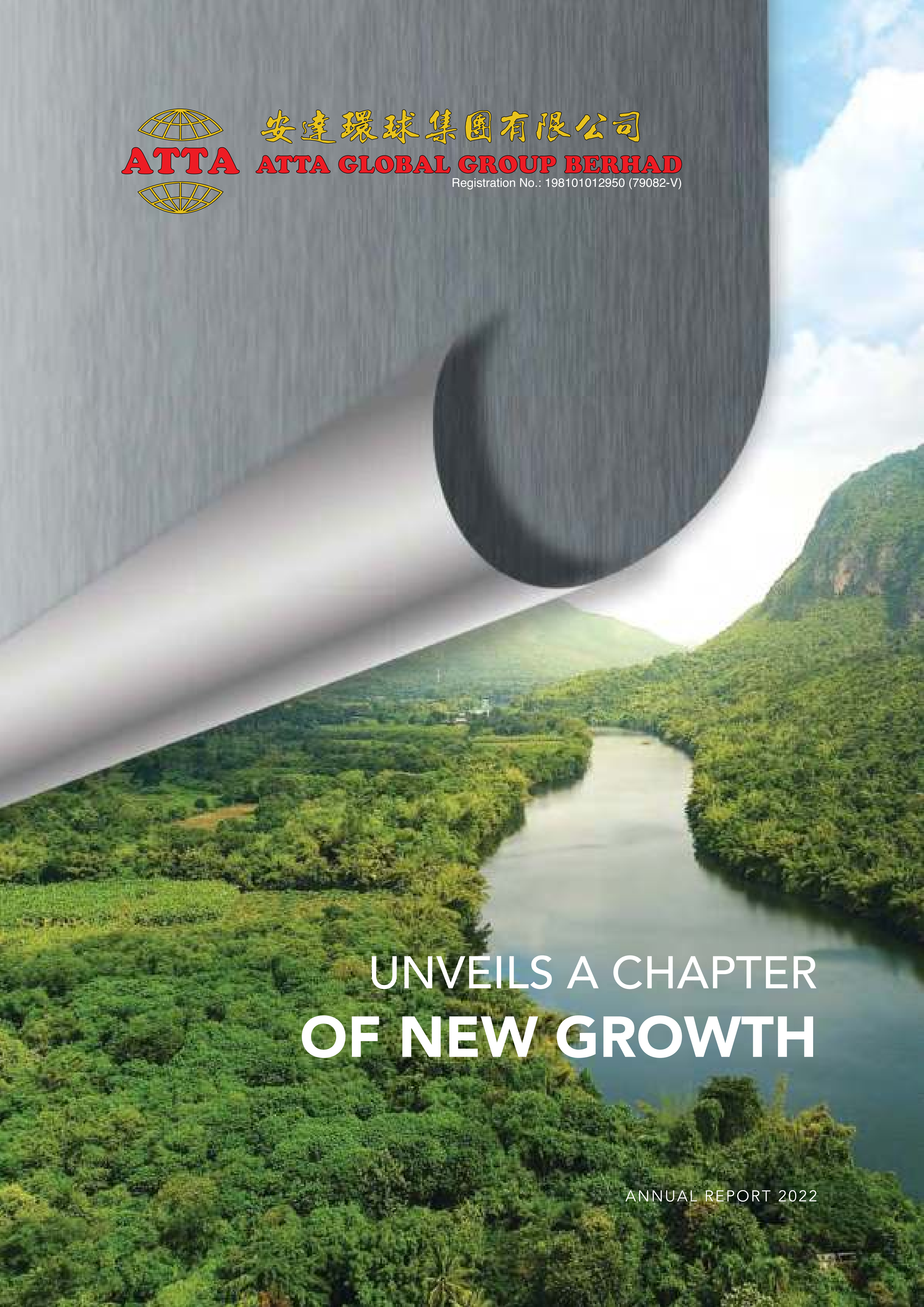


安達環球集團有限公司

ATTA

ATTA GLOBAL GROUP BERHAD

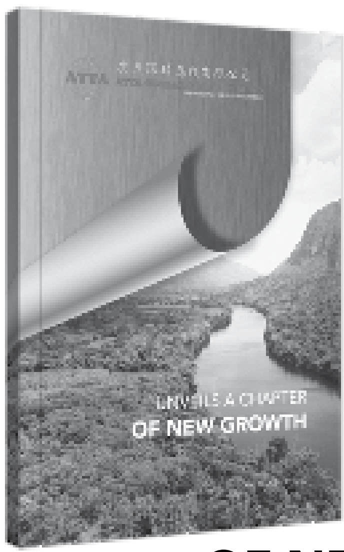
Registration No.: 198101012950 (79082-V)

UNVEILS A CHAPTER OF NEW GROWTH

ANNUAL REPORT 2022

WHAT'S INSIDE

REPORT AND FINANCIAL STATEMENTS 30 JUNE 2022



UNVEILS A CHAPTER **OF NEW GROWTH**

Unveiling a chapter of new growth, ATTA Global Group Berhad ("ATTA") flows towards the sea of opportunities. As sustainability plays an important role, ATTA holds firmly to breakthrough challenges in order to grow greater than ever. As new chapter means greater opportunities, ATTA will achieve excellent results with its dedication towards quality innovative manufacturing capabilities and development services.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-First (41st) Annual General Meeting ("41st AGM and/or "AGM") of the Company will be held at The Light Hotel, Lebuh Tenggiri 2, 13700 Seberang Jaya, Pulau Pinang on **Wednesday, 14 December 2022 at 11.00 a.m.**

A G E N D A

AS ORDINARY BUSINESS:	**ORDINARY RESOLUTION**
1. To receive the Audited Financial Statements for the year ended 30 June 2022, together with the Directors' and Auditors' Reports thereon.	(Please refer to Note 2)
2. To approve the payment of Directors' fees of RM270,000 per Non-Executive Director per annum in respect of the financial year ended 30 June 2022.	1
3. To approve the payment of Directors' benefits to Non-Executive Directors up to an amount of RM118,000 from the 41st AGM until the next AGM of the Company.	2
4. To re-elect the following Directors retiring by rotation in accordance with Article 20.4 of the Company's Constitution:	
4.1 Mr. Goh Chin Heng	3
4.2 Ms. Loh Yee Sing	4
Mr. Sudesh A/L K. V. Sankaran who also retires by rotation in accordance with Article 20.4 of the Company's Constitution, has expressed his intention not to seek re-election. Hence, he will retain office until the close of the 41st AGM.	
5. 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.	5

AS SPECIAL BUSINESS:

6. To consider and, if thought fit, pass the following Resolutions:

6.1 PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 76 OF THE COMPANIES ACT, 2016 — Ordinary Resolution 6

"THAT pursuant to Section 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, 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."

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

6.2 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY 7

"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 2022 is RM25,610,975.

(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.

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

6.2 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd) 7

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."

7. 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 6 December 2022 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. 202008001332)
(MAICSA 7075434)

Chartered Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia
29 October 2022

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.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

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 2022**

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 2022
Resolution 2: Payment of Directors' benefits from the 41st AGM until the next AGM of the Company

Summary of the Payment of Directors' Fees and Directors' Benefits to Directors from the 41st AGM until the next AGM in year 2023:

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, committees' fees, etc.

NOTES: (Cont'd)

4. Re-Election of Directors

Mr. Goh Chin Heng and Ms. Loh Yee Sing who retire by rotation are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this AGM.

Mr. Sudesh A/L K.V. Sankaran did not seek re-election, after having served on the Board of ATTA for more than twelve (12) years since his appointment as Director on 20 December 2004. Hence, he will retain office until the close of the 41st AGM, and retires in accordance with Article 20.4 of the Company's Constitution.

The Board has via the Nomination Committee had conducted an assessment on their effectiveness and contributions of the said retiring Directors including their skills, experience and strength in qualities and time commitment, 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 2022.

5. Re-appointment of External Auditor ("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, 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 ATTA 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 2023 be put forward for shareholders' approval at the AGM.

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

The proposed Resolution 6, 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 this Notice, 23,496,000 ordinary shares were issued pursuant to the mandate granted to the Directors at the 40th AGM held on 15 December 2021 and which will lapse at the conclusion of the 41st AGM. Further information on the proceed raised from the previous mandate is reflected on page 42 of the Annual Report 2022. 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.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

7. **Proposed Renewal Of Share Buy-Back Authority**

   The Ordinary Resolution 7 proposed, 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 Annual General Meeting 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 2022 Annual Report.

Annual Report 2022 and Corporate Governance Report 2022

The Annual Report 2022 and Corporate Governance Report 2022 may be downloaded at www.attaglobalgroup.com

CORPORATE INFORMATION

BOARD OF 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)

Tan Kim Hee
(Executive Director)

Goh Chin Heng
(Executive Director)

Chow Choon Hoong
(Executive Director)

Sudesh A/L K.V. Sankaran
(Independent Non-Executive Director)

Loh Yee Sing
(Independent Non-Executive Director)

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

Audit Committee

Loh Yee Sing (Chairman)
Sudesh A/L K.V. Sankaran
Ravi Chandran A/L Subash Chandran

Nomination Committee

Sudesh A/L K.V. Sankaran (Chairman)
Loh Yee Sing
Ravi Chandran A/L Subash Chandran

Remuneration Committee

Sudesh A/L K.V. Sankaran (Chairman)
Goh Chin Heng
Ravi Chandran A/L Subash Chandran

Risk Management Committee

Chow Choon Hoong (Chairman)
Loh Yee Sing
Mathavan Pillay A/L Kanasi

Corporate/Operational Office

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
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

Company Secretaries

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

Chong Kwai Yoong
(SSM PC No. 202008001332)
(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: ATTA
Stock Code: 7099

CORPORATE STRUCTURE

安達環球集團有限公司
ATTA GLOBAL GROUP BERHAD
Registration No.: 198101012950 (79082-V)
(Incorporated in Malaysia)

100%

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

SMPC MARKETING SDN. BHD.
- Dormant

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

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

KEMBANG KARTIKA SDN. BHD.
- Property Development

SANTRO MATCH SDN. BHD.
- Property Investment

SYARIKAT PERKILANGAN BESI GAYA SDN. BHD.
- Processing and Trading of Wire
- Shredding, Processing and Trading of Ferrous and Compressed Scrap Metals

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

MPSB VENTURE SDN. BHD.
- Property Development

CLIMATE ATTITUDE SDN. BHD.
- Property Investment

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

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

CHAIRMAN'S STATEMENT

My fellow shareholders and friends of ATTA Global Group Berhad,

The opening of the economy and easing of travel restrictions in several parts of the world have augured well for our manufacturing and property development sectors as we experienced a healthy recovery in revenue for the financial year ended 30 June 2022.

This is particularly so when the iron and steel market is anticipated to be driven by increased investments in residential construction sector. For that, we are encouraged by this recent performance and will continue to work on improving our service and quality levels.

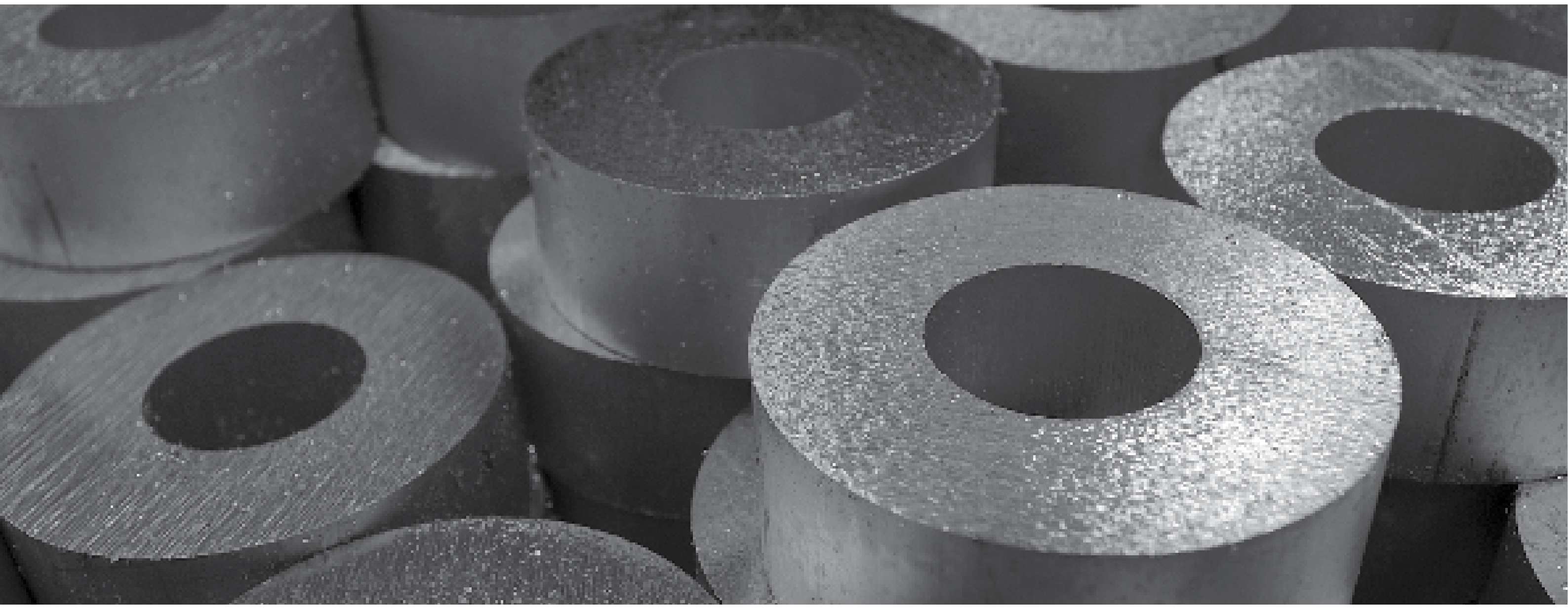
The worst of the Covid-19 pandemic may have been over, but the pandemic has changed the world and its effects will last. Whilst we are cautiously optimistic of a better economic and operating environment, we are mindful of the rising interest rates in response to inflation, supply chain disruptions and a possible risk of global recession in 2023.

Given the aforementioned short term and conceivable risks, we need to plan ahead to weather the storm as we seek to strengthen our balance sheet further to undertake our future operations. As an immediate measure, we continue to be prudent on our capital expenditure through a disciplined approach in cost management and operational efficiencies, and position ATTA to capitalise on any opportunities that may arise.

As we strive to build our leadership position in the market segments, we constantly take proactive measures to remain resilient while we stay steadfast to deliver quality products and services to our customers. We also consistently review our corporate sustainability, property development and marketing strategies in tandem with the changing social, financial and market environment, including reassessing our product and services to stay ahead of the curve and address future market demands.

I would like to take this opportunity to express our sincere appreciation to our shareholders, bankers, business partners and suppliers for the support and confidence in us. Most importantly, my deepest gratitude to the Group and subsidiaries for their efforts and commitment in further raising the benchmark of ATTA Global.

Dato' Sri Tajudin Bin Md Isa
Chairman



PROFILE OF THE DIRECTORS

Dato' Sri Tajudin Bin Md Isa | Male | Malaysian | 63 years old

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

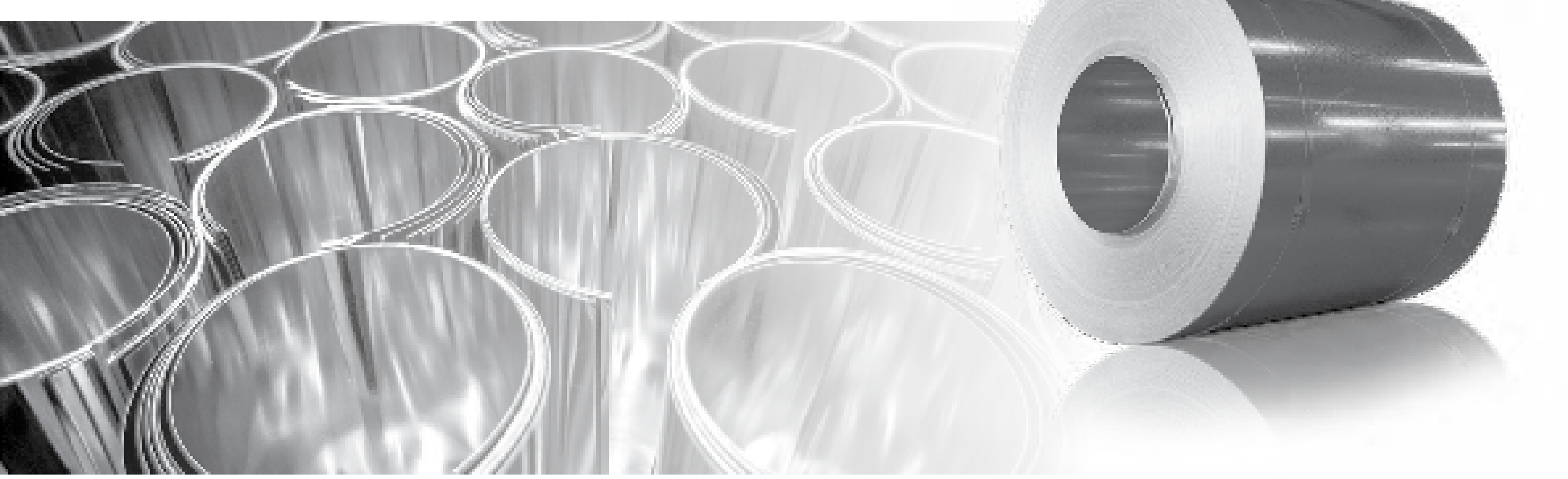
Dato' Sri Tajudin Bin Md Isa was appointed to the Board of ATTA on 1 October 2020 as the Chairman of the Board.

