

AND THAT the Board be and is hereby authorised and empowered to do or procure to be done all such acts, deeds and things and to execute, sign and deliver, on behalf of the Company, all such documents to give effect to and complete the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, variations, modifications and/or amendments to the terms of the Proposed Renewal of Share Buy-Back Authority as may be required or imposed by any relevant authorities and/or parties and as the Board may deem necessary and expedient to finalise, implement and give full effect to the Proposed Renewal of Share Buy-Back Authority.

Please refer to Explanatory Note G.

Resolution 8

9. To transact any other business for which due notice shall have been given.

By Order of the Board

KIMBERLY ONG SWEET EE

SSM Practicing Certificate No.: 201908000841

LS0009852

Company Secretary

Kuala Lumpur

28 October 2022

Notes:

Information for shareholders/ proxies/ corporate representatives

- (1) The 28th AGM will be conducted on a virtual basis through live streaming and online remote voting via remote participation and voting facilities using Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. in Malaysia. **Please read carefully and follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via remote participation.**
- (2) A member of the Company entitled to attend, participate, speak and vote at the AGM is entitled to appoint not more than two (2) proxies (or in the case of a corporation, to appoint a representative) to attend, participate, speak and vote in his stead. There shall be no restriction as to the qualification of the proxy.
- (3) Where a member appoints two (2) proxies, he shall specify the proportions of his holdings to be represented by each proxy, failing which, the appointment shall be invalid.
- (4) A member who is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA") may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- (5) If no name is inserted in the space provided for the name of your proxy, the Chairman of the AGM will act as your proxy.

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

- (6) The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM at which the person named in the appointment proposes to vote:-
- (i) In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
 - (ii) By electronic means via email
In the case of an appointment made via email transmission, this proxy form must be received via email at eservices@sshshb.com.my.
For option (ii), the Company will require the member to deposit the original executed proxy form as in (i) above no later than Sunday, 27 November 2022 at 10:00 a.m. for verification purpose.
 - (iii) Online
In the case of an appointment made via online lodgement facility, please submit the proxy form electronically via Securities Services e-Portal at <https://sshshb.net.my/>.
- (7) Should you wish to personally participate at the AGM remotely, please register electronically via Securities Services ePortal at <https://sshshb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Guide on the Conduct of a Virtual AGM for further details as attached in the Annual Report.
- (8) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.
- (9) For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a AGM Record of Depositors ("ROD") as at 22 November 2022. Only a depositor whose name appears on the ROD as at 22 November 2022 shall be entitled to attend the said Meeting or appoint proxy(ies) to attend and/or vote on such depositor's behalf.
- (10) Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions at the AGM will be voted by poll.

EXPLANATORY NOTES:-

Note A

This Agenda is meant for discussion only, as the provisions of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward to shareholders for voting.

Note B

In determining the eligibility of the Directors to stand for e-election at the forthcoming AGM, the Nomination Committee has conducted the assessment, thereafter recommended to the Board for approval.

Therefore, the Board recommended the same be tabled to the shareholders for approval at the forthcoming AGM of the Company under Ordinary Resolutions 1 and 2.

Note C

Section 230(1) of the Act requires that the fees of the directors and any benefits payable to the directors be approved at the general meeting.

The proposed Ordinary Resolution 3, if passed, will authorise the payment of the Directors' fees to Non-Executive Directors of the Company for their services as Directors of the Company for the period from the date of the forthcoming AGM until the conclusion of the next AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

Note D

Section 230(1) of the Act requires that the fees of the directors and any benefits payable to the directors be approved at the general meeting.

The proposed benefits payable to the Directors comprises allowances and other benefits. In determining the estimated total amount of benefits for the Directors, the Board considered various factors including the number of scheduled meetings for the Board and the Board Committees as well as the number of the Directors involved in these meetings.

