馬譽環球集團

MAYU
GLOBAL GROUP BERHAD

(Formerly known as ATTA Global Group Berhad)
198101012950 (79082-V)

GREATER SUSTAINABILITY TO NEW VISION

ANNUAL REPORT
2023

What's Inside

42nd

ANNUAL GENERAL MEETING

The Light Hotel,
Lebuh Tenggiri 2, 13700
Seberang Jaya, Pulau Pinang

Friday, 15 December 2023

11.00 a.m

Cover Rationale

Greater Sustainability to New Vision

MAYU GLOBAL GROUP BERHAD (Formerly known as ATTA Global Group Berhad) transforms to new vision to elevate greater sustainability. With relentless effort to expand globally, we devote in quality assurance in each sectors of our operations, and services while constantly satisfying the needs and demands of the market. We will continue to embrace limitless growth, provide quality beyond comparison to everyone and together we achieve different results.

Overview

Performance Review

Creating Sustainable Value

Governance

Additional Information

Financial Statements

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Second (42nd) Annual General Meeting ("42nd AGM and/or "AGM") of the Company will be held at The Light Hotel, Lebuh Tenggiri 2, 13700 Seberang Jaya, Pulau Pinang on **Friday, 15 December 2023 at 11.00 a.m**.

AGENDA	**ORDINARY RESOLUTION**
AS ORDINARY BUSINESS:	
1. To receive the Audited Financial Statements for the year ended 30 June 2023, together with the Directors' and Auditors' Reports thereon.	**(Please refer to Note 2)**
2. To approve the payment of Directors' fees of RM273,000 per Non-Executive Director per annum in respect of the financial year ended 30 June 2023.	**1**
3. To approve the payment of Directors' benefits to Non-Executive Directors up to an amount of RM130,000 from the 42nd AGM until the next AGM of the Company.	**2**
4. To re-elect the following Directors retiring by rotation in accordance with the Company's Constitution:	
4.1 Dato' Sri Tajudin Bin Md Isa	**3**
4.2 Mr. Chow Choon Hoong	**4**
5. To re-elect the following Directors who were appointed during the year and retires in accordance with the Company's Constitution:	
5.1 Ms. Leong Wai Kuan	**5**
5.2 Ms. Tan Qian Hui	**6**
6. To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.	**7**
AS SPECIAL BUSINESS:	
7. To consider and, if thought fit, pass the following Resolutions:	
7.1 Proposed Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016	**8**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act"), the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT pursuant to Section 85 of the Act, read together with Article 3.3 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER 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."

7. To consider and, if thought fit, pass the following Resolutions: (Cont'd)

7.2 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY **9**

"That, subject to the Companies Act 2016 ("Act"), the provisions of the Company's Constitution, the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy-Back") provided that:

(i) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;

(ii) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of the retained profits of the Company based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy-Back. The accumulated losses of the Company based on its audited financial statements as at 30 June 2023 is RM32,943,663.

(iii) upon completion of the purchase by the Company its own ordinary shares, the Directors of the Company be and are hereby authorized to deal with the ordinary shares purchased in their absolute discretion in the following manners:

(a) cancel all the ordinary shares so purchased; and/or

(b) retain the ordinary shares so purchased as treasury shares; and/or

(c) retain part thereof as treasury shares and cancel the remainder;

(d) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force.

And that any authority conferred by this resolution may only continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

Notice of Annual General Meeting

7. To consider and, if thought fit, pass the following Resolutions: (Cont'd)

7.2 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd) **9**

And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Act, the provisions of the Constitution of the Company and the Main LR and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT only members whose names appear on the Record of Depositors as at 7 December 2023 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board
CHAN EOI LENG
(SSM PC No. 202008003055)
(MAICSA 7030866)

CHONG KWAI YOONG
(SSM PC No. 202308000244)
(MAICSA 7075434)

Chartered Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia
30 October 2023

NOTES:

1. Proxy

A member (other than an exempt authorized nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.

Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

NOTES: (CONT'D)

1. **Proxy (Cont'd)**

The instrument appointing a proxy or proxies must be deposited at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the holding of the meeting or any adjournment thereof either by hand, post, courier or electronic mail to bsr.helpdesk@boardroomlimited.com before the Form of Proxy lodgement cut-off time as mentioned above.

Alternatively, the form of proxy can be submitted by electronic means through the Share Registrar's website, Boardroom Smart Investor Portal. Kindly follow the link at https://investor.boardroomlimited.com to login and deposit your form of proxy electronically, also forty-eight (48) hours before the meeting.

For verification purposes, members and proxies are required to produce their original identity cards at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.

Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agrees and consents that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

2. **Audited Financial Statements For The Financial Year Ended 30 June 2023**

Agenda 1 is meant for discussion only as Section 340(1) of the Companies Act 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM and not shareholders' approval. Hence, Agenda 1 will not be put forward for voting.

3. **Directors' Fees and Benefits**

Section 230(1) of the Companies Act 2016 provides amongst others, that "fees" of the directors and "any benefits" payable to directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two (2) separate resolutions as follows:

Resolution 1: Payment of Directors' fees in respect of the financial year ended 30 June 2023
Resolution 2: Payment of Directors' benefits from the 42nd AGM until the next AGM of the Company

Summary of the Payment of Directors' Fees and Directors' Benefits to Directors from the 42nd AGM until the next AGM in year 2024:

Description	Non-Executive Chairman	Non-Executive Directors / Members
Directors' Fee	RM216,000 per annum	RM18,000 per annum

Description	Non-Executive Directors / Members
Meeting Allowance for Directors' Meeting	RM1,000 per meeting
Meeting Allowance for Board Committees	RM1,000 per meeting

Notes:

1. The Executive Director of the Company shall not be entitled to any Director's Fees or any allowances in the Company and its subsidiaries.

2. The Directors' benefits payable to the Non-Executive Directors would be calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees and includes all benefits payable to the Directors, such as meeting allowances, etc.

NOTES: (CONT'D)

4. Re-election of Directors

The following Directors who retire are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this AGM:

- Dato' Sri Tajudin Bin Md Isa (retire by rotation)
- Mr. Chow Choon Hoong (retire by rotation)
- Ms. Leong Wai Kuan (appointed during the year)
- Ms. Tan Qian Hui (appointed during the year)

The Board has via the Nomination and Remuneration Committee had conducted an assessment on their effectiveness and contributions of the said retiring Directors including their skills, experience, competency and strength in qualities and time commitment in accordance with the Fit and Proper Policy, has recommended for them to be re-elected to the Board. The profiles of the retiring Directors are set out in the Profile of Directors of the Annual Report 2023.

5. Re-appointment of External Auditor ("EA")

The Audit Committee ("AC") had on 29 August 2023 deliberated the outcome of the annual assessment of the EA, which included an assessment of the engagement teams' qualifications, credentials and experience, particularly in the financial services sector, their audit work approach, and their ability to provide value-added advice and services, as well as to perform the work within MAYU Group's timeline by completing an assessment questionnaire.

The AC in its assessment found Messrs Grant Thornton Malaysia PLT to be sufficiently objective and independent and was satisfied with the suitability based on the quality of audit, performance and resources in terms of their audit team provided to the Group.

The Board, therefore, approved the AC's recommendation that the re-appointment of Messrs Grant Thornton Malaysia PLT as External Auditors of the Company for the financial year ending 30 June 2024 be put forward for shareholders' approval at the AGM.

6. Proposed Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Resolution 8, if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. 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.

The general mandate sought for allotment and issue of shares is a renewal of the general mandate sought in the preceding year. As at the date of Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 41st AGM held on 14 December 2022 and hence no proceeds were raised therefrom. The general mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares for purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make announcement in respect thereof.

7. Proposed Renewal of Share Buy-Back Authority

The proposed Resolution 9, if passed, will empower the Directors to purchase the Company's own shares through Bursa Malaysia Securities Berhad up to 10% of the issued shares of the Company. This authority will expire at the next AGM of the Company unless earlier revoked or varied by ordinary resolution of the Company at a general meeting.

Further information on the above Ordinary Resolution is set out in the Statement to Shareholders of the Company, which is sent out together with the Company's 2023 Annual Report.

Annual Report 2023 and Corporate Governance Report 2023

The Annual Report 2023 and Corporate Governance Report 2023 may be downloaded at www.mayuglobal.com

Corporate Information

Board of Director

Dato' Sri Tajudin Bin Md Isa
S.S.A.P, D.P.S.K, D.P.N.S, P.G.P.P, J.S.M, P.S.P.P, J.P.N
Chairman | Independent Non-Executive Director

Tan Kim Hee
Executive Director

Goh Chin Heng
Executive Director

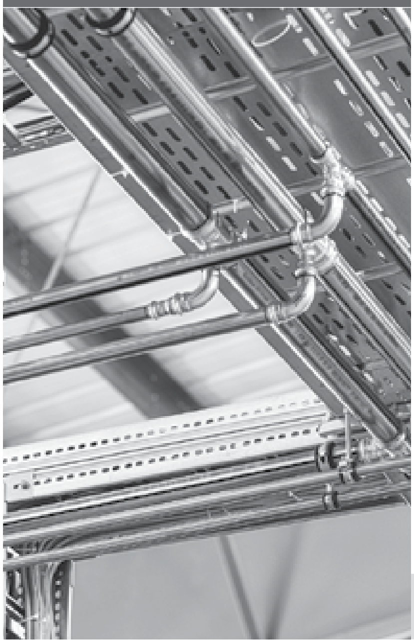
Chow Choon Hoong
Executive Director

Loh Yee Sing
Independent Non-Executive Director

Ravi Chandran A/L Subash Chandran
Independent Non-Executive Director

Leong Wai Kuan
Independent Non-Executive Director

Tan Qian Hui
Non-Independent Non-Executive Director



Audit Committee

Loh Yee Sing | Chairman

Ravi Chandran A/L Subash Chandran

Leong Wai Kuan

Nomination and Remuneration Committee

Ravi Chandran A/L Subash Chandran | Chairman

Loh Yee Sing

Leong Wai Kuan

Risk Management and Sustainability Committee

Chow Choon Hoong | Chairman

Loh Yee Sing

Mathavan Pillay A/L Kanasi

Izzat Hafizuddin Bin Mohammad Halmi

Corporate/Operational Office

MAYU Global Group Berhad
(Formerly known as ATTA Global Group Berhad)
[198101012950 (79082-V)]
No. 17, Jalan Perusahaan Sungai Lokan 3, Taman Industri Sungai Lokan
13800 Butterworth, Pulau Pinang
Malaysia
Tel No.: 604-6857324
Fax No.: 604-6857306

Share Registrars

Boardroom Share Registrars Sdn. Bhd. [199601006647 (378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No.: 603-78904700 (Helpdesk)
Fax No.: 603-78904670
Website: www.boardroomlimited.com
Email: bsr.helpdesk@boardroomlimited.com

Registered Office

No. 55A, Medan Ipoh 1A
Medan Ipoh Bistari, 31400 Ipoh
Perak Darul Ridzuan, Malaysia
Tel No.: 605-5474833 / 5491510
Fax No.: 605-5474363
Email: boardroom-kl@boardroomlimited.com

Company Secretaries

Chan Eoi Leng
(SSM PC No. 202008003055)
(MAICSA 7030866)

Chong Kwai Yoong
(SSM PC No. 202308000244)
(MAICSA No. 7075434)

Auditors

Grant Thornton Malaysia PLT
(AF:0737)
Chartered Accountants
Level 5, Menara BHL
51, Jalan Sultan Ahmad Shah
10050 Penang, Malaysia
Tel No.: 604-2287828
Fax No.: 604-2279828

Principal Bankers

Affin Bank Berhad
AmBank (M) Berhad
AmIslamic Bank Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
Maybank Islamic Berhad
Public Bank Berhad
Public Mutual Berhad
RHB Bank Berhad
UOB Bank Berhad

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name: MAYU
Stock Code: 7099

Corporate Structure

馬譽環球集團
MAYU
GLOBAL GROUP BERHAD
(Formerly known as ATTA Global Group Berhad)
Registration No.: 198101012950 (79082-V)

100% SMPC INDUSTRIES SDN. BHD.
- Shearing
- Reshearing
- Slitting
- Slitted Flat Bars
- Trading

100% SMPC MARKETING SDN. BHD.
- Dormant

100% PROGEREX SDN. BHD.
- Investment Holding
- Shredding, processing and trading of ferrous and non-ferrous scrap metals

100% SMPC DEXON SDN. BHD.
- Manufacturing Steel Furniture
- Trading Steel Furniture

100% KEMBANG KARTIKA SDN. BHD.
- Property Development

100% SANTRO MATCH SDN. BHD.
- Property Investment

100% SYARIKAT PERKILANGAN BESI GAYA SDN. BHD.
- Dormant

100% PARK AVENUE CONSTRUCTION SDN.BHD.
- Investment Holding

100% SUNGGUH GEMILANG DEVELOPMENT SDN. BHD.
- Property Development

100% SPARKLE GATEWAY SDN. BHD.

80% MUTIARA BIOPOLIS PROPERTIES SDN. BHD.
- Property Development

100% MPSB VENTURE SDN. BHD.
- Property Development

100% CLIMATE ATTITUDE SDN. BHD.
- Property Development

100% MAYU PROPERTIES SDN. BHD. (Formerly known as ATTA Properties Sdn. Bhd.)
- Property Investment
- Investment Holding

100% EMINENT POTENTIAL SDN. BHD.
- Property Development

100% SCANRITE SDN. BHD.
- Property Development

80% SUNRISE MANNER SDN. BHD.
- Property Development

100% SUNRISE CONCEPT SDN. BHD.
- Dormant

60% METAL PERFORATORS (MALAYSIA) SDN. BHD.
- Manufacturing & Marketing of Perforated Metal, Cables Support
- Systems & Screen Plates
- Hardware items

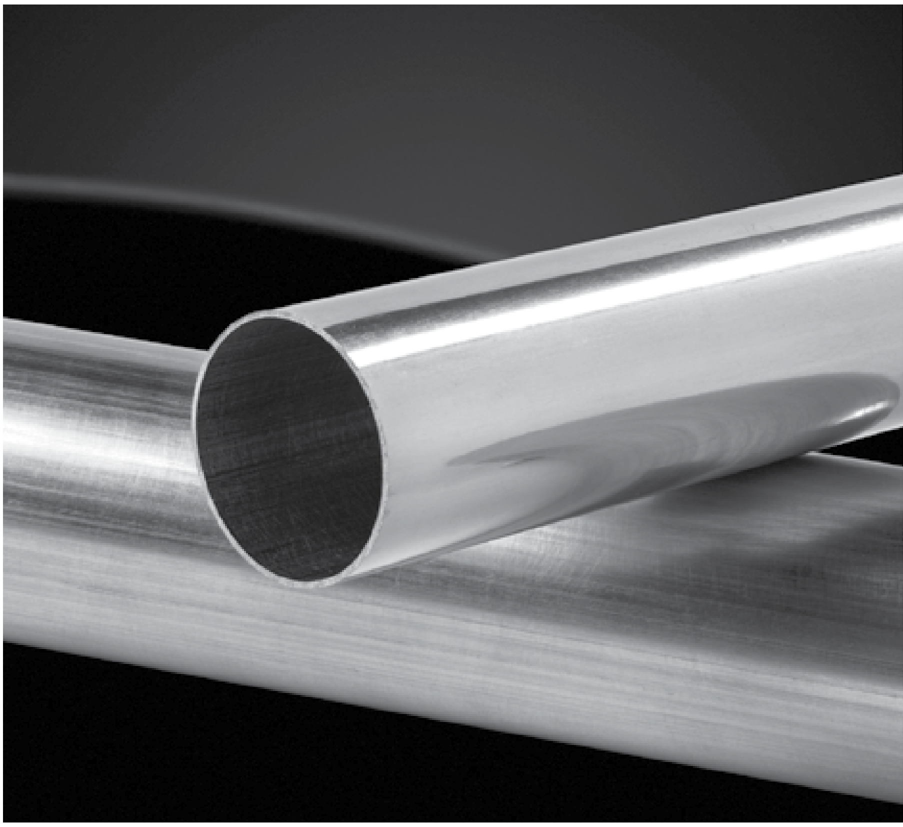
60% DURO METAL INDUSTRIAL (M) SDN. BHD.
- Steel Roofing
- Wall Cladding
- Structural Floor Decking

Chairman's Statement

Letter from the Chairman

My fellow shareholders and friends of MAYU Global,

In a world marked by constant change and challenges, MAYU Global has steadfastly showcased its resilience, adaptability and growth. And it is with pride that I provide you with insights into MAYU Global's performance for the financial year ended 30 June 2023, navigating the evolving landscapes of the manufacturing and property development sectors within Malaysia.



The Malaysian economic landscape has been a canvas of transformation, and MAYU Global has been an active participant in shaping its narrative. The manufacturing sector, a cornerstone of our operations, has demonstrated robust growth. Malaysia's strategic location, skilled workforce, and technological advancements have contributed to our ability to capitalise on emerging opportunities.

In this dynamic environment, MAYU Global has thrived by embracing innovation and adhering to the highest standards of quality. Our commitment to sustainable practices has resonated with partners and stakeholders, aligning seamlessly with the evolving expectations of the manufacturing sector.

In the dynamic iron and steel market, MAYU Global has maintained a position of strength. Our focus on innovation, efficiency, and sustainability has propelled our growth trajectory. As global demands evolve and environmental considerations become more prominent, our commitment to producing high-quality products remains unwavering.

By fostering partnerships and embracing technological advancements, MAYU Global has enhanced its market presence and solidified its reputation as a reliable supplier in the iron and steel industry.

On the property development front, the sector has presented us with opportunities to showcase our adaptability. Despite fluctuations in the market, MAYU Global's expertise has enabled us to identify trends and adapt our strategies effectively. Our projects stand as testaments to our dedication to creating spaces that harmonise with modern lifestyles while contributing to sustainable urban development.

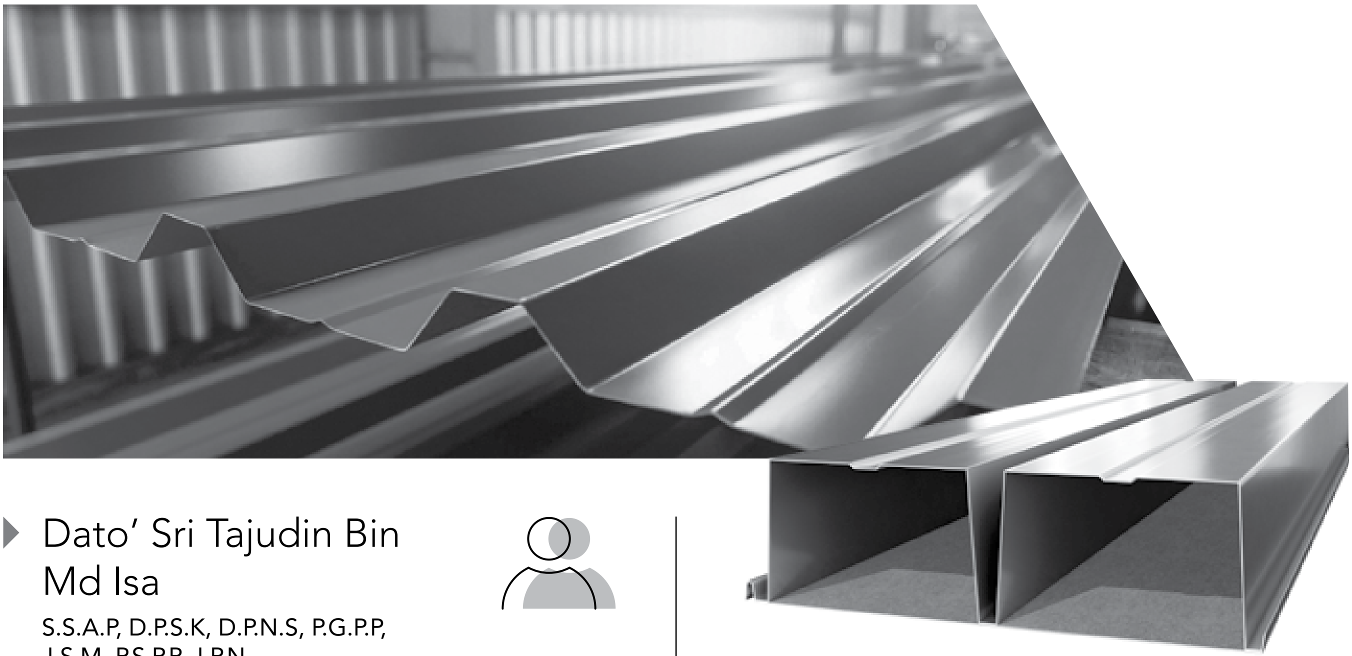
We recognise that the property development landscape requires a delicate balance of creativity and practicality. For that, the Group remains steadfast to exceeding these expectations, enhancing communities, and contributing positively to the growth of this sector.

Looking ahead, MAYU Global will remain resolute in its commitment to excellence. We will continue to invest in research, technology, and sustainable practices to ensure that we stand at the forefront of change and continue to deliver exceptional value to our stakeholders.

I would like to take this opportunity to extend my heartfelt gratitude to all our shareholders, partners, customers, and employees for their unwavering support. Together, we will navigate the ever-evolving landscapes and continue to achieve new heights of success.

Dato' Sri Tajudin Bin Md Isa
Chairman

Profile of The Directors



Dato' Sri Tajudin Bin Md Isa

S.S.A.P, D.P.S.K, D.P.N.S, P.G.P.P, J.S.M, P.S.P.P, J.P.N

Chairman | Independent Non-Executive Director

Male | Malaysian | 64 years old

Dato' Sri Tajudin Bin Md Isa was appointed to the Board of MAYU on 1 October 2020 as the Chairman of the Board.

Dato' Sri graduated with a Bachelor's Degree in Business Administration from the University of Oklahoma, United States of America and a Master in Police Studies from the University Kebangsaan Malaysia. He started his career as a Junior Executive in Bank Bumiputra Malaysia Berhad in 1981. He then joined the Royal Malaysia Police in 1987. He has holistic and extensive experience in Royal Malaysia Police ("RMP") for 33 years until his retirement on 24 December 2019. During his service in the RMP, he holds the following various positions:

- Officer in Charge of Police District ("OCPD") in Kota Tinggi, Johor
- Officer in Charge of Commercial Crime Investigation Department in Penang
- Officer in Charge of Criminal Investigation ("OCCI") in Selangor
- Chief Police Officer ("CPO") in Perlis and Kuala Lumpur
- Deputy Director of Commercial Crime Investigation Department
- Director of Crime Prevention and Community Safety Department
- Director of Logistics and Technology Department

Currently, he holds directorship in a private limited company.

Other Directorship(s) in Public Companies and Listed Issuers: YB Ventures Berhad

Tan Kim Hee

Executive Director

Male | Malaysian | 59 years old

Tan Kim Hee was appointed to the Board of MAYU as a Non-Independent Non-Executive Director on 28 March 2018. He was re-designated as an Executive Director on 18 February 2020.

After graduated from University Kebangsaan Malaysia (UKM), Mr. Tan involved in the telecommunication industry by joining Sapura Group. He builds up his customer network and maintained good relationship with most of the major suppliers during this period. After gaining enough experience, he decided to venture into the telecommunication business on his own strength establishing One Touch Mobile Sdn. Bhd. in year 1998, has over eighteen (18) years of experience in the telecommunication industry. Through his commitment and effort, he has successfully gained a foothold in the telecommunication industry. After a few years of determined effort and hard work, he gained his reputation as a reliable and efficient businessman in the market and the company is expanding rapidly under his leadership.

He is also a substantial shareholder of MAYU.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Profile of The Directors

Goh Chin Heng

Executive Director

Male | Malaysian | 46 years old

Goh Chin Heng was appointed to the Board of MAYU as a Non-Independent Non-Executive Director on 1 October 2020. He was re-designated as an Executive Director on 18 March 2021. He was appointed as a member of the Remuneration Committee on 18 March 2021 and relinquished his position on 1 March 2023 after the establishment of Nomination and Remuneration Committee on 1 March 2023.

Mr. Goh founded G Reka Management Sdn. Bhd. ("GRMSB") which is a Grade 7 contractor registered with Construction Industry Development Board ("CIDB") in year 2017 with his solid industrial knowledge. He has been appointed as the Managing Director of GRMSB and he is primarily responsible for the overall business strategy towards the profitable growth of GRMSB as dictated by the Boards strategy. He creates the blueprint for GRMSB, executing the comprehensive business plans and ventures, overseeing GRMSB's financial performance and implementing operating plans and policies which are paralleled with GRMSB's objectives and visions. He was formerly an Executive Director of Jade Marvel Group Berhad. Back in his early career days, Mr. Goh practiced as a design and project engineer with Arup Jururunding Sdn. Bhd. and was often involved in large scale development projects undertaken by both public and private sectors.

His quality of being agile coupled with his adequate exposure diversity landed him a position of Senior Engineer with Ivory Properties Group Berhad ("IPGB"), a Malaysian Public Listed Company. He was promoted multiple times throughout his tenure with IPGB and his diligence, dedication, leadership skills and traits led him to the position of Chief Operating Officer. While holding the Chief Operating Officer's office, he administered the day-to-day overall quality management of IPGB and collaborated with Chief Executive Officer in driving all businesses and investments of IPGB.

His holistic experience in the real estate industry propelled him into the Directors' office of Tropicana Ivory Sdn. Bhd. which was then the joint venture company incorporated between IPGB and Tropicana Corporation Berhad.

He is deemed interested through G Reka Management Sdn. Bhd., a substantial shareholder of MAYU.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Chow Choon Hoong

Executive Director

Male | Malaysian | 59 years old

Chow Choon Hoong is an Executive Director of MAYU. He was appointed to the Board of MAYU on 29 June 2015 and also the Chairman of Risk Management Committee. On 2 March 2023, the Risk Management Committee had been re-designated and known as "Risk Management and Sustainability Committee ("RMSC").

Mr. Chow graduated with a Bachelor of Science Degree in Civil Engineering and Specialized in Structural and Transportation Engineering. He served as a Civil Engineer of Tokyu Construction Sdn. Bhd. from year 1992 to 1993. Then, he served as an Assistant Resident Engineer of Wing Tai Development Sdn. Bhd. from year 1993 to 1994. After that, he worked as a Project Coordinator and Structural Detailed Design Engineer of Sepakat Setia Perunding Sdn. Bhd. in year 1994 until 1997. Thereafter, he worked as a Project Manager of MUI Properties Sdn. Bhd. from year 1997 to 1998. Presently, he is a Director of Duro Metal Industrial (M) Sdn. Bhd. and Metal Perforators (Malaysia) Sdn. Bhd., the subsidiaries of MAYU.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Loh Yee Sing

Independent Non-Executive Director

Female | Malaysian | 47 years old

Loh Yee Sing is an Independent Non-Executive Director of MAYU. She was appointed to the Board of MAYU on 28 November 2016. She was appointed as the Chairman of the Audit Committee on 24 June 2021. She was appointed as a member of the Nomination Committee and Remuneration Committee and Risk Management and Sustainability Committee on 1 March 2023 and 2 March 2023 respectively.

Ms. Loh graduated with a Bachelor of Commerce (Accounting), Nelson Polytechnic at New Zealand. She is also a member of the Malaysian Institute of Accountants, Institute of Chartered Accountants New Zealand.

She has more than 15 years of experience in the field of Finance and Accounting. Presently, she is a Senior Finance Manager of Zhulian Group of Companies.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Profile of The Directors

Ravi Chandran A/L Subash Chandran

Independent Non-Executive Director

Male | Malaysian | 60 years old

Ravi Chandran A/L Subash Chandran was appointed to the Board of MAYU as an Independent Non-Executive Director on 13 April 2021. Subsequently, he was appointed as a member of the Audit Committee, Nomination Committee and Remuneration Committee on 24 June 2021. However, the Nomination Committee and Remuneration Committee ("NRC") has been combined into one single committee and Mr. Ravi was appointed as a Chairman of the NRC on 1 March 2023.

Mr. Ravi graduated with a law degree from the University of London. He began his career in 1991 by joining Solectron Technologies Sdn Bhd as a Senior Manager until 1998 when he joined G-Technologies Inc to hold a leadership position as a Regional Manager (SE Asia). In 2003, he was admitted to the High Court of Malaya as an advocate and solicitor. At the same year, he served as a legal assistant in Mohd Imtiaz Choong & Partners for 2 years. Following that he joined K. Mano & Associates as a partner between 2005 to 2008.

He then continued his career as a sole proprietor of SC Ravi & Associates in 2008 and has since been remained the same.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Leong Wai Kuan

Independent Non-Executive Director

Female | Malaysian | 47 years old

Leong Wai Kuan was appointed to the Board of MAYU as an Independent Non-Executive Director on 1 March 2023 and appointed as a member of the Audit Committee and Nomination Committee and Remuneration Committee on 1 March 2023.

Ms. Leong holds a Bachelor of Laws from the University of Wales, Cardiff, United Kingdom and subsequently, she obtained the Certificate in Legal Practice and admitted to the Malaysian Bar in year 2003. She practised in several firms prior to joining Messrs Lio & Partners as a partner in 2010.

She has over 19 years of experience practicing as an Advocate and Solicitor specializing in conveyancing and corporate matters. She has a good working relationship with various corporate entities and has been appointed as legal advisor to handle their legal related portfolios.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Tan Qian Hui

Non-Independent Non-Executive Director

Female | Malaysian | 25 years old

Tan Qian Hui was appointed to the Board of MAYU as a Non-Independent Non-Executive Director on 1 March 2023.

Ms. Tan graduated with a Bachelor Degree of Commerce from the University College of Dublin, Dublin, Ireland and a Bachelor of Commerce Exchange Programme from Queen's University Kingston, Canada.

She started off with her working experience as Marketing Executive at Poet Living Sdn Bhd in November 2019 until March 2020 and she then moved to One Touch Mobile Sdn Bhd until August 2020. Subsequently, she joined Masco Agriculture Sdn Bhd as a Project Leader in September 2020 until January 2022 and finally as a Managing Director of Chubby Chef Creative Agency Sdn Bhd from March 2022 until present.

Ms. Tan is the daughter of the Executive Director of the Company, Mr. Tan Kim Hee who is also a major Shareholder of the Company.

Other Directorship(s) in Public Companies and Listed Issuers: Nil

Notes:

i. **Family relationships with any Directors and/or Major Shareholders**
None of the Directors has any family relationship with the other Directors and/or Major Shareholders of the Company except for Ms. Tan Qian Hui as she is the daughter of Mr. Tan Kim Hee, the Executive Director and Major Shareholder of the Company.

ii. **Conflict of Interest**
None of the Directors has any conflict of interest with the Company.

iii. **Non-conviction of Offences**
None of the Directors has been convicted of any offences within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial period.

Profile of Key Senior Management

Tan Kim Hee

Executive Director

Male | Malaysian | 59 years old

Ø Refer to the Profile of the Board of Directors on page 10.

Goh Chin Heng

Executive Director

Male | Malaysian | 46 years old

Ø Refer to the Profile of the Board of Directors on page 11.

Chow Choon Hoong

Executive Director

Male | Malaysian | 59 years old

Ø Refer to the Profile of the Board of Directors on page 11.

Siva Raman A/L S. Ramasamy Pattar

Group Financial Controller

Male | Malaysian | 60 years old

Siva Raman A/L S. Ramasamy Pattar, joined the Group formerly known as SMPC in 1985 in the Accounts Department after completing his Diploma in Accounting from the London Chamber of Commerce and Industries. He graduated with a Master of Business Administration ("MBA") specialized in Finance from the University of Southern Queensland, Australia. He was promoted to the position of Group Financial Controller in 2010. He has more than 30 years of experience in the fields of accounting, costing and corporate finance.

He is responsible for the Group's financial reporting, corporate finance, financial planning and management, treasury, investor relation, tax planning and compliance.