He 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 | Male | Malaysian | 58 years old

Executive Director

Tan Kim Hee was appointed to the Board of ATTA as a Non-Independent Non-Executive Director on 28 March 2018. He was re-designated as an Executive Director on 18 February 2020. He was appointed as the Chairman of the ESOS Committee on 28 September 2021.

After graduated from University Kebangsaan Malaysia (UKM), he 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 ATTA.

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

Goh Chin Heng Male Malaysian 45 years old

Executive Director

Goh Chin Heng was appointed to the Board of ATTA 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 and ESOS Committee on 18 March 2021 and 28 September 2021 respectively.

He 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 practised 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 Officers 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 ATTA.

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

Chow Choon Hoong Male Malaysian 58 years old

Executive Director

Chow Choon Hoong is an Executive Director of ATTA. He was appointed to the Board of ATTA on 29 June 2015 and also the Chairman of Risk Management Committee.

He 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 Ving 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 ATTA.

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

Sudesh A/L K.V. Sankaran Male Malaysian 72 years old

Independent Non-Executive Director

Sudesh A/L K.V. Sankaran was appointed to the Board of ATTA as an Independent Non-Executive Director on 20 December 2004.

He was subsequently appointed as Chairman of the Board on 29 July 2014 and served in that capacity until 18 February 2020. He is also a member of the Audit Committee, the Chairman of Remuneration and Nomination Committees of the Company.

Sudesh A/L K.V. Sankaran graduated with a Bachelor of Arts (Economics) from the University of Madras in 1973. He started his career as an Executive in New Zealand Insurance Ltd in 1974. He was appointed as an Assistant Manager in United Oriental Assurance Bhd in 1977. He then held a managerial position from 1982 until 1992 when he was promoted as Regional Manager. Currently, he is a consultant with Sterling Insurance Brokers Sdn. Bhd.

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

Loh Yee Sing

Female | Malaysian | 46 years old

Independent Non-Executive Director

Loh Yee Sing is an Independent Non-Executive Director of ATTA. She was appointed to the Board of ATTA on 28 November 2016. She was appointed as the Chairman of the Audit Committee on 24 June 2021. She is also a member of the Nomination Committee and Risk Management Committee of the Company.

She 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

Ravi Chandran A/L Subash Chandran

Male | Malaysian | 59 years old

Independent Non-Executive Director

Ravi Chandran A/L Subash Chandran was appointed to the Board of ATTA as an Independent Non-Executive Director on 13 April 2021. Subsequent, he was appointed as a member of the Audit Committee, Nomination Committee and Remuneration Committee on 24 June 2021.

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

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.

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 | Male | Malaysian | 58 years old

Executive Director

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

Goh Chin Heng | Male | Malaysian | 45 years old

Executive Director

Ø Refer to the Profile of the Board of Directors on page 12}.

Chow Choon Hoong | Male | Malaysian | 58 years old

Executive Director

Ø Refer to the Profile of the Board of Directors on page 12}.

Siva Raman A/L S. Ramasamy Pattar | Male | Malaysian | 59 years old

Group Financial Controller

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.

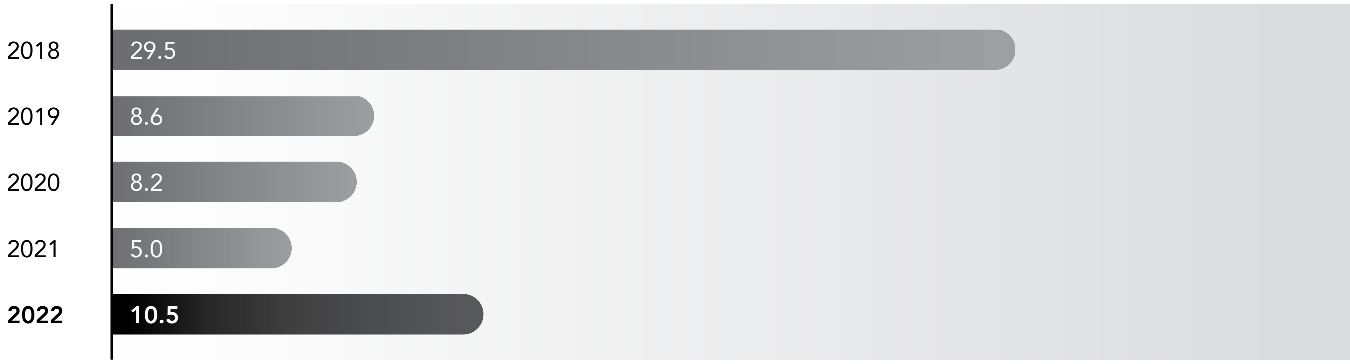
He is responsible for the Group's financial reporting, corporate finance, financial planning and management, treasury, investor relation, tax planning and compliance.

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.

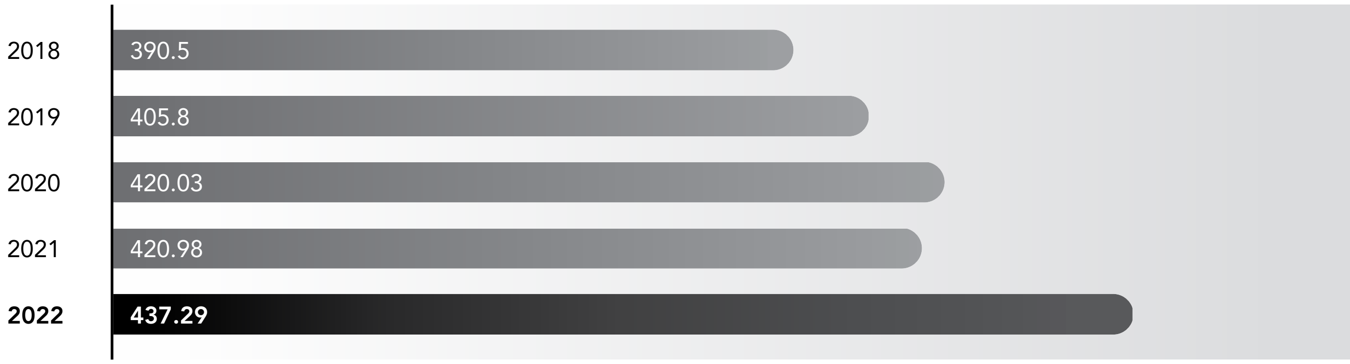
FINANCIAL HIGHLIGHTS

Revenue (RM Million)

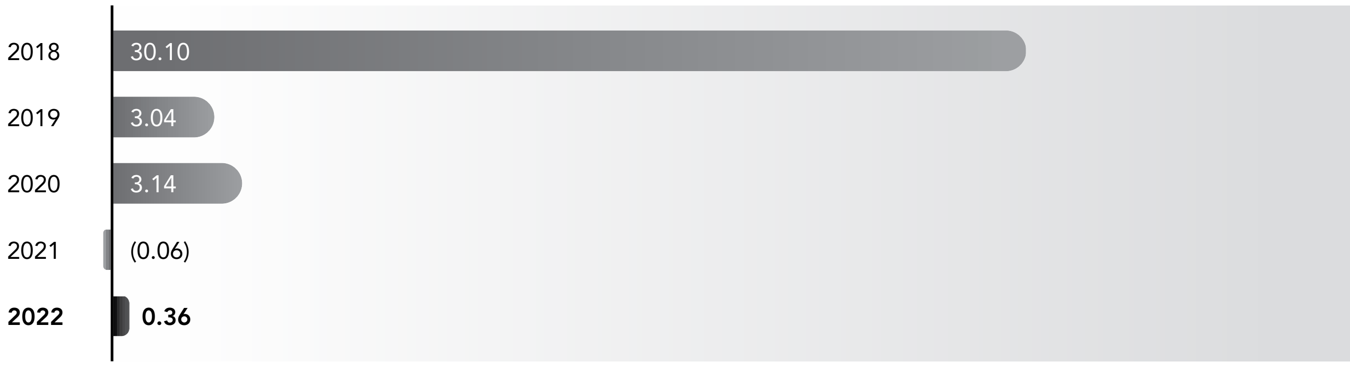
Profit/(Loss) Before Tax (RM Million)



Total Assets (RM Million)



Earning/(Loss) Per Share (RM Million)



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Business and Operations

Atta Global Group Berhad ("ATTA") and its subsidiaries (collectively referred to as "the Group") is involved in iron & 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, Construction and Property Investment sector including letting of industrial and commercial assets, and provision of management consultancy. The business has also newly adopted the reclamation business and looking forward to a positive result.

REVIEW OF FINANCIAL PERFORMANCE

Sales Revenue

For the financial year ended ("FYE") 30 June 2022, ATTA generated revenue of approximately RM119.8 million which represented an increase of approximately RM41.92 million or 53.82% as compared to the revenue generated for the preceding FYE of approximately 77.87 million. The stronger revenue was mainly driven by property development segment. Property Development segment contributed about RM71.56 million or 59.7%, manufacturing segment contributed about RM44.04 million or 36.76% followed by rental/other segment contributed about RM3.3 million or 2.73% and RM 0.91 million or 0.77% from trading segment.

Earnings

The Group recorded a profit before tax of RM10.5 million for the FYE 30 June 2022. The profit is mainly attributed by property development division and manufacturing division.

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 statement of financial position and strong cash position as at 30 June 2022. The Group's net assets per share stood at RM1.61 whilst cash and bank balances stood at RM18.9 million.

REVIEW OF OPERATIONS

Steel Product Manufacturing And Service Centre

- **Duro Metal Industrial (M) Sdn. Bhd.**
- **Syarikat Perkilangan Besi Gaya 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 is involved in the manufacturing of metal roofing and wall cladding sheets. DURO's range of roofing and wall cladding profiles include Durozip, Megadek, Skydek II, Durospan, V-Clad, 3 Pan Klip System 700 and also, we manufacture to the customer requirements for non-standard items. At DURO, we manufacture high tensile galvanized C-purlins and Z-purlins together with Durodek metal floor decking system 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 application of our products.

  DURO's products are manufactured to international standards, such as, ASTM, AS and BS. All the products are tested and verified by independent third-party test labs in accordance with the required local and international standards.

- **Syarikat Perkilangan Besi Gaya Sdn. Bhd. ("SPBG")** involved in metal processing business. Mainly involved in shredding, shearing, processing and trading of ferrous scrap metals. The sorted scrap metals will be purchased by the Company and processed to scrap metal blocks. The scrap metal blocks will be sold to the customers. The processing stage is relatively simple.

REVIEW OF OPERATIONS (Cont'd)

Steel Product Manufacturing And Service Centre (Cont'd)

- **Metal Perforators (Malaysia) Sdn. Bhd. ("MPM")** was incorporated in 1972 with the initial principle business of manufacturing and trading of metal products. Today, MPM business is closely related to the national growth sector in construction, oil & gas, infrastructure projects and major manufacturing sector. With its assurance of high-quality products, prompt delivery and efficient service, MPM has grown to command a major share of the local market and are on its way to establishing a strong international presence.

- **SMPC Industries Sdn. Bhd.** is a steel processor and it has state of the art metal coil processing centers in Klang, Malaysia. The processing centre core operation compromises the shearing, re-shearing and slitting metal coil.

- **SMPC Dexon Sdn. Bhd. ("DEXON")** is one of the manufacturers – exporter of steel furniture specializing in various ranges such as office, university, school, hostel, laboratory, 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, Middle East, Europe, Africa, America and Australia.

  DEXON has a team of qualified, skilled and vibrant young people enables to set a benchmark standard in its process and consistency in quality leads to achieve 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 year.

- **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 capture the eyes and imagination even from afar. Featuring a tastefully clean and minimalist architecture. Launched in 2018, The Sky comprises 560 units with wide selection of layouts with build-ups ranging from 1054 sq ft to 1,399 sq ft with ("GDV") of approximately RM257 Million with almost 70% completion which is expected by 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 home owner to unwind and relax at own pace. It comprises 112 Units of condominium units with wide selection of layouts with build – ups ranging 1130 sq. ft. to 1323 sq. ft. and 8 units of 3 storey link house with 2700 sq. ft. with total GDV of approximately RM70 million which is expected to be completed by December 2022.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

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 price and rise in Overnight Policy Rate (OPR) which concurrently will affect the interest rate of 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 war.

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 endeavours to bring value to the Group and maximise the shareholders' return.

INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS

Overview and outlook of Malaysian economy

The Malaysian economy grew by 5.0% in the first quarter of 2022 (4Q 2021: 3.6%). Growth was supported mainly by higher domestic demand as economic activity continued to normalise with the easing of containment measures. The improvement also reflects the recovery in the labour market and continued policy support. In addition, strong external demand, amid the continued upcycle in global technology, provided a further lift to growth. In terms of economic activity, the services and manufacturing sectors continued to drive growth.

On a quarter-on-quarter seasonally-adjusted basis, the economy registered an increase of 3.9% (4Q 2021: 4.6%). Key economic sectors expanded in the first quarter of 2022. The services sector grew by 6.5% (4Q 2021: 3.2%). Consumer-related activities continued to recover amid the reopening of the economy. This was reflected in stronger growth in the retail and leisure-related subsectors. The strong expansion was also seen in business-related activities, including transport and storage, real estate, business services and private healthcare. Growth in the information and communication subsector provided further support amid greater coverage of 4G services as well as sustained demand for data communications services, particularly for e-commerce and e-payment activities.

The Malaysian economy is expected to improve further in 2022, underpinned by stronger domestic demand, continued expansion in external demand and an improving labour market. Going forward, growth would continue to benefit from the easing of restrictions and reopening of international borders. Furthermore, investment activities are also projected to improve, supported by the realisation of multi-year projects. However, the risks to Malaysia's growth prospects remain. These include a weaker-than-expected global growth, further escalation of geopolitical conflicts, worsening supply chain disruptions, adverse developments surrounding COVID-19 and heightened financial market volatility.

(Source: Quarterly Bulletin for the 1st Quarter of 2022, Bank Negara Malaysia)

INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS (Cont'd)

Overview and outlook of the manufacturing industry in Malaysia

Malaysia's manufacturing sector continued to be resilient throughout the year despite the various headwinds in its way. For instance, of the RM98.7 billion worth of approved investments in the first quarter of 2021, the manufacturing sector accounted for RM59.4 billion, or a noteworthy 60.2% of the total. foreign direct investments ("FDI") inflows remained strong at 89.1% of total investments into the sector. While growth in the manufacturing sector slowed in the second quarter of 2021, with fresh investments of RM16.4 billion, it picked right back up in the third quarter, bringing in RM28.1 billion worth of investments. By the end of 2021, at RM179.6 billion (92.1%), FDI more than tripled when compared to 2020's figure of RM56.6 billion, while domestic direct investment ("DDI") brought in the remaining RM15.5 billion (7.9%). Contributing more than half of all total approved investments into Malaysia, the manufacturing sector benefitted from the use of automation and other IR4.0-related technologies, illustrating that the Malaysian Government's pro-business policies and initiatives to encourage foreign investments met with resounding success. These included the one-stop centre and business travellers' centre. Malaysian Investment Development Authority ("MIDA")'s "Welcoming Investors, Keeping You Safe" programme is an integral part of the one-stop centre designed to expedite the process of investors planning to do business in Malaysia.

Throughout 2021, foreign investors concentrated on the high-value-added E&E industry, bringing in RM146.3 billion, or 81.5 % of total FDI. Other industries with high levels of FDI were basic metal products (RM19.2 billion), food manufacturing (RM3.8 billion), chemicals and chemical products (RM3.5 billion), scientific and measuring equipment (RM2 billion) and transport equipment (RM1.2 billion). The Netherlands topped the list of foreign investing countries at RM74.9 billion, followed by neighbouring Singapore (RM46.6 billion), Austria (RM18.9 billion), the People's Republic of China, PRC (RM16.6 billion), and Japan (RM7.5 billion). These five countries jointly accounted for RM164.5 billion (91.6%) of total foreign investments approved in the manufacturing sector for 2021.