The estimated amount of RM250,000.00 for the relevant period is derived from the estimated directors' benefits for the period from the date of the forthcoming AGM until the conclusion of the next AGM of the Company and the provision for other benefits (if any). Payment of the Directors' benefits will be made by the Company as and when incurred if the Proposed Ordinary Resolution 4 passed at the 28th AGM. The Board is of the view that it is just and equitable for the Directors of the Company to be paid the Directors' benefits as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the relevant period.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

Note E

The proposed Ordinary Resolution 6, if passed, will give authority to the Directors of the Company, from the date of the above AGM, to issue and allot shares in the Company up to and not exceeding 10% of the issued share capital of the Company for the time being, for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held in accordance to the provisions of the Act, whichever is the earlier.

The proposed Ordinary Resolution 6 is to seek a renewal of the General Mandate for the issue of new ordinary shares which was approved by the shareholders at the Twenty Seventh AGM. At the date of this notice, no new ordinary shares in the Company were issued and allotted pursuant to the general mandate given to the Directors at the last AGM held on 29 November 2021 and which will lapse at the conclusion of the 28th AGM.

The General Mandate will provide flexibility for the Company for any possible fund raising activities and enable the Company, should it required to do so, to meet its funding requirements for working capital or strategic development of the Group and operational expenditure, expeditiously and efficiently. This would eliminate any delay arising from and cost involved in convening a separate general meeting to obtain approval of the shareholders for such issuance of shares.

Note F

The proposed Ordinary Resolution 7, if passed, will enable Ta Win Group to enter into recurrent related party transactions of a revenue or trading nature with Related Parties in the ordinary course of business and necessary for the day-to-day operations of Ta Win Group, based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to Part A of the Circular/Statement to Shareholders dated 28 October 2022 which is despatched together with this Annual Report for more information.

Note G

The proposed Ordinary Resolution 8, if passed, will give the Directors of the Company the authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or effect the purchase(s) of Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. This mandate shall lapse at the conclusion of the 28th AGM of the Company unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

Please refer to Part B of the Circular/Statement to Shareholders dated 28 October 2022 which is despatched together with this Annual Report for more information.

NOTICE OF ANNUAL GENERAL MEETING

(CONTINUED)

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the MMLR of Bursa Securities)

1. ELECTION OF DIRECTORS

No individual is seeking election as Director of the Company at the 28th AGM of the Company.

2. GENERAL MANDATE FOR ISSUANCE OF SHARES

Kindly refer to item Note E of the Explanatory Notes of this Notice.



WHAT IS Securities Services e-Portal?

Securities Services e-Portal is an online platform that will allow both individual shareholders and body corporate shareholders through their appointed representatives, to -