He does not have any family relationship with any Directors and/or Major Shareholders of the Company. He has no conflict of interest with the Company, has no conviction for offences within the past 5 years nor public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

Financial Highlights

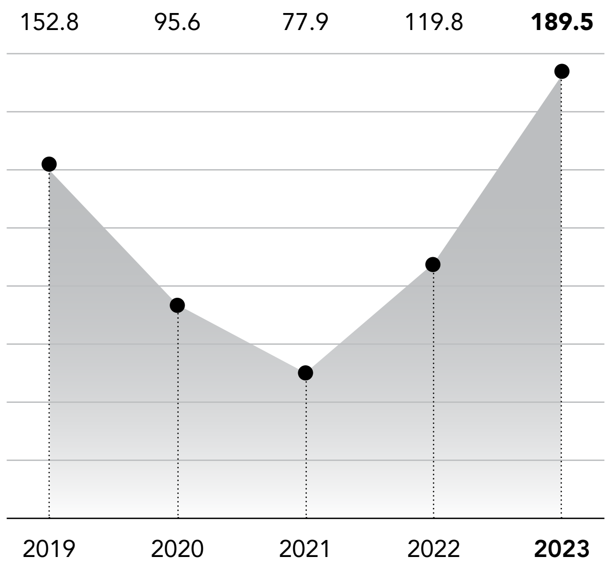
REVENUE
RM189.5 million

PROFIT BEFORE TAX
RM25.2 million

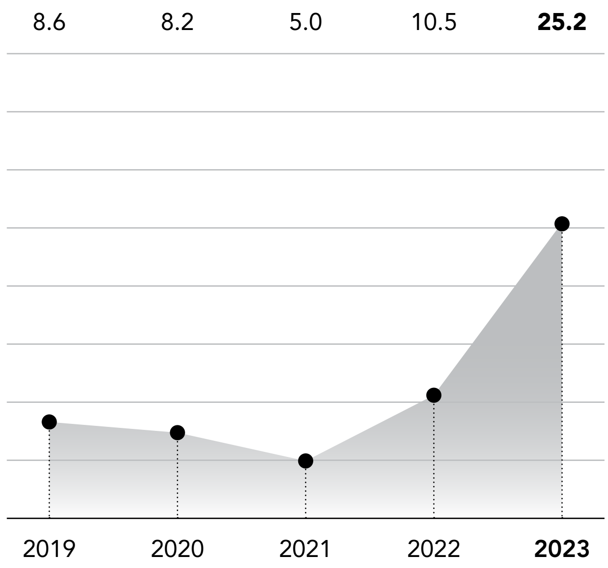
TOTAL ASSETS
RM450.16 million

EARNING/(LOSS) PER SHARE
RM3.71 sen

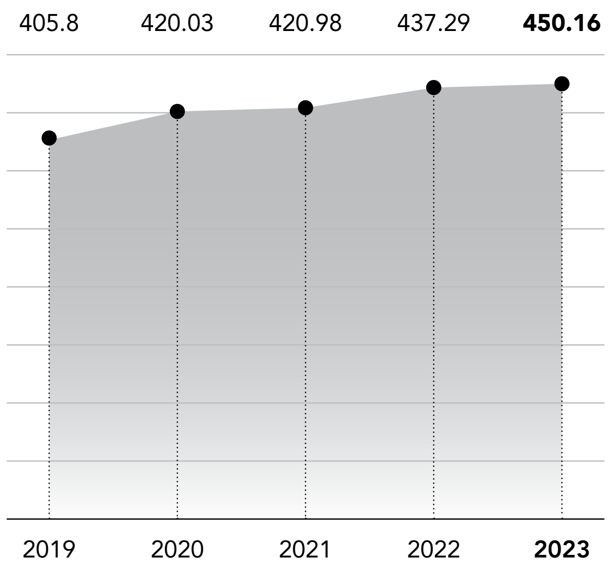
Revenue (RM Million) **189.5**



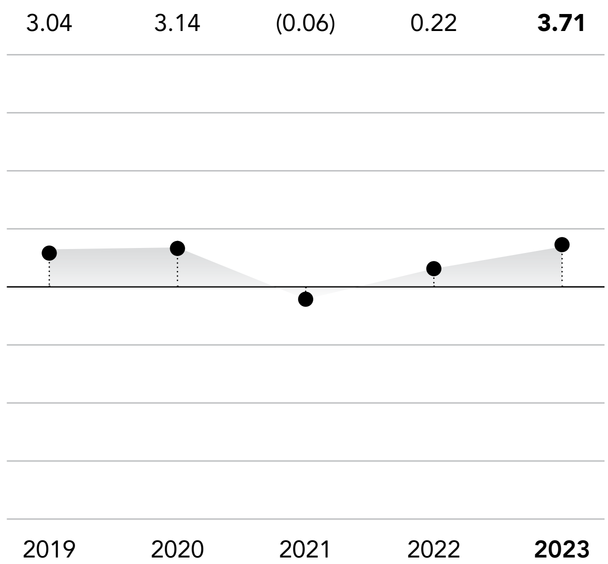
Profit Before Tax (RM Million) **25.2**



Total Assets (RM Million) **450.16**



Earning/(Loss) Per Share (Sen) **3.71**



Management Discussion and Analysis

OVERVIEW

Business and Operations

Mayu Global Group Berhad ("MAYU") [formerly known as ATTA Global Group Berhad (ATTA)] and its subsidiaries (collectively referred to as "the Group") is involved in the iron & and steel industry, with subsidiaries operating in Prai, Kapar, Klang and Shah Alam, involving in Upstream and Downstream sectors which are principally involved in the process of shearing, re-shearing, slitting of steel coil, slitted flat bars, steel roofing, wall cladding structural floor decking, manufacturing and marketing of perforated metal, cables support, systems and screen plate, steel furniture and the industrial recycling of scrap metal.

Other businesses, Property Development and Property Investment sector including letting of industrial and commercial assets, and provision of management consultancy. The business has also involved in the reclamation business and looking forward to a positive result.

REVIEW OF FINANCIAL PERFORMANCE

Sales Revenue

For the financial year ended ("FYE") on 30 June 2023, MAYU generated revenue of approximately RM189.47 million which represented an increase of approximately RM69.7 million or 58.18% as compared to the revenue generated for the preceding FYE of approximately 119.8 million. The stronger revenue was mainly driven by the property development segment. The property development segment contributed about RM140.98 million or 74.4%, the manufacturing segment contributed about RM43.90 million or 23.17% followed by the rental/other segment contributed about RM3.4 million or 1.79% and RM1.15 million or 0.61% from the trading segment.

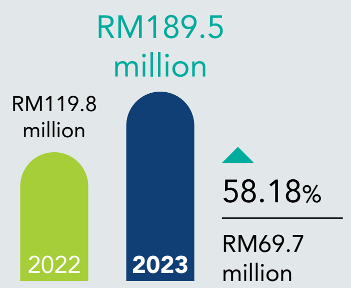
Profit Before Tax

The Group recorded a higher profit before tax of RM25.16 million for the FYE 30 June 2023 which represented an increase of RM14.69 million or 140.31% compared to the profit before tax made for the preceding FYE of approximately RM10.47 million. The higher profit is mainly contributed by the property development segment line with the higher revenue generated by the property development segment.

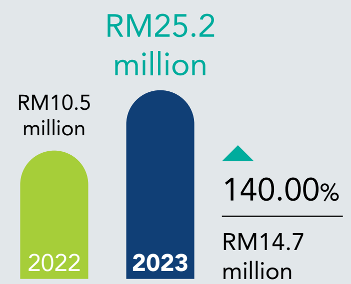
Financial Position and Liquidity

The Group has sufficient working capital to sustain its business operation and to continue as a going concern. The Group maintains a healthy statements of financial position and strong cash position as at 30 June 2023. The Group's net assets per share stood at RM1.08 whilst cash and bank balances stood at RM43.2 million.

Sales Revenue



Profit Before Tax



REVIEW OF OPERATIONS

Steel Product Manufacturing And Service Centre

- **Duro Metal Industrial (M) Sdn. Bhd.**
- **Progerex Sdn. Bhd.**
- **Metal Perforators (Malaysia) Sdn. Bhd.**
- **SMPC Industries Sdn. Bhd.**
- **SMPC Dexon Sdn. Bhd.**

Duro Metal Industrial (M) Sdn. Bhd. ("DURO") is an ISO 9001:2008 accredited company involved in the manufacturing of metal roofing and wall cladding sheets. DURO's range of roofing and wall cladding profiles includes Skydek II, Crimp Curve, Durospan, V-Clad, 3 Pan Klip System 700 MM and Ecodek. As a complement to the roofing and walling systems, we provide accessories, such as standard flashings, capping and clips, and manufacture non-standard items based on customer requirements.

REVIEW OF OPERATIONS (CONT'D)

Steel Product Manufacturing And Service Centre (Cont'd)

DURO offers a complete range of product materials, in terms of materials grade, colour, thickness and profile. Our materials are procured from local suppliers namely Blue Scope Steel (M) Sdn Bhd, Yong Kong Industries Bhd and CSC Steel Sdn Bhd. Some of the materials are imported from Japan, Taiwan and Vietnam.

At DURO, we manufacture high-tensile galvanized C-purlins and Z-purlins together with Durodek metal floor decking systems for structural and composite concrete floor design requirements. We cater to engineer's specifications and design requirements and provide technical assistance in the design and calculation for the application of our products.

DURO's products are manufactured in accordance with international standards, such as American Society for Testing and Materials, Australia Standard and British Standards. All the products are tested and verified by independent third-party test labs in accordance with the required local and international standards.

Products and services bearing the DURO name are well-accepted in the industry and have been time-tested in the local industry for the past 250 years. In the international scene, our products have an established market in China, Singapore, Bangladesh, Maldives, India and Hong Kong.

Progerex Sdn. Bhd. ("PROGEREX") was incorporated in 1993 Its business includes Shredding, Processing and Trading of Ferrous and Non-Ferrous Scrap Metals and Letting of Property.

PROGEREX is mainly involved in the metal processing business. Metal scrap is collected from various sources, such as manufacturing facilities, construction sites, automotive salvage yards and individual households. Once collected the scrap metal is sorted into different categories based on the grade of metal. Large pieces of scrap metal may be cut or shredded into smaller pieces. Some of the sorted scrap metals will be processed into scrap metal blocks. The scrap metal blocks will be sold to the customers. The processing stage is relatively simple.

Metal Perforators (Malaysia) Sdn. Bhd. ("MPM") was incorporated in 1972 and is situated at Lot 5 & 7, JalanTukang 16/4, Shah Alam, Selangor, Malaysia with a total built-up area of 3,800 meter square. MPM is equipped with modern machinery and a skilled workforce.

MPM's core business deals with cable support systems like cable ladders, cable tray, cable trunking, cable ducting, unistrut channels, screen plates using stainless steel, mild steel galvanized and epoxy power coating and perforation of metals. MPM's business is closely related to the national growth sector in oil and gas, construction, infrastructure projects, mining and major manufacturing sectors.

MPM commits its customers with high-quality products, prompt delivery and efficient service which has become the contributory factor to commanding a major local market share and establishing a strong international export market position.

SMPC Industries Sdn. Bhd. ("SISB") is an enterprise based in Malaysia. Its main office is in Klang. The company operates in the Architectural and Structural Metals Manufacturing industry. SISB was incorporated on October 09, 1990.

SISB is a steel processor and it has state-of-the-art metal coil processing centres in Klang, Malaysia. The processing centre core operation compromises the shearing, re-shearing and slitting of metal coil.

SMPC Dexon Sdn. Bhd. ("DEXON") is a global steel furniture brand manufactured in Klang, Malaysia. DEXON is one of the manufacturers and exporters of steel furniture specializing in various ranges such as offices, universities, schools, hostels, laboratories, military and marine along with solutions for Special Projects. DEXON's products such as filing cabinets, cupboards, storage lockers, tables, beds and other products are exported to more than 10 countries worldwide across Asia, the Middle East, Europe, Africa, America and Australia.

DEXON has a team of qualified, skilled and vibrant young people enabling it to set a benchmark standard in its process and consistency in quality leading to the achievement of ISO 9001:2008 certification in order to deliver our product guaranteed with value for money and delivery on time.

PROPERTY DEVELOPMENT

Ongoing property developments are undertaken by the division during the current financial period.

Sunrise Manner Sdn. Bhd.

The Sky – Tripark

The Sky Urban Condominium, the flagship component of Tripark is strategically located along Jalan Seladang in Alma, Bukit Mertajam. Gracing the Alma Skylines with 3 aesthetically designed high-rise towers of varying heights. The Sky captures the eyes and imagination even from afar. Featuring a tastefully clean and minimalist architecture. Launched in 2018, The Sky comprises 560 units with a wide selection of layouts with build-ups ranging from 1054 sq ft to 1,399 sq ft with Gross Development Value ("GDV") of approximately RM257 million with almost 94% completion which is expected to be completed by October 2023.

Sungguh Gemilang Development Sdn. Bhd.

Marminton Homes

The Condominium is nestled in the heart of business precinct Raja Uda, Butterworth, Penang. Marminton Homes is gated and guarded with complete amenities and facilities for the comfort of the homeowner to unwind and relax at their own pace. It comprises 112 Units of condominium units with a wide selection of layouts with build-ups ranging from 1130 sq. ft. to 1323 sq. ft. and 8 units of 3-storey link house with 2700 sq. ft. with a total GDV of approximately RM65 million which was completed in December 2022.

RISK AND MANAGEMENT

The Group and the Company are exposed to a variety of financial risks arising from their operation and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and Group Policy is not to engage in speculative activities. With a sound Risk Management System, the Group had in place a proper mitigation plan to minimise the risk.

Credit Risk

The Group's exposure to credit risk arises principally from trade receivables. The Group and Company also faces credit risk in terms of debt collectability especially when there is no adequate information on customer's credit portfolio and customer inability to pay back the loan or meet contractual obligations.

Liquidity Risk

The Group and the Company actively manage their debt maturity profile, operating cash flows, and availability of funding so as to ensure that all repayment and funding needs are met as part of prudent liquidity management.

Market Risk

Firstly, these focus on the Property development segment whereby the property market is expected to face challenges due to supply chain disruptions, volatile steel prices, and a rise in the Overnight Policy Rate (OPR) which concurrently will affect the interest rate of the property market. At the same time, the manufacturing and trading of steel products are also facing challenges due to weakening steel demand globally because of the ongoing Ukraine and Russian wars.

Management Discussion and Analysis

STRATEGIES AND EXPANSION PLANS

The Board has explored and considered various options to ensure its current business continuity are intact and sustainable and concurrently magnifies future business prospect as part of its endeavors to bring value to the Group and maximise the shareholders' return.

Economic and Industry Outlook

In 2023, the Malaysian economy is projected to expand close to the lower end of the 4.0% to 5.0% range with the challenging global environment. Growth will continue to be supported by domestic demand amid improving employment and income as well as implementation of multi-year projects.

Domestic demand bulwarked the Malaysian economy in the second quarter of 2023 (Q2 2023), against the backdrop of a cooling global trade. The Q2 2023's gross domestic product (GDP) expanded by 2.9%, bringing the first half (H1) of 2023's growth to 4.2%. Domestic demand remained resilient in the second quarter registering a 4.5% increase while Malaysia's total trade contracted by 11.3% to RM643.4 billion in Q2 2023. Public and private expenditures were also instrumental in anchoring the Malaysian economy in Q2 2023, as they grew by 4.6% and 4.5% respectively. On the supply side, Malaysia's economic expansion in Q2 2023 was underpinned by growth in the construction, services, and manufacturing sectors. The construction sector recorded the strongest performance, soaring 6.2% in the quarter, followed by services (4.7%), and manufacturing (0.1%).

Despite global economic challenges, Malaysia's economy remains resilient and continues to improve. Inflation fell from 2.8% in May to 2.4% in June 2023. Unemployment achieved a new post-pandemic low of 3.4% in June 2023 down from 3.5% in May. Malaysia's domestic inflation in June 2023 was tamer than selected advanced and regional countries such as the UK (7.9%), the Philippines (5.4%), Singapore (4.5%), Indonesia (3.5%) and the US (3%).

In line with the MADANI Economy framework, upcoming policy documents namely the New Industrial Master Plan 2030, the 12th Malaysia Plan Mid-term review and the 2024 Budget will further set out strategies and measures to restructure Malaysia's economy and deliver inclusive development for the rakyat. Focus areas include improving ease of doing business, promoting quality investments to generate higher-income jobs, ensuring good governance, and investing in better public services and infrastructure towards improving the quality of life for the rakyat.

Source: Ministry of Finance Malaysia 18 August 2023

Prospects of MAYU Group

MAYU Group is principally involved in the iron and steel industry in upstream and downstream sectors of the process of shearing, re-shearing, slitting of steel coil, slitted flat bars, steel roofing, wall cladding structural floor decking, manufacturing and marketing of perforated metal, cables support, systems and screen plate, steel furniture and the industrial recycling of scrap metal. Other businesses include the letting of industrial and commercial assets, provision of management consultancy, property development and property investment sector.

The Board is of the view that the business environment for the principal business, manufacturing, and trading of steel products faced disruption in the production activities (i.e., labor capacity and logistic constraint) and lower global steel demand. In the meantime, the expansion in residential and non-residential construction activities as well as the continuation of several infrastructure projects will boost the demand and prices of iron and steel and other construction-related segments.

The property market demand is expected to remain soft. However, the MAYU Group is focusing on contemporary customers' preferences and demands as well as having attractive campaigns to stay competitive.

MAYU Group will closely monitor developments to ascertain the magnitude of the impact of the current challenging economic environment and has taken proactive measures to mitigate the impact such as by adopting stricter cost control measures, improving asset utilisation and aligning MAYU Group's cost structure with current operation levels. MAYU Group is cautiously optimistic that it will be able to navigate through these headwinds. We are optimistic that we are well-positioned to deliver positive results.

DIVIDEND

The Board does not recommend any dividend for the FYE 30 June 2023.

Sustainability Statement

ABOUT THIS STATEMENT

This statement focuses on business operations of MAYU Global Group Berhad ("MAYU" or "the Group") in Malaysia and its principal business in the iron and steel industry and property segment. The statement contains sustainability data from 1 July 2022 to 30 June 2023, with one year of comparative historical data wherever applicable. This Sustainability Statement has been prepared in adherence to Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR") relating to Sustainability Statements in Annual Reports. Through this report, we aim to provide our stakeholders with updated economic, environmental and social ("EES") information about the Group to mitigate business risk, apply new and innovative technologies, manage our resources and environment as well as support Corporate Social Responsibility ("CSR") sustainability in the long term. We assure our stakeholders that we are reporting fully, honestly and transparently. Our data collection and management processes are continuously reviewed, and will include external assurances in the future. Stakeholders are welcome to submit queries or comments on this report, or suggestions to improve future reports at rpsiva@mayuglobal.com.

SUSTAINABILITY POLICY

The Group explores and implements sustainable practices across the business whilst attempting to achieve the right balance between economic success, the requirements of our stakeholders and larger society. The Group Sustainability Policy Framework ("GSPF") was approved in FY2023 which aims to integrate the principles of sustainability into the Group's strategies, policies and procedures. Additionally, we strive to cultivate a culture of sustainability within the Group and the wider community, with an emphasis on incorporating economic, environmental, social, and governance considerations into decision-making and in the delivery of outcomes.

MAYU is an investment holding company whilst its subsidiaries are principally involved in the processing and manufacturing of steel coil, tube, strapping, steel furniture, metal roofing, floor decking, perforated metal and the industrial recycling of scrap metal. We have also diversified the business into property development.

As our business continue to expand, we shall continue to evaluate the impact of economic, environmental and social risks and present respective opportunities in ensuring long term growth whilst charting sustainability for the Group.

OUR SUSTAINABILITY APPROACH

We are committed to driving responsible business practices throughout the organisation by instilling the principles of sustainability into our strategies, policies and procedures, whilst integrating three (3) sustainability pillars - economic, environmental, social and governance considerations into our decision-making.

We aim to provide our stakeholders with the updated EES information to mitigate business risk, apply new and innovative technologies, managing the resources effectively, preserving environment, and supporting the CSR sustainability in the long run. We adopt the UN Sustainable Development Goals ("UN SDGs") as a guide to our approach, as we implement our sustainability agenda based on the sustainability pillars.

OUR SUSTAINABILITY GOVERNANCE

We uphold the belief that commitment to high standards of corporate governance is essential to ensure the sustainability of the Company and its subsidiaries, charting the way forward through local and global challenges and risks of now and the future apart from safeguarding the interests of shareholders and delivering long-term value.

This is reflected in our sustainability governance structure which permeates across key levels of the Group, as illustrated in Figure 1.

Figure 1: Sustainability Governance Structure in MAYU

Structure	Roles and Responsibilities
Board of Directors	The Board of Directors undertakes an oversight role over the Group's sustainability efforts, including setting key elements of the sustainability strategies and management of material sustainability issues through the Risk Management and Sustainability Committee ("RMSC"). Chaired by the Chairman of RMSC, the Board meets on a quarterly basis to discuss material issues and strategies pertaining to the Group, including sustainability-related matters.
Risk Management and Sustainability Committee	The Risk Management and Sustainability Committee reviews the Sustainability Statement, oversees the implementation of sustainability strategy, evaluates overall sustainability risks and opportunities, and makes recommendations to the Board for approval.
Head of Department	The Heads of Department forms the working group that focuses on driving engagement on the sustainability agenda and proposes ideas on sustainability-focused activities for continuous improvement. While this working group reports and monitors the implementation of ongoing projects and initiatives on sustainability, each department manages its own set of sustainability initiatives and data collection.
Sustainability Officer	Sustainability officers were appointed by the Group from each subsidiary to assist their Heads of Department in managing the sustainability efforts within their department in term of data collection and data analysis. They will also communicate with other stakeholders to gather feedback on existing programs, encouraging participation in new initiatives and monitoring performance and outcomes related to their programs.

STAKEHOLDER MANAGEMENT

One of the core principles in driving sustainability is effective stakeholder engagement. Our stakeholders consist of groups who are impacted by, or have a vested interest in our business operations and performance. The Board of Directors recognises that the Directors can make better progress in their sustainability journey by collaborating with the stakeholders.

Continuous engagement with our stakeholder groups is vital for us to better understand and manage their expectations as well as appreciate how our actions impact them. This in turn allows us to align our business objectives, social goals, and conduct in a more effective manner. We continuously strive to improve our engagement with stakeholders so as to be better equipped to manage emerging issues and drive change on the ground.

STAKEHOLDER MANAGEMENT (CONT'D)

A summary of engagement activities with our stakeholders is shown here (Figure 2).

Figure 2: Summary of Engagement with Stakeholders

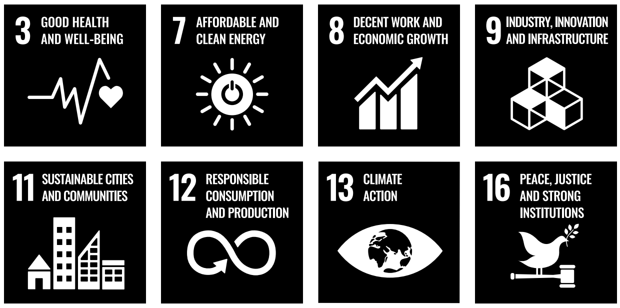
STAKEHOLDER ENGAGEMENT	METHOD	FREQUENCY OF ENGAGEMENT	STAKEHOLDERS' EXPECTATIONS AND CONCERNS	OUR RESPONSE
Regulatory Authorities and Local Governments	• Regular consultation and meetings • Reporting	• Regular and Ad-hoc	• Regulatory compliance • Local community/ public interests	• We maintain close consultations with, and provide regular updates to the regulatory authorities and local governments. In so doing, we ensure that we are continuously in compliance with the law and are supporting the broader State and National objectives.
Financiers / Investors / Shareholders	• Annual General Meetings ("AGMs") • Analyst briefings • Corporate announcements • Dedicated Investor Relations team • Media engagements • News releases/ announcements • Corporate website and social media channels • Periodic site visit • Annual report	• Scheduled and Regular	• Financial performance • Business risks • Corporate governance	• We assist in making informed investment decisions by providing timely updates on financial performance and corporate developments. • We ensure that our financial statements are duly reviewed and audited as an assurance that we provide reliable disclosures.
Customers (existing & potential)	• Marketing materials • Marketing events and roadshows • Sales galleries • Corporate announcements & publications • Customer Careline • Written communications • Corporate website and social media channels	• Regular and Ad-hoc	• Operational concerns • Customer satisfaction	• We aim to create stronger market integrity by upholding our proven track record of delivering products of high quality and standards whilst ensuring our responsiveness to the concerns of our customers in an efficient and timely manner.

STAKEHOLDER MANAGEMENT (CONT'D)

Figure 2: Summary of Engagement with Stakeholders (Cont'd)

STAKEHOLDER ENGAGEMENT	METHOD	FREQUENCY OF ENGAGEMENT	STAKEHOLDERS' EXPECTATIONS AND CONCERNS	OUR RESPONSE
Suppliers / Vendors	• Meetings and discussions	• Regular and Ad-hoc	• Payment • Compliance issues	• We engage closely with our suppliers and vendors to facilitate compliance with the relevant requirements, including regulatory requirements. • We have established standard operating procedures to ensure timely disbursement of payments.
Board of Directors & Employees	• Internal emails and memo • Departmental briefing • Internal discussions and meeting • Board Meetings • Conference Calls	• Scheduled and Regular	• Training and development • Work-life balance • Employee benefits and welfare	• The Board expects the Group to uphold the highest principles of transparency and accountability in full compliance with all applicable laws. • We engage with our employees to understand their interests and needs. • Through our Human Resources ("HR") initiatives, we strive to create a safe and healthy workplace with relevant training to address their specific needs in increasing work process efficiencies.
Local Communities	• Engagement sessions • Volunteering	• Regular and Ad-hoc	• Livelihood • Personal well-being	• We are committed to achieving long-term meaningful community engagement, including providing meaningful support in the aspects of economic, environmental and social development.

SUSTAINABLE DEVELOPMENT GOALS



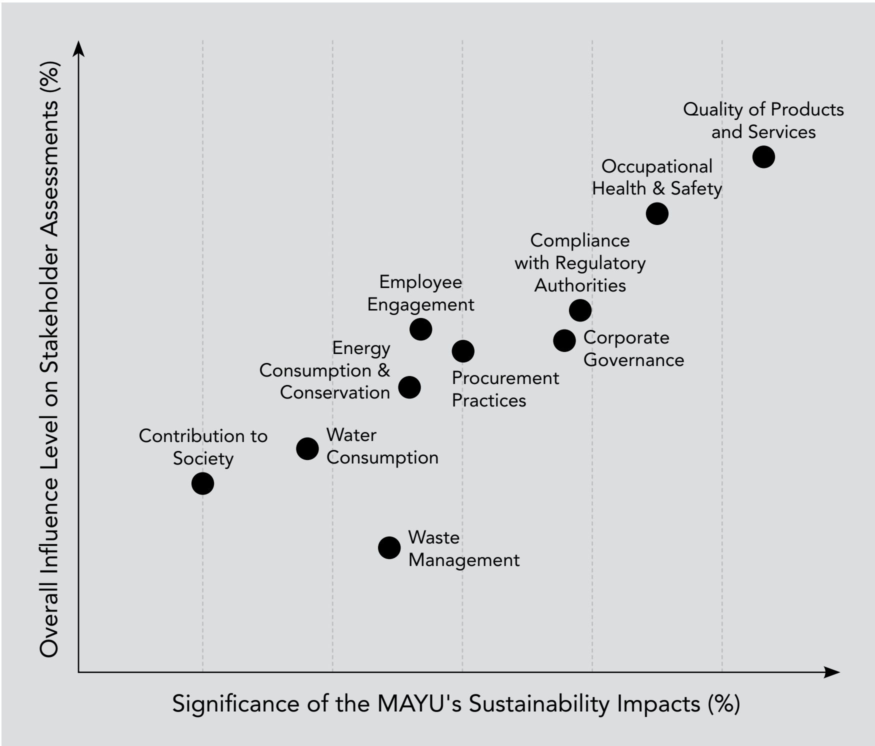
The United Nations Sustainable Development Goals ("SDGs") are the roadmap for building a sustainable and inclusive future. Hence, to maximise our UN SDGs contributions, we set our goals that are relevant to our business strategies and objectives. We compared the 17 UN SDGs with our existing initiatives and have identified a total of eight (8) UN SDGs that we are aligned to.

SUSTAINABILITY MATTERS

We recognise the importance of understanding our EES priority areas. It forms the basis of our sustainability initiatives, the impact of which is aligned with the Group's strategies. We identified our material sustainability matters by conducting a materiality assessment exercise and continued to focus on managing these material sustainability matters as they remain as our priority areas.

MATERIALITY ASSESSMENT & OUTCOME

Diagram below illustrates our Materiality Assessment Matrix. The matrix assists us in visualising and establishing the strategy guidelines and drawing out our initiatives while integrating our stakeholders' requirements. Our material topics are grouped into three (3) EES pillars.



MATERIALITY ASSESSMENT & OUTCOME (CONT'D)

We have mapped these material topics or sustainability matters to the UN SDGs to align our sustainability initiatives with global sustainable goals.

SDGs	Material Topics/ Sustainability Matters	Initiative Implemented
Economic		
8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Corporate Governance • Procurement Practices	• Revision of Group policies and procedures to align with the latest regulatory and best practices. • Development of Group Delegation and Limit of Financial Authority. • Development of a 3-year business plan for every subsidiary.
Environment		
7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Waste Management • Occupational Health and Safety • Energy Management • Water Consumption	• Identification of quantitative indicators and measurement for waste management. • Identification of quantitative indicators and measurement for energy management. • Training on health and safety standards and ensure factory staff wear protective gears in the factory at all times. • Inception on data collection for waste, energy and water managements by respective departments.
Social		
3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Compliance with Regulatory Authorities • Employee Engagement • Contribution to Society • Quality of Products and Services	• Incidents recovery and resolution of issues within the Group and subsidiaries. • Conduct and provide training to Management and employees of the Group. • Dissemination of survey form to the Group's stakeholder to obtain feedback and their level of satisfaction when dealing with the Group and its subsidiaries. • Provide internship to students from public and private institutions of higher learning. • Provide manufactured such as furniture and roofing to schools and other charitable organizations.

ECONOMIC ASPECT

Corporate Governance

Apart from prudent financial management, we believe that full commitment to high standards of corporate governance is essential to ensure the sustainability of the Group, as well as to safeguard shareholders' interests and maximise long-term shareholder value.

The Group has adopted, where appropriate, the principles and practices as set out in the Malaysian Code of Corporate Governance 2017 ("MCCG"). These standards include having clear policies, best practices, and sound internal controls as well as a system of continuous improvement. The overview of the Company's application of the principles as set out in the MCCG is disclosed in the Corporate Governance Overview Statement in this Annual Report.

The Group aims to achieve the highest level of business ethics and prevent any occurrence of corruption activities. As MAYU strives for good governance, several policies have been revised and newly developed in accordance with the latest regulations and best practices.

ECONOMIC ASPECT

Corporate Governance (Cont'd)

Existing policies were revised and new policies were established to commensurate with the renaming of the Company. The total number of revised policies and newly developed policies in FY2023 is 11.

The Group embraced zero tolerance in bribery and corruption. Hence, Anti-Bribery and Corruption Policy was revised comprising key policies and procedures that, together with general internal controls of the Group, are aimed at mitigating overall corruption risks, abuse of power and malpractice. This policy sets out the Group's expectations for internal and external parties working with and for the Group in upholding the Group's zero-tolerance stance against corruption. This policy, together with the Whistleblowing Policy, are accessible by all employees via the company intranet and by the external stakeholders through the corporate website. Training has been provided to internal and external stakeholders to reinforce their understanding of the Group's stance on anti-corruption, as well as relevant policies and procedures.

Procurement Practices

MAYU and its subsidiaries involved in manufacturing, steel trading and metal perforating. We are deeply committed to creating value for our stakeholders and supporting local communities by utilising local supply chain opportunities wherever feasible. We define "local" as Malaysia-based suppliers. By operating in the community, we create significant growth opportunities for local suppliers of our products, goods and services.

Products, goods and services may arrive to us in defected state. At the same time, we strive to foster long term relationship and maintain quality with our suppliers and monitor any defection made by supplier. Moreover, our proportion of spending on local suppliers is calculated based on invoices or commitments made during the reporting period.

ENVIRONMENTAL ASPECT

Waste Management

The Group continues to place great importance on the need to protect our environment, maintain good manufacturing practices and adhere to the government environmental policies at all times. We endeavour to consume material responsibly and reduce wastage in our operations by employing the 3R concept – Reduce, Reuse and Recycle. Employees and contractors are encouraged to reduce waste generation and to ensure the proper handling of unavoidable waste.