While FDI formed the vast majority of investments into the manufacturing sector in 2021, domestic direct investment (DDI) also played a crucial role in Malaysia's economic growth. In 2021, DDI in the manufacturing sector was worth RM15.5 billion spread across mainly new projects. The top 5 industries that attracted the most DDI were rubber products at RM4.9 billion, followed by chemicals and chemical products (RM2.3 billion), E&E (RM1.7 billion), food manufacturing (RM1.6 billion) and fabricated metal products (RM1.2 billion).

In terms of investment value, Pulau Pinang received the most investments valued at RM76.2 billion, followed by Kedah (RM66.2 billion), Pahang (RM10.5 billion), Selangor (RM7.5 billion), and Johor (RM7 billion). These five states collectively contributed 85.8 % of the total investments approved in 2021. Furthermore, to accelerate the necessary approvals for manufacturing licenses, incentives, and customs duties exemptions, and to expedite project execution, MIDA set up the Project Acceleration and Coordination Unit (PACU), as well as enabled companies to apply for these approvals online via e-Manufacturing License (e-ML), e-Incentive, and JPC online application to strengthen facilitation by providing proactive support services, as well as intensifying end-to-end assistance to expedite project implementation and accelerate the realisation of investments.

(Source: Malaysia Investment Performance Report 2021, Malaysian Industrial Development Authority)

Overview and outlook of the construction and property industry in Malaysia

The construction sector contracted at a smaller pace of 6.2% (4Q 2021: -12.2%). Progress in new and existing commercial and industrial projects continued to support activity in the non-residential subsector. Meanwhile, the implementation of small-scale projects under the Budget 2022 sustained growth in special trade activities. Growth in the civil engineering and residential subsectors improved but remained subdued.

(Source: Quarterly Bulletin for the 1st Quarter of 2022, Bank Negara Malaysia)

The property market performance showed a slight improvement in 2021 but has yet to surpass the pre-pandemic level recorded prior to 2020. More than 300,000 transactions worth nearly RM145 billion were recorded, indicating an increase of 1.5% in volume and 21.7% in value compared to last year.

The residential, commercial and industrial sub-sectors saw an increase of 3.9%, 10.7% and 17.6% respectively, while agriculture and development land sub-sectors declined slightly by 7.5% and 7.4% respectively. Value of transactions recorded a higher increase for residential, commercial, industrial and development land sub-sectors each at 16.7%, 43.1%, 32.9% and 33.2% whereas agriculture recorded otherwise, decreased by 5.1%.

The residential sub-sector led the overall property market with 66.2% contribution in volume. This was followed by agriculture (18.9%), commercial (7.5%), development land and others (5.6%) and industrial (1.9%). The residential sub-sector again took the lead with 53.1% share, followed by commercial (19.3%), industrial (11.7%), agriculture (8.2%) and development land and others (7.7%).

With the value of construction projects awarded declining by 22.6% to RM86.7 billion for 2020 compared with RM112 billion for the year before as reported by the Construction Industry Development Board (CIDB), the construction sector contracted by 19.4% in 2020. The construction sector is estimated to record a contraction of 0.8% in 2021 and forecast to record a growth of 11.5% in 2022.

(Source: Property Market Report 2021, Valuation and Property Services Department Malaysia, Ministry of Finance Malaysia)

INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS (Cont'd)

Overview and outlook of the construction and property industry in Malaysia (Cont'd)

The construction sector registered a strong growth of 8.3% in the first half of 2021, supported by an improvement in specialised construction activities, non-residential buildings and residential buildings subsectors. The better performance was also attributed to the low base effect following a significant drop in construction works during the corresponding period last year. However, the civil engineering subsector contracted due to the temporary suspension of infrastructure projects following stringent COVID-19 virus containment measures.

In contrast, the sector is forecast to decline by 8.4% in the second half of the year, weighed down by civil engineering, non-residential buildings and residential building subsectors, despite the resumption of construction activities. Nevertheless, the decline is being cushioned by a rebound in the specialised construction activities subsector. Overall, the sector is expected to record a marginal contraction of 0.8% during the year compared to a double-digit decline in 2020.

The national property market for residential and non-residential segments was affected by the COVID-19 pandemic. As for the residential segment, the impact was reflected by the decreasing number of incoming supply units. In addition, the house price index for Malaysia registered an unprecedented negative growth in the second quarter of 2021. Similarly, the non-residential segment recorded a decline in its occupancy rate for both retail and office spaces.

(Source: Economic Outlook 2022, Ministry of Finance Malaysia)

Prospects of ATTA Group

ATTA Group is principally involved in the iron & 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 are Property Development, Construction and Property Investment sector including letting of industrial and commercial assets, and provision of management consultancy.

In order to remain resilient, the Group will continue to focus on implementing strategies to manage operating cost and explore ways to ensure more efficient business processes. The Board expects the Group's performance for the financial year ending 30 June 2023 to be more positive.

DIVIDEND

The Board does not recommend any dividend for the FYE 30 June 2022.

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

This statement focuses on ATTA's business operations in Malaysia and ATTA's principal business in the iron and steel industry and property segment. The statement contains sustainability data from 1 July 2021 to 30 June 2022, 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 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 rvsiva@attaglobal.com.my.

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's Sustainability Policy 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.

GOVERNANCE STRUCTURE

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 ATTA

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 Committee. Chaired by the Chairman of Risk Management Committee, the board meets on a quarterly basis to discuss material issues and strategies pertaining to the Group, including sustainability-related matters.
Risk Management Committee	The Risk Management 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 Head of Departments 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.

SCOPE

The Group applies a sound corporate governance framework throughout the organisation. Environmentally responsible practices and community centric social policies continue with this commitment for the protection and interest of our shareholders and stakeholders.

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 economic, environmental, social and governance considerations into our decision-making.

STAKEHOLDER ENGAGEMENT

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.

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

Figure 2: Summary of Engagement with Stakeholders

STAKEHOLDER ENGAGEMENT	CHANNEL	ENGAGEMENT FREQUENCY	STAKEHOLDERS' CONCERNS	RESPONSE TO STAKEHOLDERS' CONCERNS
Customers (existing & potential)	• Marketing materials • Marketing events and roadshows • Sales galleries • Corporate announcements & publications • Customer Careline • Written communications • Corporate website and social media channels	Ongoing	• 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.
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	Annual, quarterly, ongoing	• 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.
Regulatory Authorities and Local Governments	• Regular consultation and meetings • Reporting	Ongoing	• 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.

STAKEHOLDER ENGAGEMENT (Cont'd)

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

STAKEHOLDER ENGAGEMENT	CHANNEL	ENGAGEMENT FREQUENCY	STAKEHOLDERS' CONCERNS	RESPONSE TO STAKEHOLDERS' CONCERNS
Employees	• Internal emails • Departmental briefing	Annual, ongoing	• Training and development • Work-life balance • Employee benefits and welfare	We engage with our employees to understand their interests and needs. Through our 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 • Volunteerism	Ongoing, 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.
Suppliers / Vendors	• Meetings and discussions	Ongoing	• 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.

MATERIAL SUSTAINABILITY MATTERS

ATTA 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.

We recognise the importance of understanding our economic, environmental and social priority areas. It forms the basis of our sustainability initiatives, the impact of which is aligned to 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.

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 OHS 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, we have put in place a Safety Policy which has been endorsed by top management and communicated to all relevant staff members through various platforms, such as the Company's intranet and newsletters, 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.

In view of the Covid-19 pandemic, training on Covid-19 standard operating procedures such as social distancing and maintaining personal hygiene were also given to employees to ensure strict compliance, ultimately ensuring their health and safety.

MATERIAL SUSTAINABILITY MATTERS (Cont'd)

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 Company 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. We have established an Anti-Corruption Framework comprising key policies and procedures that, together with general internal controls of the Group, are aimed at mitigating overall corruption risks. The Anti-Corruption 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.

Compliance with Regulatory Authorities

ATTA 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 FY2022. 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.

Economic

We recognise the value brought to our stakeholders by building a sustainable relationship with stakeholders and utilising our resources to contribute to economic growth. Our key objective is to create economic value from all our business segments. At the same time, we plan, execute, and operate our business according to sustainable fiscal strategies by emphasising on long-term planning, cost savings, prudent investment, and good business ethics.

Customers

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. ATTA is committed to delivering products of high quality and standards.

MATERIAL SUSTAINABILITY MATTERS (Cont'd)

Talent Attraction and Retention

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.

Managing changes in business operations and workforce dynamics were a key thrust of the Group's focus during the Covid-19 pandemic. We quickly adapted our workforce to new ways of working in order to maintain business continuity and productivity. Over 80% of computer users in our workforce were equipped to work remotely with cloud-based delivery applications, whilst remaining staff members were able to access data or internal communication via mobile devices during this pandemic.

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.

Training and Development

A critical priority at this time is to accelerate the upskilling of our staff members to be able to effectively carry out work tasks on a digital platform, in view of the multiple movement control orders in place as a result of the COVID-19 pandemic. In FY2022, we shifted our training focus to self-learning and encouraged employees to participate in virtual learning or online webinars.

Employee Engagement

The health and wellbeing of our staff members remained firmly on the company's radar through this period of change and the challenges of operating in this new normal. We have strived to keep communication lines open and equipped employees with tips and techniques on how to work effectively from home.

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.

Energy Conservation

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.

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.

Contributing 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. 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.

For the year under review, ATTA 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of 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 2022. 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 27 October 2022 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.attaglobalgroup.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.attaglobalgroup.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:

- Code of Business Conduct and Ethics
- Whistleblowing Policy and Procedures
- Anti-Bribery and Corruption Policy

Board Composition and Independence

The Board of the Company consists of seven (7) Directors comprising three (3) Executive Directors and four (4) Independent Non-Executive Directors. 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 fulfils an important role in corporate accountability and is particularly important as they provide independent and unbiased views, advice and judgment.

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 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.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Board Composition and Independence (Cont'd)

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** was not a member of any other Board Committee. However, the Chairman of the Board was invited to the Audit Committee Meetings during the financial year, hence, a departure had occurred against Practice 1.4 of the Code.

During the FY2022, Mr. Ng Chin Nam has resigned as Executive Director of the Company.

Based on the Board's annual review of its size and composition, it was concluded that the Board of 7 members as at 30 June 2022 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 2022.

Name of Directors			No. of Meetings Attended
Dato' Sri Tajudin 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
Sudesh A/L K.V. Sankaran	-	Independent Non-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

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, currently the Board has only one female Director, Ms. Loh Yee Sing.

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 Nomination Committee ("NC") 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 NC has established the procedures and processes towards 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.

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 2022:

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Training for Directors (Cont'd)

Name of Course

- Understanding Board Decision – Making Process
- Sustainability Reporting Training
- Virtual CePSWaM Technical Training Report Preparation Workshop

However, every Director is encouraged to evaluate their own training needs and undergo continuous training to equip them 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 and legislation that affect the Company's financial statements during the financial year.

Board Committees

The Board delegates some of its authorities 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.

(b) Nomination Committee

The Nomination Committee was established on 18 January 2002. The Nomination Committee comprises wholly of Independent Non-Executive Directors ("INED") as follows:

Sudesh A/L K. V. Sankaran	- INED	(Chairman)
Loh Yee Sing	- INED	(Member)
Ravi Chandran A/L Subash Chandran	- INED	(Member)

The Nomination Committee meets as and when necessary. The role of the Nomination Committee is set out in its TOR and available for reference on the Company's website at www.attaglobalgroup.com.

The Nomination Committee had one (1) meeting in the financial year under review and all the members attended the meeting and had undertaken the following activities/actions during the financial year are as follows:

a. Reviewed the performance of the Directors who will be retiring at the forthcoming AGM in Year 2022 prior to recommending them for 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 to the Board the adoption of a Fit & Proper Policy for the appointment and re-election of Directors, as required by the Main LR of Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Board Committees (Cont'd)

(b) Nomination Committee (Cont'd)

The results of the self-assessment by Directors and Board's effectiveness as a whole and the same would be tabled to the Board for review and deliberation. The Nomination Committee upon its assessment carried out for the financial year ended 30 June 2022 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 Nomination Committee in discharging its functions have been properly documented.

(c) Remuneration Committee

The Remuneration Committee was established on 18 January 2002. The Remuneration Committee comprises mainly of Independent Non-Executive Directors ("INED") as follows:

Sudesh A/L K. V. Sankaran	- INED	(Chairman)
Goh Chin Heng	- Executive Director	(Member)
Ravi Chandran A/L Subash Chandran	- INED	(Member)

The Remuneration Committee meets as and when necessary. The role of the Remuneration Committee is set out in its TOR and available for reference on the Company's website at www.attaglobalgroup.com.

The Remuneration Committee had one (1) meeting in the financial year under review and all members attended the meeting.

(d) Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee was established on 18 October 2012. The ESOS Committee comprises the following:

Tan Kim Hee	- Executive Director	(Chairman)
Goh Chin Heng	- Executive Director	(Member)
Siva Raman A/L S. Ramasamy Pattar	- Group Financial Controller	(Member)

The ESOS of the Company will lapse on 18 October 2022. Hence the ESOS Committee will be dissolved thereafter.

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	-	25,923	39,000	-
Goh Chin Heng	300,000	-	25,923	39,000	-
Chow Choon Hoong	-	-	-	-	-
Ng Chin Nam *(Resigned on 30 July 2021)*	10,200	-	-	1,224	-
Non-Executive Directors					
Dato' Sri Tajuddin Bin Md Isa	-	216,000	108,000	-	-
Sudesh A/L K.V. Sankaran	-	18,000	5,000	-	-
Loh Yee Sing	-	18,000	4,000	-	-
Ravi Chandran A/L Subash Chandran	-	18,000	1,000	-	-

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	-	25,923	39,000	-
Goh Chin Heng	300,000	-	25,923	39,000	-
Chow Choon Hoong	314,000	-	38,577	42,180	-
Ng Chin Nam *(Resigned on 30 July 2021)*	25,000	-	-	3,040	-
Non-Executive Directors					
Dato' Sri Tajuddin Bin Md Isa	-	216,000	108,000	-	-
Sudesh A/L K.V. Sankaran	-	18,000	5,000	-	-
Loh Yee Sing	-	18,000	4,000	-	-
Ravi Chandran A/L Subash Chandran	-	18,000	1,000	-	-

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 14 December 2022.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENTS

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 Malaysian Code of Corporate Governance ("MCCG") and the Main LR of Bursa Securities, the Board has established an internal audit function which 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 which pose 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 24 May 2022 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 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 ending 30 June 2023. At the same time, the AC further undertook an annual assessment of the quality of 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 ATTA 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 ending 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.attaglobalgroup.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 in 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 lighting and air-conditioning during office breaks and/or when not use to save energy.

For the year under review, ATTA 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 ON 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 ATTA Global Group Berhad ("ATTA" or "the Group") is pleased to include the following Statement of Risk Management & 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 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. Enterprise Risk Management System

   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.

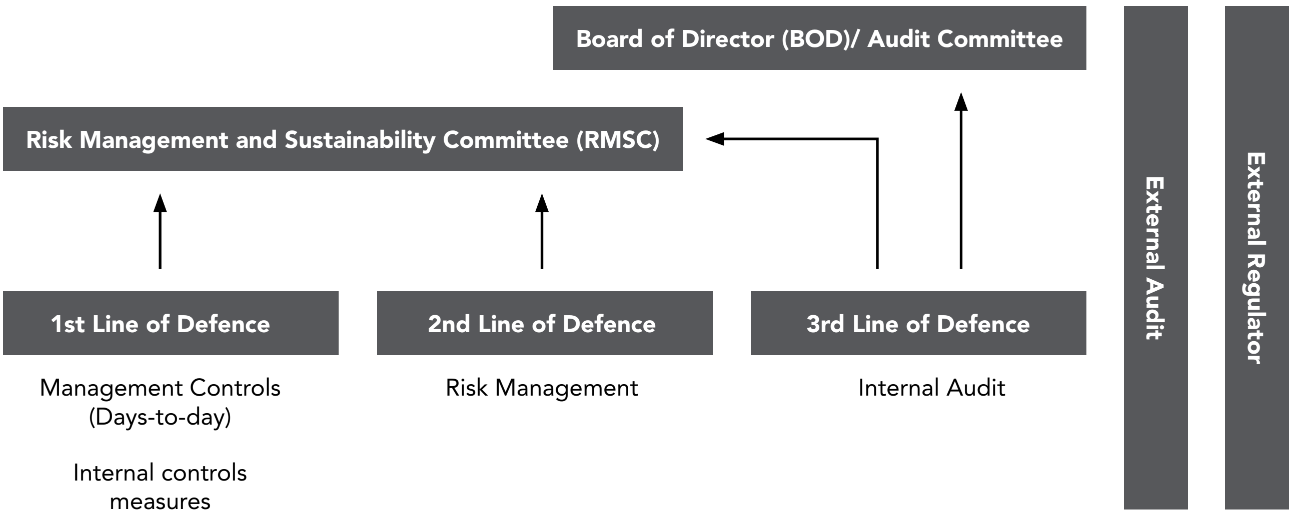
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (Cont'd)

1. <u>Enterprise Risk Management System</u> (Cont'd)

   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 risks including emerging risks 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 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 and its subsidiaries 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. Organization Structure & Authorisation Procedures

   The Group maintains a formal organizational 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 Policies and Procedures

   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. 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.