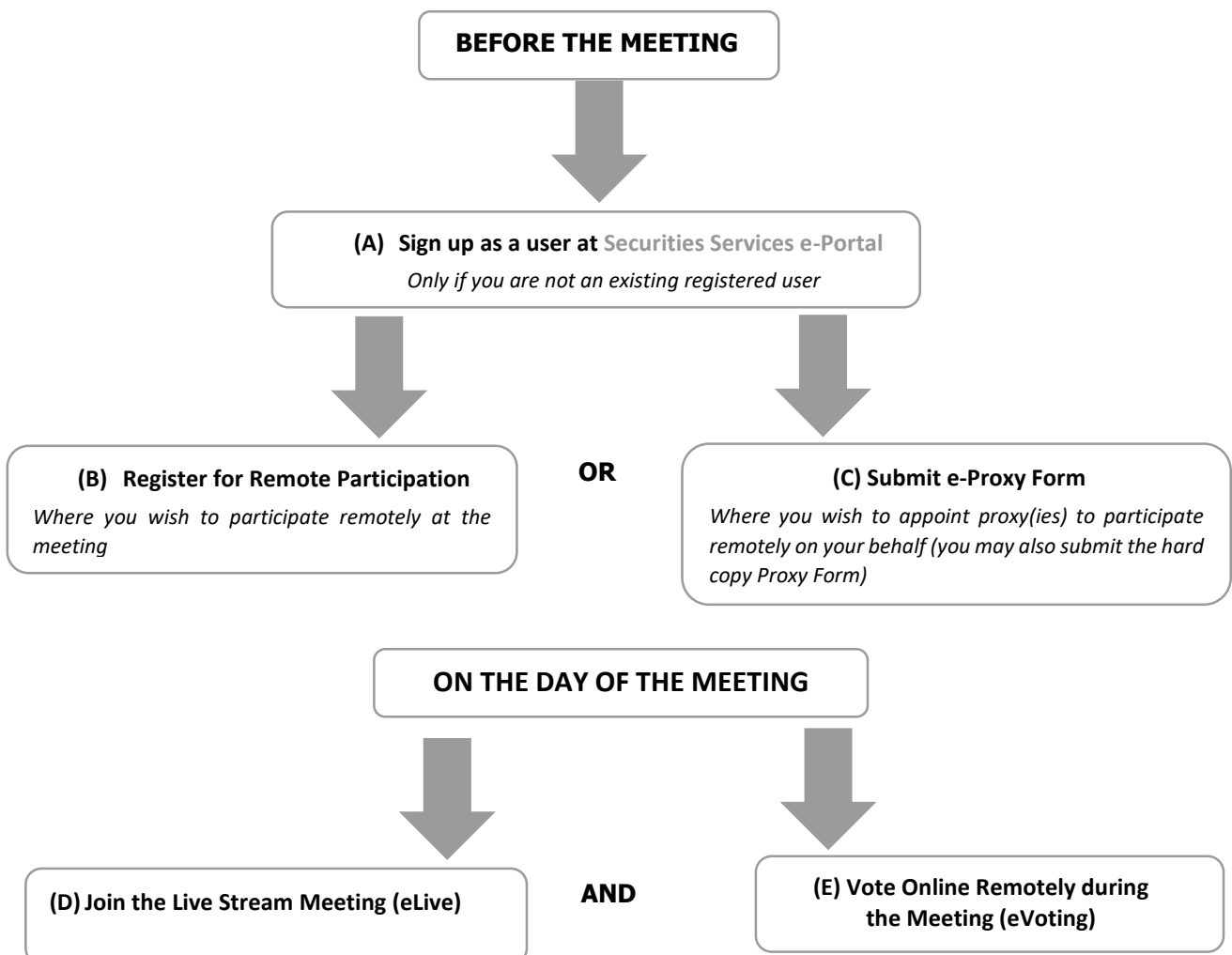
- submit proxy form electronically – paperless submission
 - register for remote participation and voting at meetings
 - participate in meetings remotely via live streaming
 - vote online remotely on resolution(s) tabled at meetings
- (referred to as “**e-Services**”)

The usage of the e-Portal is dependent on the engagement of the relevant e-Services by Ta Win Holdings Berhad and is by no means a guarantee of availability of use, unless we are so engaged to provide. **All users are to read, agree and abide to all the Terms and Conditions of Use and Privacy Policy as required throughout the e-Portal.**

Please note that the e-Portal is best viewed on the latest versions of Chrome, Firefox, Edge and Safari.

ENQUIRY

Please contact Mr. Wong Piang Yoong (DID: +603 2084 9168) or Ms. Lee Pei Yeng (DID: +603 2084 9169) or Ms. Rachel Ou (DID: +603 2084 9161) or our general line (DID: +603 2084 9000) to request for e-Services Assistance during our office hours on Monday to Friday from 8:30 a.m. to 12:15 p.m. and from 1:15 p.m. to 5:30 p.m. Alternatively, you may email us at eservices@sshshb.com.my.



BEFORE THE MEETING

(A) Sign up for a user account at Securities Services e-Portal

<p>Step 1 Visit https://sshsb.net.my/</p> <p>Step 2 Sign up for a user account</p> <p>Step 3 Wait for our notification email that will be sent within one (1) working day</p> <p>Step 4 Verify your user account within seven (7) days of the notification email and log in</p>	<ul style="list-style-type: none"> • This is a ONE-TIME registration. If you already have a user account, you need not register again. • Your email address is your User ID. • Please proceed to either (B) or (C) below once you are a registered user.
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ALL SHAREHOLDERS MUST REGISTER AS A USER BY 24 NOVEMBER 2022

(B) Register for Remote Participation

Meeting Date and Time	Registration for Remote Participation Closing Date and Time
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Twenty Eighth ("28 th ") Annual General Meeting ("AGM") on Tuesday, 29 November 2022 at 10:00 a.m.	Sunday, 27 November 2022 at 10:00 a.m.
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- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Ta Win Holdings Berhad** under Company Name and **28th AGM on 29 November 2022 at 10:00 a.m. – Registration for Remote Participation** under Corporate Exercise/ Event and click ">" to register for remote participation at the meeting.