Occupational Health & Safety

The nature of our business exposes our employees to occupational health and safety ("OHS") risks. We are therefore vigilant in safeguarding the well-being, health and safety of employees and the public at large during production activities. Our OSH initiatives are aimed at avoiding incidences of occupational injury and fatality, as well as downtime due to injuries on site. To demonstrate our commitment to improve our safety performance in adherence to Occupational Safety and Health Act 1994, we have put in place a Group Health and Safety Policy which has been endorsed by the Board and communicated to all relevant staff members through various platforms, such as the Company's intranet and internal memos, to instill the importance of safety and to promote safe behaviour at the workplace.

All employees are required to attend health and safety training designed to increase safety awareness and reduce the risk of injury.

Energy Management

A considerable amount of energy in the form of electricity and the use of generators is required for the running of our manufacturing facilities and investment properties. In line with Malaysia's commitment to reduce 45% of its greenhouse gas intensity by 2030, we strive to manage our energy usage by improving efficiency, reducing emissions and conserving resources through energy management and data collection policies.

The Group's carbon emissions include direct emissions from fuel and loss of refrigerant in air conditioning systems, indirect emissions due to purchased electricity consumed at investment properties, manufacturing facilities, as well as other indirect emissions arising from employees' daily activities.

Water Consumption

Quality water is not only essential to our industry and operations, but also every aspect of life. While some countries and regions are rich in water, others are affected by water stress. It is predicted that approximately 5 billion people will face water shortages in 2050 due to urbanization and climate change.

Water is a vital element of global and environment sustainability. It is part of sustaining our business operations and we take good care in conserving our water usage. We are working to reduce water consumption at all our factories. As each site has various facilities and equipment tailored to the kind of cosmetics they produce, initiatives are specifically designed for each factory and at the headquarter.

SOCIAL ASPECT

Compliance with Regulatory Authorities

MAYU is committed to comply with all laws, regulations and voluntary codes concerning:

1. Construction and development activities
2. Occupational health and safety standards
3. Environment
4. Labour practices
5. Marketing communications
6. Product health and safety and labelling

By ensuring compliance with the regulatory requirements in these areas, we are able to operate smoothly and without disruption.

Internal systems and processes have been put in place to monitor our compliance with relevant laws and regulations. Additionally, we remain in close consultation with the relevant authorities to ensure that we clearly understand our compliance obligations.

There were no instances of non-compliance that resulted in significant fines or penalties in FY2023. We continue to review our policies and procedures to identify areas for improvement, while fostering closer engagement with the authorities and consultants, with the aim of maintaining the current status of zero legal notices with regards to non-compliance.

Employee Engagement

The Group understands that its employee is its most valuable asset. Our hiring practices are based on capability and suitability and there is no discrimination in our hiring policies. The wellbeing of our employees remains the priority as their strength and contributions are the Group's result.

Since the Malaysian Government has lifted Covid-19 pandemic restrictions, the Group has operated normally and Work-From-Home ("WFH") arrangement has been stopped. We also continued to re-assess our workforce configuration and resource requirements from time to time without compromising the company's business continuity and operations.

We believe that providing training and development programs to our employees would assist them to manage their tasks individually or in teams, which would rely on a greater understanding of their work processes and objectives. Therefore, we encourage our employees to participate in internal and external trainings for their interpersonal and intrapersonal development. Taking a holistic view of current and future goals of the Company, the Group will ensure proper succession planning in the long term.

Contribution to Society

As a responsible manufacturer, the Group is committed to fulfilling its Corporate Social Responsibility ("CSR") by integrating it into the Group's business operations. The Group's CSR initiatives have also moved in tandem to focus on safeguarding the well-being of our community. We continue to find opportunities to contribute to society in a variety of ways guided by the pillars of Education, Community, and Environment.

For the year under review, MAYU continued to provide assistance to charitable organisations and schools by providing products manufactured by the Group such as furniture and roofing. The Group also provides practical industrial training to students from public and private institutions of higher learning to give them on-the-job exposure before they enter the corporate world.

Quality of Products and Services

We place high priority on customer satisfaction with timely delivery, effective quality management and frequent engagement. We have a proven track record for excellence, and it is vital that we uphold this reputation for the sustainability of our business. MAYU is committed to delivering products of high quality and standards.

Corporate Governance Overview Statement

The Board of Directors ("the Board") of MAYU Global Group Berhad (formerly known as ATTA Global Group Berhad) recognizes the importance of good corporate governance. The Board is committed to ensure that the Principles and Best Practices of the Malaysian Code on Corporate Governance ("MCCG") are practised throughout the Company and its subsidiaries ("the Group") as a fundamental part of discharging its responsibilities to protect and enhance long term shareholders' value and the financial performance of the Group, whilst considering the interests of other stakeholders.

This overview statement sets out the Group's application of the principles of the MCCG and extent of compliance with the best practices throughout the financial year ended 30 June 2023. Furthermore, it also provides investors with an insight into the corporate governance practices of the Company under the leadership of the Board.

This statement is prepared by the Board on 16 October 2023 and in accordance with Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements ("Main LR") and it is to be read in conjunction with the Corporate Governance Report ("CG Report") which is published on Bursa Malaysia's website and also Company's website at www.mayuglobal.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Principal Responsibilities of the Board

The Board assumes full responsibilities to the shareholders for the Group's overall performance with its objectives, strategic planning, development and implementation, decision making, business performance, succession planning, risk management, investor relations, internal control, financial and management information systems for the purpose of achieving the goals of the Company. The day-to-day management of the Group is delegated to the management but key matters are reserved for the Board. All Board members bring an independent judgment to bear on issues of strategy, performance, resources and standards of conduct for the assurance of the corporate goals; and objectives are being made towards the Group's governance assurance framework.

The Board Committees operate within clearly defined Terms of Reference ("TOR"), which sets out matters relevant to the composition, responsibilities and administration of these committees. The Board regularly reviews the TORs of the Board Committees to ensure they are consistent with the rules and regulations prescribed under the Main LR and MCCG.

Board Charter and Code of Ethics and Business Conduct

The Board has established clear functions reserved for the Board and those delegated to Management in the Board Charter (the "Charter") which serves as a reference point for Board's activities. The Charter provides guidance for Directors and Management on the responsibilities of the Board, its Committees and requirements of Directors which are subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance. The Charter is available at the Company's website at www.mayuglobal.com.

In promoting good governance practices and in order to enhance transparency and accountability, the Board has established and put in place the following policies and procedures, full details of which will be available on the Company's website:

- Board Charter (revised on 29 August 2023)
- Code of Business Conduct and Ethics
- Term of Reference of Audit Committee (revised on 29 August 2023)
- Terms of Reference of Nomination and Remuneration Committee (adopted on 29 August 2023)
- Term of Reference of Risk Management and Sustainability Committee (adopted on 29 August 2023)
- Whistleblowing Policy (revised on 29 August 2023)
- Anti-Bribery and Corruption Policy (revised on 29 August 2023)
- Diversity Policy (adopted on 29 August 2023)
- Fit and Proper Policy (revised on 29 August 2023)
- Related Party Transaction Policy (adopted on 29 August 2023)
- Gift, Entertainment, Hospitality, Donation and Sponsorship Policy (Adopted on 28 August 2023)

In addition to the above, the Board has also adopted the following policies to foster and promote better governance practices:

- Enterprise Risk Management Framework (ERMF)
- Financial Risk Management Framework (FRMF)
- Group Sustainability Policy Framework (GSPF)
- Group Compliance Management Framework (GCMF)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition and Independence

The Board of the Company consists of eight (8) Directors comprising three (3) Executive Directors, four (4) Independent Non-Executive Directors and One (1) Non-Independent and Non-Executive Director. This complies with the Main LR of Bursa Malaysia to have at least one-third (1/3) of the Board consisting of Independent Directors. The Board is appropriately balanced to reflect the interests of the substantial shareholders and at the same time fairly represents and protects the interests of the minority shareholders of the Company. The presence of four (4) Independent Directors fulfills an important role in corporate accountability and is particularly important as they provide independent and unbiased views, advice, and judgments.

The size and composition of the Board is well-balanced taking into account that the Directors come from differing backgrounds with commercial, financial, and technical experience. With their wide range of functional knowledge and skills, the Board is able to bring a broader perspective and depth to its decision-making process thereby ensuring efficiency and effectiveness in its management of the Group. In addition, the Independent Non-Executive Directors bring impartiality to the Board's discussion and decisions. The Independent Non-Executive Directors ensure that all issues are properly addressed taking into account the interests of all stakeholders.

In adherence to Practice 1.4 of the Code, whereby the Board Chairman should not be a member of any Board Committees, i.e. the Audit Committee, Nomination Committee and Remuneration Committee, the Chairman, Dato' Sri Tajudin Bin Md Isa is not a member of any other Board Committee, neither he was invited to attend any of the Board Committee held in FY 2023.

During the FY 2023, there were several changes to the composition of the Board as follows:

- The retirement of Mr. Sudesh A/L K.V. Sankaran as Independent Non-Executive Director at the close of the Annual General Meeting held on 14 December 2022 as he did not seek for re-election after having served the Board for 18 years appointments since his appointment on 20 December 2004;
- The appointment of Ms. Tan Qian Hui as Non-Independent Non-Executive Director on 1 March 2023;
- The appointment of Ms. Leong Wai Kuan as Independent Non-Executive Director on 1 March 2023;

Based on the Board's annual review of its size and composition, it was concluded that the Board of 8 members as at 30 June 2023 comprised a mixture of businessmen and professionals with wide financial and commercial experience, hence, appropriate and adequate to effectively govern the organisation.

Board Meetings

The Board meets five (5) times a year on a scheduled basis with additional meetings held when specific urgent or important matters are required to be considered and decided between the scheduled meetings.

There were five (5) Board Meetings held during the financial year ended 30 June 2023.

Name of Directors			No. of Meetings Attended
Dato' Sri Tajudin Bin Md Isa	-	Chairman/Independent Non-Executive Director	5/5
Tan Kim Hee	-	Executive Director	5/5
Goh Chin Heng	-	Executive Director	5/5
Chow Choon Hoong	-	Executive Director	5/5
Loh Yee Sing	-	Independent Non-Executive Director	5/5
Ravi Chandran A/L Subash Chandran	-	Independent Non-Executive Director	5/5
Leong Wai Kuan *(Appointed on 1 March 2023)*	-	Independent Non-Executive Director	1/1
Tan Qian Hui *(Appointed on 1 March 2023)*	-	Non -Independent Non-Executive Director	1/1
Sudesh A/L K.V. Sankaran *(Retired on 14 December 2022)*	-	Independent Non-Executive Director	3/3

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Gender Diversity Policy

The Board has no immediate plan to implement a gender diversity policy as the Board views that any new appointment to the Board shall be based on the candidate's capability, skills, experience, core competencies, and integrity regardless of gender or ethnicity. However, the Board has three female Directors, Ms. Loh Yee Sing, Ms. Leong Wai Kuan and Ms. Tan Qian Hui.

Recruitment or Appointment of Directors

The Board has adopted the Fit & Proper Policy on 28 June 2022 for the appointment and re-election of Directors as required by the Main Market Listing Requirements of Bursa Securities, with the aim of strengthening board independence, quality and diversity.

In the process of recruitment or appointment of new Directors, the Nomination and Remuneration Committee ("NRC") has its own review criteria as well as the Board's Fit and Proper requirements that needs to be met before making recommendations to the Board. These include the review of skills, experience and strength in the qualities necessary for the discharge of responsibilities in an effective and competent manner. Other factors considered by the Committee include the candidates' ability to satisfy the test of independence taking into account the candidates' character, integrity, professionalism, time and commitment. Diversity of the Board's composition is also important to facilitate optimal decision-making by harnessing different insights and perspectives.

With regards to identifying candidates for appointment as Directors, the Board and NRC does not solely rely on recommendations from existing Board members, Management or major shareholders but also relies on other sources to identify suitably qualified candidates.

Re-appointment and Re-election of Directors

Pursuant to the Company's Constitution, an election of Directors shall take place each year at the Annual General Meeting ("AGM") of the Company where one-third (1/3) of the Directors are subject to retirement by rotation provided always that all Directors shall retire from office once in every three (3) years and shall be eligible for re-election. The NRC annually assesses the Directors standing for re-appointment and re-election and recommends the re-appointment and re-election of Directors to the Board for a decision prior to the AGM.

The NRC has established the procedures and processes for an annual assessment of the effectiveness of the Board as a whole and the contribution of each individual Director. The areas/criteria of assessment for individual Directors include fit and proper, contribution and performance as well as caliber and personality.

Pursuant to the Fit & Proper Policy adopted, all retiring Directors seeking re-election as Directors at the forthcoming AGM of the Company have also undertaken the fit and proper assessment, via self-declaration and peer assessment at the NRC Meeting held on 25 May 2023. Based on the results of the assessment, the NRC and the Board have affirmed that all the retiring Directors listed below have satisfied the fit and proper criteria and be recommended to the Board for approval prior to the shareholders' approval at the forthcoming AGM.

- Dato' Sri Tajudin Bin Md Isa (retiring by rotation)
- Mr. Chow Choon Hoong (retiring by rotation)
- Ms. Leong Wai Kuan (apointed during the year)
- Ms. Tan Qian Hui (appointed during the year)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Training for Directors

The Directors recognize the need to develop and update themselves and the Company provides a dedicated training budget for Directors' continuing education. The following courses were attended by the Directors during the financial year ended 30 June 2023:

Name of Course

Name of Directors	Training or Seminars Attended
Dato' Sri Tajudin Bin Md Isa	• Risk Management and Changes to Listing Requirements on Sustainability Reporting
Tan Kim Hee	• Risk Management and Changes to Listing Requirements on Sustainability Reporting
Goh Chin Heng	• Risk Management and Changes to Listing Requirements on Sustainability Reporting
Chow Choon Hoong	• Risk Management and Changes to Listing Requirements on Sustainability Reporting
Loh Yee Sing	• Inclusive Leadership:How Diversity Is Key To Attracting Talent • Cybersecurity & Data • Tax Deductible Expenses-Principles & Latest Developments • Budget 2023-Key Updates & Changes For Corporate Accountants • Sales Tax For Manufacturers & Sub-Contractors • Good Governance Through Continuous Assurance • Risk Management and Changes to Listing Requirements on Sustainability Reporting
Ravi Chandran A/L Subash Chandran	• Risk Management and Changes to Listing Requirements on Sustainability Reporting
Leong Wai Kuan	• Mandatory Accreditation Programme • Risk Management and Changes to Listing Requirements on Sustainability Reporting
Tan Qian Hui	• Mandatory Accreditation Programme • Risk Management and Changes to Listing Requirements on Sustainability Reporting

However, every Director is encouraged to evaluate their own training needs and undergo continuous training to equip themselves with enhanced knowledge and effectively contribute their duties to the Board. The Company Secretary circulated from time to time the relevant guidelines on statutory and regulatory requirements to the Directors. The External Auditors also highlighted changes to the Malaysian Financial Reporting Standards ("MFRS") that affect the Company's financial statements during the financial year.

Board Committees

The Board delegates some of its authority to Board Committees. The Board entrusts the Committees with specific duties and responsibilities to oversee the Group's affairs and act on behalf of the Board in accordance with their respective TOR. Key issues and decisions arising from Board Committees are referred to the Board for deliberation and decision.

The Board Committees are as follows:

(a) Audit Committee

The Audit Committee comprises all Independent Non-Executive Directors and is chaired by Ms. Loh Yee Sing.

A full report of the Audit Committee with details of its membership and a summary of the work performed during the financial year are set out in the Audit Committee Report of this annual report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Committees (Cont'd)

(b) Nomination and Remuneration Committee ("NRC")

The Nomination Committee was established on 18 January 2002.

On 1 March 2023, the Nomination Committee and Remuneration Committee were combined into a single committee known as "Nomination and Remuneration Committee". The rationale for the combination of the two (2) Board Committees is to lessen administrative work and to enhance the efficiency of the Board Committees in discharging their duties and responsibilities.

The NRC comprises exclusively Non-Executive Directors as follows:

Ravi Chandran A/L Subash Chandran	- INED	(Chairman)
Loh Yee Sing	- INED	(Member)
Leong Wai Kuan	- INED	(Member)

The role of the NRC is set out in its TOR and available for reference on the Company's website at www.mayuglobal.com

Before the combination of the NRC, there was one NC and RC held in February 2023 respectively and subsequently, after the combination to NRC, one meeting was held in May 2023. Hence, there were a total of two (2) meetings held in the financial year under review and all the members attended the meetings and undertook the following activities during the financial year ended 30 June 2023:

a. Reviewed the performance of the Directors who will be retiring at the forthcoming AGM in Year 2023 prior to recommending them for the Board's approval.

b. Reviewed and assessed the Board balance and composition of the Directors, the Directors' contribution, and the effectiveness of the Board as a whole.

c. Reviewed the performance of the Audit Committee and each of its members, the Nomination Committee, and the Remuneration Committee.

d. Assessed the Independence of the Independent Directors.

e. Recommended the appointment of 2 female directors, namely Ms. Leong Wai Kuan and Ms. Tan Qian Hui via the fit and proper assessment.

The results of the self-assessment by the Directors and the Board's effectiveness as a whole and the same would be tabled to the Board for review and deliberation. The NRC upon its assessment carried out for the financial year ended 30 June 2023 was satisfied:

- with its current board size and the effectiveness of the Board/Board Committee and sufficient with appropriate mix of knowledge, wide and varied technical, financial and commercial experience.
- the Board has been able to discharge its duties professionally and effectively.
- the Independent Non-Executive Directors comply with the definition of Independent Non-Executive Directors as defined by the Main LR.
- the Directors are able to devote sufficient time commitment to their roles and responsibilities as Directors of the Company, as none of them holds more than 5 directorships in public listed companies.

All assessments and evaluations carried out by the NRC in discharging its functions have been properly documented.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Remuneration of Directors

The remuneration of Directors is reviewed periodically giving due recognition to performance, industry norms, and competitive pressures so as to ensure that the Group can attract and retain executives of the necessary quality. The details of the Remuneration of Directors are as follows:

Executive Directors' Remuneration

Company

Name of Directors	Salary RM	Fee RM	Other Emoluments RM	Defined Contribution RM	Benefit in Kind RM
Executive Directors					
Tan Kim Hee	300,000	-	26,119	39,000	-
Goh Chin Heng	300,000	-	26,119	39,000	-
Chow Choon Hoong	-	-	-	-	-
Non-Executive Directors					
Dato' Sri Tajuddin Bin Md Isa	-	216,000	108,000	-	-
Loh Yee Sing	-	18,000	4,000	-	-
Ravi Chandran A/L Subash Chandran	-	18,000	4,000	-	-
Leong Wai Kuan	-	6,000	-	-	-
Tan Qian Hui	-	6,000	-	-	-
Sudesh A/L K.V. Sankaran	-	9,000	6,000	-	-

Group

Name of Directors	Salary RM	Fee RM	Other Emoluments RM	Defined Contribution RM	Benefit in Kind RM
Executive Directors					
Tan Kim Hee	300,000	-	26,119	39,000	-
Goh Chin Heng	300,000	-	26,119	39,000	-
Chow Choon Hoong	300,000	-	38,619	40,500	-
Non-Executive Directors					
Dato' Sri Tajuddin Bin Md Isa	-	216,000	108,000	-	-
Loh Yee Sing	-	18,000	4,000	-	-
Ravi Chandran A/L Subash Chandran	-	18,000	4,000	-	-
Leong Wai Kuan	-	6,000	-	-	-
Tan Qian Hui	-	6,000	-	-	-
Sudesh A/L K.V. Sankaran	-	9,000	6,000	-	-

The fees payable to the Directors by the Company will be recommended by the Board for approval by shareholders at the forthcoming AGM scheduled to be held on 15 December 2023.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Risk Management and Internal Control

The Company continues to maintain and review its internal control procedures to ensure, as far as possible, the protection of its assets and its shareholders' investments. The Statement on Risk Management and Internal Control is set out in this Annual Report.

In accordance with the MCCG and the Main Market Listing Requirements of Bursa Securities, the Board has established an internal audit function that reports directly to the Audit Committee. The function is currently outsourced to an independent professional firm. The Audit Committee had also undertaken an annual assessment of the quality of the internal auditor based on an assessment questionnaire, and no material issue and major deficiency had been noted that posed a high risk to the overall system of internal control under review.

Financial Reporting

The Board aims to present a balanced and meaningful assessment of the Group's financial performance and prospects in presenting the annual financial statements and the quarterly announcement of results to shareholders. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting. The Audit Committee reviews the Group's annual and quarterly financial statements and the Group accounting policies to ensure that the Group's financial reporting comply with accounting standards and regulatory requirements.

Audit Committee

The Board is assisted by the Audit Committee in overseeing the Group's financial reporting, risk management and internal control system. The composition, TOR and summary of the activities of the Audit Committee during the financial year are disclosed in the Audit Committee Report of this Annual Report.

Assessment of Suitability and Independence of External Auditors ("EA")

The Audit Committee ("AC") had on 29 August 2022 deliberated the outcome of the annual assessment of the EA, which included an assessment of the engagement teams' qualifications, credentials, and experience, their audit work approach, and their ability to provide value-added advice and services, as well as to perform the work within the Group's timeline. The AC then decided to recommend for the Board's approval the re-appointment of Messrs Grant Thornton Malaysia PLT ("Grant Thornton") as EA of the Company for the financial year ended 30 June 2023. At the same time, the AC further undertook an annual assessment of the quality of the audit, which encompassed the performance of the EA, Grant Thornton, and the quality of their communications with the AC and the Group, based on the feedback obtained via assessment questionnaires from the company's personnel who had regular contact with the EA team, Grant Thornton throughout the year. The AC also took into account the openness in communication and interaction with the lead audit engagement team through discussion at private meetings, which demonstrated their independence, objectivity and professionalism. Grant Thornton had also confirmed their independence throughout the conduct of their audit engagement with MAYU Group in accordance with the independence criteria set.

The AC was satisfied with the suitability of Grant Thornton based on their quality of service and sufficiency of resources. Having regard to the outcome of the evaluations and the annual assessment of EA which supported the AC's recommendation on the suitability and independence of the EA, the Board approved the AC's recommendation for the shareholders' approval to be sought at the AGM on the appointment of Grant Thornton as EA of the company for the financial year ended 30 June 2023.

A statement by the directors on their responsibilities in preparing the financial statements is set out in this Annual Report.

Relationship with Auditors

The Board has established a formal and transparent arrangement to meet the EA's professional requirements. The EA have continued to highlight to the AC and Board of Directors matters that require the Board's attention. The AC will have a private session with the EA without the presence of any executive of the Group at least twice a year. Liaison and unrestricted communication exist between the AC and the EA. The AC obtains reasonable assurance on the effectiveness of the internal control system through annual independent appraisal by the EA. The EA are invited to attend the Company's AGM.

Further details on the AC in relation to the EA are set out in the AC report in this Annual report.

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

Investor Relations and Communication

The Board believes that shareholders should be informed of all material business matters which influence the Group. Besides the key channels of communication through the Annual Report, general meetings and announcements to Bursa securities, there is also continuous effort to enhance the Group's website at www.mayuglobal.com as a channel of communication and information dissemination.

The Group welcomes dialogue with investors and financial analysts from time to time as a means of effective communication that enables the Board and Management to convey permissible information about the Group's performance, corporate strategy and major development plans.

The AGM remains the principal forum for communication and dialogue with shareholders. The AGM provides the opportunity for interaction amongst shareholders, Directors and Management, where the shareholders are at liberty to raise questions on the AGM agenda. They will be given the opportunity to seek clarification on any matters pertaining to the Company's affairs and performance as the Directors and the representatives of the external auditors will be present to answer any questions that they may have.

Poll Voting

In line with the Listing Requirements, all resolutions set out in the Notice of AGM will be voted by poll and a scrutineer will be appointed to validate the votes cast. Poll voting more accurately and fairly reflects shareholders' views as every vote is recognised thus enforcing greater shareholder's rights.

Corporate Social Responsibility

The Group believes that a good management of Corporate Social Responsibility ("CSR") is considered as a requirement to meet the evolving needs in a fast-paced business environment. The Group is committed to fulfilling its CSR by integrating it into the Group's business operations. In navigating the impact of the ongoing pandemic, the Group's CSR initiatives have also moved in tandem to focus on safeguarding the well-being of our community.

The rising expectations for a sustainable business practice from our stakeholders always drive us to ensure social responsibilities are not being ignored in the course of pursuing business growth.

CSR principles are shared with our employees to ensure their duties are performed with an awareness of social responsibilities. As part of our commitment to staff development, we encourage our employees to upgrade and join various learning and development programs throughout the year.

We also encourage our employees to be environmentally friendly by using recycled paper and switching off lights and air-conditioning during office breaks and/or when not in use to save energy.

For the year under review, MAYU continued to provide assistance to charitable organisations and schools by providing products manufactured by the Group such as furniture and roofing. The Group also provides practical industrial training to students from public and private institutions of higher learning to give them on-the-job exposure before they enter the corporate world.

From an environmental point of view, the Group always maintain good manufacturing practices and adhere to government environmental policies at all times whereby all our manufacturing units maintain their own waste reduction plans.

Statement of Directors' Responsibility

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of their results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- selected appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed and made a statement to that effect in the financial statements, subject to any material departures being disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia. They are responsible for taking reasonable steps in safeguarding the assets of the Group and Company for the prevention and detection of fraud and other irregularities.

Statement of Risk Management and Internal Control

INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed issuers ("the Guidelines"), the Board of Directors of MAYU Global Group Berhad ('MAYU" or "the Group") is pleased to include the following Statement of Risk Management and Internal Control ("the Statement") in this annual report.

BOARD'S RESPONSIBILITIES AND ACCOUNTABILITY

The Board of Directors ("the Board") recognises the importance of good risk management practices and sound internal controls as a platform to good corporate governance. The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and integrity. This requires the Board to identify top risks and ensure adequate implementation of appropriate systems to manage and mitigate the risks in full integrity.

In addition, the Board also received assurance from the Executive Directors and Group Financial Controller who are primarily responsible for the management of the Group's financial affairs; while the respective Risk Management Department is responsible for the risk management and internal control system to operate adequately and effectively, in all material aspects.

Due to the inherent limitations in any risk management and internal control system, such system put into effect by the Management is designed to manage rather than eliminate risks that may impede the achievement of the Group's business objectives. Therefore, such a system can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT GOVERNANCE

The Board has formed a Risk Management and Sustainability Committee ("RMSC") to assist in the oversight of risk management and internal control structure. The RMSC deliberated at its meeting primarily to create a high-level risk strategy / policy aligned with the Group strategic objectives; communicate the Board's vision, strategy, policy, responsibilities, and reporting lines to all employees across the Group. The RMSC also responsible to review and recommend for Board approval, the risk appetite, business plans and other initiatives which would, singularly or cumulatively, have a material impact on the Group's risk profile.

The members of RMSC, comprising of an Executive Director as Chairman of RMSC, an Independent Non-Executive Director, Managements and at least one representative from each subsidiary.

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Key elements of the Group's risk management and internal control system that facilitates the proper conduct of the Group's businesses are described below:

1. <u>Enterprise Risk Management System</u>

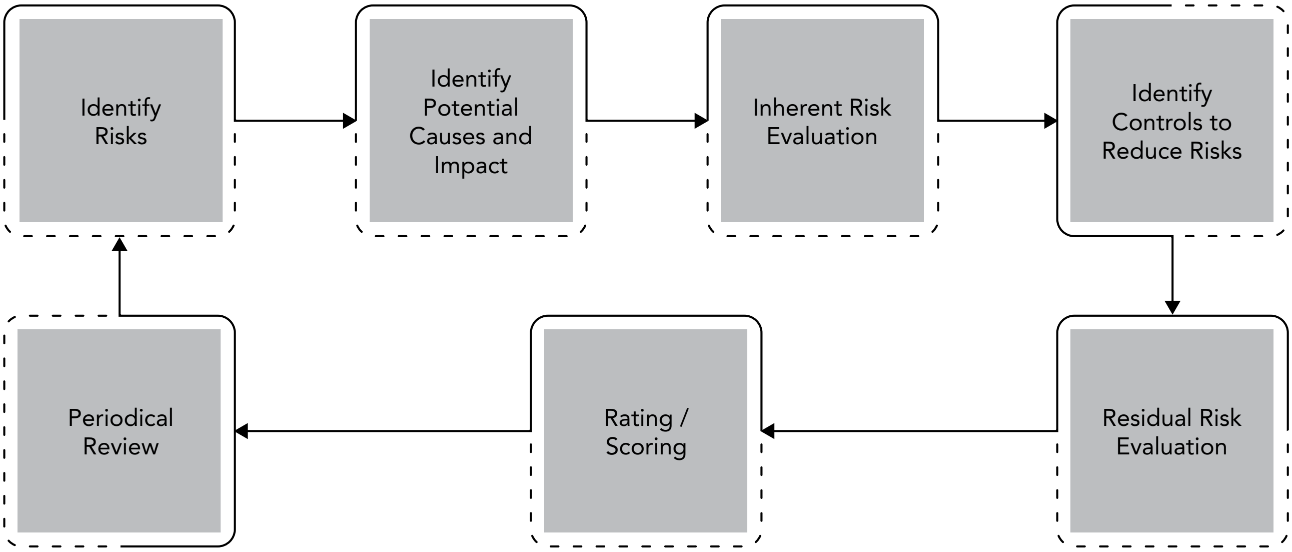
   The Group's Enterprise Risk Management Framework was established in accordance to ISO 31000 Risk Management Principles and Guidelines. The Group with limitless potential aims to expand greater despite challenging times in the iron and steel industry by continuously identified and quantified the major risks.

   The risks are collated into a risk register and are assessed to determine if the risk rating is Extreme, High, Medium or Low. The rating process is guided by a matrix of possibility of occurrence and the associated impacts, of which both financial and non-financial consequences are rightly considered.

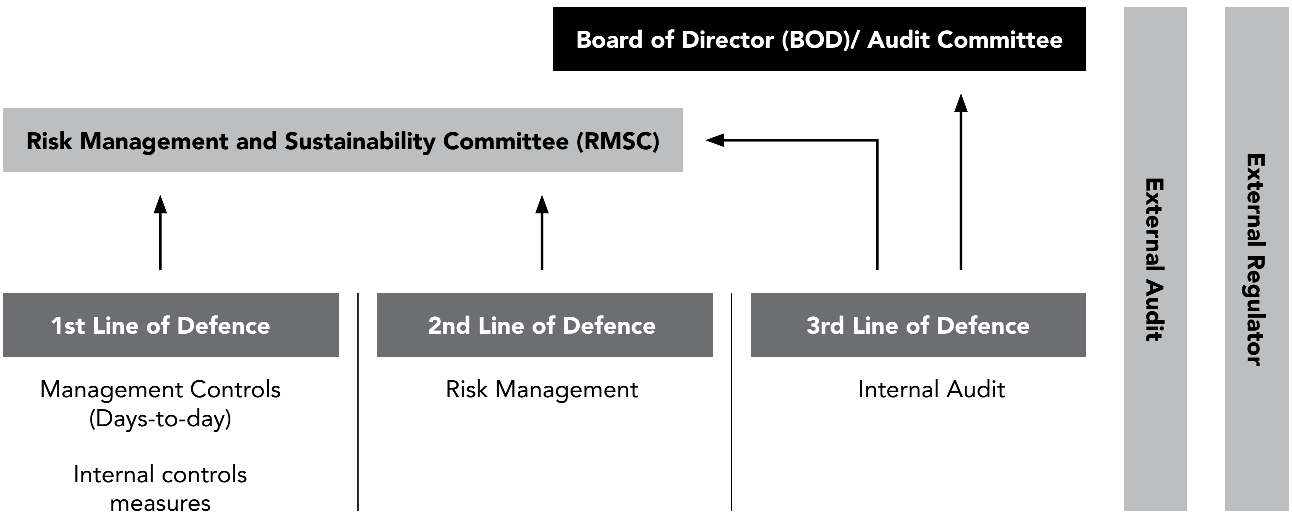
KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

1. Enterprise Risk Management System

The diagram below summarises the risk assurance process described in the Enterprise Risk Management ("ERM") Framework which serves to inform and provide guidance to the Board, Managements and staff on managing risks in the Group:



The Group adopts the Three Lines of Defence model to ensure a structured governance practise and represents the delegation structure in which the Board of Directors allocates risk management responsibilities across the Group as depicted below:



RMSC was tasked with the responsibility of identifying, evaluating, monitoring and managing key risk areas including emerging risks which could potentially affect the achievement of the Group's business objectives and strategies. The RMSC will subsequently report the major risk including emerging risk to the Board to ensure the risk exposures are acceptable and appropriate level of risk mitigation are being implemented. Furthermore, the RMSC was responsible to establish and monitor the Group's risk appetite and prepare a management action plan should risk be triggered beyond the tolerance levels.