6. 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.

7. Loss Event, Accident Incident Management and Insurance

   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. The occurred internal and external loss events data were collected. 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 fixed- asset inventory and the respective net book values and 'replacement value' i.e. the prevailing market price for the same or similar item, where applicable. The combination of internal and external loss events with the Group' 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (Cont'd)

8. 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 – Metal Perforators (Malaysia) 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 2022 was RM30,000.

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 2022 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 27 October 2022.

AUDIT COMMITTEE REPORT

The Board of Directors ("the Board") of Atta Global Group Berhad ("ATTA" or "the Company") is pleased to present the Audit Committee ("AC") Report for the financial year ended 30 June 2022 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.attaglobalgroup.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 requires 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").

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 2022 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
Sudesh A/L K.V. Sankaran	- Independent Non-Executive Director	(Member)	5/5
Ravi Chandran A/L Subash Chandran	- Independent Non-Executive Director	(Member)	5/5

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 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.

However, the Chairman of the Board, Dato' Sri Tajudin Bin Md Isa was invited to attend the Audit Committee Meetings held during the financial year ended 30 June 2022, thus, this was deemed a departure from Practice 1.4 of the MCCG 2021, whereby the Chairman of the Board should not be a member of the Audit Committee.

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 External Auditors or Internal Auditors in their respective presentations.

The Nomination Committee 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 Nomination Committee 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 2022 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 2022 prior to recommending to the Board for approval.

(ii) Reviewed with the EA on audit materiality and setting of materially thresholds for the financial ended ended 2022 audit.

(iii) Reviewed and discuss 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.

(iv) Met with the EA three (3) times at the AC Meeting held on 29 September 2021, 20 October 2021 and 24 May 2022 without the presence of management including the Executive Director and Group Financial Controller ("GFC") to discuss issues requiring attention/significant matters arising from the audit. EA has received full co-operation from the management.

(v) 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 lossess 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 2022.

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 2022 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 2022, 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 risks 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 Internal Audit Function for the financial year ended 30 June 2022 amounted to approximately RM30,000.

The following activities were carried out by the Internal Audit Function:

(i) Assessment of the effectiveness of the control in place in project management, including policies and procedures, costing and tendering procedure, monitoring of cost controls, contractor and maintenance activities on one of the Group's subsidiaries – Sunrise Manner Sdn. Bhd. and attended AC meetings to table the Internal Audit Report on the findings assessment, highlighted the risk and implications, and recommendations for improvements.

(ii) Assessment of the subsidiary, Metal Perforator (Malaysia) Sdn. Bhd. and to review, evaluate and test the effectiveness of controls that are in place with respect to the following business processes:

- Policies and procedures;
- Purchasing procedures;
- Receiving and goods return outwards procedures;
- Processing of supplier's invoices and payment;
- Supplier's maintenance, selection & assessment.

The AC deliberates on the findings and recommendations as reported by the Internal Auditors and continues to monitor to ensure appropriate follow-up actions are taken on the recommendations of the Internal Auditors.

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

(1) 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 September 2022:

Purpose	Approved Utilisation RM'000	Amount Utilised RM'000	Balance Unutilized RM'000
Purchase of new equipment/machineries	6,550	4,078	2,472
Investment in new business	30,000	29,970	30
Upgrading of building	10,000	7,669	2,331
Working capital	50,244	49,325	919
Expenses in relation to the Proposal (ICPS)	1,000	763	237
Total:	97,794	91,805	5,989

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

(2) 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 September 2022 is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilised RM'000	Intended Timeframe for utilization RM'000
Development of SKY Urban Condominium Project	4,632	3,000	3 months
Working capital for ATTA group	2,879	-	6 months
Expenses for the Proposed Private Placement	156	95	3 months
Total:	7,667	3,095	

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.

AUDIT AND NON-AUDIT FEES

During the financial year ended 30 June 2022, 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	70,000	5,000
Group	232,500	47,800

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 2022

Location	Description	Tenure	Area	No. Years of Held	Age of Building	Carrying Amount RM	Year of Valuation
ATTA Global Group Berhad							
Lot 10140, Mukim 15, Daerah Seberang Perai Utara, Pulau Pinang	1 ½ Storey Semi Detached Light Industiral Building	Freehold	756sf	2	2	2,380,750	2021
Lot 10141, Mukim 15, Daerah Seberang Perai Utara, Pulau Pinang	1 ½ Storey Semi Detached Light Industiral Building	Freehold	874sf	2	2	2,580,750	2021
ATTA 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	38	35	18,880,833	2022
ATTA Global Group Berhad							
SMPC Industries Sdn Bhd							
P.T. Nos. 1460 & 1444 H.S. (D) Nos. 2719 & 2706 Mukim 1, Province Wellesley Central, Penang	Factor Office	60 years lease to 2045	4.01338 acres	26	31	22,619,167	2022
SMPC Industries Sdn Bhd							
Lot 717, 5 1/2 Miles Jalan Kapar, Klang, Selangor Darul Ehsan	Factory Office	Freehold	8.16875 acres	25	24	25,411,931	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	28	25	4,355,326	2021
Lot No. 4661, Mukim 07, Daerah Seberang Perai Utara, Pulau Pinang	Vacant Land	Freehold	0.5708 Hectares	8	-	300,000	2022
Lot No. 4707, Mukim 03, Daerah Seberang Perai Utara, Pulau Pinang	Vacant Land	Freehold	0.5837 Hectares	8	-	250,000	2022
Lot No. 10084, Bandar Gurun Daerah Kuala Muda, Negeri Kedah	Factory Office	Freehold	7,041sm	6	-	3,200,000	2022
Lot No. 1242, Seksyen 13, Bandar George Town, Daerah Timor Laut, Pulau Pinang	Office	Freehold	7,447m2	4	-	1,372,500	-
SMPC Marketing Sdn Bhd							
Lot 176, Tempat Macang Kudung Mukim Jabi, Daerah Pokok Sena, Kedah	Vacant Land	Freehold	2.257 acres	21	-	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	22	22	125,321	1999
Zone 5A, Parcel 2, Lot 5418, Mukim Senai-Kulai, Johor Darul Takzim	Apartment	Freehold	885sf	22	22	45,212	2001

PROPERTIES OWNED BY THE GROUP (Cont'd)

As at 30 June 2022

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	50 & 52	40	2,276,977	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	9	-	15,500,000	2020
Park Avenue Construction (M) Sdn Bhd Lot No. 410, Mukim 2, Daerah Barat Daya, Penang.	Vacant Land	Freehold	23,725sf	10	-	1,908,117	2010
Sunrise Manner Sdn Bhd Lot 1146, Jalan Seladang Alma 14000 Bukit Mertajam, Pulau Pinang.	Under Developmant Vacant Land	Freehold	53,443.14 sm	4	-	77,104,758	2018
Climate Attitude Sdn Bhd No. 6879A, Jalan Raja Uda, 12300 Butterworth Pulau Pinang.	Real Estate / Leased Property	Freehold	16,414.5010 sm	3	-	37,296,466	2019
Eminent Potential Sdn Bhd Lot No. 576, Mukim 12, Daerah Barat Daya, Pulau Pinang.	Property Development	Freehold	3,065,4889 sm	4	-	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	4	-	1,925,281	2015
Sungguh Gemilang Development Sdn Bhd Lot 10078, Seksyen 3, Jalan Cantik, Bandar Butterworth.	Property Delevoment	Freehold	7,101,000 sm	4	-	26,802,436	2018
Santro Match Sdn Bhd Lot 1587, Section 12, Bandar George town, Pulau Pinang,	Properties Investment	Freehold	1,459.3661 sm	3	-	15,161,000	2019
MPSB Venture Sdn Bhd Lot 20354, Mukim 13, North East District Penang.	Property Development	Freehold	13,492 sm	3	-	34,874,417	2019

STATISTICS ON SHAREHOLDINGS

As at 30 September 2022

Total Number of Shares Issued : 251,247,837 (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	320	10.35	10,050	0.00
100 - 1,000	1,011	32.69	334,292	0.13
1,001 - 10,000	1,025	33.14	5,063,814	2.02
10,001 - 100,000	636	20.55	19,962,401	7.95
100,001 to 12,562,429 (*)	98	3.17	111,710,112	44.46
12,562,430 and above (**)	3	0.10	114,167,168	45.44
Total	3,093	100.00	251,247,837	100.00

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

DIRECTORS' SHAREHOLDINGS

		No. of Shares					
No.	Name of Directors	Direct Interest (A)	%	Deemed Interest (B)	%	Total Interest (A+B)	%
1	DATO' SRI TAJUDIN BIN MD ISA	20,000	0.01	-	-	20,000	0.01
2	TAN KIM HEE	46,500,000	18.51	-	-	46,500,000	18.51
3	GOH CHIN HENG	-	-	50,020,000[1]	19.91	50,020,000	19.91
4	CHOW CHOON HOONG	-	-	-	-	-	-
5	SUDESH A/L K.V SANKARAN	52,000	0.02	-	-	52,000	0.02
6	LOH YEE SING	-	-	-	-	-	-
7	RAVI CHANDRAN A/L SUBASH CHANDRAN	-	-	-	-	-	-

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 (Cont'd)

As at 30 September 2022

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	19.91	-	-	50,020,000	19.91
2	GOH CHIN HENG	-	-	50,020,000[1]	19.91	50,020,000	19.91
3	TAN KIM HEE	46,500,000	18.51	-	-	46,500,000	18.51
4	OOI CHIENG SIM	21,980,985	8.75	-	-	21,980,985	8.75

Note:

1. 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	19.91
2	TAN KIM HEE	42,500,000	16.92
3	OOI CHIENG SIM	21,647,168	8.62
4	MONT PRISTINE DEVELOPMENT SDN. BHD.	9,980,000	3.97
5	A1 CAPITAL SDN BHD	9,664,272	3.85
6	GAINFACTOR SDN. BHD.	9,526,500	3.79
7	HLS PROPERTIES SDN. BHD.	8,765,900	3.49
8	DMS GLOBAL SDN BHD	7,000,000	2.79
9	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SOON TANG	6,169,571	2.46
10	LIM KEAN WAH	5,550,000	2.21
11	KANG KHOON SENG	4,343,012	1.73
12	TAN KIM HEE	4,000,000	1.59
13	CHIA CHIN KOON	3,210,100	1.28
14	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	2,125,000	0.85
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD KELVIN TAN CHYE HOCK	2,075,991	0.83
16	LIO CHEE YEONG	2,070,000	0.82
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD MERLVIN TAN CHYE HWA	1,940,563	0.77
18	TAN BOON LING	1,822,000	0.73
19	LIM SIU LUAN	1,587,356	0.63
20	HLS PROPERTIES SDN. BHD.	1,579,640	0.63

30 LARGEST SHAREHOLDERS (Cont'd)

No.	Name of Shareholders	No. of Shares	%
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BOEY CHEE KUN	1,534,405	0.61
22	CHIA AH CHOO	1,481,500	0.59
23	NG KWENG CHAN	1,478,100	0.59
24	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEOW WOOI HUAT (STA 2)	1,458,700	0.58
25	OOI HUNG HOCK	1,186,154	0.47
26	KHOON WENG REALTY SDN. BHD.	1,000,200	0.40
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG CHENG TAT (7000526)	1,000,000	0.40
28	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUN PING	989,500	0.39
29	KANG KHOON SENG	963,900	0.38
30	WONG NGA YANG	935,854	0.37
	TOTAL	207,605,386	82.65

ANALYSIS OF WARRANTS C HOLDINGS

As at 30 September 2022

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	59	28.10	2,503	0.05
100 - 1,000	34	16.19	13,708	0.28
1,001 - 10,000	48	22.85	214,108	4.43
10,001 - 100,000	59	28.10	2,288,531	47.31
100,001 to 241,851 (*)	7	3.33	989,001	20.45
241,852 and above (**)	3	1.43	1,329,202	27.48
Total	210	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	SUDESH A/L K.V SANKARAN	-	-	-	-
6	LOH YEE SING	-	-	-	-
7	RAVI CHANDRAN A/L SUBASH CHANDRAN	-	-	-	-

30 LARGEST WARRANT C HOLDERS

No.		Holdings	%
1	CHARLES ROSS MCKINNON	552,300	11.42
2	NG SOOK KIN	408,800	8.45
3	LIEW JIEW CHOO	368,102	7.61
4	TAN SEE EAN	200,000	4.13
5	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHEAH CHEE SIONG (PB)	175,081	3.62

ANALYSIS OF WARRANTS C HOLDINGS (Cont'd)

As at 30 September 2022

30 LARGEST WARRANT C HOLDERS

No.		Holdings	%
6	WU SONG SEE @ GOH SONG SEE	142,111	2.94
7	SAW GUAT NGOH	134,700	2.78
8	OOI HUNG HOCK	115,138	2.38
9	POH CHONG JOO	115,138	2.38
10	LOH CHEE KONG	106,833	2.21
11	TA NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHARLES ROSS MCKINNON	100,000	2.07
12	EWE HONG KHOON	98,750	2.04
13	KHOO POH CHYE	94,413	1.95
14	TAN EE HUNG	92,569	1.91
15	LEE FOOK ON	79,990	1.65
16	TEY CHAI SENG	74,600	1.54
17	TEH YEE LIANG	74,400	1.54
18	HOO SENG JOO	71,852	1.49
19	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	70,000	1.45
20	LEE FOONG SIEN	69,083	1.43
21	YAP KANG THAI @ YAP LEAN	65,266	1.35
22	TEE HOCK SENG	60,068	1.24
23	OOI WENG HOOI	60,000	1.24
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO AH KHOW	57,569	1.19
25	CHAI SAD LIAN	56,000	1.16
26	LOH KIAN JOO	50,270	1.04
27	HLS PROPERTIES SDN. BHD.	50,000	1.03
28	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD CHEONG CHUNG WAI (8110207)	48,128	0.99
29	LOH CHEE KONG	47,897	0.99
30	ZAILELAWATI BINTI MD AKHIR	47,300	0.98
	TOTAL	3,686,358	76.20

ANALYSIS OF ICPS HOLDINGS

As at 30 September 2022

Class of Securities	:	**Irredeemable Convertible Preference Shares ("ICPS") 2017/2022**
No. of ICPS Issued	:	**1,222,426,720**
No. of Outstanding ICPS	:	**1,169,564,720**
Voting Rights	:	**1 vote per ICPS holder in respect of a meeting of ICPS holders**

: **The ICPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distribution in the Company except in the following circumstances until and unless such holders convert their ICPS into new shares:**

(a) on a proposal for the winding-up, liquidation, compromise and/or arrangement of the Company for the winding-up, liquidation, compromise and/or arrangement of the Company and during the winding-up, liquidation, compromise and/or arrangement of the Company;
(b) any resolution which varies or is deemed to vary the rights and privileges attached to the ICPS;
(c) any resolution to reduce the share capital of the Company;
(d) any resolution for the purposes of sanctioning the disposal of the whole or a substantial part (as defined in Section 223 of the Companies Act 2016) of the property, business, or undertaking of the Company; and
(e) other circumstances as may be provided under law and applicable to preference shares and/or preference shareholders from time to time.