- Step 1 Check if you are attending as –
- Individual shareholder
 - Corporate or authorised representative of a body corporate
- For body corporates, the appointed corporate/ authorised representative has to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in 1 file. The original evidence of authority and translation thereof, if required, have to be submitted to SS E Solutions Sdn. Bhd. to the Share Registrar at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia for verification before the registration closing date and time above.*
- Step 2 Submit your registration.

- A copy of your e-Registration for remote participation can be accessed via **My Records** (refer to the left navigation panel).
- Your registration will apply to **all the CDS account(s)** of each individual shareholder/ body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.
- As the meeting will be conducted on a fully virtual basis, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, please appoint the Chairman of the meeting as proxy or your own proxy(ies) to represent you.

(C) Submit e-Proxy Form

Meeting Date and Time	Proxy Form Submission Closing Date and Time
28 th AGM, on Tuesday, 29 November 2022 at 10:00 a.m.	Sunday, 27 November 2022 at 10:00 a.m.

- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Ta Win Holdings Berhad** under Company Name and **28th AGM on 29 November 2022 at 10:00 a.m. – Submission of Proxy Form** under Corporate Exercise/ Event and click ">" to submit your proxy forms online for the meeting by the submission closing date and time above.

- Step 1 Check if you are submitting the proxy form as –
- Individual shareholder
 - Corporate or authorised representative of a body corporate
For body corporates, the appointed corporate/ authorised representative is to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in 1 file. The original evidence of authority and translation thereof, if required, have to be submitted to SS E Solutions Sdn. Bhd. to the Share Registrar at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia for verification before the proxy form submission closing date and time above.
- Step 2 Enter your CDS account number or the body corporate's CDS account number and corresponding number of securities. Then enter the information of your proxy(ies) and the securities to be represented by your proxy(ies).
You may appoint the Chairman of the meeting as your proxy where you are not able to participate remotely.
- Step 3 Proceed to indicate how your votes are to be casted against each resolution.
- Step 4 Review and confirm your proxy form details before submission.
- A copy of your submitted e-Proxy Form can be accessed via **My Records** (refer to the left navigation panel).
 - You need to submit your e-Proxy Form for **every CDS account(s)** you have or represent.

PROXIES

All appointed proxies need not register for remote participation under (B) above but if they are not registered users of the e-Portal, they will need to register as users of the e-Portal under (A) above by 24 November 2022. PLEASE NOTIFY YOUR PROXY(IES) ACCORDINGLY. Upon processing the proxy forms, we will grant the proxy access to remote participation at the meeting to which he/she is appointed for instead of the shareholder, provided the proxy must be a registered user of the e-Portal, failing which, the proxy will not be able to participate at the meeting as the meeting will be conducted on a fully virtual basis.

ON THE DAY OF THE MEETING

Log in to <https://sshbsb.net.my/> with your registered email and password

(D) Join the Live Stream Meeting (eLive)

Meeting Date and Time	eLive Access Date and Time
28 th AGM, on Tuesday, 29 November 2022 at 10:00 a.m.	Tuesday, 29 November 2022 at 09:30 a.m.

➤ Look for **Ta Win Holdings Berhad** under Company Name and **28th AGM on 29 November 2022 at 10:00 a.m. – Live Stream Meeting** under Corporate Exercise/ Event and click ">" to join the meeting.

- The access to the live stream meeting will open on the abovementioned date and time.
- If you have any questions to raise, you may use the text box to transmit your question. The Chairman/ Board/ Management/ relevant adviser(s) will endeavour to broadcast your question and their answer during the meeting. Do take note that the quality of the live streaming is dependent on the stability of the internet connection at the location of the user.

(E) Vote Online Remotely during the Meeting (eVoting)

Meeting Date and Time	eVoting Access Date and Time
28 th AGM, on Tuesday, 29 November 2022 at 10:00 a.m.	Tuesday, 29 November 2022 at 10:00 a.m.