The Board acknowledged the importance of effective ERM in enhancing shareholder's value while upholding a high standard of corporate governance. An amalgamation of a sturdy and sustained commitment from the Board and Management with a clear direction and oversight from all levels of leadership, the Group embraces a holistic risk management approach to achieve its business targets with minimal abruptness.

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

2. Financial Risk Management

   The Financial Risk Management Framework ("FRMF") was established in accordance with the Group context of business to integrate between ERM and Financial Risk Management to ensure the Group derive better decisions, meeting objectives and improving performance, and achieving maximum sustainable value to the operations of the Group and subsidiaries.

   The Group are exposed to various financial risks such as credit, liquidity, interest rate, foreign currency exchange rates, metal commodity price risk as well as capital adequacy risks. Based on the type of financial risk, the Group applied several methodologies to identify impacts on its financial resilience based on certain parameters related to financial risks prior to decision-making.

3. Organisation Structure & Authorisation Procedures

   The Group maintains a formal organisational structure with clear delegation of responsibilities and accountabilities. It sets out the roles and responsibilities, appropriate authority limits, review and approval procedures to enhance the internal control system of the Group's various business units.

4. Group Compliance Management Framework

   The Group further enhances its pillar by establishing the Group Compliance Management Framework ("GCMF"); where the function of compliance, principles, governance and responsibilities, processes and control methodologies are embedded in the framework. The GCMF was developed in accordance with ISO 37301:2021 Compliance Management Systems. The compliance structure in the GCMF defines the authorities and responsibilities throughout the organisation to ensure accountability and ownership. It sets out the principles of sound corporate governance to assess and managing the compliance risk to ensure the Group and its subsidiaries adhere to both internal policies and procedures, along with governmental laws.

   Documented policies and procedures are in place and are regularly reviewed and updated so as to ensure that they maintain their effectiveness and continue to support the Group's business activities as the Group continues to grow.

   Certain subsidiaries within the Group are ISO 9001 certified. With this certification, reviews are conducted by independent ISO auditors particularly to ensure compliance with terms and conditions of the respective certifications.

5. Anti-Bribery and Corruption Policy

   The Group is committed to conducting business dealings with high integrity and embraced zero-tolerance to all forms of bribery and corruption. This means avoiding practices of bribery and corruption of all forms in the daily operations of the Group. For that, the Group has developed Anti-Bribery Management System ("ABMS") in accordance with MS ISO 37001:2016 to ensure a structured approach to build trust and transparency, managing risks and safeguarding the Group's reputation.

6. Group Delegation and Limit of Financial Authority

   The Group Delegation and Limit of Financial Authority ("GDLOFA") is intended to recognise the scope of responsibility of the Group's personnel; to control the creation of unauthorised or unwanted liabilities; and maintain the orderly conduct of the Group's business affairs.

   The financial and administrative responsibilities and authorities delegated to the incumbents in charge of approving the decisions and transactions within business entities. This would crystalline between the authority and responsibility; and empower accountability by employees of the Group.

7. Occupational Safety and Health

   The culture of safe and healthy work need to be cultivated and continually strengthened and attitudes toward the development of safe and healthy working conditions need to constantly evolve for the better. The Group understands the importance of worker safety, health and well-being, in terms of productivity and competition, needs to be better understood and taken into account. Therefore, the Group would constantly monitor, address the hazards and implement safety measurement in accordance with the requirements of the Occupational Safety and Health Act 1994.

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

8. Information and Communication

   Information critical to the achievement of the Group's business objectives are communicated through established reporting lines across the Group. This is to ensure matters that require the Board's and Management's attention are highlighted for review, deliberation and decision on a timely basis.

9. Monitoring and Review

   The Executive Directors are closely involved in the daily operations and are responsible for the business performances of the respective business units. Daily operations of the Group are monitored through attendance at management meetings and informal discussions. Significant issues are brought to the attention of the Board, where necessary.

   The quarterly financial statements are presented to the Board for their review, consideration and approval. The Board also plays an active role in discussing and reviewing the business plans, strategies, performance and risks faced by the Group.

10. Loss Event, Accident Incident Management and Insurance Renewal

    Incidents may lead to the loss and/or damage to properties and staff of the Group which may have direct impact on reputation and/or financial impact to the Group. Hence, data of internal and external loss events are continuously collected to predict the outcome of the future operational risk. The data provides a tangible source of information on the probability and impact of operational risks, helping to reduce the subjectivity of operational risk assessments and reports. Over time, these data will become more reliable and accurate to the Group in assessing and modelling its required annual insurance renewal coverage in the future.

    Management reviews the cover based on the net book values and 'replacement value' i.e. the prevailing market price for the same or similar item, of fixed assets and inventory where applicable. The combination of internal and external loss events with the Group's fixed-asset, property and manpower would greatly determine the optimal insurance coverage. The underwriter or insurance broker would also assist in conducting their risk assessments, which also helps the Group in assessing the adequacy of intended cover.

11. Internal Audit Function

    The Group's Internal Audit function was outsourced to Baker Tilly MH (Penang) Sdn. Bhd. ("BT"), a chartered accounting firm. The outsourced Internal Auditors reports directly to AC and assist the Board via the AC in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system.

    The summary of work conducted by the Internal Auditors and to be reported on the next scheduled Audit Committee Meeting are as follows:

    - Assessment of the effectiveness of the control in place in supply chain management on one of the Group's subsidiaries – Duro Metal Industrial (M) Sdn. Bhd.
      Proposal of a strategic Internal Audit plan to the AC. The fee for Internal Audit function of the Group for the financial year ended 30 June 2023 was RM15,000.

REVIEW OF THIS STATEMENT

Pursuant to paragraph 15.23 of the Main Market Listing Requirements, the external auditors have reviewed this statement for inclusion in the 2023 Annual Report. This statement is reviewed in accordance with recommended Audit and Assurance Practice Guide 3 ("AAPG 3") - Guidance for Auditors on Engagement and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. The external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal control.

CONCLUSION

The Board is of the view that the Group's risk management and internal control system is adequate to safeguard shareholders' investments and the group's assets. However, the Board is also cognizant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of internal control and risk management framework.

This statement is made in accordance with the resolution of the Board dated 16 October 2023.

Audit Committee Report

The Board of Directors (“the Board”) of MAYU Global Group Berhad (“MAYU” or “the Company”) (formerly known as ATTA Global Group Berhad) is pleased to present the Audit Committee (“AC”) Report for the financial year ended 30 June 2023 in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

In performing their duties and discharging their responsibilities, the AC is guided by its Board Charter and also its Terms of Reference (“TOR”) which are available on the Company’s website at www.mayuglobal.com

Compositions and Meetings

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors; and has complied with the Main LR of Bursa Malaysia which require the AC to have no fewer than three (3) members, all members to be Non-Executive Directors which complies with Paragraph 15.09(1) of the Main LR of Bursa Malaysia.

The Chairman of the AC, Ms. Loh Yee Sing is a member of the Malaysian Institute of Accountants and accordingly, the Company also meets the requirement of Paragraph 15.09(c)(i) of the Main LR of Bursa Malaysia. Ms. Loh Yee Sing is not the Chairman of the Board which is in line with Practice 9.1 under the Malaysian Code of Corporate Governance (“the Code”). No Alternate Director is appointed as a member of the AC.

All members of the AC are financially literate and are able to analyze and interpret financial statements in order to effectively discharge their duties and responsibilities as members of AC.

A total of five (5) AC Meetings were held during the financial year ended 30 June 2023 and the details of the attendance were as follows:

Name of Members			No. of Meetings Attended
Loh Yee Sing	- Independent Non-Executive Director	(Chairman)	5/5
Ravi Chandran A/L Subash Chandran	- Independent Non-Executive Director	(Member)	5/5
Leong Wai Kuan *(Appointed on 1 March 2023)*	- Independent Non-Executive Director	(Member)	1/1
Sudesh A/L K.V. Sankaran *(Ceassation of Office on 14 December 2022)*	- Independent Non-Executive Director	(Member)	3/3

Representatives of the external and internal auditors were present by invitation at the meetings. The detailed profiles of all the members of the AC are shown in the Board of Directors’ profile.

The AC Chairman meets regularly with Senior Management to be kept informed of matters affecting the Group. Discussions between the AC and the External Auditors ("EA") were held in two (2) of the said meetings without the presence of any Group executives.

The Company Secretary shall be the Secretary of the AC. The Secretary shall maintain minutes of the proceedings of the meetings of the AC and circulate such minutes to all members of the Board. Other Board members, the Group Financial Controller (“GFC”) and employees were invited to facilitate direct communication and also to provide clarification on financial/ audit issues and the Group’s operation matters and the GFC will brief the AC on specific issues arising from the audit reports or any matters of interest.

The Chairman of the AC reported the main findings and deliberations of the AC meetings to the Board. The AC Chairman also presented to the Board the Committee’s recommendations to approve the annual and quarterly financial statements. The AC Chairman also conveyed to the Board matters of significant concern as and when raised by the EA or Internal Auditors in their respective presentations.

The Nomination and Remuneration Committee ("NRC") reviews the terms of office of the AC members and assesses the performance of the AC and its members through an annual effectiveness evaluation. The NRC is satisfied that the AC and its members discharged their functions, duties and responsibilities in accordance with the AC’s TOR, supporting the Board in ensuring the group upholds appropriate corporate governance standards.

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE

In line with the TOR of the AC, the following activities were carried out by the AC during the financial year ended 30 June 2023 in the discharge of its duties and responsibilities:

(a) External Audit

(i) Reviewed the scope of work and the Audit Planning Memorandum of the EA which includes reporting responsibilities and deliverables, audit approach, scope and audit and non-audit fees for statutory audits of the Group account and their proposed fees for the statutory audit in respect of the audit for financial ended 30 June 2023 prior to recommending to the Board for approval.

(ii) Reviewed and discussed the results of their audit report and management letter together with management's responses to their audit findings, including corrective actions taken by the management on outstanding audit issues highlighted in the previous audit.

(iii) Met with the EA three (3) times at the AC Meeting held on 29 August 2022, 18 October 2022 and 24 May 2023 to discuss issues requiring attention/significant matters arising from the audit. EA has received full co-operation from the management.

(iv) Reviewed and evaluated the performance of the EA and their independence, objectivity and professionalism and assessment questionnaires were used as a tool for the assessment and made recommendations to the Board on their re-appointment. The EA provided assurance that they were and had been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

(b) Financial Reporting

(i) Reviewed the Group's unaudited quarterly financial statements, ensure compliance with the Companies Act 2016, Main LR, applicable accounting standards and other legal and regulatory requirements before recommending them to the Board for approval for the announcement to Bursa Malaysia. In discharging this role, the AC deliberated with the officers of the Group and EA on the following matters:

- revenue and cost recognition from Property Development Segment;
- allowance for expected credit losses on trade and other receivables;
- valuation of investment properties;
- net valuation for inventories;
- recoverability of inter-company balance; and
- impairment of cost of investments in subsidiaries.

(ii) Reviewed the audited financial statements of the Company and Group with EA to ensure compliance with the provisions of the Companies Act 2016 and the applicable accounting standards prior to submission to the Board for approval.

(iii) To safeguard the integrity of information, the GFC had given assurance to the AC that:

- appropriate accounting policies had been adopted and applied consistently;
- the going concern basis applied in the annual financial statement was appropriate;
- prudent judgements and reasonable estimates had been made in accordance with the Malaysian Financial Reporting Standards ("MFRS"); and
- the audited financial statement and quarterly consolidated financial statements did not contain material misstatements and gave a true and fair view of the financial position of the Group and its subsidiaries for the financial year ended 2023.

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE (CONT'D)

(c) Internal Audit ("IA")

(i) Reviewed and approved the internal audit plan, including the scope and audit approach.

(ii) Reviewed and deliberated on the internal audit reports from the Internal Auditor and management's response to the recommendations and reported to the Board. The IA reports also provided status updates on the implementation of management action plans on the audit findings reported in the IA Reports presented to the AC. The AC was satisfied with the Internal Auditors' performance for the financial year ended 30 June 2023 covering the business processes/audit areas as detailed in the Statement on Risk Management and Internal Control; and

(iii) Carried out an annual review of the performance of the Internal Auditors, including assessment of their suitability and independence in performing their obligations, which is performed via a formal evaluation form. In its assessment, the AC considered several factors, which include the caliber, reputation and resources of the firm, staff experience and professionalism.

(d) Related Party Transactions

Reviewed the related party transactions to ensure they are transacted within the limit prescribed under the Main LR of Bursa Malaysia.

(e) Annual Report

(i) Reviewed the Statement on Risk Management and Internal Control and recommended to the Board for approval and inclusion in the Annual Report.

(ii) Presented the AC Report to the Board for approval and inclusion in the Annual Report.

(f) Whistleblowing Policy/Anti-Bribery and Corruption("ABC") cases

Ensured that the Group's Whistleblowing policy and ABC policy are actively implemented with appropriate actions taken whenever reports are received. To note that for the year 2023, there was no reporting of whistleblowing nor bribery and corruption cases.

INTERNAL AUDIT FUNCTION

The Internal Audit Function of the Group was outsourced to a professional internal audit service provider firm which undertakes independent, objective and systematic reviews of the risk management, internal controls system and corporate governance. The outsourced internal auditors report directly to the AC and assist the Board in reviewing the adequacy and integrity of the internal control systems to manage risk exposures over key processes within the Group. The functions and responsibilities of the Internal Audit Function are embodied in the Internal Audit Board Charter. The costs incurred by the Group in relation to the outsourced Internal Audit Function for the financial year ended 30 June 2023 amounted to approximately RM15,000.

During the financial year under review, the Internal Auditors conducted audits on business entities of the Group based on the internal audit plan approved by the AC. The Audit findings and reports are presented to the AC members at the AC meeting held during the financial year. The Internal Audit Reports cover the status and progress of their assignments, follow up on the outstanding issues arose from the previous audit, audit recommendations and management response.

Additional Compliance Information

DETAILS OF THE RECURRENT RELATED PARTY TRANSACTIONS

There was no related party transaction during the financial year.

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

Issuance of Irredeemable Convertible Preference Shares

The Company received proceeds amounting to RM97.794 million from the issuance of 1,222,426,720 Irredeemable Convertible Preference Shares ("ICPS") at an issue price of RM0.08 per ICPS in December 2017. The proceeds have been utilized in the following manner as at 30 June 2023:

Purpose	Approved Utilisation RM'000	Amount Utilised RM'000	Balance Unutilized RM'000
Purchase of new equipment/machineries	6,550	4,258	2,292
Investment in new business	30,000	30,000	-
Upgrading of building	10,000	10,000	-
Working capital	50,244	50,244	-
Expenses in relation to the Proposal (ICPS)	1,000	763	237
Total:	97,794	95,265	2,529

The ICPS has matured on **28 November 2022, Monday at 5.00 p.m. ("Maturity Date")**.

PLACEMENT

Utilisation of Proceeds Raised from Private Placement

On 19 August 2021, the Company proposed to undertake a private placement of up to 153,328,000 new ordinary shares in the Company ("Placement Shares"), representing not more than 10% of the number of issued shares (excluding treasury shares) in the Company ("Private Placement"). The Private Placement was completed on 16 August 2022.

Total proceeds successfully raised in the Private Placement exercise is RM7,667,083 and the status of utilization of the proceeds arising from the Private Placement as at 30 June 2023 is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilised RM'000	Balance Unutilized RM'000
1. Development of SKY Urban Condominium Project	4,632	4,632	-
2. Working capital for MAYU group	2,879	2,879	-
3. Expenses for the Proposed Private Placement	156	156	-
Total:	7,667	7,667	

SANCTIONS AND/OR PENALTIES

There were no material public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

Additional Compliance Information

AUDIT AND NON-AUDIT FEES

During the financial year ended 30 June 2023, the amount of audit fees and non-audit fees payable to the External Auditors and its affiliates are as follows:

	Audit Fees (RM)	Non-Audit Fees (RM)
Company	73,000	11,000
Group	252,200	63,400

MATERIAL CONTRACTS AND CONTRACTS RELATING TO LOANS AWARDED TO DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

There were no material contracts and contracts relating to loans entered into by the Company and its subsidiaries which involve the Directors, Chief Executive who is not a Director and substantial shareholders entered into since the end of the previous financial year.

Properties Owned by the Group
as at 30 June 2023

Location	Description	Tenure	Area	No. Years of Held	Age of Building	Carrying Amount RM	Year of Valuation
MAYU Global Group Berhad							
Lot 10140, Mukim 15, Daerah Seberang Perai Utara, Pulau Pinang	1 ½ Storey Semi Detached Light Industiral Building	Freehold	756sf	3	3	2,365,350	2021
Lot 10141, Mukim 15, Daerah Seberang Perai Utara, Pulau Pinang	1 ½ Storey Semi Detached Light Industiral Building	Freehold	874sf	3	3	2,600,350	2021
MAYU Global Group Berhad							
P.T. No. 1451 H.S. (D) No. 4696 Mukim 1, Province Wellesley Central, Penang	Factory	60 years lease to 2044	6.22247 acres	39	36	27,500,000	2023
MAYU Global Group Berhad SMPC Industries Sdn Bhd							
P.T. Nos. 1460 & 1444 H.S. (D) Nos. 2719 & 2706 Mukim 1, Province Wellesley Central, Penang	Factory Office	60 years lease to 2045	4.01338 acres	27	32	15,500,000	2023
SMPC Industries Sdn Bhd							
Lot 717, 5 1/2 Miles Jalan Kapar, Klang, Selangor Darul Ehsan	Factory Office	Freehold	8.16875 acres	26	25	24,877,190	2009
Progerex Sdn Bhd							
Lot 1501, 1502, Mukim 14, Kampung To' suboh, Bukit Minyak, Simpang Ampat Seberang Perai Selatan, Penang	Land/ Rented	Freehold	2.259 acres	29	26	5,000,000	2023
Lot No. 4661, Mukim 07, Daerah Seberang Perai Utara, Pulau Pinang	Vacant Land	Freehold	0.5708 Hectares	8	-	330,000	2023
Lot No. 4707, Mukim 03, Daerah Seberang Perai Utara, Pulau Pinang	Vacant Land	Freehold	0.5837 Hectares	8	-	250,000	2023
Lot No. 10084, Bandar Gurun Daerah Kuala Mudah, Negeri Kedah	Factory Office	Freehold	7,041sm	6	-	4,000,000	2023
Lot No. 1242, Seksyen 13, Bandar George Town, Daerah Timor Laut, Pulau Pinang	Office Space	Freehold	289m2	4	-	1,500,000	2023
SMPC Marketing Sdn Bhd							
Lot 176, Tempat Macang Kudung Mukim Jabi, Daerah Pokok Sena, Kedah	Vacant Land	Freehold	2.257 acres	22	-	128,000	2001
Duro Metal Industries Sdn Bhd							
2nd Floor Unit of 4 storey shop office in Taman Kinrara, Puchong, H.S. (M) 22709, PT 19499 Mukim Petaling, Selangor	Office	99 years lease to 2098	1,114 sf	23	23	120,674	1999
Zone 5A, Parcel 2, Lot 5418, Mukim Senai-Kulai, Johor Darul Takzim	Apartment	Freehold	885sf	23	23	43,858	2001

Properties Owned by the Group
as at 30 June 2023

Location	Description	Tenure	Area	No. Years of Held	Age of Building	Carrying Amount RM	Year of Valuation
Metal Perforators (Malaysia) Sdn Bhd							
Lot 5 & 7, Jalan Tukang 16/4, P.O. Box 7045, 40700 Shah Alam, Selangor.	Leasehold Land Factory Office	99 years lease To 2071 & 2069	32,000sf 24,500sf	51 & 53	41	2,228,767	2005
Kembang Kartika Sdn Bhd							
Lot No. 228 & 1697 Mukim Of Pekula, District of Kuala Muda, State of Kedah	Vacant Land	Freehold	10.4444 4.444 hectares	10	-	15,500,000	2020
Park Avenue Construction (M) Sdn Bhd							
Lot No. 410, Mukim 2, Daerah Barat Daya, Penang.	Vacant Land	Freehold	23,725 sm	10	-	1,650,000	2010
Sunrise Manner Sdn Bhd							
Lot 1146, Jalan Seladang Alma 14000 Bukit Mertajam, Pulau Pinang.	Under Development Vacant Land	Freehold	53,443.14 sm	5	-	40,830,367	2018
Climate Attitude Sdn Bhd							
Lot 7, Lot 165 Section 3, Jalan Raja Uda, 12300 Butterworth Pulau Pinang.	Real Estate / Leased Property	Freehold	18,790,00 sm	4	-	37,259,780	2019
Eminent Potential Sdn Bhd							
Lot No. 576, Mukim 12, Daerah Barat Daya, Pulau Pinang.	Property Development	Freehold	3,065,488 sm	5	-	2,566,704	2017
Scanrite Sdn Bhd							
Lot No. 3018 & 3019 Seksyen 42, Bandar Kulim, Daerah Kulim, Kedah	Property Development	Freehold	8,907,000 sm	5	-	1,925,281	2015
Santro Match Sdn Bhd							
Lot 1585,1587 Section 12, Bandar George Town, Pulau Pinang,	Properties Investment	Freehold	1,759.3402 sm	4	-	15,161,000	2023
MPSB Venture Sdn Bhd							
Lot 20354, Mukim 13, Bukit Gambier North East District Penang.	Property Development	Freehold	13,492 sm	4	-	34,877,413	2023

Statistics on Shareholdings
as at 29 September 2023

Total Number of Shares Issued	:	**443,714,374 (Excluding 774 Treasury Shares)**
Class of Shares	:	**Ordinary Shares**
Voting Rights	:	**One vote per Ordinary Shares**

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	364	11.37	13,180	0.00
100 - 1,000	966	30.19	326,600	0.07
1,001 - 10,000	1,027	32.09	5,062,540	1.14
10,001 - 100,000	706	22.06	22,923,219	5.17
100,001 to 22,185,718	133	4.16	247,358,735	55.75
22,185,719 and above	4	0.13	168,030,100	37.87
Total	**3,200**	**100.00**	**443,714,374**	**100.00**

Note: * - Less than 5% of issued holdings
** - 5% and above of issued holdings

DIRECTORS' SHAREHOLDINGS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the Directors' interests in the ordinary shares capital of the Company and its related companies are as follows:

		No. of Shares					
No.	**Name of Directors**	**Direct Interest (A)**	**%**	**Deemed Interest (B)**	**%**	**Total Interest (A+B)**	**%**
1	DATO' SRI TAJUDIN BIN MD ISA	40,000	0.01	-	-	40,000	0.01
2	TAN KIM HEE	53,500,000	12.06	-	-	53,500,000	12.06
3	GOH CHIN HENG	-	-	50,020,000[1]	11.27	50,020,000	11.27
4	CHOW CHOON HOONG	-	-	-	-	-	-
5	TAN QIAN HUI	-	-	-	-	-	-
6	LOH YEE SING	-	-	-	-	-	-
7	RAVI CHANDRAN A/L SUBASH CHANDRAN	-	-	-	-	-	-
8	LEONG WAI KUAN	-	-	-	-	-	-

None of the Directors had any interest in shares in the Company or its related companies.

Note:

1. Deemed interested by virtue of his interest in G Reka Management Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Statistics on Shareholdings
as at 29 September 2023

SUBSTANTIAL SHAREHOLDERS

According to the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act 2016, the following are the substantial shareholders of the Company:

		No. of Shares					
No.	**Name of Substantial Shareholders**	**Direct Interest (A)**	**%**	**Deemed Interest (B)**	**%**	**Total Interest (A+B)**	**%**
1	G REKA MANAGEMENT SDN BHD	50,020,000	11.27	-	-	50,020,000	11.27
2	UTOPIA SPAN SDN. BHD.	44,897,900	10.12	30,612,200 [1]	6.90	75,510,100	17.02
3	LIMBONGAN BATU MAUNG SDN. BHD.	30,612,200	6.90	-	-	30,612,200	6.90
4	DATO' LIO CHEE YEONG	2,070,000	0.47	75,542,100 [2 3]	17.03	77,612,100	17.50
5	LIM YEOW TEOH	-	-	75,510,100 [3]	17.02	75,510,100	17.02
6	TAN KIM HEE	53,500,000	12.06	-	-	53,500,000	12.06
7	GOH CHIN HENG	-	-	50,020,000 [4]	11.27	50,020,000	11.27

Notes:

1. Deemed interested by virtue of its shareholding in Limbongan Batu Maung Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
2. Deemed interested through the shares held by his spouse.
3. Deemed interested by virtue of their substantial shareholdings in Limbongan Batu Maung Sdn. Bhd. (through Utopia Sdn. Bhd.) and their substantial shareholdings in Utopia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
4. Deemed interested by virtue of his interest in G Reka Management Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	G REKA MANAGEMENT SDN. BHD.	50,020,000	11.27
2	UTOPIA SPAN SDN. BHD.	44,897,900	10.12
3	TAN KIM HEE	42,500,000	9.58
4	LIMBONGAN BATU MAUNG SDN. BHD.	30,612,200	6.90
5	OOI CHIENG SIM	21,647,168	4.88
6	TAC WIND SDN BHD	21,500,000	4.85
7	LIM SEOW CHIN	17,763,045	4.00
8	GAINFACTOR SDN. BHD.	13,526,500	3.05
9	A1 CAPITAL SDN BHD	13,047,602	2.94
10	SKYLITECH RESOURCES SDN. BHD.	12,000,000	2.70
11	TAN KIM HEE	11,000,000	2.48
12	LAGENDA PERDANA SDN. BHD.	10,821,897	2.44
13	HLS PROPERTIES SDN. BHD.	10,765,900	2.43
14	MONT PRISTINE DEVELOPMENT SDN. BHD.	9,980,000	2.25
15	HLS PROPERTIES SDN. BHD.	9,656,230	2.18
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD MERLVIN TAN CHYE HWA	6,802,850	1.53
17	KANG KHOON SENG	6,515,712	1.47

Statistics on Shareholdings
as at 29 September 2023

30 LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders		No. of Shares	%
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SOON TANG		6,169,571	1.39
19	EA DUTAS SDN. BHD.		6,000,000	1.35
20	LIM KEAN WAH		5,550,000	1.25
21	A1 CAPITAL SDN BHD		4,834,352	1.09
22	SKYLITECH RESOURCES SDN. BHD.		4,200,000	0.95
23	TAN BOON LING		2,822,000	0.64
24	KHOON WENG REALTY SDN. BHD.		2,261,350	0.51
25	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)		2,125,000	0.48
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD KELVIN TAN CHYE HOCK		2,075,991	0.47
27	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUN PING		1,764,505	0.40
28	NG KWENG CHAN		1,752,100	0.39
29	LIM CHIN PO		1,743,890	0.39
30	A1 CAPITAL SDN BHD		1,631,400	0.37
		TOTAL	375,987,163	84.75

Analysis of Warrants C Holdings
as at 29 September 2023

Class of Securities	:	**Warrant C 2014/2024**
No. of Outstanding Warrant C	:	**4,837,053**
Voting Rights	:	**1 vote per Warrant C in respect of a meeting of Warrant C Holders**

ANALYSIS OF WARRANTS C HOLDINGS

Size of Warrantholdings	No. of Warrant C Holders	% of Warrant C Holders	No. of Warrants C	% of Warrant C Issued
Less than 100	60	29.12	2,586	0.05
100 - 1,000	36	17.48	14,979	0.31
1,001 - 10,000	44	21.36	222,283	4.60
10,001 - 100,000	56	27.18	2,025,093	41.87
100,001 to 241,852 (*)	7	3.40	1,018,710	21.06
241,853 and above (**)	3	1.46	1,553,402	32.11
Total	**206**	**100.00**	**4,837,053**	**100.00**

Note: * - Less than 5% of issued holdings
** - 5% and above of issued holdings

DIRECTORS' INTERESTS

No.	Name of Directors	Direct No. of Warrant C	%	Deemed No. of Warrant C	%
1	DATO' SRI TAJUDIN BIN MD ISA	-	-	-	-
2	TAN KIM HEE	-	-	-	-
3	GOH CHIN HENG	-	-	-	-
4	CHOW CHOON HOONG	-	-	-	-
5	TAN QIAN HUI	-	-	-	-
6	LOH YEE SING	-	-	-	-
7	RAVI CHANDRAN A/L SUBASH CHANDRAN	-	-	-	-
8	LEONG WAI KUAN	-	-	-	-

30 LARGEST WARRANT C HOLDERS

No.	Name of Holders	Holdings	%
1	CHARLES ROSS MCKINNON	695,700	14.38
2	NG SOOK KIN	489,600	10.12
3	LIEW JIEW CHOO	368,102	7.61
4	WU SONG SEE @ GOH SONG SEE	187,111	3.87
5	TA NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHARLES ROSS MCKINNON	180,000	3.72
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHEAH CHEE SIONG (PB)	175,081	3.62
7	TEH YEE LIANG	134,597	2.78

Analysis of Warrants C Holdings
as at 29 September 2023

30 LARGEST WARRANT C HOLDERS (CONT'D)

No.	Name of Holders	Holdings	%
8	EWE HONG KHOON	119,950	2.48
9	OOI HUNG HOCK	115,138	2.38
10	LOH CHEE KONG	106,833	2.21
11	KHOO POH CHYE	94,413	1.95
12	LEE FOOK ON	79,990	1.65
13	KWAN YEW CHIN	72,000	1.49
14	HOO SENG JOO	71,852	1.49
15	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	70,000	1.45
16	LEE FOONG SIEN	69,083	1.43
17	YAP KANG THAI @ YAP LEAN	65,266	1.35
18	ZAILELAWATI BINTI MD AKHIR	62,900	1.30
19	TEE HOCK SENG	60,068	1.24
20	OOI WENG HOOI	60,000	1.24
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO AH KHOW	57,569	1.19
22	TEY CHAI SENG	56,600	1.17
23	CHAI SAD LIAN	56,000	1.16
24	LOH KIAN JOO	50,270	1.04
25	HLS PROPERTIES SDN. BHD.	50,000	1.03
26	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD CHEONG CHUNG WAI (8110207)	48,128	0.99
27	LOH CHEE KONG	47,897	0.99
28	GAN SOO HONG	46,055	0.95
29	LIM MOOI TEAN	46,055	0.95
30	TIEU CHIONG BING	45,000	0.93
	TOTAL	3,781,258	78.16

Directors' Report

For the financial year ended 30 June 2023

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **30 June 2023**.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, letting of industrial and commercial properties and management consultancy.

The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

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

CHANGE OF NAME

The Company has changed its name from ATTA Global Group Berhad to Mayu Global Group Berhad on 10 April 2023.

RESULTS

	GROUP RM	COMPANY RM
Profit/(Loss) for the financial year	17,582,175	(7,440,159)
Attributable to:		
Owners of the Company	14,537,782	(7,440,159)
Non-controlling interests	3,044,393	-
	17,582,175	(7,440,159)

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 June 2023** have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividends have been declared or paid by the Company since the end of previous financial year.

The directors do not recommend any dividend payment for the financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the notes to the financial statements.

SHARE CAPITAL AND DEBENTURE

During the financial year, the Company has increased its issued and fully paid-up ordinary share capital by way of issuance of:

(i) 117,160,237 new ordinary shares pursuant to the conversion of 1,171,602,720 5-Year Irredeemable Convertible Preference Shares ("ICPS") at a conversion price of RM0.80 each amounted to RM93,728,218; and

(ii) 16,076,500 new ordinary shares through a private placement at an issue price of RM0.29 per ordinary share for cash amounted to RM4,662,184 on 15 August 2022.

The new ordinary shares issued during the financial year rank *pari passu* in all respects with the existing ordinary shares of the Company.

Directors' Report
For the financial year ended 30 June 2023

TREASURY SHARES

During the financial year, the Company did not repurchase any of its issued ordinary shares from the open market.

As at 30 June 2023, the Company held a total of 774 treasury shares out of its 368,205,048 issued ordinary shares. Further relevant details are disclosed in Note 18.1 to the financial statements.

5-YEAR IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") AND WARRANTS

During the financial year, 1,171,602,720 ICPS were mandatorily converted into new ordinary shares at the conversion price of RM0.80 each.