ANALYSIS OF ICPS HOLDINGS

Size of ICPS Holdings	No. of ICPS Holders	% of ICPS Holders	No. of ICPS	% of ICPS issued
Less than 100	17	3.95	1,038	0.00
100 - 1,000	30	6.98	17,358	0.00
1,001 - 10,000	75	17.44	406,464	0.03
10,001 - 100,000	171	39.76	7,133,600	0.61
100,001 to 58,478,235 (*)	131	30.47	405,421,388	34.66
58,478,236 and above (**)	6	1.40	756,584,872	64.70
Total	430	100.00	1,169,564,720	100.00

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

DIRECTORS' INTERESTS

No.	Name of Directors	Direct No. of ICPS	%	Deemed No. of ICPS	%
1	DATO' SRI TAJUDIN BIN MD ISA	-	-	-	-
2	TAN KIM HEE	-	-	-	-
3	GOH CHIN HENG	-	-	-	-
4	CHOW CHOON HOONG	-	-	-	-
5	SUDESH A/L K.V SANKARAN	-	-	-	-
6	LOH YEE SING	-	-	-	-
7	RAVI CHANDRAN A/L SUBASH CHANDRAN	-	-	-	-

30 LARGEST ICPS HOLDERS

No.		Holdings	%
1	TAC WIND SDN BHD	215,000,000	18.38
2	LIM SEOW CHIN	173,200,000	14.81
3	SKYLITECH RESOURCES SDN. BHD.	120,000,000	10.26
4	LAGENDA PERDANA SDN. BHD.	107,618,972	9.20
5	HLS PROPERTIES SDN. BHD.	80,765,900	6.91
6	EA DUTAS SDN.BHD.	60,000,000	5.13
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD MERLVIN TAN CHYE HWA	48,622,876	4.16
8	A1 CAPITAL SDN BHD	47,194,100	4.04
9	SKYLITECH RESOURCES SDN. BHD.	42,000,000	3.59
10	GAINFACTOR SDN. BHD.	40,000,000	3.42
11	A1 CAPITAL SDN BHD	33,833,300	2.89
12	KANG KHOON SENG	21,727,000	1.86
13	HLS PROPERTIES SDN. BHD.	20,000,000	1.71
14	A1 CAPITAL SDN BHD	16,314,000	1.39
15	KHOON WENG REALTY SDN. BHD.	12,611,500	1.08
16	TAWAKAR ENTERPRISE SDN. BHD.	10,000,000	0.86
17	LIM SHIOU GHAY	9,996,800	0.85
18	CHARLES ROSS MCKINNON	9,808,200	0.84
19	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUN PING	7,750,052	0.66
20	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-R ES)	7,500,000	0.64
21	TAN FOOK CHIN	7,208,600	0.62
22	TAWAKAR ENTERPRISE SDN. BHD.	5,700,000	0.49
23	NG SIEW FONG	3,894,900	0.33
24	KANG KHOON SENG	3,150,000	0.27
25	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH BOK CHEE (PENANG-CL)	3,058,300	0.26
26	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	2,500,000	0.21
27	TEH SWEE KIM @ OOI SWEE KIM	2,366,600	0.20
28	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KOK KUAN (E-TSA)	2,000,000	0.17
29	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SENG TUNG	1,850,000	0.16
30	LEOU THIAM LAI	1,830,000	0.16
	TOTAL	1,117,501,100	95.55

DIRECTORS' REPORT

For the financial year ended 30 June 2022

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 2022**.

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.

RESULTS

	GROUP RM	COMPANY RM
Profit/(Loss) after tax for the financial year	**3,898,526**	**(7,482,933)**
Attributable to:		
Owners of the Company	**750,071**	**(7,482,933)**
Non-controlling interests	**3,148,455**	**-**
	3,898,526	**(7,482,933)**

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 2022** have not been substantially affected by any item, transaction or event of a material and unusual nature except for the impairment loss on amount due from a subsidiary amounted to RM6,574,247.

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 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 10-Year 0% Irredeemable Convertible Unsecured Loan Stocks ("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 5-Year Irredeemable Convertible Preference Shares ("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 amounted to RM3,004,898 on 3 January 2022; and

(iv) the reversal of the discount on shares of Warrant B due to the expiry of the warrant on 9 May 2022 amounting to RM3,105,465.

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

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 2022, the Company held a total of 774 treasury shares out of its 234,968,311 issued ordinary shares. Further relevant details are disclosed in Note 18.1 to the financial statements.

5-YEAR IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS"), 10-YEAR 0% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") AND WARRANTS

The salient features of the ICPS, ICULS and Warrants are disclosed in Notes 16, 17 and 18 to the financial statements respectively.

Details of ICPS, ICULS 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 expired on 18 October 2015 was extended for another seven years expiring 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 1.7.2021**	**Exercised**	**Lapsed***	**Balance at 30.6.2022**
9.10.2013	RM0.87	640,514	-	(82,507)	558,007
14.10.2014	RM0.87	180,779	-	(20,513)	160,266
15.2.2016	RM0.87	1,616,562	-	(183,454)	1,433,108

The salient features of the ESOS are disclosed in Note 36 to the financial statements.

As at 18 October 2022, 2,056,915 ESOS remained unexercised has lapsed upon the expiry of the ESOS.

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

* Lapse due to resignation of the employees

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**
Sudesh A/L K.V. Sankaran
Loh Yee Sing
Ravi Chandran A/L Subash Chandran
*** Ng Chin Nam (resigned on 30.7.2021)**

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 1.7.2021	Bought	Sold	Balance at 30.6.2022
The Company				
Direct Interest:				
Tan Kim Hee	46,500,000	-	-	**46,500,000**
Sudesh A/L K.V. Sankaran	52,000	-	-	**52,000**
Dato' Sri Tajudin Bin Md Isa	-	15,000	-	**15,000**
Deemed Interest:				
[1] Goh Chin Heng	50,020,000	-	-	**50,020,000**

	Number of ESOS over ordinary shares			
	Balance at 1.7.2021	Exercised	Lapsed	Balance at 30.6.2022
Chow Choon Hoong	74,624	-	-	**74,624**
Sudesh A/L K.V. Sankaran	569	-	-	**569**

Notes:

[1] By virtue of his interest in G Reka Management Sdn Bhd. ("GRMSB"), he is deemed to have interest in the shares of the Company and in the shares of all subsidiaries that are held by GRMSB.

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	**270,000**	**270,000**
Salaries and allowance	**1,130,500**	**778,200**
Defined contribution plans	**121,540**	**79,224**
	1,522,040	**1,127,424**

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than as disclosed 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 OR OFFICERS

There were no indemnity coverage or insurance effected for any of the directors or officers of the Group and of the Company during the financial year.

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 making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts, 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) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

(ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

(iii) which 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.

OTHER STATUTORY INFORMATION (Cont'd)

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

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person other than those disclosed in the notes to the financial statements, and

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

In the opinion of directors:

(i) no contingent liability or other liability of the Group and of the Company 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.

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 total amount of fees paid to or receivable by the auditors, **Grant Thornton Malaysia PLT**, as remuneration for their services as auditors of the Group and of the Company for the financial year ended 30 June 2022 is disclosed in Note 27 to the financial statements.

The Group and the Company have 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.

The auditors have expressed their willingness to continue in office.

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: 27 October 2022

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 63 to 151 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 2022** 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: 27 October 2022

STATUTORY DECLARATION

I, **Tan Kim Hee**, the director primarily responsible for the financial management of **Atta Global Group Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 63 to 151 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 **27th**)
day of **October 2022.**)

……..................................…..........
Tan Kim Hee

Before me,

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

INDEPENDENT AUDITORS' REPORT

To the members of Atta Global Group Berhad

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **Atta Global Group Berhad**, which comprise the statements of financial position as at **30 June 2022** 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 151.

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 2022** 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition *(Note 22 to the financial statements)* The Group's revenue stream is derived mainly from sales of metal products, shearing services, installation service contract and property development activities. Revenue from sales of metal products and shearing services is recognised at the point in time when control of the goods has been transferred to customer, generally upon delivery of the goods to location specified by customer and acceptance of the goods by the customer. Revenue from installation service contract and property development activities are recognised over the time. We focus on this area as the management may take an aggressive approach to the recognition of revenue, including improper 5-steps of revenue recognition under MFRS 15 Revenue from Contract with Customers. Revenue from property development activities is discussed as a separate key audit matter below.	Our audit procedures in relation to addressing the key audit matter include: • Obtaining an understanding of the Group's revenue recognition process and application. Thereafter review compliance to the revenue recognition policies in accordance with MFRS 15 Revenue from contracts with customers. • Performing analytical procedures on the trend of revenue recognised to identify for any abnormalities. • Verifying revenue on a sample basis to available evidence and to ensure that revenue is recognised in accordance with the Group's accounting policy on revenue recognition and MFRS 15 Revenue from Contract with Customers. • Reviewing any revenue transactions posted using journal entries to identify for any abnormalities. • Assessing the reliability of the cut-off system in place through assessing sales transactions taking place before and after the financial year end. • Reviewing subsequent to year end credit notes issued and investigate if it pertains to sales recorded for the financial year.

Key Audit Matters (Cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue and cost of sales recognition in respect of property development activities *(Note 6 and 22 to the financial statements)*	
Included in the inventory properties of the Group is property development costs ("PDC") amounting to RM128.09 million and constitutes approximately 59% of the Group's total inventories. Revenue and cost of sales recognised from property development activities amounted to RM71.56 million and RM52.82 million respectively. In respect of PDC, there is a risk of overstatement due to non-qualifying PDC cost are capitalised as part of PDC. Determining the qualified PDC cost is subject to management's judgement. In respect of revenue and cost of sales recognised under property development activities, management uses input method which is based on the 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: • Obtaining an understanding of the Group's procedures over the measurement and recognition of revenue and cost of sales in respect of property development activities. • Performing test of details on a sampling basis on PDC by substantiating cost incurred to award letters, architect certificates, supplier invoices and payment certificates to verify that they meet the definition of PDC and are allocated to the appropriate development projects. • We have 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. • Performing 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.
Allowance for expected credit losses on trade and other receivables *(Note 9 to the financial statements)*	
The Group has significant trade receivables as at 30 June 2022 and it is subject to credit risk exposure. The Company has significant exposure to credit risk due mainly from the non-trade advances provided to its subsidiaries. The determination of expected credit losses for receivables requires management's judgement in assessing the collectability of the debts after considering their ageing, historical loss experience and forward-looking information for receivables with similar characteristics.	Our audit procedures in relation to addressing the key audit matter, amongst others, the following: • Obtaining an understanding of: - the Group's procedures over customers collection process; - how the Group identifies and assesses the expected credit losses on trade receivables; and - how the Group makes the accounting estimate for allowance for expected credit losses; • Reviewing the aging analysis of trade receivables and testing the reliability thereof. • Reviewing the application of the Group's policy for expected credit losses. • Assessing the estimated future cash flows by examining the historical repayment records, historical loss rate of receivables, information regarding the current creditworthiness and any significant changes in credit quality of the debtor, evidence of subsequent settlements and other relevant information. • Comparing the assumptions used to estimate the allowance for expected credit losses with the available industry data. • In respect of non-impairment of amount due from subsidiaries, assessing recoverability through discussing with management and assessing the future cash flow prepared and estimated by the management against the amount owing by the subsidiaries.

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.

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

Terence Lau Han Wen
No. 03298/04/2023 J
Chartered Accountant

Penang

Date: 27 October 2022

STATEMENTS OF FINANCIAL POSITION
As at 30 June 2022

	NOTE	GROUP 2022 RM	GROUP (Restated) 2021 RM	GROUP (Restated) 1.7.20 RM	COMPANY 2022 RM	COMPANY 2021 RM
ASSETS						
Non-current assets						
Property, plant and equipment	**4**	**63,091,352**	66,469,386	63,997,054	**6,105,448**	5,272,006
Right-of-use assets	**5**	**308,167**	29,082	105,801	**-**	-
Inventories	**6**	**70,413,479**	57,077,348	57,694,640	**-**	-
Investment properties	**7**	**64,661,000**	64,800,000	63,300,000	**31,103,297**	31,103,297
Investment in subsidiaries	**8**	**-**	-	-	**73,956,121**	73,956,121
Goodwill on consolidation		**-**	-	261,312	**-**	-
Trade and other receivables	**9**	**-**	-	-	**169,641,561**	194,325,485
		198,473,998	188,375,816	185,358,807	**280,806,427**	304,656,909
Current assets						
Inventories	**6**	**147,112,561**	150,070,454	127,065,082	**-**	-
Trade and other receivables	**9**	**30,343,976**	23,466,382	34,446,412	**24,214,648**	682,672
Contract assets	**10**	**18,188,775**	245,897	3,590,895	**-**	-
Contract costs	**11**	**3,333,075**	1,202,503	1,323,913	**-**	-
Current tax assets		**874,653**	2,497,310	1,726,872	**176,017**	-
Other investments	**12**	**20,096,981**	31,189,404	22,155,091	**565,066**	-
Fixed deposits with licensed banks	**13**	**3,946,670**	4,329,431	4,504,232	**189,197**	640,151
Cash and bank balances	**14**	**14,914,630**	19,601,588	21,859,183	**901,452**	7,447,591
		238,811,321	232,602,969	216,671,680	**26,046,380**	8,770,414
Non-current asset held for sale		**-**	-	18,000,000	**-**	-
TOTAL ASSETS		**437,285,319**	420,978,785	420,030,487	**306,852,807**	313,427,323

STATEMENTS OF FINANCIAL POSITION (Cont'd)

As at 30 June 2022

		GROUP			COMPANY	
			(Restated)	(Restated)		
		2022	2021	1.7.20	2022	2021
	NOTE	RM	RM	RM	RM	RM
EQUITY AND LIABILITIES						
Equity attributable to owners of the Company						
Share capital	**15**	**226,568,852**	208,553,888	208,080,782	**226,568,852**	208,553,888
Irredeemable Convertible Preference Shares ("ICPS")	**16**	**93,728,218**	93,756,938	93,756,938	**93,728,218**	93,756,938
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	**17**	**-**	11,875,881	12,348,987	**-**	11,875,881
Other reserves	**18**	**861,444**	4,068,382	4,072,088	**8,569,190**	11,776,128
Retained profits/ (Accumulated losses)		**31,743,264**	30,891,720	31,020,626	**(25,610,975)**	(18,229,515)
		352,901,778	349,146,809	349,279,421	**303,255,285**	307,733,320
Non-controlling interests		**24,606,895**	21,060,191	20,066,426	**-**	-
Total equity		**377,508,673**	370,207,000	369,345,847	**303,255,285**	307,733,320
Non-current liabilities						
Borrowings	**19**	**216,644**	665,247	1,387,569	**-**	-
Lease liabilities	**5**	**175,247**	-	29,739	**-**	-
Deferred tax liabilities	**20**	**6,689,915**	4,263,777	4,901,054	**2,148,471**	1,980,121
Trade, other payables and provision	**21**	**3,388,791**	6,988,489	3,906,571	**-**	-
		10,470,597	11,917,513	10,224,933	**2,148,471**	1,980,121
Current liabilities						
Trade, other payables and provision	**21**	**46,862,804**	31,207,965	34,818,900	**1,449,051**	2,143,762
Contract liabilities	**10**	**1,815,088**	5,325,107	2,170,845	**-**	-
Borrowings	**19**	**442,631**	700,135	2,848,332	**-**	-
Lease liabilities	**5**	**140,619**	29,739	77,021	**-**	-
Current tax liabilities		**44,907**	1,591,326	544,609	**-**	1,570,120
		49,306,049	38,854,272	40,459,707	**1,449,051**	3,713,882
Total liabilities		**59,776,646**	50,771,785	50,684,640	**3,597,522**	5,694,003
TOTAL EQUITY AND LIABILITIES		**437,285,319**	420,978,785	420,030,487	**306,852,807**	313,427,323

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2022

		GROUP		COMPANY	
			(Restated)		
	NOTE	2022 RM	2021 RM	2022 RM	2021 RM
Revenue	22	**119,782,841**	77,866,317	**4,246,464**	3,686,676
Other income	23	**5,884,946**	13,723,840	**93,230**	76,328
Changes in inventories of work in progress, trading inventories and finished goods		**(1,208,005)**	1,360,811	**-**	-
Raw materials and consumables used		**(24,237,962)**	(31,026,883)	**-**	-
Property development costs		**(52,820,187)**	(20,089,724)	**-**	-
Employee benefits expenses	24	**(11,672,275)**	(11,409,643)	**(1,939,260)**	(1,581,235)
Depreciation	25	**(3,222,474)**	(3,428,957)	**(163,362)**	(178,675)
Other operating expenses		**(21,810,988)**	(21,784,707)	**(9,295,859)**	(20,326,284)
Operating profit/(loss)		**10,695,896**	5,211,054	**(7,058,787)**	(18,323,190)
Finance costs	26	**(222,270)**	(180,670)	**-**	(76,416)
Profit/(Loss) before tax	27	**10,473,626**	5,030,384	**(7,058,787)**	(18,399,606)
Tax expense	28	**(6,575,100)**	(4,169,231)	**(424,146)**	(3,026,915)
Profit/(Loss) for the year, representing total comprehensive income/(loss) for the financial year		**3,898,526**	861,153	**(7,482,933)**	(21,426,521)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		**750,071**	(132,612)	**(7,482,933)**	(21,426,521)
Non-controlling interests		**3,148,455**	993,765	**-**	-
		3,898,526	861,153	**(7,482,933)**	(21,426,521)
Earnings/(Loss) per share attributable to owners of the Company (sen)					
- Basic	29.1	**0.36**	(0.06)		
- Diluted	29.2	**0.36**	(0.06)		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2022