- If you are already accessing the Live Stream Meeting, click **Proceed to Vote** under the live stream player.
OR
- If you are not accessing from the Live Stream Meeting and have just logged in to the e-Portal, look for **Ta Win Holdings Berhad** under Company Name and **28th AGM on 29 November 2022 at 10:00 a.m. – Remote Voting** under Corporate Exercise/ Event and click ">" to remotely cast and submit the votes online for the resolutions tabled at the meeting.

Step 1 Cast your votes by clicking on the radio buttons against each resolution.

Step 2 Review your casted votes and confirm and submit the votes.

- The access to eVoting will open on the abovementioned date and time.
- Your votes casted will apply throughout all the CDS accounts you represent as an individual shareholder, corporate/ authorised representative and proxy. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder's indicated votes in the proxy form.
- The access to eVoting will close as directed by the Chairman of the meeting.
- A copy of your submitted e-Voting can be accessed via **My Records** (refer to the left navigation panel).



TA WIN HOLDINGS BERHAD
(Registration No.: 199401005913 (291592-U))
(Incorporated in Malaysia)

CDS account no.	
No. of shares held	

FORM OF PROXY

I/We
(name of shareholders, in block letters)

*NRIC No./Passport No./Company No. of
(full of address)

being a member(s) of **TA WIN HOLDINGS BERHAD** ("the Company") hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address	Email		
	Contact		

*and/or

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address	Email		
	Contact		

or failing him, *the Chairman of the Annual General Meeting ("AGM"), as *my/ our proxy to vote for *me/ us on *my/ our behalf at the Twenty Eighth ("28th") AGM of the Company will be conducted as a virtual meeting through live streaming from the broadcast venue at Meeting Room of Ta Win Holdings Berhad of Unit 26-11 & 26-12, Level 26, Q Sentral, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Tuesday, 29 November 2022 at 10.00 a.m. or at any adjournment thereof, in the manner indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	To re-elect Dato' Yeo Boon Leong, JP as Director.		
2.	To re-elect Dato' Sri Ngu Tieng Ung, JP as Director.		
3.	To approve the payment of Directors' fees.		
4.	To approve the Directors' Benefits payable.		
5.	To approve the re-appointment of Messrs. Ecovis Malaysia PLT as the Auditors of the Company.		
6.	To authorize the Directors to allot shares of up to 10% of the total number of issued shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		
7.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
8.	Proposed Renewal for Share Buy-Back Authority.		

(Please indicate with an "X" in the spaces provided on how you wish your votes to be cast. If you do not do so, the Proxy will vote or abstain from voting at his discretion.)

Signed this day of 2022

.....
*Signature (s)/Common Seal of Shareholder

* Delete if not applicable

Notes:

Information for shareholders/ proxies/ corporate representatives

- The 28th AGM will be conducted on a virtual basis through live streaming and online remote voting via remote participation and voting facilities using Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. in Malaysia. **Please read carefully and follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via remote participation.**
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- If no name is inserted in the space provided for the name of your proxy, the Chairman of the AGM will act as your proxy.



- (6) The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM at which the person named in the appointment proposes to vote:-
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- (iii) Online
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- (8) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.
- (9) For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a AGM Record of Depositors ("ROD") as at 22 November 2022. Only a depositor whose name appears on the ROD as at 22 November 2022 shall be entitled to attend the said Meeting or appoint proxy(ies) to attend and/or vote on such depositor's behalf.
- (10) Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions at the AGM will be voted by poll.

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AFFIX
STAMP

THE SHARE REGISTRARS
Securities Services (Holdings) Sdn. Bhd.
(Registration No.: 197701005827 (36869-T))
Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

2nd Fold Here

Fold This Flap For Sealing

 大穩控股有限公司
TA WIN HOLDINGS BERHAD

(Registration No.: 199401005913 (291592-U))
(Incorporated in Malaysia)

Unit 26-11 & 26-12, Level 26, Q Sentral
Jalan Stesen Sentral 2, 50470 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel No. : (603) 2276 6522 Fax No. : (603) 2276 6511

www.ta-win.com