During the financial year, no Warrants C were exercised. As at 30 June 2023, there was a total of 4,837,053 unexercised Warrants C.

The salient features of the ICPS and Warrants are disclosed in Notes 17 and 18 to the financial statements respectively.

Details of ICPS and Warrants issued to directors are disclosed in the section on directors' interests in this report.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company's ESOS is governed by the By-Laws which were approved by the shareholders at an Extraordinary General Meeting held on 28 September 2012. The ESOS which had expired on 18 October 2015 was extended for another seven years expired on 18 October 2022.

The details of outstanding share options granted to the Group's employees and directors and its exercise price are as follows:

		|------------ Number of ESOS over ordinary shares			-------------|
Grant date	**Exercise price**	**Balance at 1.7.2022**	**Exercised**	**Lapsed**	**Balance at 30.6.2023**
9.10.2013	RM0.87	558,007	-	(558,007)	-
14.10.2014	RM0.87	160,266	-	(160,266)	-
15.2.2016	RM0.87	1,433,108	-	(1,433,108)	-

The salient features of the ESOS are disclosed in Note 35 to the financial statements.

Details of options granted to directors are disclosed in the section on directors' interests in this report.

As at 18 October 2022, 2,151,381 unexercised ESOS has lapsed upon the expiry of the ESOS.

DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

Directors of the Company:

Dato' Sri Tajudin Bin Md Isa
* **Tan Kim Hee**
* **Goh Chin Heng**
* **Chow Choon Hoong**
Loh Yee Sing
Ravi Chandran A/L Subash Chandran
Tan Qian Hui (appointed on 1.3.2023)
Leong Wai Kuan (appointed on 1.3.2023)
Sudesh A/L K.V. Sankaran (retired on 14.12.2022)

Directors' Report

For the financial year ended 30 June 2023

DIRECTORS (CONT'D)

Directors of the subsidiaries:

The directors of the subsidiaries of the Company since the beginning of the financial year to the date of this report, not including those directors listed above, are:

Dhanabalan A/L M. Pitchai Chetty
Tang Tiam Hok
Mahendrakumar A/L Dhanabalan
Siva Raman A/L S. Ramasamy Pattar

* *Also director of subsidiaries.*

DIRECTORS' INTERESTS

According to the register of directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares in the Company and or its related corporations during the financial year are as follows:

	Number of ordinary shares			
	Balance at 1.7.2022	**Bought**	**Sold**	**Balance at 30.6.2023**
The Company				
Direct Interest:				
Tan Kim Hee	46,500,000	7,000,000	-	53,500,000
Dato' Sri Tajudin Bin Md Isa	15,000	25,000	-	40,000
Deemed Interest:				
[1] Goh Chin Heng	50,020,000	-	-	50,020,000

	Number of ESOS over ordinary shares			
	Balance at 1.7.2022	**Exercised**	**Lapsed**	**Balance at 30.6.2023**
Chow Choon Hoong	74,624	-	(74,624)	-

[1] Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through G Reka Management Sdn. Bhd.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company from the Group and the Company are as follows:

	GROUP RM	**COMPANY RM**
Fees	**273,000**	**273,000**
Salaries, allowances and other emoluments	**1,109,500**	**772,000**
Defined contribution plans	**118,500**	**78,000**
	1,501,000	**1,123,000**

Directors' Report
For the financial year ended 30 June 2023

DIRECTORS’ REMUNERATION AND BENEFITS (CONT'D)

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown above) by reason of a contract made by the Company or a related corporation with a 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.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM35,212.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the provision for doubtful debts and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(i) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) that have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and

(ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

Directors' Report
For the financial year ended 30 June 2023

SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

The details of the events during and after the reporting period are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, **Grant Thornton Malaysia PLT**, have expressed their willingness to continue in office.

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 30 June 2023 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	**252,200**	**73,000**
Assurance related and non-audit services	**63,400**	**11,000**
Total	**315,600**	**84,000**

The Company has agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

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

....

Tan Kim Hee

....

Goh Chin Heng

Penang,

Date: 16 October 2023

Directors' Statement

In the opinion of the directors, the financial statements set out on pages 63 to 149 are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 at **30 June 2023** and of their financial performance and cash flows for the financial year then ended.

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

....	....
Tan Kim Hee	**Goh Chin Heng**

Date: 16 October 2023

Statutory Declaration

I, **Siva Raman A/L S.Ramasamy Pattar**, the officer primarily responsible for the financial management of **Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)**, do solemnly and sincerely declare that the financial statements set out on pages 63 to 149 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 in Penang, this **16th**)
day of **October 2023.**)

....
Siva Raman A/L S.Ramasamy Pattar

Before me,

....
Liew Juan Leng (P162)
Commissioner for Oaths

Independent Auditors' Report

To the members of Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)**, which comprise the statements of financial position as at **30 June 2023** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including the summary of accounting policies, as set out on pages 63 to 149.

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 at **30 June 2023** and of their financial performance and cash flows for the financial 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. 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 judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report

To the members of Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)

Key Audit Matters (Cont'd)

Key Audit Matters	How our audit addressed the Key Audit Matter
Revenue and cost of sales recognition in respect of property development activities *(Note 2.6(vi), 3.10, 6 and 21 to the financial statements)* Revenue and cost of sales recognised from property development activities amounted to RM140.98 million and RM109.14 million respectively during the financial year. Revenue recognised from property development activities representing 74% of the Group's total revenue during the financial year. We identified revenue and cost of sales from property development activities as areas requiring audit focus as significant management's judgement and estimates are involved in estimating the stage of completion and the overall progress of the property development projects. For property development contracts where revenue is recognised over the time, the Group uses the input method which based on the property development costs ("PDC") incurred to-date as a proportion of the estimated total PDC to be incurred for the respective development projects in accounting for the progress toward complete satisfaction of the Group's performance obligation.	Our audit procedures in relation to addressing the key audit matter include: • Obtained an understanding of the Group's procedures over the measurement and recognition of revenue and cost of sales in respect of property development activities. • Evaluated the assumptions applied in estimating the PDC on a sampling basis by examining documentary evidence such as letter of award issued to contractors and for amount not contracted for to consider the historical accuracy of management's forecasts for the similar property development projects to support the budgeted costs. • Checked the stage of completion of property development activities computed by the project manager against third-party architect certification of work completed to date and performed site visit on all ongoing development projects to ascertain the reasonableness of the percentage of completion estimated by the project manager. As part of our work done, we have also discussed the stage of the project with the project manager to ascertain whether the possibility variation order to the original award letter is expected to occur and if such variation order is already accounted for in the updated budgeted PDC. • Performed test of details on a sampling basis on property development revenue by substantiating revenue recognised against supporting documents and reconciliations, including stamped sales and purchase agreements, approved loan agreements and progress billings issued.
Impairment of cost of investment in subsidiaries *(Note 2.6(iv), 3.5 and 8 to the financial statements)* The carrying amount of the Company's investment in the subsidiaries as at 30 June 2023 is RM71.58 million which accounted for approximately 24% of the Company's total assets. Certain subsidiaries are either in negative shareholder's fund position or suffering continuous losses indicating that the carrying amount of the investment in subsidiaries may be impaired. Accordingly, the Company had performed an impairment assessment on the investment in the subsidiary by estimating the recoverable amount which is the higher of value-in use ("VIU") method or fair value less cost to sales. Estimating the VIU involves estimating the future cash inflows and outflows and the terminal value that will be derived from the cash generating unit and discounting them using an appropriate rate. Due to the significance of the amount and the subjectivity involved in estimating the VIU, we identified this as our area of audit focus as the impairment assessment involves determining the recoverable amounts using a discounted cash flow approach which is complex and highly judgmental. Judgement was also applied in determining the appropriate rate to discount the future cash flows to its present value.	Our audit procedures in relation to addressing the key audit matter, amongst others, the following: • Evaluated the model used in determining the value in use of the cash generating units ("CGU") as well as assessed the discount rate used. • Assessed the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive. • Analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amount.

Independent Auditors' Report

To the members of Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)

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 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.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- 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.

- 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 of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- 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 and 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.

Independent Auditors' Report

To the members of Mayu Global Group Berhad (formerly known as ATTA Global Group Berhad)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the overall presentation, structure and content of the Group and of the Company financial statements, 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.

- 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.

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, actions taken to eliminate threats or safeguards applied.

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 financial 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 of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

Other Matter

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.

Grant Thornton Malaysia PLT
AF: 0737
201906003682 (LLP0022494-LCA)
Chartered Accountants

Yeap Bee Har
No. 03715/02/2025 J
Chartered Accountant

Penang

Date: 16 October 2023

Statements of Financial Position
As at 30 June 2023

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	**60,622,932**	63,091,352	**7,667,657**	6,105,448
Right-of-use assets	5	**165,943**	308,167	**-**	-
Inventories	6	**71,702,214**	70,413,479	**-**	-
Investment properties	7	**69,241,000**	64,661,000	**27,500,000**	31,103,297
Investment in subsidiaries	8	**-**	-	**71,575,888**	73,956,121
Deferred tax assets	9	**371,972**	-	**-**	-
Trade and other receivables	10	**-**	-	**42,051,465**	169,641,561
		202,104,061	198,473,998	**148,795,010**	280,806,427
Current assets					
Inventories	6	**96,649,563**	147,112,561	**-**	-
Trade and other receivables	10	**29,797,454**	30,343,976	**136,408,748**	24,214,648
Contract assets	11	**53,434,263**	18,188,775	**-**	-
Contract costs	12	**3,313,892**	3,333,075	**-**	-
Current tax assets		**1,707,460**	874,653	**272,396**	176,017
Other investments	13	**19,942,891**	20,096,981	**679,119**	565,066
Fixed deposits with licensed banks	14	**154,535**	3,946,670	**154,535**	189,197
Cash and bank balances	15	**43,052,358**	14,914,630	**18,218,112**	901,452
		248,052,416	238,811,321	**155,732,910**	26,046,380
TOTAL ASSETS		**450,156,477**	437,285,319	**304,527,920**	306,852,807
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	**324,959,254**	226,568,852	**324,959,254**	226,568,852
Irredeemable Convertible Preference Shares ("ICPS")	17	**-**	93,728,218	**-**	93,728,218
Other reserves	18	**895,723**	861,444	**8,461,719**	8,569,190
Retained profits		**46,388,517**	31,743,264	**(32,943,663)**	(25,610,975)
		372,243,494	352,901,778	**300,477,310**	303,255,285
Non-controlling interests		**27,651,288**	24,606,895	**-**	-
Total equity		**399,894,782**	377,508,673	**300,477,310**	303,255,285

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

Statements of Financial Position
As at 30 June 2023

		GROUP		COMPANY	
	NOTE	2023 RM	2022 RM	2023 RM	2022 RM
Non-current liabilities					
Borrowings	**19**	**947,991**	216,644	**-**	-
Lease liabilities	**5**	**25,804**	175,247	**-**	-
Deferred tax liabilities	**9**	**6,803,931**	6,689,915	**2,546,538**	2,148,471
Trade, other payables and provision	**20**	**4,205,955**	3,388,791	**-**	-
		11,983,681	10,470,597	**2,546,538**	2,148,471
Current liabilities					
Trade, other payables and provision	**20**	**33,939,208**	46,862,804	**1,504,072**	1,449,051
Contract liabilities	**11**	**2,642,371**	1,815,088	**-**	-
Borrowings	**19**	**372,227**	442,631	**-**	-
Lease liabilities	**5**	**149,443**	140,619	**-**	-
Current tax liabilities		**1,174,765**	44,907	**-**	-
		38,278,014	49,306,049	**1,504,072**	1,449,051
Total liabilities		**50,261,695**	59,776,646	**4,050,610**	3,597,522
TOTAL EQUITY AND LIABILITIES		**450,156,477**	437,285,319	**304,527,920**	306,852,807

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

Statements of Comprehensive Income
For the financial year ended 30 June 2023

		GROUP		COMPANY	
	NOTE	2023 RM	2022 RM	2023 RM	2022 RM
Revenue	21	**189,470,686**	119,782,841	**4,140,192**	4,246,464
Other income	22	**4,844,447**	5,484,660	**-**	-
Changes in inventories of finished goods and trading goods		**162,402**	(1,208,005)	**-**	-
Raw materials and consumables used		**(29,969,521)**	(24,237,962)	**-**	-
Property development costs		**(109,135,511)**	(52,820,187)	**-**	-
Employee benefits expenses	23	**(12,198,528)**	(11,672,275)	**(2,145,261)**	(1,939,260)
Depreciation	24	**(3,114,347)**	(3,222,474)	**(197,952)**	(163,362)
Allowance for expected credit losses on receivables					
- Addition		**(339,245)**	(810,542)	**(850,000)**	(6,574,247)
- Reversal		**263,120**	204,109	**500,000**	-
Other operating expenses		**(14,739,850)**	(21,000,446)	**(8,248,305)**	(2,721,612)
Operating profit/(loss)		**25,243,653**	10,499,719	**(6,801,326)**	(7,152,017)
Finance costs	25	**(326,175)**	(222,270)	**-**	-
Finance income		**243,541**	196,177	**18,803**	93,230
Profit/(Loss) before tax	26	**25,161,019**	10,473,626	**(6,782,523)**	(7,058,787)
Tax expense	27	**(7,578,844)**	(6,575,100)	**(657,636)**	(424,146)
Profit/(Loss) for the financial year		**17,582,175**	3,898,526	**(7,440,159)**	(7,482,933)
Other comprehensive income, net of tax					
Items that will not be classified subsequently to profit or loss:					
- Revaluation surplus on building		**141,750**	-	**-**	-
Total comprehensive income/(loss) for the financial year		**17,723,925**	3,898,526	**(7,440,159)**	(7,482,933)

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

Statements of Comprehensive Income

For the financial year ended 30 June 2023

		GROUP		COMPANY	
	NOTE	2023 RM	2022 RM	2023 RM	2022 RM
Profit/(Loss) attributable to:					
Owners of the Company		**14,537,782**	750,071	**(7,440,159)**	(7,482,933)
Non-controlling interests		**3,044,393**	3,148,455	**-**	-
		17,582,175	3,898,526	**(7,440,159)**	(7,482,933)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		**14,679,532**	750,071	**(7,440,159)**	(7,482,933)
Non-controlling interests		**3,044,393**	3,148,455	**-**	-
		17,723,925	3,898,526	**(7,440,159)**	(7,482,933)
Earnings per share attributable to owners of the Company (sen)					
- Basic	**28**	**3.71**	0.22		
- Diluted	**28**	**3.71**	0.22		

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

Consolidated Statement of Changes in Equity
For the financial year ended 30 June 2023

	NOTE	Attributable to Owners of the Company: Non-distributable: Share Capital RM	ICPS RM	ICULS RM	Other Reserves RM	Distributable: Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
2023									
Balance at beginning		226,568,852	93,728,218	-	861,444	31,743,264	352,901,778	24,606,895	377,508,673
Total comprehensive income for financial year		-	-	-	141,750	14,537,782	14,679,532	3,044,393	17,723,925
Transactions with owners:									
- Issuance of shares pursuant to conversion of ICPS	16	93,728,218	(93,728,218)	-	-	-	-	-	-
- Private placement	16	4,662,184	-	-	-	-	4,662,184	-	4,662,184
- Share option lapsed	18.5	-	-	-	(107,471)	107,471	-	-	-
Total transactions with owners		98,390,402	(93,728,218)	-	(107,471)	107,471	4,662,184	-	4,662,184
Balance at end		324,959,254	-	-	895,723	46,388,517	372,243,494	27,651,288	399,894,782

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

Consolidated Statement of Changes in Equity
For the financial year ended 30 June 2023

		Attributable to Owners of the Company							
			Non-distributable			Distributable			
	NOTE	Share Capital RM	ICPS RM	ICULS RM	Other Reserves RM	Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
2022									
Balance at beginning		208,553,888	93,756,938	11,875,881	4,068,382	30,891,720	349,146,809	21,060,191	370,207,000
Total comprehensive income for financial year		-	-	-	-	750,071	750,071	3,148,455	3,898,526
Transactions with owners:									
- Acquisition of a subsidiary		-	-	-	-	-	-	398,249	398,249
- Issuance of shares pursuant to conversion of ICULS	16	11,875,881	-	(11,875,881)	-	-	-	-	-
- Issuance of shares pursuant to conversion of ICPS	16	28,720	(28,720)	-	-	-	-	-	-
- Private placement	16	3,004,898	-	-	-	-	3,004,898	-	3,004,898
- Expiry of Warrant B	16	3,105,465	-	-	(3,186,005)	80,540	-	-	-
- Share option lapsed	18.5	-	-	-	(20,933)	20,933	-	-	-
Total transactions with owners		18,014,964	(28,720)	(11,875,881)	(3,206,938)	101,473	3,004,898	398,249	3,403,147
Balance at end		226,568,852	93,728,218	-	861,444	31,743,264	352,901,778	24,606,895	377,508,673

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

Statement of Changes in Equity
For the financial year ended 30 June 2023

	NOTE	Share Capital RM	ICPS RM	ICULS RM	Other Reserves RM	Accumulated Losses RM	Total Equity RM
			|--------- Non-distributable	---------	---------|		
2023							
Balance at beginning		**226,568,852**	**93,728,218**	**-**	**8,569,190**	**(25,610,975)**	**303,255,285**
Total comprehensive loss for financial year		**-**	**-**	**-**	**-**	**(7,440,159)**	**(7,440,159)**
Transactions with owners:							
- Issuance of shares pursuant to conversion of ICPS	**16**	**93,728,218**	**(93,728,218)**	**-**	**-**	**-**	**-**
- Private placement	**16**	**4,662,184**	**-**	**-**	**-**	**-**	**4,662,184**
- Share option lapsed	**18.5**	**-**	**-**	**-**	**(107,471)**	**107,471**	**-**
		98,390,402	**(93,728,218)**	**-**	**(107,471)**	**107,471**	**4,662,184**
Balance at end		**324,959,254**	**-**	**-**	**8,461,719**	**(32,943,663)**	**300,477,310**

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

Statement of Changes in Equity
For the financial year ended 30 June 2023

	NOTE	Share Capital RM	ICPS RM	ICULS RM	Other Reserves RM	Accumulated Losses RM	Total Equity RM
			Non-distributable				
2022							
Balance at beginning		208,553,888	93,756,938	11,875,881	11,776,128	(18,229,515)	307,733,320
Total comprehensive loss for the financial year		-	-	-	-	(7,482,933)	(7,482,933)
Transactions with owners:							
- Issuance of shares pursuant to conversion of ICULS	16	11,875,881	-	(11,875,881)	-	-	-
- Issuance of shares pursuant to conversion of ICPS	16	28,720	(28,720)	-	-	-	-
- Private placement	16	3,004,898	-	-	-	-	3,004,898
- Expiry of Warrant B	16	3,105,465	-	-	(3,186,005)	80,540	-
- Share option lapsed	18.5	-	-	-	(20,933)	20,933	-
		18,014,964	(28,720)	(11,875,881)	(3,206,938)	101,473	3,004,898
Balance at end		226,568,852	93,728,218	-	8,569,190	(25,610,975)	303,255,285

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

Statements of Cash Flows
For the financial year ended 30 June 2023

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before tax	**25,161,019**	10,473,626	**(6,782,523)**	(7,058,787)
Adjustments for:				
Accretion of interest on lease liabilities	**15,381**	20,040	**-**	-
Allowance for expected credit losses on receivables	**339,245**	810,542	**850,000**	6,574,247
Bad debts written off	**-**	22,700	**-**	-
Debt waived by trade and other creditors	**-**	(138,444)	**-**	-
Depreciation of:			**-**	-
- property, plant and equipment	**2,972,123**	3,074,872	**197,952**	163,362
- right-of-use assets	**142,224**	147,602	**-**	-
Deposits forfeited	**(115,520)**	(80,255)	**-**	-
Dividend income	**(325,584)**	(433,661)	**-**	-
Fair value (gain)/loss on investment properties, net	**(2,720,179)**	753,778	**3,963,118**	753,778
Fair value loss on other investments, net	**268,143**	7,417,473	**-**	-
(Gain)/Loss on disposal of property, plant and equipment, net	**(46,998)**	(59,967)	**-**	3,247
Gain on disposal of investment properties	**-**	(100,000)	**-**	-
Gain on disposal of other investments	**-**	(2,142,482)	**-**	-
Impairment loss on investment in subsidiaries, net	**-**	-	**2,380,233**	-
Impairment loss on property, plant and equipment	**1,042,738**	892,912	**-**	-
Interest expense	**310,794**	202,230	**-**	-
Interest income	**(243,541)**	(196,177)	**(18,803)**	(93,230)
Balance carried forward	**26,799,845**	20,664,789	**589,977**	342,617

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

Statements of Cash Flows
For the financial year ended 30 June 2023

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Balance brought forward	**26,799,845**	20,664,789	**589,977**	342,617
Inventories written down	**573,665**	281,977	**-**	-
Property, plant and equipment written off	**255,077**	285	**-**	-
Reversal of allowance for expected credit losses on receivables	**(263,120)**	(204,109)	**(500,000)**	-
Reversal of inventories written down	**(33,636)**	(64,309)	**-**	-
Reversal of provision for retirement benefit obligations	**-**	(19,574)	**-**	-
Unwinding of discounts, net	**88,980**	(701,431)	**-**	-
Operating profit before working capital changes	**27,420,811**	19,957,628	**89,977**	342,617
Changes in:				
Inventories	**48,634,234**	(4,539,881)	**-**	-
Receivables	**470,397**	(7,412,525)	**(59,235)**	(72,161)
Contract assets	**(35,245,488)**	(17,942,878)	**-**	-
Contract costs	**19,183**	(2,130,572)	**-**	-
Payables	**(12,079,892)**	12,994,845	**55,021**	(694,711)
Contract liabilities	**827,283**	(3,510,019)	**-**	-
Cash generated from/(used in) operations	**30,046,528**	(2,583,402)	**85,763**	(424,255)
Income tax paid	**(7,852,359)**	(5,055,651)	**(355,948)**	(2,001,933)
Income tax refunded	**298,660**	179,446	**-**	-
Real property gains tax paid	**(1,800)**	(14,200)	**-**	-
Interest paid	**(310,794)**	(202,230)	**-**	-
Net cash from/(used in) operating activities carried forward	**22,180,235**	(7,676,037)	**(270,185)**	(2,426,188)

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

Statements of Cash Flows

For the financial year ended 30 June 2023

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Net cash from/(used in) operating activities brought forward		**22,180,235**	(7,676,037)	**(270,185)**	(2,426,188)
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash outflows from acquisition of a subsidiary	(i)	**-**	(4,934,297)	**(359,821)**	(753,778)
Dividends received		**325,584**	433,661	**-**	-
Interest received		**243,541**	127,272	**18,803**	92,518
Placement of other investments		**(114,053)**	-	**(114,053)**	(565,066)
Proceeds from disposal of an investment property		**-**	400,000	**-**	-
Proceeds from disposal of other investments		**-**	5,817,432	**-**	-
Proceeds from disposal of property, plant and equipment		**46,998**	848,521	**-**	-
Addition of investment properties		**(359,821)**	(914,778)	**-**	-
Purchase of property, plant and equipment	(ii)	**(2,262,118)**	(1,378,589)	**(1,760,161)**	(1,000,051)
Net cash (used in)/from investing activities		**(2,119,869)**	399,222	**(2,215,232)**	(2,226,377)
Balance carried forward		**20,060,366**	(7,276,815)	**(2,485,417)**	(4,652,565)

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

Statements of Cash Flows
For the financial year ended 30 June 2023

		GROUP		COMPANY	
	NOTE	2023 RM	2022 RM	2023 RM	2022 RM
Balance brought forward		**20,060,366**	(7,276,815)	**(2,485,417)**	(4,652,565)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net change in subsidiaries' balances		**-**	-	**15,105,231**	(5,350,138)
Net proceeds from issuance of ordinary shares		**4,662,184**	3,004,898	**4,662,184**	3,004,898
Placement of fixed deposits		**-**	(150,000)	**-**	(150,000)
Repayment of lease liabilities	(iii)	**(156,000)**	(160,600)	**-**	-
Repayment of hire purchase loans	(iii)	**(220,957)**	(515,785)	**-**	-
Withdrawal of fixed deposits		**3,946,670**	601,666	**189,197**	601,666
Net cash from financing activities		**8,231,897**	2,780,179	**19,956,612**	(1,893,574)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**28,292,263**	(4,496,636)	**17,471,195**	(6,546,139)
CASH AND CASH EQUIVALENTS AT BEGINNING		**14,914,630**	19,411,266	**901,452**	7,447,591
CASH AND CASH EQUIVALENTS AT END		**43,206,893**	14,914,630	**18,372,647**	901,452
Represented by:					
Fixed deposits with licensed banks		**154,535**	3,946,670	**154,535**	189,197
Cash and bank balances		**43,052,358**	14,914,630	**18,218,112**	901,452
		43,206,893	18,861,300	**18,372,647**	1,090,649
Less: Fixed deposits pledged		**-**	(3,946,670)	**-**	(189,197)
		43,206,893	14,914,630	**18,372,647**	901,452

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

Statements of Cash Flows
For the financial year ended 30 June 2023

		NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
(i)	**Cash outflows from acquisition of a subsidiary**					
	Inventory		**-**	6,056,025	**-**	-
	Receivables		**-**	94,202	**-**	-
	Cash and bank balances		**-**	65,703	**-**	-
	Deferred tax liability		**-**	(817,681)	**-**	-
	Net tangible assets		**-**	5,398,249	**-**	-
	Non-controlling interest		**-**	(398,249)	**-**	-
	Total purchase consideration		**-**	5,000,000	**-**	-
	Less: Cash and bank balances		**-**	(65,703)	**-**	-
	Net cash outflows from acquisition		**-**	4,934,297	**-**	-
(ii)	**Purchase of property, plant and equipment**					
	Total acquisition cost		**3,144,018**	1,378,589	**1,760,161**	1,000,051
	Acquired under hire purchase loan	(iii)	**(881,900)**	-	**-**	-
	Total cash acquisition		**2,262,118**	1,378,589	**1,760,161**	1,000,051

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

Statements of Cash Flows

For the financial year ended 30 June 2023

(iii) **Liabilities arising from financing activities**

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	**Addition[1] RM**	**Others[2] RM**	**Net cash flows RM**	**Balance at end RM**
GROUP					
2023					
Hire purchase loans	**659,275**	**881,900**	**-**	**(220,957)**	**1,320,218**
Lease liabilities	**315,866**	**-**	**15,381**	**(156,000)**	**175,247**
Total liabilities from financing activities	**975,141**	**881,900**	**15,381**	**(376,957)**	**1,495,465**
2022					
Hire purchase loans	1,175,060	-	-	(515,785)	659,275
Lease liabilities	29,739	426,687	20,040	(160,600)	315,866
Total liabilities from financing activities	1,204,799	426,687	20,040	(676,385)	975,141

Notes:

1 The amount represents the additions of hire purchase loans and lease liabilities.

2 The amount represents the accretion of interest on lease liabilities during the year.

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

Notes to the Financial Statements
30 June 2023

1. CORPORATE INFORMATION

General

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 of the Company is located at 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak, Malaysia.

The principal place of business of the Company is located at No. 17, Jalan Perusahaan Sungai Lokan 3, Taman Industri Sungai Lokan, 13800 Butterworth, Pulau Pinang, Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 16 October 2023.

Principal Activities

The Company is principally engaged in investment holding, letting of industrial and commercial properties and management consultancy.

The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with applicable Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the summary of accounting policies under Note 3 to the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset 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.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of Measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency. The presentation and functional of the subsidiaries of the Company are also in RM.

2.4 Adoption of Amendments/Improvements to MFRSs

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the current financial year:

Effective for annual periods beginning on or after 1 January 2022
Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework
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
Annual Improvements to MFRS Standards 2018 - 2020

Initial application of the above amendments/improvements to MFRSs did not have any material impact to the financial statements of the Group and of the Company.

2.5 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2023
MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts
Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information
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
Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

Effective for annual periods beginning on or after 1 January 2024
Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

Notes to the Financial Statements
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2. BASIS OF PREPARATION (CONT'D)

2.5 Standards Issued But Not Yet Effective (Cont'd)

Effective for annual period beginning on or after 1 January 2025
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Effective 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 initial application of the above standard and amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption.

2.6 Significant Accounting Estimates and Judgements

The preparation of financial statements 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 estimate is revised and in any future periods affected.

Key sources of estimation uncertainty and judgements made

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and critical judgement in applying accounting policies are discussed below:

(i) Impairment of plant and machinery

The Group performs an impairment review as and when there are impairment indicators to ensure that the carrying value of the plant and machinery do not exceed their recoverable amount. The management exercise judgement in estimating the recoverable amount.

The carrying amount of the Group's plant and equipment is disclosed in Note 4 to the financial statements.

(ii) Inventories

Inventories are measured at the lower of cost and net realisable value ("NRV"). In estimating NRV, management takes into account the most reliable evidence available at the times the estimates are made.

Land held for property development

NRV in respect of land held for property development is assessed with reference to market prices as at the end of the reporting period for similar land, less estimated costs necessary to make the sale or where applicable, engaging a firm of independent valuers to estimate the fair value of these land.

The carrying amount of the Group's land held for property development is disclosed in Note 6.1 to the financial statements.

Property development costs

The Group recognises property development revenue and related property development costs in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion of the costs incurred to-date bear to the estimated total costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development costs, as well as the recoverability of the development projects. In making these judgements, the Group evaluates based on past experience and by relying on the work of architects.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant Accounting Estimates and Judgements (Cont'd)

(ii) Inventories (Cont'd)

Property development costs (Cont'd)

The carrying amount of property development costs are disclosed in Note 6.2 to the financial statements.

Completed development units

The management determines the NRV of unsold completed development units based on estimated selling prices by reference to recent sales transactions of similar properties or comparable properties in similar or nearby locations. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the volatility of the demand and supply in the property market.

The carrying amount of the Group's completed development units is disclosed in Note 6.3 to the financial statements.

Other inventories

The management reviews for damage, slow-moving and obsolete inventories. This review requires judgements and estimates. Possible changes in these estimates could result in revision to the valuation of inventories.

The carrying amount of the Group's other inventories is disclosed in Note 6.4 to the financial statements.

(iii) Investment properties at fair value

The Group and the Company measure their investment properties at fair value with changes in fair value being recognised in profit or loss. Fair value of certain investment properties was determined based on independent professional valuation or updates as appropriate. For those without valuation updates, the Group and the Company determine the fair value of such investment properties by reference to the selling prices of recent transacted and asking prices of similar properties premised on the factors of location, accessibility, visibility, time, size and present market trends. The management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of the investment properties.

The carrying amount of the Group's and the Company's investment properties is disclosed in Note 7 to the financial statements.

(iv) Impairment on investment in subsidiaries

Investment in subsidiaries is tested for impairment whenever there is objective evidence or indication that these assets may be impaired. Judgment is required to determine if any such indication exists, based on the evaluation of both internal and external sources of information. If any such indication exists, management assesses the recoverable amount of the investment in subsidiaries based on the higher of fair value less cost to sell, which approximates the extent of the net assets held by the subsidiaries at the end of the reporting period, and value in use. If the recoverable amount of the investment in subsidiaries is less than its carrying amount, an impairment loss is recognised in profit or loss to reduce the carrying amount of the investment in subsidiaries. An impairment loss of **RM7,598,158** (2022: RM Nil) was recognised in profit or loss to write down the subsidiaries to their recoverable amount.

An assessment is also made at each end of the reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A reversal of impairment loss in relation to certain subsidiaries which amounted to **RM5,217,925** (2022: RM Nil) was recognised in profit or loss.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant Accounting Estimates and Judgements (Cont'd)

(v) Provision for expected credit losses ("ECL") of trade and other receivables

The Group and the Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Group considers factors such as the profitability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments.

Whether there is a significant increase in credit risk, the Group and the Company determine the lifetime ECL by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

The information about the ECL on the Group's and the Company's trade and other receivables is disclosed in Note 32.3 to the financial statements.

(vi) Property development

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers from property development activities.

The Group enters into contracts with customers to sell properties that are either completed or under development. For the sale of development properties, the Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. In making the assessment, the Group considered the terms of the contracts entered into with customers and the provisions of relevant laws and regulations applicable to the contracts. The assessment of whether the Group has an enforceable right to payment for performance completed to date involves judgement made in determining the enforceability of the right to payment under the legal environment of the jurisdictions where the contracts are subject to.