		Attributable to Owners of the Company										
			Non-Distributable						Distributable			
	NOTE	Share Capital RM	ICPS RM	ICULS RM	Treasury Shares RM	Warrants Reserve RM	Capital Reserve RM	ESOS Reserve 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**	**(406)**	**4,203,130**	**(262,746)**	**128,404**	**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	**15**	**11,875,881**	-	**(11,875,881)**	-	-	-	-	-	-	-	-
- Issuance of shares pursuant to conversion of ICPS	**15**	**28,720**	**(28,720)**	-	-	-	-	-	-	-	-	-
- Private placement	**15**	**3,004,898**	-	-	-	-	-	-	-	**3,004,898**	-	**3,004,898**
- Expiry of Warrant B	**15**	**3,105,465**	-	-	-	**(3,186,005)**	-	-	**80,540**	-	-	-
- Share option lapsed	**18.4**	-	-	-	-	-	-	**(20,933)**	**20,933**	-	-	-
Total transactions with owners		**18,014,964**	**(28,720)**	**(11,875,881)**	-	**(3,186,005)**	-	**(20,933)**	**101,473**	**3,004,898**	**398,249**	**3,403,147**
Balance at end		**226,568,852**	**93,728,218**	-	**(406)**	**1,017,125**	**(262,746)**	**107,471**	**31,743,264**	**352,901,778**	**24,606,895**	**377,508,673**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

For the financial year ended 30 June 2022

		Attributable to Owners of the Company										
		Non-Distributable							Distributable			
	NOTE	Share Capital RM	ICPS RM	ICULS RM	Treasury Shares RM	Warrants Reserve RM	Capital Reserve RM	ESOS Reserve RM	Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
2021												
Balance at beginning		208,080,782	93,756,938	12,348,987	(406)	4,203,130	(262,746)	132,110	31,020,626	349,279,421	20,066,426	369,345,847
Total comprehensive income for financial year		-	-	-	-	-	-	-	(132,612)	(132,612)	993,765	861,153
Transactions with owners:												
- Issuance of shares pursuant to conversion of ICULS	15	473,106	-	(473,106)	-	-	-	-	-	-	-	-
- Share option lapsed	18.4	-	-	-	-	-	-	(3,706)	3,706	-	-	-
Total transactions with owners		473,106	-	(473,106)	-	-	-	(3,706)	3,706	-	-	-
Balance at end		208,553,888	93,756,938	11,875,881	(406)	4,203,130	(262,746)	128,404	30,891,720	349,146,809	21,060,191	370,207,000

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2022

	NOTE	Share Capital RM	ICPS RM	ICULS RM	Treasury Shares RM	Warrants Reserve RM	Capital Reserve RM	ESOS Reserve RM	(Accumulated losses)/ Retained profits RM	Total Equity RM
			|------ Non-distributable					------|		
2022										
Balance at beginning		**208,553,888**	**93,756,938**	**11,875,881**	**(406)**	**4,203,130**	**7,445,000**	**128,404**	**(18,229,515)**	**307,733,320**
Total comprehensive income for the financial year		-	-	-	-	-	-	-	**(7,482,933)**	**(7,482,933)**
Transactions with owners:										
- Issuance of shares pursuant to conversion of ICULS	**15**	**11,875,881**	-	**(11,875,881)**	-	-	-	-	-	-
- Issuance of shares pursuant to conversion of ICPS	**15**	**28,720**	**(28,720)**	-	-	-	-	-	-	-
- Private placement	**15**	**3,004,898**	-	-	-	-	-	-	-	**3,004,898**
- Expiry of Warrant B	**15**	**3,105,465**	-	-	-	**(3,186,005)**	-	-	**80,540**	-
- Share option lapsed	**18.4**	-	-	-	-	-	-	**(20,933)**	**20,933**	-
		18,014,964	**(28,720)**	**(11,875,881)**	-	**(3,186,005)**	-	**(20,933)**	**101,473**	**3,004,898**
Balance at end		**226,568,852**	**93,728,218**	-	**(406)**	**1,017,125**	**7,445,000**	**107,471**	**(25,610,975)**	**303,255,285**

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

STATEMENT OF CHANGES IN EQUITY (Cont'd)

For the financial year ended 30 June 2022

	NOTE	Share Capital RM	ICPS RM	ICULS RM	Treasury Shares RM	Warrants Reserve RM	Capital Reserve RM	ESOS Reserve RM	(Accumulated losses)/ Retained profits RM	Total Equity RM
			Non-distributable							
2021										
Balance at beginning		208,080,782	93,756,938	12,348,987	(406)	4,203,130	7,445,000	132,110	3,193,300	329,159,841
Total comprehensive loss for the financial year		-	-	-	-	-	-	-	(21,426,521)	(21,426,521)
Transactions with owners:										
- Issuance of shares pursuant to conversion of ICULS	15	473,106	-	(473,106)	-	-	-	-	-	-
- Share option lapsed	18.4	-	-	-	-	-	-	(3,706)	3,706	-
		473,106	-	(473,106)	-	-	-	(3,706)	3,706	-
Balance at end		208,553,888	93,756,938	11,875,881	(406)	4,203,130	7,445,000	128,404	(18,229,515)	307,733,320

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 June 2022

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**10,473,626**	5,030,384	**(7,058,787)**	(18,399,606)
Adjustments for:				
Allowance for expected credit losses on receivables	**810,542**	528,573	**-**	-
Allowance for expected credit losses on amount due from a subsidiary	**-**	-	**6,574,247**	11,412,248
Bad debts	**22,700**	1,477,010	**-**	22,700
Debt waived by trade and other creditors	**(138,444)**	-	**-**	-
Depreciation of property, plant and equipment	**3,074,872**	3,352,238	**163,362**	178,675
Depreciation of right-of-use assets	**147,602**	76,719	**-**	-
Dividend income	**(433,661)**	(140,630)	**-**	-
Employee retirement benefits obligation	**-**	4,753	**-**	-
Fair value loss on investment properties	**753,778**	258,480	**753,778**	258,480
Fair value loss/(gain) on adjustment on other investments	**7,417,473**	(10,230,970)	**-**	-
(Gain)/Loss on disposal of property, plant and equipment	**(59,967)**	(104,114)	**3,247**	(61,353)
Gain on disposal of investment properties	**(100,000)**	(100,000)	**-**	-
Gain on disposal of other investments	**(2,142,482)**	(1,545,403)	**-**	-
Gain on disposal of land held for development	**-**	(177,293)	**-**	-
Goodwill impaired	**-**	261,312	**-**	-
Impairment loss on property, plant and equipment	**892,912**	-	**-**	-
Interest expense	**222,270**	180,670	**-**	76,416
Interest income	**(196,177)**	(197,646)	**(93,230)**	(14,975)
Inventories written down	**281,977**	389,502	**-**	-
Property, plant and equipment written off	**285**	1	**-**	-
Reversal of allowance for expected credit losses on receivables	**(204,109)**	(9,075)	**-**	-
Reversal of inventories written down	**(64,309)**	(27,070)	**-**	-
Reversal of provision for retirement benefit obligations	**(19,574)**	-	**-**	-
Unwinding of discounts	**(701,431)**	-	**-**	-
Operating profit/(loss) before working capital changes carried forward	**20,037,883**	(972,559)	**342,617**	(6,527,415)

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

STATEMENTS OF CASH FLOWS (Cont'd)

For the financial year ended 30 June 2022

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd)				
Operating profit/(loss) before working capital changes brought forward	**20,037,883**	(972,559)	**342,617**	(6,527,415)
Increase in inventories	**(4,539,881)**	(24,345,388)	**-**	-
(Increase)/Decrease in receivables	**(7,412,525)**	5,082,639	**(72,161)**	11,661,550
(Increase)/Decrease in contract assets	**(17,942,878)**	3,344,998	**-**	-
(Increase)/Decrease in contract costs	**(2,130,572)**	121,410	**-**	-
Increase/(Decrease) in payables	**12,914,590**	3,221,133	**(694,711)**	1,668,216
(Decrease)/Incease in contract liabilities	**(3,510,019)**	3,154,262	**-**	-
Cash (used in)/from operations	**(2,583,402)**	(10,393,505)	**(424,255)**	6,802,351
Income tax paid	**(5,055,651)**	(4,595,093)	**(2,001,933)**	(2,321,797)
Income tax refunded	**179,446**	64,864	**-**	-
Real property gains tax paid	**(14,200)**	-	**-**	-
Interest paid	**(202,230)**	(177,291)	**-**	(76,416)
Net cash (used in)/from operating activities carried forward	**(7,676,037)**	(15,101,025)	**(2,426,188)**	4,404,138

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

STATEMENTS OF CASH FLOWS (Cont'd)

For the financial year ended 30 June 2022

	Note	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Net cash (used in)/from operating activities brought forward		**(7,676,037)**	(15,101,025)	**(2,426,188)**	4,404,138
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash outflows from acquisition of a subsidiary	(i)	**(4,934,297)**	-	**-**	-
Dividends received		**433,661**	140,630	**-**	-
Interest received		**127,272**	218,427	**92,518**	208
Proceeds from disposal of investment property		**400,000**	18,100,000	**-**	-
Proceeds from disposal of land held for development		**-**	1,772,169	**-**	-
Proceeds from disposal of other investments		**5,817,432**	2,742,060	**-**	-
Proceeds from disposal of property, plant and equipment		**848,521**	242,003	**-**	182,000
Purchase of investment properties		**(914,778)**	(1,758,480)	**(753,778)**	(1,758,480)
Purchase of property, plant and equipment	(ii)	**(1,378,589)**	(5,562,460)	**(1,000,051)**	(5,013,509)
Net cash from/(used in) investing activities		**399,222**	15,894,349	**(1,661,311)**	(6,589,781)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net change in subsidiaries' balances		**-**	-	**(5,350,138)**	3,859,364
Net proceeds from issuance of ordinary shares		**3,004,898**	-	**3,004,898**	-
Placement of fixed deposits		**(150,000)**	-	**(150,000)**	-
Repayment of principal portion of lease liabilities	(iii)	**(160,600)**	(80,400)	**-**	-
Repayment of hire purchase loans	(iii)	**(515,785)**	(723,257)	**-**	(103,103)
Repayment of term loan		**-**	(2,247,824)	**-**	(2,247,824)
Withdrawal of fixed deposits		**601,666**	-	**601,666**	-
Net cash from/(used in) financing activities		**2,780,179**	(3,051,481)	**(1,893,574)**	1,508,437
NET DECREASE IN CASH AND CASH EQUIVALENTS CARRIED FORWARD		**(4,496,636)**	(2,258,157)	**(5,981,073)**	(677,206)

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

STATEMENTS OF CASH FLOWS (Cont'd)

For the financial year ended 30 June 2022

	Note	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
NET DECREASE IN CASH AND CASH EQUIVALENTS BROUGHT FORWARD		**(4,496,636)**	(2,258,157)	**(5,981,073)**	(677,206)
CASH AND CASH EQUIVALENTS AT BEGINNING		**19,411,266**	21,669,423	**7,447,591**	8,124,797
CASH AND CASH EQUIVALENTS AT END		**14,914,630**	19,411,266	**1,466,518**	7,447,591
Represented by:					
Fixed deposits with licensed banks		**3,946,670**	4,329,431	**189,197**	640,151
Cash and bank balances		**14,914,630**	19,601,588	**1,466,518**	7,447,591
Bank overdrafts		**-**	(190,322)	**-**	-
		18,861,300	23,740,697	**1,655,715**	8,087,742
Less: Fixed deposits pledged		**(3,946,670)**	(4,329,431)	**(189,197)**	(640,151)
		14,914,630	19,411,266	**1,466,518**	7,447,591

	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 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	**1,378,589**	5,962,460	**1,000,051**	5,013,509
Acquired under finance lease	**-**	(400,000)	**-**	-
Total cash acquisition	**1,378,589**	5,562,460	**1,000,051**	5,013,509

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

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

Reconciliation between the opening and closing balances in the statement 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					
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**
2021					
Hire purchase loans	1,498,317	400,000	-	(723,257)	1,175,060
Term loan	2,247,824	-	-	(2,247,824)	-
Lease liabilities	106,760	-	3,379	(80,400)	29,739
Total liabilities from financing activities	3,852,901	400,000	3,379	(3,051,481)	1,204,799
Company					
2021					
Hire purchase loans	103,103	-	-	(103,103)	-
Term loan	2,247,824	-	-	(2,247,824)	-
Total liabilities from financing activities	2,350,927	-	-	(2,350,927)	-

Notes:

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

[2] The amount represents the accretion of interest during the year.

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

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 27 October 2022.

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 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 to MFRSs that are mandatory for the current financial year:

Effective for annual periods beginning on or after 1 January 2021
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform - Phase 2

Effective for annual periods beginning on or after 1 April 2021
Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021

Initial application of the above amendments 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 period 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

2. BASIS OF PREPARATION (Cont'd)

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

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: (Cont'd)

Effective for annual periods beginning on or after 1 January 2023
MFRS 17 Insurance Contracts
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9
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: Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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 standards 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.

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.

2.6 Significant Accounting Estimates and Judgements (Cont'd)

Key sources of estimation uncertainty and judgements made (Cont'd)

(ii) Inventories (Cont'd)

Property development costs (Cont'd)

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and 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.

The carrying amount of property development costs are disclosed in Note 6 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.

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.

Others

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 inventories is disclosed in Note 6 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) 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.

2.6 Significant Accounting Estimates and Judgements (Cont'd)

Key sources of estimation uncertainty and judgements made (Cont'd)

(iv) Provision for expected credit losses ("ECL") of trade and other receivables (Cont'd)

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 debtors 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 33.3 to the financial statements.

(v) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

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.

3. ACCOUNTING POLICIES (Cont'd)

3.1 Consolidation (Cont'd)

(ii) Basis of consolidation (Cont'd)

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 3.15 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.

(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.

3. ACCOUNTING POLICIES (Cont'd)

3.1 Consolidation (Cont'd)

(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.

3.2 Goodwill Arising on Consolidation

Goodwill arising from the acquisition of subsidiaries represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

3.3 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.

3. ACCOUNTING POLICIES (Cont'd)

3.3 Property, Plant and Equipment (Cont'd)

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.

3.4 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.

3.5 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.

3.5.1 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. ACCOUNTING POLICIES (Cont'd)

3.5 Leases (Cont'd)

3.5.1 Group as lessee (Cont'd)

3.5.1.1 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:

Premises	2 to 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 3.6 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.

3.5.1.2 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.

3.5.1.3 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.

3.5.2 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. ACCOUNTING POLICIES (Cont'd)

3.6 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.

3.7 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.

3.7.1 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.

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.

3. ACCOUNTING POLICIES (Cont'd)

3.7 Financial Instruments (Cont'd)

3.7.1 Financial assets (Cont'd)

(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.

(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, it evaluates 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.

3. ACCOUNTING POLICIES (Cont'd)

3.7 Financial Instruments (Cont'd)

3.7.1 Financial assets (Cont'd)

(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.

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.

3.7.2 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.

3. ACCOUNTING POLICIES (Cont'd)

3.7 Financial Instruments (Cont'd)

3.7.2 Financial liabilities (Cont'd)

(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.

3.7.3 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.

3.7.4 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. ACCOUNTING POLICIES (Cont'd)

3.8 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.

3.8.1 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 stated at cost less impairment losses.

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 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.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sales.

(iii) Completed development units

Completed development units represent completed residential properties. Cost is determined on the specific identification basis and includes costs of acquisition of land, related development costs to the project and direct building costs.

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value.

3.8.2 Other inventories

Other inventories are valued at the lower of cost and NRV. 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 and weighted average cost basis.
- Cost of finished goods and work-in-progress 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 materials of building materials, hardware items and scraps is determined on a weighted average cost basis.

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

3. ACCOUNTING POLICIES (Cont'd)

3.9 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.

3.10 Non-current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable MFRS. Then, on initial classification as held for sale, non-current assets are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

3.11 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.

3.12 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.

Revenue from installation service contract

An installation service contract 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 and profits from the installation service contracts are recognised over time arising from the fulfilment of the performance obligation.

3. ACCOUNTING POLICIES (Cont'd)

3.12 Revenue Recognition (Cont'd)

Revenue of the Group and of the Company is measured on the following basis: (Cont'd)

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 under the sale and purchase agreement.

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 agreements and the attached layout plan and the purchasers 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.

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.

Provision of management services

Revenue is recognised on the dates the services are rendered and completed which is upon the satisfaction of performance obligation at a point in time.

3. ACCOUNTING POLICIES (Cont'd)

3.12 Revenue Recognition (Cont'd)

3.12.1 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.

Contract cost are capitalised and amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting policies, changes in accounting estimate and errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

- the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102 Inventories, MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets. The Group shall include the resulting carrying amount of the contract costs in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136 Impairment of Assets to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

3.12.2 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).

3. ACCOUNTING POLICIES (Cont'd)

3.12 Revenue Recognition (Cont'd)

3.12.2 Contract balances (Cont'd)

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.

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.