For contracts that meet the over time recognition criteria, the Group determined that the input method is the best method in measuring progress of the development because there is direct relationship between the Group's effort (i.e., resources consumed, labour hours and costs incurred) and the transfer control of goods to the customer. Revenue is recognised over the period of the contract by reference to the stage of completion of the development activity at the end of the reporting period. The stage of completion is determined based on the proportion that the property development cost incurred to-date bear to the estimated total cost for the property development.

Significant judgement is also required in the determination of the completeness and accuracy of the estimated total cost for the property development as future property development costs are inherently uncertain, which involve management's estimation of future cost to completion of the development. Substantial changes in cost estimations in future periods may affect the profitability of the respective property development projects. Where the actual total property development costs are different from the estimated total property development cost, such differences will impact the property development profit/(loss) recognised.

Notes to the Financial Statements
30 June 2023

3. ACCOUNTING POLICIES

The following accounting policies adopted by the Group and by the Company are consistent with those adopted in the previous financial years unless otherwise indicated below.

3.1 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 also 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.

Investment in subsidiaries 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 investments includes transaction costs.

Upon disposal of investment in a subsidiary, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

(ii) Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in asset, such as inventory and property, plant and equipment) are eliminated in full in preparing the consolidated financial statements. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Temporary differences arising from the elimination of profits and losses resulting from intragroup transactions will be treated in accordance to Note 3.13 to the financial statements.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the cost of the merger is cancelled with the value of the shares received. Any resulting credit differences is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any capital redemption reserve and any other reserves which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in the other capital reserves.

3. ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (Cont'd)

(iii) 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 at:

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling interest 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 at fair value of the identifiable assets acquired and liabilities assumed.

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

For each business combination, the Group elects whether to recognise non-controlling interest in the acquiree 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.

(iv) 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's reserve.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of position. Any surplus or deficit arising from the loss of control is recognised in profit or loss. If the Group retains any interest in the previous 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 as a financial asset at fair value.

(vi) 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 consolidated 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 comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and 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.

(vii) 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.

3. ACCOUNTING POLICIES (CONT'D)

3.2 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Replacement of major parts are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and to the Company and the cost of the item can be measured reliably. All other maintenance and repair cost are expensed to profit or loss when incurred.

Property, plant and equipment are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, at the following annual rates:

Leasehold land	Amortise over lease period of 99 years
Buildings	2%
Freehold condominium	2%
Plant and machinery	5% to 15%
Furniture, fittings, office equipment, motor vehicles and renovation	2% to 33%

Freehold land is not depreciated as it has an infinite life.

Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Upon the disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

3.3 Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise, including the corresponding tax effect.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Fair value of investment properties is arrived at by reference to the valuation or updates performed by external independent qualified valuers. For those properties without valuation updates, the fair value is determined by reference to market evidence of transaction prices for similar properties.

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

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation reserve. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of the investment property, any surplus previously recorded in equity is transferred to retained profits, the transfer is not made through profit or loss.

3. ACCOUNTING POLICIES (CONT'D)

3.4 Leases

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

3.4.1 Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.4.1.1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Premise	3 years
Machinery	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as detailed in Note 3.5 to the financial statements.

On the statements of financial position, certain right-of-use assets have been included in property, plant and equipment and investment properties.

3.4.1.2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

3.4.1.3 Short term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of hostel and factory (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of machine, crane and equipment that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3. ACCOUNTING POLICIES (CONT'D)

3.4 Leases (Cont'd)

3.4.2 As a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statements of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.5 Impairment of Non-Financial Assets

The Group and the Company assess at the end of each reporting period whether there is an indication that an asset may be impaired. For the purpose of impairment testing, recoverable amount (i.e., the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units (“CGU”) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss except for assets that were previously revalued where the revaluation surplus was taken to other comprehensive income. In this case, the impairment loss is also recognised in other comprehensive income up to the amount of any previous revaluation surplus.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.6 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.6.1 Financial assets

(i) Initial recognition and measurement

Financial assets are measured at initial recognition at fair value and subsequently measured at amortised cost (“AC”), fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”).

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s and the Company’s business model for managing them. With the exceptions of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, at its transaction costs.

In order for a financial asset to be classified and measured at AC or FVOCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (“SPPI”)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

3. ACCOUNTING POLICIES (CONT'D)

3.6 Financial Instruments (Cont'd)

3.6.1 Financial assets (Cont'd)

(i) Initial recognition and measurement (Cont'd)

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at AC are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at AC (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group and the Company do not have any financial assets at FVOCI as at the end of the reporting period.

Financial assets at AC

Financial assets at AC are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets at AC include trade and other receivables, fixed deposits with licensed banks and cash and bank balances.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in statements of comprehensive income.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at FVOCI. Dividends on equity investments are recognised as other income in the statements of comprehensive income when the right of payment has been established.

The Group's and the Company's financial assets at FVTPL include investments in quoted instruments.

3. ACCOUNTING POLICIES (CONT'D)

3.6 Financial Instruments (Cont'd)

3.6.1 Financial assets (Cont'd)

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statements of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

(iv) Impairment

The Group and the Company recognise allowance for ECL on financial assets measured at AC, debt investments measured at FVOCI, contract assets, and lease receivables. ECL are a probability-weighted estimate of credit losses.

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 balance 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.

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 and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

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.

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

3. ACCOUNTING POLICIES (CONT'D)

3.6 Financial Instruments (Cont'd)

3.6.1 Financial assets (Cont'd)

(iv) Impairment (Cont'd)

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

At each reporting date, the Group and the Company assess whether the financial assets carried at AC and debt securities at FVOCI 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.

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

3.6.2 Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at AC
- Financial liabilities at FVTPL

The Group and the Company do not have any financial liabilities at FVTPL as at the end of the reporting period.

Financial liabilities at AC

This is the category most relevant to the Group and the Company. After initial recognition, trade and other payables and borrowings are subsequently measured at AC using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. AC is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of comprehensive income.

(iii) Derecognition

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

3. ACCOUNTING POLICIES (CONT'D)

3.6 Financial Instruments (Cont'd)

3.6.3 Offsetting of financial instruments

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

3.6.4 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 terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in statements of comprehensive income over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

3.7 Inventories

Inventories are valued at the lower of cost and NRV.

NRV is the estimated selling price in the ordinary course of business, less any estimated costs necessary to make the sale.

3.7.1 Inventory properties

(i) Land held for development

Land held for development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is measured at the lower of cost and NRV.

Land held for development is reclassified to property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory properties and is measured at the lower of cost and NRV.

Cost includes:

- Land cost;
- Amounts paid to contractors for construction;
- Borrowings costs, planning and design costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Non-refundable commission cost

Once the inventory properties contracted to be sold, the related costs of these inventories would be transferred to cost to fulfil contracts, and subsequently recognised in profit or loss as and when control passes to the respective purchasers.

3. ACCOUNTING POLICIES (CONT'D)

3.7 Inventories (Cont'd)

3.7.1 Inventory properties (Cont'd)

(iii) Completed development units

Cost is determined on the specific identification basis and includes costs of acquisition of land, direct building costs and related development costs to the project.

3.7.2 Other inventories

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Cost of raw materials is determined on a first-in, first-out except for scrap metal which is determined on weighted average cost basis.
- Cost of finished goods comprises cost of raw materials, direct labour, other direct cost and appropriate proportion of manufacturing overheads based on normal operating capacity and is determined on a weighted average cost basis.
- Cost of trading goods is determined on a weighted average cost basis.

3.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, against which bank overdraft balances, if any, are deducted.

3.9 Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

3.10 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred or rendered to the customer respectively at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue of the Group and of the Company is measured on the following basis:

Revenue from sale of metal products

Revenue from sale of metal products is recognised at a point in time when control is transferred to the customer, generally on the delivery of the goods.

Revenue from shearing services

Revenue is recognised at a point in time when the shearing services has been rendered and related performance obligation has been satisfied, generally on the delivery of the final products to the customers.

3. ACCOUNTING POLICIES (CONT'D)

3.10 Revenue Recognition (Cont'd)

Revenue from steel roofing installation work

A steel roofing installation work is a contract specifically negotiated for the installation of an asset or a combination of assets that are closely interrelated or interdependent in term of their design, technology and functions or their ultimate purpose or use. Hence, it is accounted for as a single performance obligation.

Revenue from the steel roofing installation work are recognised over time arising from the fulfilment of the performance obligation.

Property development revenue

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost-plus margin.

The revenue from property development is measured at the fixed transaction price agreed net of expected liquidated ascertained damages payment under the sale and purchase agreement. Liquidated ascertained damages is determined based on the expected value method.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer, net of rebates, discounts and liquidate ascertained damages. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group’s performance does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreement and the attached layout plan and the purchaser could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group’s ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred-to date on the property development project as compared to the total budgeted cost for the respective development projects.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

Payments made by defaulted purchasers of development properties are forfeited and recognised as deposit forfeited income in the profit or loss when the term and conditions in respect of the right of forfeited as stipulated in the sale and purchase agreement signed with the purchasers are fulfilled.

3. ACCOUNTING POLICIES (CONT'D)

3.10 Revenue Recognition (Cont'd)

Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

Interest income

Interest is recognised on time proportion basis using the applicable effective interest rate.

Management fee

Management fee is recognised when services are rendered.

3.10.1 Contract costs

(i) Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that the Group incurred to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as contract cost when the Group expects those costs to be recoverable.

(ii) Costs to fulfil a contract

The costs incurred in fulfilling a contract with a customer which are not within the scope of other MFRSs, such as MFRS 102 Inventories, MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets, are recognised as contract cost when all of the following criteria are met:

- the costs relate directly to a contract or to an anticipated contract that can be specifically identified;
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

3.10.2 Contract balances

This refers to the closing balances of trade receivables, contract assets and liabilities as at the reporting date.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and contract liabilities

Contract assets represent the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditional on something other than the passage of time. In the case of property development, a contract asset is the excess of cumulative revenue earned over the billings to-date. Contract assets are subject to impairment in accordance to MFRS 9, Financial Instruments. The contract assets of the Group comprise of amount due from customers on contracts.

3. ACCOUNTING POLICIES (CONT'D)

3.10 Revenue Recognition (Cont'd)

3.10.2 Contract balances (Cont'd)

Contract assets and contract liabilities (Cont'd)

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which the Group has received consideration, or the amount is due, from the customer. In the case of property development, a contract liability is the excess of billings to-date over the cumulative revenue earned. The contract liabilities of the Group comprise of amount due to customers on contracts.

3.11 Employee Benefits

Short term benefits

Wages, salaries, bonuses and social security contributions ("SOCSO") and employment insurance scheme ("EIS") are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave is recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Defined contribution plans

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense as incurred.

Employee share options scheme ("ESOS")

Employees of the Group received incentive in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the subsidiaries' best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon market or non-vesting condition, which are tested as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained profits/accumulated losses upon expiry of the share options.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

3.12 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

3. ACCOUNTING POLICIES (CONT'D)

3.13 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 years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for temporary differences arising from the initial recognition of goodwill and of assets or liabilities in a transaction that is not a business combination and which it 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.

Unutilised reinvestment allowance being tax incentives 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 to set off against the unutilised tax incentive.

3.14 Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities 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 translated to the functional currency at the exchange rates at that date.

Non-monetary assets and liabilities measured at historical cost in a foreign currency at the end of the reporting period are translated to the functional currency at the exchange rates at the date of the transaction except for those measured at fair value which shall be translated at the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in other comprehensive income.

3.15 Irredeemable Convertible Preference Shares ("ICPS")

ICPS which have a 0% coupon rate are considered to have only equity component as there is no obligation for payment of interest, principal or for re-purchase.

Any outstanding ICPS not converted at the end of the conversion period shall be mandatorily converted into new shares at the conversion price on the maturity date by surrendering ten (10) ICPS for one new ordinary share without any additional consideration required from ICPS holder.

Notes to the Financial Statements
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3. ACCOUNTING POLICIES (CONT'D)

3.16 Warrants

Warrants are classified as equity instruments and its value is allocated based on the Black-Scholes model upon issuance. The issuance of the ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

Upon exercise of warrants, the proceeds are credited to share capital. The warrants reserve in relation to the unexercised warrants at the expiry of the warrants will be reversed.

3.17 Share Capital, Share Issuance Costs and Dividends

Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

Share issuance costs

Incremental external costs directly attributable to the issuance of new shares are deducted against equity.

Dividends

Dividends on ordinary shares are accounted for in shareholder's equity as an appropriation of retained profits and recognised as a liability in the period in which they are declared and approved.

3.18 Treasury Shares

When the Company purchases its own issued shares, the amount of consideration paid is recognised directly in equity. Purchased shares are classified as treasury shares and presented as a deduction from total equity. Any gain or loss in the sale of treasury shares is recognised in equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

The shares cancelled and the adjustments made to reserves is recognised as a movement in equity.

3.19 Segment Reporting

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

3.20 Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of financial position but is disclosed as a contingent asset or contingent liability, unless the probability of inflow or 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 assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

3. ACCOUNTING POLICIES (CONT'D)

3.21 Related Parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

(a) A person or a close member of that person's family is related to the Group if that person:

(i) Has control or joint control over the Group.
(ii) Has significant influence over the Group; or
(iii) Is a member of the key management personnel of the Group.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group.
(ii) The entity is an associate or joint venture of the other entity.
(iii) Both entities are joint ventures of the same third party.
(iv) The entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
(vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
(vii) A person identified in (a)(i) above has significant influence over the Group or is a member of the key management personnel of the entity.
(viii) The entity, or any member of a group when it is a part, provides key management personnel services to the Group.

Notes to the Financial Statements
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4. PROPERTY, PLANT AND EQUIPMENT

	Land and Building* RM	Plant and machinery RM	Fittings and equipment RM	Motor vehicle RM	Capital work-in-progress RM	Total RM
2023						
At cost						
Balance at beginning	65,689,517	58,807,743	9,831,483	5,953,362	988,461	141,270,566
Additions	1,470,045	81,350	392,565	1,200,058	-	3,144,018
Transfer to investment properties	(1,500,000)	-	-	-	-	(1,500,000)
Disposals	-	(23,000)	-	(116,526)	-	(139,526)
Reclassification	835,070	-	153,391	-	(988,461)	-
Written off	(274,592)	-	(8,777)	-	-	(283,369)
Balance at end	66,220,040	58,866,093	10,368,662	7,036,894	-	142,491,689
Accumulated depreciation						
Balance at beginning	13,674,427	47,170,527	8,792,374	4,713,994	-	74,351,322
Current charge	734,566	1,275,846	292,092	669,619	-	2,972,123
Transfer to investment properties	(157,500)	-	-	-	-	(157,500)
Disposals	-	(23,000)	-	(116,526)	-	(139,526)
Written off	(21,967)	-	(6,325)	-	-	(28,292)
Balance at end	14,229,526	48,423,373	9,078,141	5,267,087	-	76,998,127
Accumulated impairment loss						
Balance at beginning	-	3,827,892	-	-	-	3,827,892
Current year	-	1,042,738	-	-	-	1,042,738
Balance at end	-	4,870,630	-	-	-	4,870,630
Carrying amount	51,990,514	5,572,090	1,290,521	1,769,807	-	60,622,932

Notes to the Financial Statements
30 June 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Land and Building* RM	Plant and machinery RM	Fittings and equipment RM	Motor vehicle RM	Capital work-in-progress RM	Total RM
2022						
At cost						
Balance at beginning	65,689,517	61,181,503	9,775,405	5,903,370	-	142,549,795
Additions	-	173,864	67,612	148,652	988,461	1,378,589
Disposals	-	(2,547,624)	(11,084)	(98,660)	-	(2,657,368)
Written off	-	-	(450)	-	-	(450)
Balance at end	65,689,517	58,807,743	9,831,483	5,953,362	988,461	141,270,566
Accumulated depreciation						
Balance at beginning	12,948,220	47,422,309	8,558,464	4,216,436	-	73,145,429
Current charge	726,207	1,510,538	241,911	596,216	-	3,074,872
Disposals	-	(1,762,320)	(7,836)	(98,658)	-	(1,868,814)
Written off	-	-	(165)	-	-	(165)
Balance at end	13,674,427	47,170,527	8,792,374	4,713,994	-	74,351,322
Accumulated impairment loss						
Balance at beginning	-	2,934,980	-	-	-	2,934,980
Current year	-	892,912	-	-	-	892,912
Balance at end	-	3,827,892	-	-	-	3,827,892
Carrying amount	52,015,090	7,809,324	1,039,109	1,239,368	988,461	63,091,352

Notes to the Financial Statements
30 June 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

* Included in the land and building are the following assets:

	Freehold land RM	Leasehold land RM	Buildings RM	Apartment RM	Renovation RM	Total RM
2023						
At cost						
Balance at beginning	**28,496,772**	**2,100,000**	**32,469,933**	**300,100**	**2,322,712**	**65,689,517**
Additions	**-**	**-**	**35,000**	**-**	**1,435,045**	**1,470,045**
Transfer to investment properties	**-**	**-**	**(1,500,000)**	**-**	**-**	**(1,500,000)**
Reclassification	**-**	**-**	**-**	**-**	**835,070**	**835,070**
Written off	**-**	**-**	**(274,592)**	**-**	**-**	**(274,592)**
Balance at end	**28,496,772**	**2,100,000**	**30,730,341**	**300,100**	**4,592,827**	**66,220,040**
Accumulated depreciation						
Balance at beginning	**-**	**418,570**	**11,264,194**	**129,566**	**1,862,097**	**13,674,427**
Current charge	**-**	**26,211**	**625,582**	**6,002**	**76,771**	**734,566**
Transfer to investment properties	**-**	**-**	**(157,500)**	**-**	**-**	**(157,500)**
Written off	**-**	**-**	**(21,967)**	**-**	**-**	**(21,967)**
Balance at end	**-**	**444,781**	**11,710,309**	**135,568**	**1,938,868**	**14,229,526**
Carrying amount	**28,496,772**	**1,655,219**	**19,020,032**	**164,532**	**2,653,959**	**51,990,514**
2022						
At cost						
Balance at beginning/end	28,496,772	2,100,000	32,469,933	300,100	2,322,712	65,689,517
Accumulated depreciation						
Balance at beginning	-	392,359	10,638,613	123,564	1,793,684	12,948,220
Current charge	-	26,211	625,581	6,002	68,413	726,207
Balance at end	-	418,570	11,264,194	129,566	1,862,097	13,674,427
Carrying amount	28,496,772	1,681,430	21,205,739	170,534	460,615	52,015,090

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY

	Land and Building* RM	Fittings and equipment RM	Motor vehicle RM	Capital work-in-progress RM	Total RM
2023					
At cost					
Balance at beginning	**5,000,000**	**4,017,767**	**522,496**	**988,461**	**10,528,724**
Additions	**1,470,045**	**290,116**	**-**	**-**	**1,760,161**
Reclassification	**835,070**	**153,391**	**-**	**(988,461)**	**-**
Balance at end	**7,305,115**	**4,461,274**	**522,496**	**-**	**12,288,885**
Accumulated depreciation					
Balance at beginning	**38,500**	**3,923,545**	**461,231**	**-**	**4,423,276**
Current charge	**49,718**	**88,418**	**59,816**	**-**	**197,952**
Balance at end	**88,218**	**4,011,963**	**521,047**	**-**	**4,621,228**
Carrying amount	**7,216,897**	**449,311**	**1,449**	**-**	**7,667,657**
2022					
At cost					
Balance at beginning	5,000,000	4,010,761	522,496	-	9,533,257
Additions	-	11,590	-	988,461	1,000,051
Disposal	-	(4,584)	-	-	(4,584)
Balance at end	5,000,000	4,017,767	522,496	988,461	10,528,724
Accumulated depreciation					
Balance at beginning	7,700	3,875,781	377,770	-	4,261,251
Current charge	30,800	49,101	83,461	-	163,362
Disposal	-	(1,337)	-	-	(1,337)
Balance at end	38,500	3,923,545	461,231	-	4,423,276
Carrying amount	4,961,500	94,222	61,265	988,461	6,105,448

Notes to the Financial Statements
30 June 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

* Included in the land and building are the following assets:

	Freehold Land RM	Buildings RM	Renovation RM	Total RM
2023				
At cost				
Balance at beginning	**3,460,000**	**1,540,000**	**-**	**5,000,000**
Additions	**-**	**35,000**	**1,435,045**	**1,470,045**
Reclassification	**-**	**-**	**835,070**	**835,070**
Balance at end	**3,460,000**	**1,575,000**	**2,270,115**	**7,305,115**
Accumulated depreciation				
Balance at beginning	**-**	**38,500**	**-**	**38,500**
Current charge	**-**	**30,800**	**18,918**	**49,718**
Balance at end	**-**	**69,300**	**18,918**	**88,218**
Carrying amount	**3,460,000**	**1,505,700**	**2,251,197**	**7,216,897**
2022				
At cost				
Balance at beginning/end	3,460,000	1,540,000	-	5,000,000
Accumulated depreciation				
Balance at beginning	-	7,700	-	7,700
Current charge	-	30,800	-	30,800
Balance at end	-	38,500	-	38,500
Carrying amount	3,460,000	1,501,500	-	4,961,500

(i) Included in the carrying amount of leased assets which are pledged as securities for the hire purchase loans as disclosed in Note 19 to the financial statements are as follows:

	GROUP 2023 RM	GROUP 2022 RM
Plant and machinery	**334,900**	1,299,002
Motor vehicles	**1,706,471**	929,748
	2,041,371	2,228,750

(ii) The carrying amount of the Group's leasehold land and buildings which are pledged as securities for banking facilities granted to a subsidiary is **RM2,228,766** (2022: RM2,276,977).

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4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(iii) The information of right-of-use assets which are included in the property, plant and equipment is as follow:

	GROUP	
	2023 RM	**2022 RM**
Leasehold land	**1,655,219**	1,681,430

(iv) During the financial year, certain subsidiaries of the Group within the manufacturing segment carried out a review of the recoverable amount of its production equipment as those subsidiaries are making loss continuously. An impairment loss of **RM1,042,738** (2022: RM892,912), representing the write down of the equipment to the recoverable amount, was recognised in the profit or loss during the financial year. The recoverable amount was based on its fair value less cost to sell.

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has leased premises and machinery for its operations with lease terms of 2 to 3 years including the extension option. The lease contracts restrict the Group from assigning and subleasing the leased assets. No termination options are expected to be exercised.

The Group also has short term leases of 12 months and below for premises, machinery and office equipment and leases of machinery with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

GROUP

	Premises RM	**Machinery RM**	**Total RM**
Right-of-use assets			
2023			
Balance at beginning	**308,167**	**-**	**308,167**
Depreciation	**(142,224)**	**-**	**(142,224)**
Balance at end	**165,943**	**-**	**165,943**
2022			
Balance at beginning	19,804	9,278	29,082
Addition	426,687	-	426,687
Depreciation	(138,324)	(9,278)	(147,602)
Balance at end	308,167	-	308,167

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

GROUP (CONT'D)

	Premises RM	Machinery RM	Total RM
Lease liabilities			
2023			
Balance at beginning	**315,866**	**-**	**315,866**
Accretion of interest	**15,381**	**-**	**15,381**
Payment	**(156,000)**	**-**	**(156,000)**
Balance at end	**175,247**	**-**	**175,247**
2022			
Balance at beginning	20,192	9,547	29,739
Addition	426,687	-	426,687
Accretion of interest	19,987	53	20,040
Payment	(151,000)	(9,600)	(160,600)
Balance at end	315,866	-	315,866

	2023 RM	2022 RM
Represented by:		
Non-current liabilities	**25,804**	175,247
Current liabilities	**149,443**	140,619
	175,247	315,866

The maturity analysis of lease liabilities is disclosed in Note 32.4 to the financial statements.

The following are the amounts recognised in profit or loss:

	2023 RM	2022 RM
Depreciation of right-of-use assets	**142,224**	147,602
Interest expense on lease liabilities	**15,381**	20,040
Expenses relating to short term leases	**111,400**	122,600
Expenses relating to lease of low value assets	**83,348**	107,892
	352,353	398,134

The Group's total cash outflows for leases during the financial year is **RM350,748** (2022: RM391,092).

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6. INVENTORIES

		GROUP	
	NOTE	2023 RM	2022 RM
Non-current asset			
Land held for development	**6.1**	**71,702,214**	70,413,479
Current assets			
Property development costs	**6.2**	**64,571,469**	128,090,571
Completed development units	**6.3**	**15,080,727**	550,930
Other inventories	**6.4**	**16,997,367**	18,471,060
		96,649,563	147,112,561
Total inventory		**168,351,777**	217,526,040
Recognised in profit or loss during the financial year:			
- Inventories recognised as cost of sales		**29,267,090**	25,228,299
- Inventories recognised as property development cost		**109,135,511**	52,820,187
- Inventories written down		**573,665**	281,977
- Reversal of inventories written down		**(33,636)**	(64,309)

The reversal of inventories written down was made during the financial year when the related inventories were sold above their carrying amounts.

6.1 Land held for development

The movements of land held for development are as follows:

	GROUP	
	2023 RM	2022 RM
Balance at beginning	**70,413,479**	57,077,348
Addition	**1,822,617**	13,336,131
Transferred to property development costs	**(533,882)**	-
Balance at end	**71,702,214**	70,413,479
Represented by:		
Freehold land	**65,523,065**	65,523,065
Development costs	**6,179,149**	4,890,414
	71,702,214	70,413,479

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6. INVENTORIES (CONT'D)

6.2 Property development costs

The movements of property development costs are as follows:

	GROUP	
	2023 RM	**2022 RM**
Balance at beginning	**128,090,571**	132,743,907
Development costs incurred during the financial year	**57,982,642**	44,199,932
Transferred from land held for development	**533,882**	-
Cost transferred to contract costs	**(98,058,541)**	(48,853,268)
Cost transferred to completed development units	**(23,977,085)**	-
Balance at end	**64,571,469**	128,090,571
Represented by:		
Freehold land	**36,378,356**	50,124,222
Development costs	**28,193,113**	77,966,349
	64,571,469	128,090,571

6.3 Completed development units

	GROUP	
	2023 RM	**2022 RM**
At cost:	**15,080,727**	550,930

During the financial year, the amount of completed development units recognised as property development costs in profit or loss is **RM9,447,288** (2022: RM2,607,382).

6.4 Other inventories

	GROUP	
	2023 RM	**2022 RM**
At cost:		
Raw materials	**14,578,524**	16,622,507
Finished goods	**1,417,563**	1,798,619
Scrap metal	**593,392**	49,934
	16,589,479	18,471,060
At NRV:		
Raw materials	**407,888**	-
	16,997,367	18,471,060

7. INVESTMENT PROPERTIES

The reconciliation of the fair value of investment properties is shown below:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
At fair value:				
Balance at beginning	**64,661,000**	64,800,000	**31,103,297**	31,103,297
Additions	**359,821**	914,778	**359,821**	753,778
Transfer from property, plant and equipment at fair value	**1,500,000**	-	**-**	-
Disposal	**-**	(300,000)	**-**	-
Fair value gain/(loss) adjustment, net	**2,720,179**	(753,778)	**(3,963,118)**	(753,778)
Balance at end	**69,241,000**	64,661,000	**27,500,000**	31,103,297

The investment properties consist of the following:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
At fair value:				
Freehold land	**20,741,000**	19,961,000	**-**	-
Leasehold land	**27,500,000**	31,103,297	**27,500,000**	31,103,297
Buildings	**21,000,000**	13,596,703	**-**	-
	69,241,000	64,661,000	**27,500,000**	31,103,297

(i) Included in the carrying amount of the investment properties are right-of-use assets as follows:

	GROUP AND COMPANY	
	2023 RM	**2022 RM**
Leasehold land	**27,500,000**	31,103,297

(ii) The following amounts are recognised in profit or loss in respect of the investment properties:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Rental income from rental generating properties	**3,482,572**	3,130,312	**3,216,192**	2,986,464
Direct operating expenses arising from:				
- Rental generating properties	**254,631**	281,371	**225,890**	223,148
- Non-rental generating properties	**28,361**	29,361	**-**	-

(iii) Fair value measurement of the investment properties is disclosed in Note 33 to the financial statements.

8. INVESTMENT IN SUBSIDIARIES

	COMPANY 2023 RM	COMPANY 2022 RM
Unquoted shares, at cost	**134,660,736**	134,660,736
Less: Accumulated impairment losses		
Balance at beginning	**60,704,615**	60,704,615
Current year	**7,598,158**	-
Reversal	**(5,217,925)**	-
	(63,084,848)	(60,704,615)
	71,575,888	73,956,121

Details of the subsidiaries, all of which were incorporated and having their principal place of business in Malaysia, are as follows:

Name of Entity	Effective Equity Interest 2023 %	Effective Equity Interest 2022 %	Principal Activities
Direct subsidiaries			
SMPC Industries Sdn. Bhd.	**100**	100	Metal sheet and coil processing centre with main services in shearing and reshearing.
SMPC Marketing Sdn. Bhd. ("SMPC Marketing")	**100**	100	Dormant.
Syarikat Perkilangan Besi Gaya Sdn. Bhd.	**100**	100	Shredding, shearing, processing and trading of ferrous and non-ferrous scrap metals.
Duro Metal Industrial (M) Sdn. Bhd. ("DMI")	**60**	60	Manufacturing of steel roofing, wall cladding sheets and other steel related products and provision of related services.
Park Avenue Construction Sdn. Bhd. ("PAC")	**100**	100	Investment holding.
SMPC Dexon Sdn. Bhd. ("Dexon")	**100**	100	Manufacturing and trading of steel and other types of furniture and provision of related services.
Metal Perforators (Malaysia) Sdn. Bhd. ("MPM")	**60**	60	Manufacturing and marketing of perforated metals, cable support systems and screen plates.
Kembang Kartika Sdn. Bhd.	**100**	100	Property development.
ATTA Properties Sdn. Bhd.	**100**	100	Investment holding and property development.
Sunrise Manner Sdn. Bhd. ("SMSB")	**80**	80	Property development.
* MPSB Venture Sdn. Bhd.	**100**	100	Property development.
Climate Attitude Sdn. Bhd.	**100**	100	Property investment.
* Santro Match Sdn. Bhd.	**100**	100	Property investment.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries, all of which were incorporated and having their principal place of business in Malaysia, are as follows: (Cont'd)

Name of Entity	Effective Equity Interest 2023 %	2022 %	Principal Activities
Indirect - held through SMPC Marketing Sdn. Bhd.			
Progerex Sdn. Bhd.	**100**	100	Shredding, processing and trading of ferrous and non-ferrous scrap metals.
Indirect - held through PAC			
Sungguh Gemilang Development Sdn. Bhd.	**100**	100	Property development.
* Sparkle Gateway Sdn. Bhd.	**100**	100	Investment holding.
Indirect - held through ATTA Properties Sdn. Bhd.			
* Eminent Potential Sdn. Bhd.	**100**	100	Property development.
* Scanrite Sdn. Bhd.	**100**	100	Property development.
Indirect - held through SMSB			
Sunrise Concept Sdn. Bhd.	**80**	80	Dormant.
Indirect - held through Sparkle Gateway Sdn. Bhd.			
* Mutiara Biopolis Properties Sdn. Bhd. ("MBPSB")	**80**	80	Property development.

* Not audited by Grant Thornton Malaysia PLT.

(i) Acquisition of a subsidiary

2022

On 25 March 2022, the Company had through its subsidiary, Sparkle Gateway Sdn. Bhd., entered into a Sale Share Agreement with Lotus Conquest Sdn. Bhd. to acquire 1,600,000 ordinary shares, representing 80% equity interest in MBPSB for a total cash consideration of RM5,000,000. The transaction had completed in the previous financial year.

(ii) Impairment of investment in subsidiaries

2023

The Company reviews the investment in subsidiaries for impairment annually. The recoverable amounts of the investment in subsidiaries are assessed by reference to the higher of their fair value less cost to sell, which approximate the net assets of the subsidiaries at the end of the reporting period, and value-in-use. Accordingly, an impairment loss of **RM7,598,158** (2022: RM Nil) was recognised in respect of investment in MPM and Dexon during the financial year, while a reversal of impairment loss of **RM5,217,925** (2022: RM Nil) was recognised in respect of investment in SMPC Marketing and DMI during the financial year. Recoverable amounts of investment in MPM, Dexon and SMPC Marketing are based on fair value less cost to sell. Recoverable amount of investment in DMI is based on its value-in-use.