3.13 Employee Benefits

Short term benefits

Wages, salaries, bonuses and social security contributions ("SOCSO") 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

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

Employee share options scheme

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 (nominal value) and share premium when the options are exercised.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and the Company recognise termination benefits as a liability and an expense when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal of providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to present value.

3. ACCOUNTING POLICIES (Cont'd)

3.14 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 completed 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.

3.15 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 and investment tax 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.

3.16 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. ACCOUNTING POLICIES (Cont'd)

3.17 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.

3.18 Irredeemable Convertible Unsecured Loan Stocks ("ICULS")

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

Any outstanding ICULS 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) ICULS for one new ordinary share without any additional consideration required from ICULS holder.

3.19 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.

3.20 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.

3.21 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.

3.22 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. ACCOUNTING POLICIES (Cont'd)

3.23 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.

3.24 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.

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Freehold land and buildings and condominium RM	Leasehold land and buildings RM	Plant and machinery RM	Fittings, equipment, motor vehicles and renovation RM	Capital work-in-progress RM	Total RM
2022						
At cost						
Balance at beginning	60,166,805	3,200,000	61,181,503	18,001,487	-	142,549,795
Additions	-	-	173,864	216,264	988,461	1,378,589
Disposals	-	-	(2,547,624)	(109,744)	-	(2,657,368)
Written off	-	-	-	(450)	-	(450)
Balance at end	60,166,805	3,200,000	58,807,743	18,107,557	988,461	141,270,566
Accumulated depreciation						
Balance at beginning	10,395,221	759,315	47,422,309	14,568,584	-	73,145,429
Current charge	631,583	26,211	1,510,538	906,540	-	3,074,872
Disposals	-	-	(1,762,320)	(106,494)	-	(1,868,814)
Written off	-	-	-	(165)	-	(165)
Balance at end	11,026,804	785,526	47,170,527	15,368,465	-	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	49,140,001	2,414,474	7,809,324	2,739,092	988,461	63,091,352

4. **PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

GROUP (Cont'd)

	Freehold land and buildings and condominium RM	Leasehold land and buildings RM	Plant and machinery RM	Fittings, equipment, motor vehicles and renovation RM	Capital work-in-progress RM	Total RM
2021						
At cost						
Balance at beginning	55,166,805	3,200,000	61,297,204	17,620,588	-	137,284,597
Additions	5,000,000	-	224,299	738,161	-	5,962,460
Disposals	-	-	(340,000)	(354,366)	-	(694,366)
Written off	-	-	-	(2,896)	-	(2,896)
Balance at end	60,166,805	3,200,000	61,181,503	18,001,487	-	142,549,795
Accumulated depreciation						
Balance at beginning	9,786,737	733,105	46,013,971	13,818,750	-	70,352,563
Current charge	608,484	26,210	1,731,338	986,206	-	3,352,238
Disposals	-	-	(323,000)	(233,477)	-	(556,477)
Written off	-	-	-	(2,895)	-	(2,895)
Balance at end	10,395,221	759,315	47,422,309	14,568,584	-	73,145,429
Accumulated impairment loss	-	-	2,934,980	-	-	2,934,980
Carrying amount	49,771,584	2,440,685	10,824,214	3,432,903	-	66,469,386

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

COMPANY

	Freehold Land RM	Buildings RM	Fittings, equipment, and office equipment RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2022						
At cost						
Balance at beginning	3,460,000	1,540,000	4,010,761	522,496	-	9,533,257
Additions	-	-	11,590	-	988,461	1,000,051
Disposal	-	-	(4,584)	-	-	(4,584)
Balance at end	3,460,000	1,540,000	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	3,460,000	1,501,500	94,222	61,265	988,461	6,105,448

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

COMPANY (Cont'd)

	Freehold Land RM	Buildings RM	Fittings, equipment, and office equipment RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2021						
At cost						
Balance at beginning	-	-	4,000,252	864,202	-	4,864,454
Additions	3,460,000	1,540,000	10,509	3,000	-	5,013,509
Disposal	-	-	-	(344,706)	-	(344,706)
Balance at end	3,460,000	1,540,000	4,010,761	522,496	-	9,533,257
Accumulated depreciation						
Balance at beginning	-	-	3,828,233	478,402	-	4,306,635
Current charge	-	7,700	47,548	123,427	-	178,675
	-	-	-	(224,059)	-	(224,059)
Balance at end	-	7,700	3,875,781	377,770	-	4,261,251
Carrying amount	3,460,000	1,532,300	134,980	144,726	-	5,272,006

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(i) The carrying amount of the Group's leasehold land and buildings which are pledged as securities for banking facilities granted to a subsidiary is **RM2,276,977** (2021: RM2,325,188).

(ii) Included in the carrying amount of the property, plant and equipment are the following assets acquired under hire purchase loans:

	GROUP	
	2022 RM	**2021 RM**
Plant and machinery	**1,299,002**	1,350,220
Motor vehicles	**929,748**	1,304,640

(iii) During the financial year, a subsidiary of the Group within the manufacturing segment carried out a review of the recoverable amount of its production equipment as the subsidiary has temporarily ceased its operation during the year. An impairment loss of RM892,912, representing the write down of these equipments to the recoverable amount, was recognised in the profit or loss during the financial year.

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 such lease payments are charged to profit or loss as lease rentals.

Set out below are the carrying amount of right-of-use assets and lease liabilities and their movements during the financial year:

	Premises RM	Machinery RM	Total RM
Right-of-use assets			
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**
2021			
Balance at beginning	59,412	46,389	105,801
Depreciation	(39,608)	(37,111)	(76,719)
Balance at end	19,804	9,278	29,082

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Cont'd)

Set out below are the carrying amount of right-of-use assets and lease liabilities and their movements during the financial year: (Cont'd)

	Premises RM	Machinery RM	Total RM
Lease liabilities			
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**
2021			
Balance at beginning	59,800	46,960	106,760
Accretion of interest	2,392	987	3,379
Payment	(42,000)	(38,400)	(80,400)
Balance at end	20,192	9,547	29,739

	2022 RM	2021 RM
Represented by:		
Non-current liabilities	**175,247**	-
Current liabilities	**140,619**	29,739
	315,866	29,739
The following are the amounts recognised in profit or loss:		
Depreciation of right-of-use assets	**147,602**	76,719
Interest expense on lease liabilities	**20,040**	3,379
Expenses relating to short term leases	**110,600**	222,000
Expenses relating to lease of low value assets	**107,892**	262,708
Total amount recognised in profit or loss	**386,134**	564,806

The Group's total cash outflows for leases during the financial year is **RM379,092** (2021: RM565,108).

6. INVENTORIES

			GROUP	
			(Restated)	(Restated)
		2022	2021	1.7.20
	Note	RM	RM	RM
Non-current asset				
Land held for development	**6.1**	**70,413,479**	57,077,348	57,694,640
Current assets				
Property development costs	**6.2**	**128,090,571**	132,743,907	104,088,470
Completed development units	**6.3**	**550,930**	3,158,311	9,311,444
Raw materials		**16,622,507**	11,216,065	11,520,909
Work-in-progress		**-**	1,776,744	587,666
Finished goods		**1,798,619**	1,175,427	1,411,490
Trading goods		**49,934**	-	145,103
		147,112,561	150,070,454	127,065,082
Total inventory properties		**217,526,040**	207,147,802	184,759,722
Recognised in profit or loss during the financial year:				
- Inventories recognised as cost of sales		**25,228,299**	29,303,640	63,678,261
- Inventories written down		**281,977**	389,502	696,257
- Inventories written off		**-**	-	1,456,793
- Reversal of inventories written down		**(64,309)**	(27,070)	(37,756)

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

6. INVENTORIES (Cont'd)

6.1 Land held for development

The movements of land held for development are as follows:

	GROUP	
	2022 RM	(Restated) 2021 RM
Balance at beginning	**57,077,348**	57,694,640
Addition	**13,336,131**	977,584
Disposal	**-**	(1,594,876)
Balance at end	**70,413,479**	57,077,348
Represented by:		
Freehold land	**65,523,065**	54,294,188
Development costs	**4,890,414**	2,783,160
	70,413,479	57,077,348

In the financial year 2021, Climate Attitude Sdn. Bhd. a wholly-owned subsidiary of the Company had received a notice together with Form K dated 22 September 2020 from Pejabat Daerah Dan Tanah Seberang Perai Utara indicating that formal possession has been taken on a portion of a piece of land owned by the Company in return for a total consideration of RM1,772,169 under Section 22 of Land Acquisition Act 1960. The transaction was completed during the financial year 2021.

6.2 Property development costs

The movements of property development costs are as follows:

	GROUP	
	2022 RM	(Restated) 2021 RM
Balance at beginning	**132,743,907**	115,668,034
Development costs incurred during the financial year	**44,199,932**	48,088,871
Cost transferred to contract costs	**(48,853,268)**	(31,012,998)
Balance at end	**128,090,571**	132,743,907
Represented by:		
Freehold lands	**50,124,222**	60,816,132
Development costs	**77,966,349**	71,927,775
	128,090,571	132,743,907

6. INVENTORIES (Cont'd)

6.3 Completed development units

	GROUP	
	2022 RM	**2021 RM**
At cost:	**550,930**	3,158,311

During the financial year, the amount of completed development units recognised as property development cost in profit or loss is **RM2,607,382** (2021: RM6,489,344).

7. INVESTMENT PROPERTIES

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

	GROUP		COMPANY	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
At fair value:				
Balance at beginning	**64,800,000**	63,300,000	**31,103,297**	29,603,297
Additions	**914,778**	1,758,480	**753,778**	1,758,480
Disposal	**(300,000)**	-	**-**	-
Loss on fair value adjustment, recognised in profit or loss during the financial year under other operating expenses	**(753,778)**	(258,480)	**(753,778)**	(258,480)
Balance at end	**64,661,000**	64,800,000	**31,103,297**	31,103,297

The investment properties consist of the following:

	GROUP		COMPANY	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Commercial properties	**64,661,000**	64,500,000	**31,103,297**	31,103,297
Non-commercial properties	**-**	300,000	**-**	-
	64,661,000	64,800,000	**31,103,297**	31,103,297

(i) Certain investment properties of the Group and of the Company with carrying amount of **RM41,500,000** (2021: RM41,500,000) and **RM31,103,297** (2021: RM31,103,297) respectively are pledged to financial institutions for banking facilities granted to the Company and certain subsidiaries as disclosed in Note 19 to the financial statements.

7. INVESTMENT PROPERTIES (Cont'd)

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

	GROUP	
	2022 RM	2021 RM
Leasehold land	**31,103,297**	31,103,297

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

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Rental income from rental generating properties	**3,130,312**	2,946,524	**2,986,464**	2,668,176
Direct operating expenses arising from:				
- Rental generating properties	**281,371**	270,540	**223,148**	203,752
- Non-rental generating properties	**29,361**	29,405	**-**	-

(iv) Fair value measurement of the investment properties is disclosed in Note 34 to the financial statements.

8. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2022 RM	2021 RM
Unquoted shares, at cost	**134,660,736**	134,660,736
Less: Accumulated impairment losses	**(60,704,615)**	(60,704,615)
	73,956,121	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 2022 %	Effective Equity Interest 2021 %	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.	**100**	100	Dormant.

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 2022 %	2021 %	Principal Activities
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.	**100**	100	Investment holding.
SMPC Dexon Sdn. Bhd.	**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.
Indirect - held through SMPC Marketing Sdn. Bhd.			
Progerex Sdn. Bhd.	**100**	100	Shredding, processing and trading of ferrous and non-ferrous scrap metals.

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 2022 %	2021 %	Principal Activities
Indirect - held through Park Avenue Construction Sdn. Bhd.			
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**	-	Property development.

* Not audited by Grant Thornton Malaysia PLT.

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 was completed during the financial year on 8 April 2022.

8. INVESTMENT IN SUBSIDIARIES (Cont'd)

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 RM	Profit allocated to NCI RM	Equity interest held by NCI 2022 %	2021 %
DMI	**5,138,834**	**493,662**	**40**	40
MPM	**6,032,128**	**209,816**	**40**	40
SMSB	**13,092,467**	**2,499,761**	**20**	20

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
As at 30 June 2022				
Non-current assets	**3,065,960**	**5,366,408**	**12,740,496**	**21,172,864**
Non-current liabilities	**(238,247)**	**(1,451,306)**	**(3,604,377)**	**(5,293,930)**
Current assets	**22,954,952**	**13,763,596**	**108,913,210**	**145,631,758**
Current liabilities	**(12,935,579)**	**(2,598,377)**	**(52,586,992)**	**(68,120,948)**
Net assets	**12,847,086**	**15,080,321**	**65,462,337**	**93,389,744**
Year ended 30 June 2022				
Revenue	**23,856,658**	**12,747,239**	**71,558,433**	**108,162,330**
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**

8. INVESTMENT IN SUBSIDIARIES (Cont'd)

GROUP

	DMI RM	MPM RM	SMSB RM	Total RM
As at 30 June 2021				
Non-current assets	3,058,686	5,976,904	10,226,352	19,261,942
Non-current liabilities	(300,000)	(1,668,637)	(6,994,489)	(8,963,126)
Current assets	18,058,618	15,235,420	90,768,035	124,062,073
Current liabilities	(9,204,372)	(4,987,907)	(41,036,367)	(55,228,646)
Net assets	11,612,932	14,555,780	52,963,531	79,132,243
Year ended 30 June 2021				
Revenue	23,629,793	14,293,302	27,163,803	65,086,898
Profit for the financial year, representing total comprehensive income for the financial year	170,752	42,333	4,018,558	4,231,643
Net cash (used in)/generated from:				
Operating activities	(1,484,178)	1,046,803	(5,179,683)	(5,617,058)
Investing activities	(3,878)	(260,226)	(11,097)	(275,201)
Financing activities	201,465	(301,222)	4,341,227	4,241,470
Net change in cash and cash equivalents	(1,286,591)	485,355	(849,553)	(1,650,789)

9. TRADE AND OTHER RECEIVABLES

		GROUP		COMPANY	
	Note	2022 RM	(Restated) 2021 RM	2022 RM	2021 RM
Non-current assets:					
Amount due from subsidiaries	**9.1**				
Gross amount		**-**	-	**187,628,056**	205,737,733
Less: Allowance for expected credit losses		**-**	-	**(17,986,495)**	(11,412,248)
Net amount due from subsidiaries		**-**	-	**169,641,561**	194,325,485

9. TRADE AND OTHER RECEIVABLES (Cont'd)

	Note	GROUP 2022 RM	GROUP (Restated) 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Current assets:					
Trade receivables					
Third parties	**9.2**	**30,704,540**	19,441,857	**-**	-
Less: Allowance for expected credit losses		**(4,038,400)**	(3,431,967)	**-**	-
Trade receivables, net		**26,666,140**	16,009,890	**-**	-
Other receivables					
Third parties	**9.3**	**2,535,400**	5,947,423	**8,584**	16,339
Less: Allowance for expected credit losses		**(531,937)**	(531,937)	**-**	-
Other receivables, net		**2,003,463**	5,415,486	**8,584**	16,339
Advance to suppliers		**16,489**	398,719	**-**	-
Deposits		**822,900**	878,180	**68,761**	73,961
Prepayments		**834,984**	724,163	**217,141**	132,025
GST receivable		**-**	39,944	**-**	-
Amount due from subsidiaries	**9.1**	**-**	-	**23,920,162**	460,347
		3,677,836	7,456,492	**24,214,648**	682,672
		30,343,976	23,466,382	**24,214,648**	682,672
Total trade and other receivables		**30,343,976**	23,466,382	**193,856,209**	195,008,157

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

	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Ringgit Malaysia	**29,973,981**	22,951,873	**193,856,209**	195,008,157
US Dollar	**-**	281,556	**-**	-
Singapore Dollar	**369,995**	232,953	**-**	-
	30,343,976	23,466,382	**193,856,209**	195,008,157

9. TRADE AND OTHER RECEIVABLES (Cont'd)

9.1 Amount due from subsidiaries

COMPANY

The amount due from subsidiaries is non-trade related, unsecured, non-interest bearing and is repayable on demand.

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

	2022 RM	2021 RM
Balance at beginning	**11,412,248**	-
Current year, recognised in profit or loss during the financial year under other operating expenses	**6,574,247**	11,412,248
Balance at end	**17,986,495**	11,412,248

9.2 Trade receivables

GROUP

(i) Trade receivables are non-interest bearing and are generally given **14 to 120 days** (2021: 14 to 120 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(ii) Included herein is retention sum of **RM600,986** (2021: RM609,723) relating to the supply of steel roofing, cable support system and its related accessories.