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(iii) Subsidiaries with material non-controlling interests ("NCI")

The Group's subsidiaries, namely DMI, MPM, and SMSB have material non-controlling interests which are set out below. The equity interests held by non-controlling interests are as follows:

	Carrying amount of NCI	Profit/(Loss) allocated to NCI	Equity interest held by NCI
2023	**RM**	**RM**	**%**
DMI	**5,235,352**	**96,518**	**40**
MPM	**5,636,895**	**(395,234)**	**40**
SMSB	**16,472,074**	**3,379,606**	**20**
	27,344,321	**3,080,890**	
2022			
DMI	5,138,834	493,662	40
MPM	6,032,128	209,816	40
SMSB	13,092,467	2,499,761	20
	24,263,429	3,203,239	

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Summarised financial information of subsidiaries which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before intercompany elimination.

GROUP

	DMI RM	MPM RM	SMSB RM	Total RM
2023				
Assets and liabilities				
Non-current assets	**2,897,394**	**4,834,241**	**14,691,489**	**22,423,124**
Non-current liabilities	**(199,210)**	**(882,296)**	**(3,937,038)**	**(5,018,544)**
Current assets	**22,020,197**	**12,627,239**	**109,556,579**	**144,204,015**
Current liabilities	**(11,630,000)**	**(2,486,947)**	**(37,950,661)**	**(52,067,608)**
Net assets	**13,088,381**	**14,092,237**	**82,360,369**	**109,540,987**
Results				
Revenue	**29,017,616**	**6,709,395**	**118,074,208**	**153,801,219**
Net profit/(loss) for the financial year, representing total comprehensive income/(loss) for the financial year	**241,295**	**(988,084)**	**16,898,032**	**16,151,242**
Net cash generated from/(used in):				
Operating activities	**1,262,261**	**(36,388)**	**5,973,193**	**7,199,066**
Investing activities	**(16,553)**	**2,220**	**(24,325)**	**(38,658)**
Financing activities	**(118,124)**	**(27,496)**	**296,114**	**150,494**
Net change in cash and cash equivalents	**1,127,584**	**(61,664)**	**6,244,982**	**7,310,902**
2022				
Assets and liabilities				
Non-current assets	3,065,961	5,366,408	12,740,496	21,172,865
Non-current liabilities	(238,247)	(1,451,306)	(3,604,377)	(5,293,930)
Current assets	22,954,953	13,763,596	108,913,210	145,631,759
Current liabilities	(12,935,580)	(2,598,377)	(52,586,992)	(68,120,949)
Net assets	12,847,087	15,080,321	65,462,337	93,389,745
Results				
Revenue	23,856,658	12,747,239	71,558,433	108,162,330
Net profit for the financial year, representing total comprehensive income for the financial year	1,234,154	524,541	12,498,806	14,257,501
Net cash (used in)/generated from:				
Operating activities	(1,139,684)	3,245,147	(3,692,080)	(1,586,617)
Investing activities	(6,344)	(126,514)	(145,390)	(278,248)
Financing activities	143,187	(169)	5,199,087	5,342,105
Net change in cash and cash equivalents	(1,002,841)	3,118,464	1,361,617	3,477,240

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9. DEFERRED TAX ASSETS/(LIABILITIES)

	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Balance at beginning	**(6,689,915)**	(4,263,777)	**(2,148,471)**	(1,980,121)
Recognised in other comprehensive income	**(15,750)**	-	**-**	-
Recognised in profit or loss	**(186,606)**	(2,550,944)	**(274,067)**	(69,350)
	(6,892,271)	(6,814,721)	**(2,422,538)**	(2,049,471)
Over/(Under) provision in prior year	**460,312**	124,806	**(124,000)**	(99,000)
Balance at end	**(6,431,959)**	(6,689,915)	**(2,546,538)**	(2,148,471)

	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Deferred tax assets	**371,972**	-	**-**	-
Deferred tax liabilities	**(6,803,931)**	(6,689,915)	**(2,546,538)**	(2,148,471)
	(6,431,959)	(6,689,915)	**(2,546,538)**	(2,148,471)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Property, plant and equipment	**(10,270,265)**	(10,141,649)	**(2,946,819)**	(2,572,191)
Revaluation surplus	**(1,472,099)**	(1,565,111)	**(665,719)**	(714,280)
Surplus on fair value of investment properties	**(1,142,454)**	(458,374)	**-**	-
Unused tax losses	**2,693,977**	2,804,165	**176,000**	176,000
Unabsorbed capital allowances	**2,729,849**	2,496,935	**890,000**	962,000
Others	**1,029,033**	174,119	**-**	-
	(6,431,959)	(6,689,915)	**(2,546,538)**	(2,148,471)

The following deferred tax assets have not been recognised as at the end of the reporting period as it is not probable that future taxable profit will be available against which they may be utilised. As at the end of the reporting period, the deferred tax assets not recognised are as follows:

	GROUP 2023 RM	GROUP 2022 RM
Deferred tax assets not recognised:		
Property, plant and equipment	**16,842**	-
Unused tax losses	**57,700,445**	56,132,622
Unabsorbed capital allowances	**5,852,014**	4,895,028
Unabsorbed reinvestment allowance	**8,838,146**	8,838,146
Other deductible temporary differences	**7,130,458**	3,241,868
	79,537,905	73,107,664

9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The amount and future availability of unused tax losses and unabsorbed allowances of the Group and of the Company which are available to be carried forward for set-off against future taxable income are as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Unused tax losses	**68,925,350**	67,816,641	**734,774**	734,774
Unabsorbed capital allowances	**17,226,385**	15,298,923	**3,710,162**	3,477,855
Unabsorbed reinvestment allowance	**8,838,146**	8,838,146	**-**	-

Unabsorbed reinvestment allowance at the end of the qualifying reinvestment allowance period of fifteen years can be carried forward for seven consecutive years of assessment.

The unused tax losses can be carried forward for ten (10) consecutive years of assessment immediately following that year of assessment ("YA") of which tax losses was incurred and this is effective from YA 2019. However, the unabsorbed capital allowances can be carried forward indefinitely.

The unabsorbed reinvestment allowance will be disregarded in YA 2026.

The unused tax losses will be disregarded in the following YAs:

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
YA 2029	**61,732,287**	61,853,092	**734,774**	734,774
YA 2030	**413,660**	426,321	**-**	-
YA 2031	**4,097,184**	4,169,480	**-**	-
YA 2032	**307,866**	673,024	**-**	-
YA 2033	**301,318**	694,724	**-**	-
YA 2034	**2,073,035**	-	**-**	-
	68,925,350	67,816,641	**734,774**	734,774

10. TRADE AND OTHER RECEIVABLES

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Non-current asset:					
Other receivables					
Amount due from subsidiaries	**10.1**				
Gross amount		**-**	-	**60,387,960**	187,628,056
Less: Allowance for expected credit losses		**-**	-	**(18,336,495)**	(17,986,495)
Amount due from subsidiaries, net		**-**	-	**42,051,465**	169,641,561

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10. TRADE AND OTHER RECEIVABLES (CONT'D)

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Current asset:					
Trade receivables					
Retention sum receivables	**10.2**	**1,040,155**	-	**-**	-
Third parties					
Gross amount	**10.3**	**26,611,793**	30,704,540	**-**	-
Less: Allowance for expected credit losses		**(3,610,395)**	(4,038,400)	**-**	-
Third parties, net		**23,001,398**	26,666,140	**-**	-
		24,041,553	26,666,140	**-**	-
Other receivables					
Third parties					
Gross amount	**10.4**	**2,425,592**	2,535,400	**54,000**	8,584
Less: Allowance for expected credit losses		**(771,937)**	(531,937)	**-**	-
Third parties, net		**1,653,655**	2,003,463	**54,000**	8,584
Advance to suppliers		**-**	16,489	**-**	-
Deposits	**10.5**	**2,345,614**	822,900	**71,421**	68,761
Prepayments		**1,756,632**	834,984	**228,300**	217,141
Amount due from subsidiaries	**10.1**	**-**	-	**136,055,027**	23,920,162
		5,755,901	3,677,836	**136,408,748**	24,214,648
		29,797,454	30,343,976	**136,408,748**	24,214,648
Total trade and other receivables		**29,797,454**	30,343,976	**178,460,213**	193,856,209

The currency profile of trade and other receivables is as follows:

	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Ringgit Malaysia	**29,797,454**	29,973,981	**178,460,213**	193,856,209
Singapore Dollar	**-**	369,995	**-**	-
	29,797,454	30,343,976	**178,460,213**	193,856,209

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10. TRADE AND OTHER RECEIVABLES (CONT'D)

10.1 Amount due from subsidiaries

The amount due from subsidiaries is non-trade related, unsecured, non-interest bearing and classified based on the expected timing of realisation.

The movements of allowance for expected credit losses are as follows:

	COMPANY	
	2023 RM	**2022 RM**
Balance at beginning	**17,986,495**	11,412,248
Current year	**850,000**	6,574,247
Reversal	**(500,000)**	-
Balance at end	**18,336,495**	17,986,495

10.2 Retention sum receivables

	GROUP	
	2023 RM	**2022 RM**
The amount represented by:		
Property development segment	**847,614**	-
Manufacturing segment	**192,541**	-
	1,040,155	-

10.3 Trade receivables - third parties

(i) Trade receivables of the Group are non-interest bearing and are generally given **14 to 90 days** (2022: 14 to 120 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(ii) The movements of allowance for expected credit losses are as follows:

	GROUP	
	2023 RM	**2022 RM**
Balance at beginning	**4,038,400**	3,431,967
Current year	**39,245**	810,542
Reversal	**(203,120)**	(204,109)
Written off	**(264,130)**	-
Balance at end	**3,610,395**	4,038,400

Notes to the Financial Statements
30 June 2023

10. TRADE AND OTHER RECEIVABLES (CONT'D)

10.4 Other receivables - third parties

The movements of allowance for expected credit losses are as follows:

	COMPANY	
	2023 RM	2022 RM
Balance at beginning	**531,937**	531,937
Current year	**300,000**	-
Reversal	**(60,000)**	-
Balance at end	**771,937**	531,937

10.5 Deposits

Included in the deposits are:

(i) an amount of **RM880,000** (2022: RM Nil) paid to a third party for the acquisition of 2 parcels of freehold land by a subsidiary as disclosed in Note 37 (ii) to the financial statements. The transaction is yet to be completed as at the end of the reporting period.

(ii) an amount of **RM1,311,596** (2022: RM Nil) paid to a third party for the acquisition of land held for development by a subsidiary as disclosed in Note 37 (iii) to the financial statements. The transaction is yet to be completed as at the end of the reporting period.

11. CONTRACT ASSETS/(LIABILITIES)

		GROUP	
	NOTE	2023 RM	2022 RM
Contract assets			
- Property development segment	**11.1**	**53,434,263**	18,188,775
Contract liabilities			
- Deposits received from customers:			
- Manufacturing segment	**11.2**	**1,679,369**	1,815,088
- Property development segment	**11.3**	**190,860**	-
- Provision for liquidated ascertained damages		**772,142**	-
		2,642,371	1,815,088

11.1 Contract assets from property development

The Group issues progress billings to its property buyers when the billing milestones are attained and recognises revenue when the performance obligations are satisfied.

	GROUP	
	2023 RM	2022 RM
Revenue recognised to-date	**215,219,026**	96,315,308
Progress billings to-date	**(161,784,763)**	(78,126,533)
	53,434,263	18,188,775

Notes to the Financial Statements
30 June 2023

11. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

11.1 Contract assets from property development (Cont'd)

The contract assets primarily relate to the Group's rights to consideration for work completed on property development contracts but not yet billed at the reporting date.

The unsatisfied performance obligations at the reporting date are expected to be realised within one year as follows:

	GROUP	
	2023 RM	**2022 RM**
Within one year	**13,724,130**	45,781,064

11.2 Contract liabilities from deposits received from customers - Manufacturing segment

Deposits received from customers represent deposits received for sales orders before the commencement of production activity. The deposits will be reversed and recognised as revenue upon satisfying the performance obligation pursuant to the sales contract.

All deposits received are expected to be recognised as revenue within one year from date of receipt.

The movements of contract liabilities from deposits received from customers are as follows:

	GROUP	
	2023 RM	**2022 RM**
Balance at beginning	**1,815,088**	1,428,544
Decrease on recognition of revenue	**(1,815,088)**	(1,428,544)
Increase on receiving deposits	**1,679,369**	1,815,088
	1,679,369	1,815,088

11.3 Contract liabilities from deposits received from customers - Property development segment

	GROUP	
	2023 RM	**2022 RM**
Deposits received	**190,860**	-

12. CONTRACT COSTS

	GROUP	
	2023 RM	**2022 RM**
Costs to fulfil contracts with customers	**3,313,892**	2,388,093
Costs to obtain contracts with customers	**-**	944,982
	3,313,892	3,333,075

During the financial year, the amount of contract cost recognised in profit or loss is **RM99,688,223** (2022: RM50,212,805).

Notes to the Financial Statements

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13. OTHER INVESTMENTS

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Financial assets at FVTPL				
Securities quoted in Malaysia	**16,203,772**	16,102,359	**-**	-
Loan stocks quoted in Malaysia	**3,060,000**	3,429,556	**-**	-
Short term investment	**679,119**	565,066	**679,119**	565,066
	19,942,891	20,096,981	**679,119**	565,066

The short-term investment represents investment in unit trusts and can be redeemed at any time upon notice given to the financial institution. The unit trusts invest in a mixture of money market instruments with different maturity period.

14. FIXED DEPOSITS WITH LICENSED BANKS

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Unencumbered	**154,535**	-	**154,535**	-
Encumbered	**-**	3,946,670	**-**	189,197
	154,535	3,946,670	**154,535**	189,197

The encumbered fixed deposits are pledged to licensed banks for bank guarantee facility granted to Company and certain subsidiaries.

The effective interest rates and maturity of fixed deposits are **1.50%** (2022: 1.50% to 1.85%) per annum and **1 month** (2022: 1 to 12 months) respectively.

15. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Housing Development Account	**12,847,633**	4,104,138	**-**	-
Cash and bank balances	**30,204,725**	10,810,492	**18,218,112**	901,452
	43,052,358	14,914,630	**18,218,112**	901,452

The Housing Development Account ("HDA") is maintained in accordance with Section 7(A) of the Housing Development (Control and Licensing) Act, 1966 in Malaysia, as amended by the Housing Developers (HDA) (Amendment) Regulation, 2002 in Malaysia, which can only be used for property development activities.

The currency profile of cash and bank balances is as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	**43,052,288**	14,914,576	**18,218,112**	901,452
United States Dollar	**70**	54	**-**	-
	43,052,358	14,914,630	**18,218,112**	901,452

16. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2023	**2022**	**2023 RM**	**2022 RM**
Issued and fully paid with no par value:				
Balance at beginning	**234,968,311**	213,862,736	**226,568,852**	208,553,888
Arising from conversion of ICULS	**-**	13,650,175	**-**	11,875,881
Arising from conversion of ICPS	**117,160,237**	35,900	**93,728,218**	28,720
Private placement	**16,076,500**	7,419,500	**4,662,184**	3,004,898
Expiry of Warrant B	**-**	-	**-**	3,105,465
Balance at end	**368,205,048**	234,968,311	**324,959,254**	226,568,852

During the financial year, the Company has increased its issued and fully paid-up ordinary share capital by way of issuance of:

(i) 117,160,237 new ordinary shares pursuant to the conversion of 1,171,602,720 ICPS at a conversion price of RM0.80 each amounted to RM93,728,218; and

(ii) 16,076,500 new ordinary shares through a private placement at an issue price of RM0.29 per ordinary share for cash amounted to RM4,662,184 on 15 August 2022.

In the prior financial year, the Company had increased its issued and fully paid-up ordinary share capital by way of issuance of:

(i) 13,650,175 new ordinary shares pursuant to the conversion of 118,758,809 ICULS at a conversion price of RM0.87 each amounted to RM11,875,881;

(ii) 35,900 new ordinary shares pursuant to the conversion of 359,000 ICPS at a conversion price of RM0.80 each amounted to RM28,720;

(iii) 7,419,500 new ordinary shares through a private placement at an issue price of RM0.405 per ordinary share for cash on amounted to RM3,004,898 on 3 January 2022; and

(iv) the reversal of the discount on shares of Warrant B amounting to RM3,105,465 due to the expiry of Warrant B on 9 May 2022.

The new ordinary shares issued during the financial year rank *pari passu* in all respects with the existing ordinary shares of the Company.

17. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	Number of ICPS		Amount	
	2023	**2022**	**2023 RM**	**2022 RM**
Balance at beginning	**1,171,602,720**	1,171,961,720	**93,728,218**	93,756,938
Converted to ordinary shares	**(1,171,602,720)**	(359,000)	**(93,728,218)**	(28,720)
Balance at end	**-**	1,171,602,720	**-**	93,728,218

17. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") (CONT'D)

The salient features of the ICPS were as follows:

(i) Each registered holder of the ICPS shall have the right at any time during the conversion period of five years commencing from and including the date of issue of the ICPS up to the maturity date of 28 November 2022 which is the date immediately preceding the fifth anniversary of the issue date of the ICPS.

(ii) Based on the conversion price of RM0.80, ICPS can be converted by way of surrendering ten (10) ICPS of RM0.08 each for one (1) new ordinary share or by surrendering for cancellation of one ICPS and paying the difference between the issue price of ICPS and conversion price of RM0.80.

(iii) The ICPS have a tenure period of 5 years from the date of issue and will not be redeemable in cash. All outstanding ICPS will be mandatorily converted by the Company into new ordinary shares at the conversion price of RM0.80 each on the maturity date, with any fractional new shares arising from the mandatory conversion of the ICPS and the maturity date shall be disregarded.

(iv) A cumulative preference dividend rate of RM0.40 per hundred ICPS per annum if declared, shall be payable annually in arrears out of post taxation profits.

(v) Upon conversion of the ICPS into new ordinary shares, such shares would rank *pari passu* in all respects with the existing ordinary shares of the Company in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, that may be declared, made or paid prior to the date of the new shares allotment.

The details of conversion of ICPS during the financial year are as follows:

	Number of ICPS Unit	Amount RM	Number of ordinary shares converted Unit	Amount RM
2023				
- Conversion by unit holders	**4,188,200**	**335,056**	**418,820**	**335,056**
- Mandatory conversion upon expiry	**1,167,414,520**	**93,393,162**	**116,741,417**	**93,393,162**
	1,171,602,720	**93,728,218**	**117,160,237**	**93,728,218**
2022				
- Conversion by unit holders	359,000	28,720	35,900	28,720

18. OTHER RESERVES

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Non-distributable:					
Treasury shares	**18.1**	**(406)**	(406)	**(406)**	(406)
Warrants reserve	**18.2**	**1,017,125**	1,017,125	**1,017,125**	1,017,125
Revaluation reserve	**18.3**	**141,750**	-	**-**	-
Capital reserve	**18.4**	**(262,746)**	(262,746)	**7,445,000**	7,445,000
ESOS reserve	**18.5**	**-**	107,471	**-**	107,471
		895,723	861,444	**8,461,719**	8,569,190

Notes to the Financial Statements
30 June 2023

18. OTHER RESERVES (CONT'D)

18.1 Treasury shares

Of the total **368,205,048** (2022: 234,968,311) issued ordinary shares as at 30 June 2023, **774** (2022: 774) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue is therefore **368,204,274** (2022: 234,967,537) ordinary shares.

18.2 Warrants reserve

	GROUP AND COMPANY	
	2023 RM	**2022 RM**
Balance at beginning	**1,017,125**	4,203,130
Expiry of Warrant B	**-**	(3,186,005)
	1,017,125	1,017,125

(i) <u>Warrants B</u>

In the prior financial year, 24,619,674 unexercised Warrants B have lapsed on 9 May 2022 and thereafter ceased to be valid for any purpose.

(ii) <u>Warrants C</u>

On 18 November 2014, the Company issued 10,711,565 10-year free detachable warrants 2014/2024 ("Warrants C"). The Warrants C are constituted by a deed poll dated 9 October 2014 and are listed on Bursa Malaysia on 25 November 2014. The Warrants will expire on 24 November 2024.

On 6 December 2017, 635,888 additional Warrants C are issued pursuant to the adjustment made to the outstanding Warrants C consequent to a rights issue exercise of ICPS.

During the financial year, no Warrants C were exercised. As at 30 June 2023, there was a total of 4,837,053 unexercised Warrants C.

The main features of the Warrants are as follows:

- Each Warrant entitles the registered holder at any time during the exercise period to subscribe for one new ordinary share each in the Company at an exercise price of RM1 per ordinary share.
- The exercise price and the number of Warrants are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions set out in the deed poll.
- The Warrants shall be exercisable at any time within the period commencing on and including the date of issue of the Warrants until the last market day prior to the tenth anniversary of the date of issue of the Warrants.
- Upon exercise of the Warrants into new ordinary shares, such shares shall rank *pari passu* in all respects with the ordinary shares of the Company in issue at the time of exercise except that they shall not be entitled to any dividends, rights, allotments and other distributions on or prior to the date of allotment of the new ordinary shares arising from the exercise of the Warrants.
- The Warrants holders are not entitled to any voting right or to participate in any distribution and/or offer of further securities in the Company until and unless such Warrants holders exercise their Warrants for new ordinary shares.
- At the expiry of the exercise period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.

Notes to the Financial Statements
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18. OTHER RESERVES (CONT'D)

18.3 Revaluation reserve

GROUP

Revaluation reserve represents increase in the fair value of property, plant and equipment, net of tax, as a result of change in use of the Group's owner-occupied property to investment property that was carried at fair value at the date of change in use.

	GROUP	
	2023 RM	**2022 RM**
Revaluation of building	**141,750**	-

18.4 Capital reserve

GROUP

Capital reserve represents the premium paid for the acquisition from its non-controlling interest of a subsidiary and the Group's share of net assets before and after the change in its ownership interest.

COMPANY

Capital reserve represents the excess of sales consideration over the carrying amount of the net assets transferred to a subsidiary.

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Balance at beginning/end	**262,746**	262,746	**7,445,000**	7,445,000

18.5 ESOS reserve

	GROUP AND COMPANY	
	2023 RM	**2022 RM**
Balance at beginning	**107,471**	128,404
Share options lapsed	**(107,471)**	(20,933)
	-	107,471

The ESOS reserve represents the equity-settled share options granted to employees of certain subsidiaries and the Company's directors. The share option reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of the share options and is reduced by the expiry or exercise of the share options.

As at 18 October 2022, 2,151,381 unexercised ESOS has lapsed upon the expiry of the ESOS.

Notes to the Financial Statements
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19. BORROWINGS

	GROUP	
	2023 RM	**2022 RM**
Non-current liabilities:		
Hire purchase loans		
Minimum payment:		
Within 1 year	**424,732**	465,586
Later than 1 year but not later than 2 years	**370,340**	105,397
Later than 2 years but not later than 5 years	**645,295**	124,920
	1,440,367	695,903
Future finance charges	**(120,149)**	(36,628)
	1,320,218	659,275
Amount due within 1 year included under current liabilities	**(372,227)**	(442,631)
	947,991	216,644
Current liabilities		
Hire purchase loans	**372,227**	442,631
Total borrowings	**1,320,218**	659,275

The borrowings of the Group are secured by way of leased assets as disclosed in Note 4(i) to financial statements.

A summary of the effective interest rates and the maturities of the borrowings at the reporting date are as follows:

	Effective interest rates per annum (%)	Total RM	Within 1 year RM	More than 1 year and less than 2 years RM	More than 2 years and less than 5 years RM
GROUP					
2023					
Hire purchase loans	**2.76 to 4.67**	**1,320,218**	**372,227**	**333,113**	**614,878**
2022					
Hire purchase loans	2.00 to 4.39	659,275	442,631	96,892	119,752

20. TRADE, OTHER PAYABLES AND PROVISION

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 2023 RM	COMPANY 2022 RM
Non-current liabilities:					
Trade payables					
Retention sum payable		**4,205,955**	3,388,791	**-**	-
Current liabilities:					
Trade payables					
Third parties	**20.1**	**10,946,799**	19,474,070	**-**	-
Retention sum payable		**3,836,595**	3,776,817	**-**	-
		14,783,394	23,250,887	**-**	-
Other payables					
Third parties		**3,447,373**	7,035,948	**1,027,480**	988,959
Accruals		**4,914,060**	3,308,759	**132,000**	115,500
Prepayments and deposits received for letting of properties		**1,085,582**	2,904,951	**344,592**	344,592
Amount due to directors of subsidiaries	**20.2**	**6,208,538**	6,905,991	**-**	-
Amount due to a related party	**20.3**	**-**	1,500,000	**-**	-
		15,655,553	21,655,649	**1,504,072**	1,449,051
Provision for foreseeable losses		**3,500,261**	1,956,268	**-**	-
		33,939,208	46,862,804	**1,504,072**	1,449,051
Total trade, other payables and provision		**38,145,163**	50,251,595	**1,504,072**	1,449,051

20.1 Trade payables

GROUP

The trade payables are non-interest bearing and are normally settled within **30 to 90 days** (2022: 30 to 90 days) credit terms.

20.2 Amount due to directors of subsidiaries

GROUP

Included in the amount due to director of a subsidiary is an amount of **RM4,442,801** (2022: RM5,140,253) which is non-trade related, unsecured, repayable on demand and interest bearing at **5%** (2022: 5%) per annum which calculated based on the monthly outstanding balance.

The remaining balance is non-trade related, unsecured and repayable on demand.

20.3 Amount due to a related party

GROUP

The amount was due to a company in which a director of a subsidiary of the Company had substantial financial interest. The amount was unsecured, non-interest bearing and was repayable on demand.

21. REVENUE

Disaggregated revenue information

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Types of goods or services:				
Sale of metal products	**38,982,023**	38,498,648	**-**	-
Shearing services	**6,146,655**	5,573,222	**-**	-
Steel roofing installation work	**-**	1,093,274	**-**	-
Property development	**130,411,816**	66,604,833	**-**	-
Completed development units	**10,568,000**	4,953,600	**-**	-
Management fee from subsidiaries	**-**	-	**924,000**	1,260,000
Total revenue from contracts with customers	**186,108,494**	116,723,577	**924,000**	1,260,000
Rental of income, representing other revenue	**3,362,192**	3,059,264	**3,216,192**	2,986,464
Total revenue	**189,470,686**	119,782,841	**4,140,192**	4,246,464
Timing of revenue recognition				
Revenue recognised at a point in time	**55,696,678**	50,118,744	**-**	-
Revenue recognised over time	**130,411,816**	66,604,833	**924,000**	1,260,000
	186,108,494	116,723,577	**924,000**	1,260,000
Geographical segments				
Malaysia	**185,336,965**	111,144,002	**924,000**	1,260,000
Others	**771,529**	5,579,575	**-**	-
	186,108,494	116,723,577	**924,000**	1,260,000

22. OTHER INCOME

	GROUP	
	2023 RM	**2022 RM**
Bad debt recovered	**500,002**	-
Debt waived by trade and other creditors	**-**	138,444
Deposit forfeited	**115,520**	80,255
Dividend income	**325,584**	433,661
Fair value gain on other investments	**324,145**	-
Fair value gain on investment properties	**2,720,179**	-
Gain on disposal of investment property	**-**	100,000
Gain on disposal of other investments	**-**	2,142,482
Gain on disposal of property, plant and equipment	**46,998**	438,873
Government incentive	**-**	42,000
Realised gain on foreign exchange	**95,653**	95,643
Rental income from machinery	**-**	132,415
Rental income from rental generating properties	**120,380**	71,048
Reversal of provision for retirement benefit obligations	**-**	19,574
Others	**523,813**	1,088,834
Unwinding of discounts	**72,173**	701,431
	4,844,447	5,484,660

Notes to the Financial Statements
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23. EMPLOYEE BENEFITS EXPENSES

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Wages, salaries and bonus	**10,911,907**	10,305,564	**1,864,053**	1,632,239
Contributions to defined contribution plans	**944,293**	922,301	**189,921**	184,995
Employment insurance scheme	**10,728**	9,799	**2,009**	1,129
Social security contributions	**100,111**	88,232	**13,043**	11,324
Other benefits	**231,489**	346,379	**76,235**	109,573
	12,198,528	11,672,275	**2,145,261**	1,939,260

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration as disclosed below.

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Executive directors:				
Directors of the Company				
Salaries and other emoluments	**987,500**	1,012,500	**650,000**	660,200
Defined contribution plans	**118,500**	121,540	**78,000**	79,224
	1,106,000	1,134,040	**728,000**	739,424
Directors of subsidiaries				
Salaries and other emoluments	**772,000**	750,000	**-**	-
Defined contribution plans	**79,545**	77,745	**-**	-
	851,545	827,745	**-**	-
Total executive directors' remuneration	**1,957,545**	1,961,785	**728,000**	739,424

The remuneration of non-executive directors of the Group and of the Company are disclosed below:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Non-executive directors:				
Directors of the Company				
Directors's' fee	**273,000**	270,000	**273,000**	270,000
Allowances	**122,000**	118,000	**122,000**	118,000
Total non-executive directors' remuneration	**395,000**	388,000	**395,000**	388,000
Total executive and non-executive directors' remuneration	**2,352,545**	2,349,785	**1,123,000**	1,127,424
Represented by:				
Present directors	**2,337,545**	2,321,745	**1,108,000**	1,116,000
Past directors	**15,000**	28,040	**15,000**	11,424
	2,352,545	2,349,785	**1,123,000**	1,127,424

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24. DEPRECIATION

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Depreciation on:				
- property, plant and equipment	**2,972,123**	3,074,872	**197,952**	163,362
- right-of-use assets	**142,224**	147,602	**-**	-
	3,114,347	3,222,474	**197,952**	163,362

25. FINANCE COSTS

	GROUP	
	2023 RM	**2022 RM**
Interest expenses on:		
- accretion of interest on lease liabilities	**15,381**	20,040
- bank overdraft	**-**	5,123
- hire purchase loans	**60,104**	56,854
- interest charged on loan from a subsidiary's director	**250,685**	140,253
- others	**5**	-
	326,175	222,270

26. PROFIT/(LOSS) BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
After charging:				
Auditors' remuneration				
- Statutory audit				
- Grant Thornton Malaysia PLT				
- current year	**252,200**	232,500	**73,000**	70,000
- under provision in prior year	**1,000**	-	**-**	-
- Other auditors				
- current year	**13,200**	12,600	**-**	-
- under provision in prior year	**600**	25,100	**-**	25,000
- Assurance related and non-audit services				
- Grant Thornton Malaysia PLT				
- current year	**13,500**	8,500	**5,000**	5,000
- under provision in prior year	**-**	3,000	**-**	3,000
- Affiliate of Grant Thornton Malaysia PLT	**49,900**	49,900	**6,000**	6,000
Bad debts written off	**-**	22,700	**-**	-
Expenses relating to short term leases	**111,400**	122,600	**-**	-

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26. PROFIT/(LOSS) BEFORE TAX (CONT'D)

This is arrived at: (Cont'd)

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Expenses relating to lease of low value assets	**83,348**	107,892	**-**	-
Fair value loss on other investments	**592,288**	7,417,473	**-**	-
Fair value loss on investment properties	**-**	753,778	**3,963,118**	753,778
Impairment losses on investment in subsidiaries, net	**-**	-	**2,380,233**	-
Impairment losses on property, plant and equipment	**1,042,738**	892,912	**-**	-
Inventories written down	**573,665**	281,977	**-**	-
Loss on disposal of property, plant and equipment	**-**	378,906	**-**	3,247
Property, plant and equipment written off	**255,077**	285	**-**	-
Reversal of inventories written down	**(33,636)**	(64,309)	**-**	
Unwinding of discount	**161,153**	-	**-**	-
And crediting:				
Interest income	**243,541**	196,177	**18,803**	93,230

27. TAX EXPENSE

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Income tax expenses recognised in profit or loss:				
Malaysian income tax:				
Based on results for the financial year				
- Current tax	**(7,573,665)**	(2,273,097)	**(245,000)**	(267,000)
- Deferred tax relating to the origination and reversal of temporary differences	**(186,606)**	(2,550,944)	**(274,067)**	(69,350)
	(7,760,271)	(4,824,041)	**(519,067)**	(336,350)
Over/(Under) provision in prior years				
- Current tax	**(277,085)**	(1,861,665)	**(14,569)**	11,204
- Deferred tax	**460,312**	124,806	**(124,000)**	(99,000)
	183,227	(1,736,859)	**(138,569)**	(87,796)
Real property gains tax	**(1,800)**	(14,200)	**-**	-
	(7,578,844)	(6,575,100)	**(657,636)**	(424,146)
Deferred tax related to items recognised in other comprehensive income				
- Revaluation surplus on building	**15,750**	-	**-**	-

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27. TAX EXPENSE (CONT'D)

The reconciliation of tax expense of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Profit/(Loss) before tax	**25,161,019**	10,473,626	**(6,782,523)**	(7,058,787)
Income tax at Malaysian statutory tax rate of 24%	**(6,038,645)**	(2,513,671)	**1,627,806**	1,694,109
Income not subject to tax	**1,899,141**	544,529	**-**	-
Expenses not deductible for tax purposes	**(2,170,521)**	(2,190,582)	**(2,195,434)**	(2,079,020)
Net deferred tax assets not recognised	**(1,543,258)**	(757,329)	**-**	-
Annual crystallisation of deferred tax on revaluation	**93,012**	93,012	**48,561**	48,561
	(7,760,271)	(4,824,041)	**(519,067)**	(336,350)
Over/(Under) provision in prior years	**183,227**	(1,736,859)	**(138,569)**	(87,796)
Real property gains tax	**(1,800)**	(14,200)	**-**	-
	(7,578,844)	(6,575,100)	**(657,636)**	(424,146)

28. EARNINGS PER SHARE

28.1 Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company and on the weighted average number of shares in issue during the financial year, excluding treasury shares.

	GROUP	
	2023 RM	**2022 RM**
Profit for the financial year (RM)	**14,537,782**	750,071
Weighted average number of shares*	**391,872,735**	348,336,491
Basic earnings per share (sen)	**3.71**	0.22

* The calculation of weighted average number of ordinary shares has taken into account the followings:

(i) issued share capital;
(ii) treasury shares held by the Company;
(iii) mandatorily convertible instruments arising from ICPS and ICULS as disclosed in Note 17 and 36 to the financial statements; and
(iv) contingently issuable shares arising from acquisition of 2 parcels of adjoining land as disclosed in Note 37(i) to the financial statements.

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28. EARNINGS PER SHARE (CONT'D)

28.2 Diluted earnings per share

	GROUP	
	2023 RM	**2022 RM**
Profit for the financial year (RM)	**14,537,782**	750,071
Weighted average number of shares	**391,872,735**	348,336,491
Diluted earnings per share (sen)	**3.71**	0.22

The calculation of diluted earnings per share for the financial year ended 30 June 2023 and 2022 did not take into account the convertible instruments arising from warrants and ESOS as these instruments had anti-dilutive effect.

29. SEGMENTAL INFORMATION

Reporting format

The primary segment reporting format is determined to be the business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Business segments

The Group comprises the following main business segments:

(i)	Manufacturing	Manufacturing and processing of metal related products;
(ii)	Trading	Trading of metal related products;
(iii)	Property development	Property developer; and
(iv)	Others	Property investment, letting of industrial and commercial assets, sales of scrap metals and investment holding.

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 not materially different from that obtainable in transactions with unrelated parties.

29. SEGMENTAL INFORMATION (CONT'D)

By business segments

	Manufacturing RM	Trading RM	Property development RM	Others RM	Elimination RM	NOTE	Total RM
2023							
Revenue							
External sales	43,903,438	1,152,110	140,979,816	3,435,322	-		189,470,686
Inter-segment sales	157,017	-	-	924,000	(1,081,017)	A	-
Total revenue	44,060,455	1,152,110	140,979,816	4,359,322	(1,081,017)		189,470,686
Results							
Segment results	(5,523,720)	2,716,303	29,233,721	(4,520,522)	3,337,871		25,243,653
Interest income	30,612	20,359	165,146	27,424	-		243,541
Interest expense	(40,913)	(15,307)	(269,955)	-	-		(326,175)
Tax income/(expense)	430,478	(510,698)	(6,836,391)	(914,327)	252,094		(7,578,844)
(Loss)/Profit for the financial year	(5,103,543)	2,210,657	22,292,521	(5,407,425)	3,589,965		17,582,175
Assets							
Segment assets	67,862,879	47,541,587	177,441,954	425,737,404	(313,713,672)		404,870,152
Deferred tax assets	-	-	371,972	-	-		371,972
Current tax assets	984,204	1,289	260,183	324,784	137,000		1,707,460
Fixed deposits with licensed banks	-	-	-	154,535	-		154,535
Cash and bank balances	7,634,954	275,873	15,822,554	19,318,977	-		43,052,358
Total assets	76,482,037	47,818,749	193,896,663	445,535,700	(313,576,672)		450,156,477

29. SEGMENTAL INFORMATION (CONT'D)

By business segments (Cont'd)

	Manufacturing RM	Trading RM	Property development RM	Others RM	Elimination RM	NOTE	Total RM
2023							
Liabilities							
Segment liabilities	73,842,172	24,170,862	92,588,099	122,329,720	(271,968,072)		40,962,781
Deferred tax liabilities	872,380	709,939	-	2,979,053	2,242,559		6,803,931
Current tax liabilities	-	-	1,172,570	2,195	-		1,174,765
Borrowings	283,988	331,172	705,058	-	-		1,320,218
Total liabilities	74,998,540	25,211,973	94,465,727	125,310,968	(269,725,513)		50,261,695
Other information							
Additions to non-current assets	441,305	208,000	734,552	2,119,982	-	B	3,503,839
Depreciation	2,234,570	277,583	142,213	379,766	80,215		3,114,347
Non-cash expenses/(income) other than depreciation	1,676,266	629	(21,089)	(2,767,411)	500,000	C	(611,605)

29. SEGMENTAL INFORMATION (CONT'D)

By business segments (Cont'd)

	Manufacturing RM	Trading RM	Property development RM	Others RM	Elimination RM	NOTE	Total RM
2022							
Revenue							
External sales	44,037,524	917,553	71,558,433	3,269,331	-		119,782,841
Inter-segment sales	119,365	112,624	-	1,260,000	(1,491,989)	A	-
Total revenue	44,156,889	1,030,177	71,558,433	4,529,331	(1,491,989)		119,782,841
Results							
Segment results	10,805	80,292	15,813,010	(12,523,617)	7,119,229		10,499,719
Interest income	13,188	1,532	84,188	97,269	-		196,177
Interest expense	(61,282)	(19,927)	(141,061)	-	-		(222,270)
Tax expense	(629,383)	-	(3,911,888)	(464,857)	(1,568,972)		(6,575,100)
(Loss)/Profit for the financial year	(666,672)	61,897	11,844,249	(12,891,205)	5,550,257		3,898,526
Assets							
Segment assets	80,231,595	22,882,896	187,814,064	457,080,159	(330,459,348)		417,549,366
Current tax assets	305,246	657	349,294	219,456	-		874,653
Fixed deposits with licensed banks	-	-	3,757,473	189,197	-		3,946,670
Cash and bank balances	7,136,450	141,105	5,044,046	2,593,029	-		14,914,630
Total assets	87,673,291	23,024,658	196,964,877	460,081,841	(330,459,348)		437,285,319

29. SEGMENTAL INFORMATION (CONT'D)

By business segments (Cont'd)

	Manufacturing RM	Trading RM	Property development RM	Others RM	Elimination RM	NOTE	Total RM
2022							
Liabilities							
Segment liabilities	38,528,681	42,846,395	119,540,005	133,613,112	(282,145,644)		52,382,549
Deferred tax liabilities	1,480,831	199,609	215,586	2,407,236	2,386,653		6,689,915
Current tax liabilities	-	-	70,871	3,036	(29,000)		44,907
Borrowings	282,538	376,737	-	-	-		659,275
Total liabilities	40,292,050	43,422,741	119,826,462	136,023,384	(279,787,991)		59,776,646
Other information							
Additions to non-current assets	218,148	-	160,390	1,914,829	-	B	2,293,367
Depreciation	2,479,239	269,320	73,278	400,637	-		3,222,474
Non-cash expenses/(income) other than depreciation	1,934,155	-	(744,424)	5,479,365	-	C	6,669,096

29. SEGMENTAL INFORMATION (CONT'D)

By business segments (Cont'd)

Notes to segment information:

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consist of property, plant and equipment and investment properties.

C Other non-cash expenses/(income) consist of the following items:

	GROUP	
	2023 RM	**2022 RM**
Allowance for expected credit losses on receivables	**339,245**	810,542
Bad debts written off	**-**	22,700
Debts waived by trade and other creditors	**-**	(138,444)
Deposits forfeited	**(115,520)**	(80,255)
Fair value (gain)/loss on investment properties, net	**(2,720,179)**	753,778
Fair value loss on other investments, net	**268,143**	7,417,473
Gain on disposal of investment properties	**-**	(100,000)
Gain on disposal of other investments	**-**	(2,142,482)
Gain on disposal of property, plant and equipment, net	**(46,998)**	(59,967)
Impairment losses on property, plant and equipment	**1,042,738**	892,912
Inventories written down	**573,665**	281,977
Property, plant and equipment written off	**255,077**	285
Reversal of allowance of expected credit losses on receivables	**(263,120)**	(204,109)
Reversal of inventories written down	**(33,636)**	(64,309)
Reversal of provision for retirement benefit obligations	**-**	(19,574)
Unwinding of discounts, net	**88,980**	(701,431)
	(611,605)	6,669,096

Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on geographical location of its customers. In Malaysia, its home country, the Group's areas of operation are principally manufacturing, trading of metal related products and property development.

	Revenue	
	2023 RM	**2022 RM**
Malaysia	**188,699,157**	114,203,266
Others	**771,529**	5,579,575
	189,470,686	119,782,841

	Non-current assets	
	2023 RM	**2022 RM**
Malaysia	**202,104,061**	198,473,998

29. SEGMENTAL INFORMATION (CONT'D)

Geographical segments (Cont'd)

Non-current assets information presented above which excludes financial assets, consist of the following items as presented in the Group's statement of financial position:

	2023 RM	2022 RM
Property, plant and equipment	**60,622,932**	63,091,352
Right-of-use assets	**165,943**	308,167
Inventories	**71,702,214**	70,413,479
Investment properties	**69,241,000**	64,661,000
Deferred tax assets	**371,972**	-
	202,104,061	198,473,998

Information about major customers

There is no major customer which contributed more than 10% of the Group revenue during the financial year.

30. RELATED PARTY DISCLOSURES

(i) Identity of related parties

The Group and the Company have related party relationship with its subsidiaries and key management personnel.

(ii) Related party transactions

Related party transactions have been entered into at terms agreed between the parties during the financial year.

	GROUP	
	2023 RM	**2022 RM**
Transactions with a director of a subsidiary		
- Loan from	**-**	5,000,000
- Interest charged	**250,685**	140,253

	COMPANY	
	2023 RM	**2022 RM**
Management fee received from subsidiaries	**924,000**	1,260,000
Advances to subsidiaries	**(16,029,231)**	-

30. RELATED PARTY DISCLOSURES (CONT'D)

(iii) Compensation of key management personnel

The remuneration of the directors and other key management personnel during the financial year are as follows:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Executive directors (Note 23)	**1,957,545**	1,961,785	**728,000**	739,424
Non-executive directors (Note 23)	**395,000**	388,000	**395,000**	388,000
Other key management personnel:				
- Salaries and allowances	**186,000**	186,000	**186,000**	186,000
- Defined contribution plans	**14,880**	22,320	**14,880**	22,320
	200,880	208,320	**200,880**	208,320
	2,553,425	2,558,105	**1,323,880**	1,335,744

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly.

31. COMMITMENTS

(i) Capital commitment

	GROUP	
	2023 RM	**2022 RM**
Contracted but not provided for:		
- Property, plant and equipment	**-**	1,079,721
- Investment properties	**7,920,000**	449,778
	7,920,000	1,529,499

(ii) Operating lease commitments - as lessor

The Company has entered into a non-cancellable operating lease agreement for an investment property. Future minimum rentals receivable under non-cancellable operating leases as at the end of the reporting period is as follows:

	COMPANY	
	2023 RM	**2022 RM**
Within 1 year	**1,608,096**	3,216,192

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32. FINANCIAL INSTRUMENTS

32.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as AC and FVTPL.

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2023			
Financial assets			
Trade and other receivables*	**28,040,822**	**28,040,822**	**-**
Other investments	**19,942,891**	**-**	**19,942,891**
Fixed deposits with licensed banks	**154,535**	**154,535**	**-**
Cash and bank balances	**43,052,358**	**43,052,358**	**-**
	91,190,606	**71,247,715**	**19,942,891**
Financial liabilities			
Trade and other payables	**34,644,902**	**34,644,902**	**-**
Borrowings	**1,320,218**	**1,320,218**	**-**
	35,965,120	**35,965,120**	**-**
COMPANY			
2023			
Financial assets			
Other receivables*	**178,231,913**	**178,231,913**	**-**
Other investments	**679,119**	**-**	**679,119**
Fixed deposits with licensed banks	**154,535**	**154,535**	**-**
Cash and bank balances	**18,218,112**	**18,218,112**	**-**
	197,283,679	**196,604,560**	**679,119**
Financial liability			
Other payables	**1,504,072**	**1,504,072**	**-**
GROUP			
2022			
Financial assets			
Trade and other receivables*	29,492,503	29,492,503	-
Other investments	20,096,981	-	20,096,981
Fixed deposits with licensed banks	3,946,670	3,946,670	-
Cash and bank balances	14,914,630	14,914,630	-
	68,450,784	48,353,803	20,096,981

* The trade and other receivables presented above are excluding prepayment and advance to suppliers.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 Categories of financial instruments (Cont'd)

The table below provides an analysis of financial instruments categorised as AC and FVTPL. (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2022			
Financial liabilities			
Trade and other payables	48,295,327	48,295,327	-
Borrowings	659,275	659,275	-
	48,954,602	48,954,602	-
COMPANY			
2022			
Financial assets			
Other receivables*	193,639,068	193,639,068	-
Other investments	565,066	-	565,066
Fixed deposits with licensed banks	189,197	189,197	-
Cash and bank balances	901,452	901,452	-
	195,294,783	194,729,717	565,066
Financial liabilities			
Other payables	1,449,051	1,449,051	-

* The trade and other receivables presented above are excluding prepayment and advance to suppliers.

32.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

32.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group's exposure to credit risk arises principally from its trade receivables whilst the Company's exposure to credit risk arises principally from financial guarantees given and advances to its subsidiaries.

(i) Trade receivables

The Group generally extends to existing customers credit terms that range between **14 to 120 days** (2022: 14 to 120 days). In deciding whether credit shall be extended, the Group will take into consideration factors such as the relationship with the customer, its payment history and creditworthiness. The Group subject new customers to credit verification procedures. In addition, debt monitoring procedures are performed on an on-going basis to early identify problematic receivables for action.

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32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Credit risk (Cont'd)

(i) Trade receivables (Cont'd)

Credit risk in the property development activity is negligible as sales are normally to purchasers who have obtained financing from financial institutions. As such, the credit risk has been effectively transferred to the financial institutions as stipulated in the sale and purchase agreements. For those sales on a cash basis which only forms an insignificant portion of sales amount, credit risk is also negligible as titles will only be surrendered upon full payments. This is the normal industry practice.

The Group measures the allowance for expected credit losses of trade receivables at an amount equal to lifetime ECL using a simplified approach. The ECL on trade receivables are estimated based on past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankruptcy. Forward-looking information such as gross domestic product rate has been incorporated in determining the expected credit losses. The ECL calculated by the Group is not material under MFRS 9 and hence it is not provided for.

The ageing of trade receivables of the Group is as follows:

	Gross RM	Expected credit losses RM	Net RM
2023			
Not past due	**7,970,255**	-	**7,970,255**
Past due 1 - 30 days	**9,687,948**	-	**9,687,948**
Past due 31 - 60 days	**2,218,756**	-	**2,218,756**
Past due 61 - 90 days	**221,385**	-	**221,385**
Past due more than 90 days	**3,943,209**	-	**3,943,209**
	16,071,298		**16,071,298**
Individually impaired	**3,610,395**	**(3,610,395)**	-
	27,651,948	**(3,610,395)**	**24,041,553**
2022			
Not past due	12,257,725	-	12,257,725
Past due 1 - 30 days	6,698,902	-	6,698,902
Past due 31 - 60 days	3,804,445	-	3,804,445
Past due 61 - 90 days	305,711	-	305,711
Past due more than 90 days	3,599,357	-	3,599,357
	14,408,415	-	14,408,415
Individually impaired	4,038,400	(4,038,400)	-
	30,704,540	(4,038,400)	26,666,140

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group. None of the Group's trade receivables that are neither pass due nor impaired has been renegotiated during the financial year.

The Group has trade receivables amounting to **RM16,071,298** (2022: RM14,408,415) that are past due but not impaired as these customers have no recent history of default and the management is of the view that these debts will be recovered in due course.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Credit risk (Cont'd)

(i) Trade receivables (Cont'd)

The Group does not have any significant concentration of credit risk in the form of outstanding balance due from specific customers as at the end of the financial year.

(ii) Intercompany balances

The Company provides advances to its subsidiaries and monitors its financial performance regularly.

The maximum exposure to credit risk is represented by their carrying amounts in the Company's statement of financial position.

As at the end of the reporting period, there was indication that the amount due from its subsidiaries is not recoverable. Hence, an allowance for expected credit losses has been provided for as disclosed in Note 10 to the financial statements.

(iii) Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The maximum exposure to credit risk is as follows, representing the outstanding amount due as at the end of the reporting period:

	COMPANY	
	2023 RM	2022 RM
Guarantees given to financial institutions for credit facilities granted to certain subsidiaries	**60,731**	282,679

The Company monitors on an ongoing basis the financial performance of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that the subsidiaries would default on repayment.

The fair value of financial guarantees has not been recognised since the fair value on initial recognition was not material.

32.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient level of cash and cash equivalents to meet their working capital requirements.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	More than 1 year and less than 2 years RM	More than 2 years and less than 5 years RM
GROUP					
2023					
Non-derivative financial liabilities					
Borrowings	**1,320,218**	**1,440,367**	**424,732**	**370,340**	**645,295**
Lease liabilities	**175,247**	**182,000**	**156,000**	**26,000**	**-**
Trade and other payables	**34,644,902**	**35,150,212**	**30,372,712**	**900,000**	**3,877,500**
	36,140,367	**36,772,579**	**30,953,444**	**1,296,340**	**4,522,795**
2022					
Non-derivative financial liabilities					
Borrowings	659,275	695,903	465,586	105,397	124,920
Lease liabilities	315,866	338,000	156,000	182,000	-
Trade and other payables	48,295,327	48,996,758	45,063,238	-	3,933,520
	49,270,468	50,030,661	45,684,824	287,397	4,058,440

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM
COMPANY			
2023			
Non-derivative financial liabilities			
Other payables	**1,504,072**	**1,504,072**	**1,504,072**
Financial guarantees *	**-**	**60,731**	**60,731**
	1,504,072	**1,564,803**	**1,564,803**
2022			
Non-derivative financial liabilities			
Other payables	1,449,051	1,449,051	1,449,051
Financial guarantees *	-	282,679	282,679
	1,449,051	1,731,730	1,731,730

* This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystalised.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.5 Interest rate risk

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group does not have any floating rate instruments.

The interest rate profile of the Group's and the Company's interest-bearing financial instruments based on their carrying amounts as at the end of the reporting period is as follows:

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Fixed rate instruments				
Financial assets	**154,535**	3,946,670	**154,535**	189,197
Financial liabilities	**5,763,019**	5,799,528	**-**	-

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group and the Company do 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.

32.6 Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the respective functional currencies of the Group entities. The currency giving rise to this risk is Singapore Dollar.

Sensitivity analysis for foreign currency risk

The sensitivity to a reasonably possible change in the foreign currencies exchange rates against Ringgit Malaysia, with all other variables held constant, of the Group's profit before tax and equity. A 10% strengthening of the RM against the following currencies at the end of the reporting period would have insignificant impact to the profit before tax and equity.

32.7 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of the Group's financial assets designated at FVTPL will fluctuate because of changes in market prices. Equity price risk arises from the Group's investment in securities and loan stocks quoted in Malaysia.

Sensitivity analysis for equity price risk

As at the end of the reporting period, if the share price of the investment in securities and loan stocks had been 5% higher/lower, with all other variables held constant, the Group's profit before tax and equity would have been **RM963,189** (2022: RM976,596) higher/lower, arising as a result of higher/lower fair value gain on investment in securities and loan stocks.

33. FAIR VALUE MEASUREMENT

33.1 Fair value measurement of financial instruments

The carrying amounts of cash at bank, short term receivables and payables approximate their fair values due to the relative short-term nature of these financial instruments. The carrying amount of the non-current portion of the finance lease liabilities are reasonable approximation of their fair values due to the insignificant impact of discounting.

33. FAIR VALUE MEASUREMENT

33.1 Fair value measurement of financial instruments

(a) Non-financial assets that are measured at fair value

The fair value of the Group's and the Company's investment properties have been arrived at on the basis of a valuation carried out by an independent professional valuer and assessments made by the management.

Details of the Group's and the Company's investment properties and information about the fair value hierarchy are as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2023					
Investment properties	**-**	**-**	**69,241,000**	**69,241,000**	**69,241,000**
2022					
Investment properties	-	-	64,661,000	64,661,000	64,661,000
COMPANY					
2023					
Investment properties	**-**	**-**	**27,500,000**	**27,500,000**	**27,500,000**
2022					
Investment properties	-	-	31,103,297	31,103,297	31,103,297

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair value of investment properties have been generally derived using the market comparison approach. Recent selling prices and asking prices of comparable properties in close proximity are adjusted for differences in key attributes such as size, location, accessibility, visibility, time and present market trends. The most significant input in this valuation approach is price per square foot of comparable properties.

Notes to the Financial Statements

30 June 2023

33. FAIR VALUE MEASUREMENT (CONT'D)

33.1 Fair value measurement of financial instruments (Cont'd)

(a) Non-financial assets that are measured at fair value (Cont'd)

Description of valuation techniques used and key inputs to valuation of investment properties:

Valuation techniques	Significant unobservable inputs	Range
2023		
Market comparison method	Difference in location, time factor, size, floor, building condition, property type and tenure	RM3.60 per square feet ("psf") to RM828 psf
2022		
Market comparison method	Difference in location, time factor, size, floor, building condition, property type and tenure	RM3.60 psf to RM828 psf

Significant changes in any of the above inputs in isolation would result in significant changes in the fair value of investment properties.

Market comparison method

Under the market comparison method, the land and buildings are valued by reference to transactions of similar land and buildings in the surrounding with adjustments made for differences in size, accessibility, frontage, site improvement, tenure if any and other relevant characteristics.

(b) Financial assets that are measured at fair value

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2023					
Financial asset					
Other investments	**19,942,891**	**-**	**-**	**19,942,891**	**19,942,891**
2022					
Financial asset					
Other investments	20,096,981	-	-	20,096,981	20,096,981

33. FAIR VALUE MEASUREMENT (CONT'D)

33.1 Fair value measurement of financial instruments (Cont'd)

(b) Financial assets that are measured at fair value (Cont'd)

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
COMPANY					
2023					
Financial asset					
Short-term investment	**679,119**	**-**	**-**	**679,119**	**679,119**
2022					
Financial asset					
Other investments	565,066	-	-	565,066	565,066

Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets at the end of the reporting period.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1 and Level 2 during the financial year.

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its businesses and to maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions or expansion of the Group. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

The Group manages its capital by regularly monitoring its liquidity requirements and modifies the combination of equity and borrowings from time to time to meet the needs. Shareholders' equity and gearing ratio of the Group and of the Company are as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Total equity	**399,894,782**	377,508,673	**300,477,310**	303,255,285
Borrowings	**1,320,218**	659,275	**-**	-
Debt-equity-ratio	**0.01**	0.01	**-**	-

There were no gearing covenants imposed on the Group and the Company as at the end of the reporting period.

35. EMPLOYEES SHARE OPTIONS SCHEME ("ESOS")

The Company's ESOS is governed by the By-Laws which were approved by the shareholders at an Extraordinary General Meeting held on 28 September 2012. The ESOS which expired on 18 October 2015 was extended for another seven years expired on 18 October 2022.

The salient features of the ESOS are as follows:

(a) The total number of new ordinary shares which are available to be issued under the ESOS shall not exceed fifteen percent (15%) of the total issued and fully paid-up share capital of the Company at any time throughout the duration of the ESOS.

(b) Any employee or director of any company comprised in the Group shall be eligible to participate in the ESOS if, as at the date of offer, the employee is at least eighteen (18) years of age or above; and is employed on a continuous full-time basis for a period of not less than six (6) months and must be a confirmed employee.

(c) The allocation of the options will be staggered over the duration of the ESOS and no further options shall be allocated after the first two (2) years of the ESOS. The maximum allocation available for each of the first two (2) years of the Scheme is 50% of the shares available under the ESOS.

(d) The option price shall be determined at a discount of not more than 10% from the weighted average market quotation of the Company's shares as quoted on Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of the offer or at par, whichever is higher.

(e) The shares under option shall remain unissued until the options are exercised and shall, on allotment, rank *pari passu* in all respects with the existing shares of the Company at the time of allotment save that they will not entitle the holders thereof to receive any rights and bonus issues announced or to any dividend or other distribution declared to the shareholders of the Company as at a date which precedes the date of the exercise of the options.

The details of the outstanding share options granted to the Group's employees and directors and its exercise price are as follows:

		|------- Number of share options over ordinary shares -------|			
Grant date	**Exercise price**	**Balance at 1.7.2022**	**Exercised**	**Lapsed**	**Balance at 30.6.2023**
9.10.2013	RM0.87	558,007	-	(558,007)	-
14.10.2014	RM0.87	160,266	-	(160,266)	-
15.2.2016	RM0.87	1,433,108	-	(1,433,108)	-

The fair value of the share options granted was estimated at the grant date using Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted.

The following table lists the inputs to the option pricing model for the ESOS granted on:

Grant date	9.10.2013	14.10.2014	15.2.2016
Fair value (RM)	0.12	0.12	0.01
Expected volatility (%)	10.00	50.90	10.00
Risk-free interest rate (% p.a)	3.37	3.76	3.87
Expected life of option (years)	9	8	6.6
Weighted average share price (RM)	1.00	1.00	1.00

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

As at 18 October 2022, 2,151,381 unexercised ESOS has lapsed upon the expiry of the ESOS.

Notes to the Financial Statements
30 June 2023

36. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS")

	Number of ICULS		Amount	
	2023 RM	2022 RM	2023 RM	2022 RM
Balance at beginning	-	118,758,809	-	11,875,881
Converted to ordinary shares	-	(118,758,809)	-	(11,875,881)
Balance at end	-	-	-	-

The ICULS were constituted by a Trust Deed dated 28 March 2012 made between the Company and the Trustee for the holders of the ICULS.

The salient features of the ICULS are as follows:

(i) The ICULS shall be convertible into fully paid-up ordinary shares at any time during the tenure of the ICULS from the date of issue of the ICULS up to and including the maturity date of 15 April 2022 by surrendering eight ICULS of RM0.10 each for one new ordinary share or by surrendering for cancellation one ICULS of RM0.10 each and paying the difference between the issue price of ICULS and conversion price of RM0.80 each.

(ii) The ICULS have a tenure period of 10 years from the date of issue and will not be redeemable in cash. All outstanding ICULS will be mandatorily converted by the Company into new ordinary shares at the conversion price of RM1 each on the maturity date, with any fractional new shares arising from the mandatory conversion of the ICULS and the maturity date shall be disregarded.

(iii) Upon conversion of the ICULS into new ordinary shares, such shares would rank *pari passu* in all respects with the existing ordinary shares of the Company in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date is before the new share allotment.

The details of conversion of ICULS during the financial year are as follows:

	Number of ICULS Unit	Amount RM	Number of ordinary shares converted Unit	Amount RM
2022				
- Conversion by unit holders	33,354,490	3,335,449	3,833,843	3,335,449
- Mandatory conversion upon expiry	85,404,319	8,540,432	9,816,332	8,540,432
	118,758,809	11,875,881	13,650,175	11,875,881

In previous year, all ICULS had been converted to ordinary shares capital pursuant to the mandatory conversion of the ICULS upon maturity by the Company.

37. SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

(i) On 9 November 2022, PAC, one of the wholly-owned subsidiary of the Company, has entered into 3 separate conditional Sales and Purchases Agreements with Limbongan Batu Maung Sdn. Bhd. and Utopia Span Sdn. Bhd. to acquire a parcel of land, which is formed by 3 adjoining land for a total purchase consideration of RM28,000,000. The consideration is to be satisfied via the issuance of 114,285,600 new ordinary shares of the Company at an issue price of RM0.245 per ordinary share.

PAC has fulfilled the terms and conditions outlined in the agreement for 2 parcels of the adjoining land during the financial year and the Company has issued 106,122,300 ordinary shares on 5 July 2023.

On 10 August 2023, the Company has submitted an application to Bursa Malaysia Securities Berhad seeking for an extension of time of 6 months until 26 February 2024 to complete the acquisition of the remaining parcel of land and the approval was obtained on 16 August 2023. The acquisition of remaining land has yet to be completed as at the date of this report.

(ii) On 12 June 2023, Santro Match Sdn. Bhd., a wholly-owned subsidiary of the Company, has entered into Sales and Purchases Agreements with third parties to acquire 2 parcels of freehold land for a total consideration of RM8,800,000. The transactions have been completed subsequent to the year end.

(iii) On 25 August 2023, Sunrise Manner Sdn. Bhd., a subsidiary of the Company, has entered into a Sale and Purchase Agreement with a third party for the acquisition of land for a total purchase consideration of RM43,719,857 to be satisfied via cash. The transaction has yet to be completed as at the date of this report.

(iv) On 6 September 2023, the Company has entered into a Share Sale Agreement with a NCI to acquire the remaining equity interests of 40% in both DMI and MPM for a total purchase consideration of RM12,960,000 to be satisfied via cash. The transaction has yet to be completed as at the date of this report.

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FORM OF PROXY

No. of shares held	
CDS A/C No.	
Telephone No.	

马譽環球集團
MAYU
GLOBAL GROUP BERHAD
(Formerly known as ATTA Global Group Berhad)
Registration No.: 198101012950 (79082-V)
(Incorporated in Malaysia)

I/We ____ (FULL NAME IN BLOCK CAPITALS)

NRIC No./Company No. ______________________ of ______________________________

____ (FULL ADDRESS)

being a member of MAYU GLOBAL GROUP BERHAD (formerly known as ATTA Global Group Berhad) hereby appoint the following person(s):

	Name of Proxy & NRIC No.	Email Address	No. of Shares	%
1.				
2.				

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Forty-Second (42nd) Annual General Meeting of the Company to be held on 15 December 2023 and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Resolution No.	Ordinary Business	For	Against
1	The payment of Directors' Fees		
2	The payment of Non-Executive Directors' Benefits		
	The re-election of Directors:		
3	Dato' Sri Tajudin Bin Md Isa		
4	Mr. Chow Choon Hoong		
5	Ms. Leong Wai Kuan		
6	Ms. Tan Qian Hui		
7	The re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors and authority to Directors to fix their remuneration		
	Special Business		
8	Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016		
9	Proposed Renewal of Share Buy-Back Authority		

Please indicate with (√) or (X) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date:

____
Signature of Shareholder
(Common Seal & Signatures)

NOTES:
1. Only members whose names appear on the Record of Depositors as at 7 December 2023 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
2. A member (other than an exempt authorized nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
6. The instrument appointing a proxy must be deposited at the office of the Share Registrar of our Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, courier or electronic mail to bsr.helpdesk@boardroomlimited.com or fax (603)78904670, otherwise the instrument of proxy should not be treated as valid. Alternatively, the form of proxy can be submitted by electronic means through the Share Registrar's website, Boardroom Smart Investor Portal. Kindly follow the link at https://investor.boardroomlimited.com to login and deposit your form of proxy electronically, also forty-eight (48) hours before the meeting.
7. For verification purposes, members and proxies are required to produce their original identity card at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.
8. Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agrees and consents that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

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AFFIX STAMP
(Within Malaysia)

To

The Share Registrar
MAYU GLOBAL GROUP BERHAD
(Formerly known as ATTA GLOBAL GROUP BERHAD)
Registration No.: 198101012950 (79082-V)

11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
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Selangor Darul Ehsan

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