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

	2022 RM	2021 RM
Balance at beginning	**3,431,967**	3,300,302
Current year, recognised in profit or loss during the financial year under other operating expenses	**810,542**	278,617
Reversal, recognised in profit or loss during the financial year under other income	**(204,109)**	(9,075)
Written off	**-**	(137,877)
Balance at end	**4,038,400**	3,431,967

9. TRADE AND OTHER RECEIVABLES (Cont'd)

9.3 Other receivables

GROUP AND COMPANY

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

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Balance at beginning	**531,937**	1,371,239	**-**	15,650
Current year, recognised in profit or loss during the financial year under other operating expenses	**-**	249,956	**-**	-
Written off	**-**	(1,089,258)	**-**	(15,650)
Balance at end	**531,937**	531,937	**-**	-

10. CONTRACT ASSETS/(LIABILITIES)

		GROUP	
	Note	2022 RM	2021 RM
Contract assets			
- Excess of cumulative revenue recognised over billings to-date	**10.1**	**18,188,775**	245,897
Contract liabilities			
- Excess of billings to-date over cumulative revenue recognised	**10.1**	**-**	3,896,563
- Deposits received from customers for sales orders	**10.2**	**1,815,088**	1,428,544
		1,815,088	5,325,107

10.1 Contract assets/(liabilities) 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	
	2022 RM	2021 RM
Revenue recognised to-date	**96,315,308**	29,568,772
Progress billings to-date	**(78,126,533)**	(33,219,438)
	18,188,775	(3,650,666)
Represented by:		
Contract assets	**18,188,775**	245,897
Contract liabilities	**-**	(3,896,563)
	18,188,775	(3,650,666)

10. CONTRACT ASSETS/(LIABILITIES) (Cont'd)

10.1 Contract assets/(liabilities) 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. Typically, the amount will be billed within 30 days and payment is expected within 30 days.

The unsatisfied performance obligations at the reporting date are expected to be realised between 1 to 2 years as follows:

GROUP

	2022 RM	2021 RM
Within one year	**45,781,064**	12,155,386
More than one year	**-**	28,362,568
	45,781,064	40,517,954

10.2 Contract liabilities from deposits received from customers

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	
	2022 RM	2021 RM
Balance at beginning	**1,428,544**	169,652
Decrease on recognition of revenue	**(1,428,544)**	(169,652)
Increase on receiving deposits for sales orders	**1,815,088**	1,428,544
Balance at end	**1,815,088**	1,428,544

11. CONTRACT COSTS

		GROUP	
	2022 RM	(Restated) 2021 RM	(Restated) 1.7.20 RM
Costs to fulfil contracts with customers	**2,388,093**	1,202,503	1,323,913
Costs to obtain contracts with customers	**944,982**	-	-
Balance at end	**3,333,075**	1,202,503	1,323,913

During the financial year, the amount of contract cost recognised in profit or loss is **RM50,212,805** (2021: RM13,600,380).

12. OTHER INVESTMENTS

	GROUP	
	2022 RM	2021 RM
Financial assets at FVTPL		
Securities quoted in Malaysia	**16,102,359**	25,187,681
Loan stocks quoted in Malaysia	**3,429,556**	6,001,723
Short term investment	**565,066**	-
	20,096,981	31,189,404

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.

The effective interest rate and maturity of the short-term investment as at the end of the reporting period is **1.80%** (2021: Nil) per annum and **12 months** (2021: Nil) respectively.

13. FIXED DEPOSITS WITH LICENSED BANKS

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Encumbered	**3,946,670**	4,329,431	**189,197**	640,151

The encumbered fixed deposits are pledged to licensed banks for banking facilities granted to Company and certain subsidiaries.

The effective interest rates of fixed deposits are **1.50% to 1.85%** (2021: 1.85% to 2.35%) per annum.

14. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Housing Development Account	**2,665,490**	816,909	**-**	-
Cash and bank balances	**12,249,140**	18,784,679	**901,452**	7,447,591
	14,914,630	19,601,588	**901,452**	7,447,591

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.

14. CASH AND BANK BALANCES (Cont'd)

The currency profile of cash and bank balances is as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Ringgit Malaysia	**14,914,576**	19,601,526	**901,452**	7,447,591
United States Dollar	**54**	62	**-**	-
	14,914,630	19,601,588	**901,452**	7,447,591

15. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2022	2021	2022 RM	2021 RM
Issued and fully paid with no par value:				
Balance at beginning	**213,862,736**	213,318,936	**208,553,888**	208,080,782
Arising from conversion of ICULS	**13,650,175**	543,800	**11,875,881**	473,106
Arising from conversion of ICPS	**35,900**	-	**28,720**	-
Private placement	**7,419,500**	-	**3,004,898**	-
Expiry of Warrant B	**-**	-	**3,105,465**	-
Balance at end	**234,968,311**	213,862,736	**226,568,852**	208,553,888

During the 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.

16. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	Number of ICPS		Amount	
	2022	2021	2022 RM	2021 RM
Balance at beginning	**1,171,961,720**	1,171,961,720	**93,756,938**	93,756,938
Converted to ordinary shares	**(359,000)**	-	**(28,720)**	-
Balance at end	**1,171,602,720**	1,171,961,720	**93,728,218**	93,756,938

The salient features of the ICPS are 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 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.

17. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS")

	Number of ICULS		Amount	
	2022	2021	2022 RM	2021 RM
Balance at beginning	**118,758,809**	123,489,869	**11,875,881**	12,348,987
Converted to ordinary shares	**(118,758,809)**	(4,731,060)	**(11,875,881)**	(473,106)
Balance at end	**-**	118,758,809	**-**	11,875,881

The ICULS at nominal value of RM0.10 each 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 ten (10) 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 RM0.87 each.

17. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") (Cont'd)

(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 RM0.87 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**
2021				
- Conversion by unit holders	4,731,060	473,106	543,800	473,106

During the financial year, all ICULS has been converted to ordinary shares capital pursuant to the mandatory conversion of the ICULS upon maturity by the Company.

18. OTHER RESERVES

	Note	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Non-distributable:					
Treasury shares	18.1	**(406)**	(406)	**(406)**	(406)
Warrants reserve	18.2	**1,017,125**	4,203,130	**1,017,125**	4,203,130
Capital reserve	18.3	**(262,746)**	(262,746)	**7,445,000**	7,445,000
ESOS reserve	18.4	**107,471**	128,404	**107,471**	128,404
		861,444	4,068,382	**8,569,190**	11,776,128

18. OTHER RESERVES (Cont'd)

18.1 Treasury shares

The details of the treasury shares during the financial year are as follows:

	Number of shares		Amount	
	2022	2021	2022 RM	2021 RM
Balance at beginning/end	**774**	774	**406**	406

Of the total **234,968,311** (2021: 213,862,736) issued ordinary shares as at 30 June 2022, **774** (2021: 774) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue is therefore **234,967,537** (2021: 213,861,962) ordinary shares.

18.2 Warrants reserve

The warrants reserve comprises the fair values of the following Warrants:

	GROUP AND COMPANY	
	2022 RM	2021 RM
Warrants B expiring 9 May 2022 (Note (i))	-	3,186,005
Warrants C expiring 24 November 2024 (Note (ii))	**1,017,125**	1,017,125
	1,017,125	4,203,130

(i) Warrants B

On 7 May 2012, the Company issued 20,338,186 10-year free detachable warrants 2012/2022 ("Warrants B"). The Warrants B are constituted by a deed poll dated 28 March 2012 and are listed on Bursa Malaysia on 16 May 2012.

On 24 November 2014, 1,044,807 additional Warrants B are issued pursuant to the adjustment made to the outstanding Warrants B consequent to a rights issue exercise.

On 6 December 2017, 3,236,681 additional Warrants B are issued pursuant to the adjustment made to the outstanding Warrants B consequent to a rights issue exercise of ICPS.

During the financial year, 24,619,674 unexercised Warrants B have lapsed on 9 May 2022 and thereafter ceased to be valid for any purpose.

(ii) Warrants C

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.

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 2022, there was a total of 4,837,053 unexercised Warrants C.

18. OTHER RESERVES (Cont'd)

18.2 Warrants reserve (Cont'd)

(ii) Warrants C (Cont'd)

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.

18.3 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.

18.4 ESOS reserve

	GROUP AND COMPANY	
	2022 RM	2021 RM
Balance at beginning	**128,404**	132,110
Share options lapsed	**(20,933)**	(3,706)
Balance at end	**107,471**	128,404

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, 2,056,915 ESOS remained unexercised has lapsed upon the expiry of the ESOS.

19. BORROWINGS

	GROUP	
	2022 RM	2021 RM
Non-current liabilities:		
Hire purchase loans		
Minimum payment:		
Within 1 year	**465,586**	555,150
Later than 1 year but not later than 2 years	**105,397**	482,152
Later than 2 years but not later than 5 years	**124,920**	230,504
	695,903	1,267,806
Future finance charges	**(36,628)**	(92,746)
	659,275	1,175,060
Amount due within 1 year included under current liabilities	**(442,631)**	(509,813)
	216,644	665,247
Current liabilities:		
Bank overdraft	**-**	190,322
Hire purchase loans	**442,631**	509,813
	442,631	700,135
Total borrowings	**659,275**	1,365,382

The borrowings of the Group is secured by way of:

(i) Legal charges and deed of assignment over certain properties, plant and equipment and investment properties of the Company and its subsidiaries;
(ii) Corporate guarantee of the Company;
(iii) Pledge of fixed deposits; and
(iv) Hire purchase assets as disclosed in Note 4(ii) to financial statements.

19. BORROWINGS (Cont'd)

A summary of the effective interest rates and the maturities of the borrowings at the reporting date are as follows:

	Average effective interest rate 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					
2022					
Hire purchase loans	**2.00 to 4.39**	**659,275**	**442,631**	**96,892**	**119,752**
2021					
Bank overdraft	7.64	190,322	190,322	-	-
Hire purchase loans	2.13 to 4.39	1,175,060	509,813	458,960	206,287

20. DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Revaluation surplus				
Balance at beginning	**1,658,123**	1,751,135	**762,841**	811,402
Recognised in profit or loss	**(93,012)**	(93,012)	**(48,561)**	(48,561)
Balance at end	**1,565,111**	1,658,123	**714,280**	762,841
Other temporary differences				
Balance at beginning	**2,605,654**	3,149,919	**1,217,280**	1,621,280
Recognised in profit or loss	**2,643,956**	79,000	**117,911**	(17,000)
	5,249,610	3,228,919	**1,335,191**	1,604,280
(Under)/Over provision in prior year	**(124,806)**	(623,265)	**99,000**	(387,000)
Balance at end	**5,124,804**	2,605,654	**1,434,191**	1,217,280
Total deferred tax liabilities	**6,689,915**	4,263,777	**2,148,471**	1,980,121

20. DEFERRED TAX LIABILITIES (Cont'd)

The recognised deferred tax assets/(liabilities), after appropriate offsetting are as follows:

	GROUP		COMPANY	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Assets:				
Unabsorbed tax losses	**176,000**	239,000	**176,000**	176,000
Unabsorbed capital allowances	**3,782,578**	3,589,154	**962,000**	941,000
Unabsorbed reinvestment allowances	**1,071,190**	1,567,661	**-**	-
Others	**26,250**	33,558	**-**	-
	5,056,018	5,429,373	**1,138,000**	1,117,000
Set-off of tax	**(5,056,018)**	(5,429,373)	**(1,138,000)**	(1,117,000)
	-	-	**-**	-
Liabilities:				
Revaluation surplus	**(1,565,111)**	(1,658,123)	**(714,280)**	(762,841)
Property, plant and equipment	**(9,096,777)**	(7,271,373)	**(2,134,000)**	(2,029,000)
Surplus on fair value of investment properties	**(896,565)**	(763,654)	**(438,191)**	(305,280)
Others	**(187,480)**	-	**-**	-
	(11,745,933)	(9,693,150)	**(3,286,471)**	(3,097,121)
Set-off of tax	**5,056,018**	5,429,373	**1,138,000**	1,117,000
Net deferred tax liabilities	**6,689,915**	4,263,777	**2,148,471**	1,980,121

21. TRADE, OTHER PAYABLES AND PROVISION

	Note	GROUP 2022 RM	(Restated) 2021 RM	(Restated) 1.7.20 RM
Non-current liability:				
Trade payables				
Retention sum payable		**3,388,791**	6,988,489	3,906,571
Current liabilities:				
Trade payables				
Third parties	**21.1**	**19,474,070**	14,284,814	16,086,102
Retention sum payable		**3,776,817**	-	-
		23,250,887	14,284,814	16,086,102
Other payables				
Third parties		**7,035,948**	8,981,359	6,886,138
Accruals		**3,308,759**	1,111,105	1,621,417
Prepayments and deposits received for letting of properties		**2,557,359**	2,569,343	920,607
Deposits received for disposal of investment property		**347,592**	495,607	1,778,995
Amount due to a director of a subsidiary	**21.2**	**6,905,991**	1,765,737	5,525,641
Amount due to a related party	**21.3**	**1,500,000**	2,000,000	2,000,000
		21,655,649	16,923,151	18,732,798
Provision for foreseeable losses		**1,956,268**	-	-
		46,862,804	31,207,965	34,818,900
Total trade, other payables and provision		**50,251,595**	38,196,454	38,725,471

	COMPANY 2022 RM	2021 RM
Other payables		
Third parties	**988,959**	1,726,170
Accruals	**115,500**	73,000
Prepayments and deposits received for letting of properties	**344,592**	344,592
Total trade, other payables and provision	**1,449,051**	2,143,762

21.1 Trade payables

GROUP

The trade payables are non-interest bearing and are normally settled within **30 to 90 days** (2021: 30 to 90 days) credit terms.

21. TRADE, OTHER PAYABLES AND PROVISION (Cont'd)

21.2 Amount due to a director of a subsidiary

GROUP

Included in the amount due to a director of a subsidiary is an amount of **RM5,000,000** (2021: Nil) which is non-trade related, unsecured, repayable on demand and interest bearing at **5%** (2021: Nil) per annum which calculated based on the monthly outstanding balance.

The remaining balance is non-trade related, unsecured and repayable on demand.

21.3 Amount due to a related party

GROUP

The amount is due to a company in which a director of a subsidiary of the Company has substantial financial interest. The amount is unsecured, non-interest bearing and is repayable on demand.

22. REVENUE

Disaggregated revenue information

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Types of goods or services:				
Sale of metal products	**38,498,648**	40,790,225	**-**	-
Shearing services	**5,573,222**	5,105,264	**-**	-
Steel roofing installation work	**1,093,274**	2,114,849	**-**	-
Property development	**71,558,433**	27,163,803	**-**	-
Rental of industrial and commercial assets	**3,059,264**	2,692,176	**2,986,464**	2,668,176
Management fee from subsidiaries	**-**	-	**1,260,000**	1,018,500
	119,782,841	77,866,317	**4,246,464**	3,686,676
Timing of revenue recognition				
Revenue recognised at a point in time	**52,084,734**	60,898,865	**2,986,464**	2,668,176
Revenue recognised over time	**67,698,107**	16,967,452	**1,260,000**	1,018,500
	119,782,841	77,866,317	**4,246,464**	3,686,676
Geographical segments				
Malaysia	**114,203,266**	72,693,155	**4,246,464**	3,686,676
Others	**5,579,575**	5,173,162	**-**	-
	119,782,841	77,866,317	**4,246,464**	3,686,676

23. OTHER INCOME

	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Debt waived by trade and other creditors	**138,444**	-	**-**	-
Deposit forfeited	**80,255**	-	**-**	-
Dividend income	**433,661**	140,630	**-**	-
Fair value gain on other investment	**-**	10,230,970	**-**	-
Gain on disposal of investment property	**100,000**	100,000	**-**	-
Gain on disposal of other investments	**2,142,482**	1,545,403	**-**	-
Gain on disposal of property, plant and equipment	**438,873**	104,353	**-**	61,353
Gain on disposal of land held for development	**-**	177,293	**-**	-
Government incentive	**42,000**	63,600	**-**	-
Interest income	**196,177**	197,646	**93,230**	14,975
Realised gain on foreign exchange	**95,643**	159,056	**-**	-
Rental income from machinery	**132,415**	24,076	**-**	-
Rental income from rental generating properties	**71,048**	254,348	**-**	-
Reversal of expected credit losses on receivables	**204,109**	9,075	**-**	-
Reversal of provision for retirement benefit obligations	**19,574**	-	**-**	-
Others	**1,088,834**	717,390	**-**	-
Unwinding of discounts	**701,431**	-	**-**	-
	5,884,946	13,723,840	**93,230**	76,328

24. EMPLOYEE BENEFITS EXPENSES

	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Wages, salaries and bonus	**10,305,564**	10,024,449	**1,632,239**	1,333,771
Contributions to defined contribution plan	**922,301**	907,706	**184,995**	149,231
Employment insurance system	**9,799**	9,479	**1,129**	1,036
Social security contributions	**88,232**	92,224	**11,324**	10,318
Other benefits	**346,379**	375,785	**109,573**	86,879
	11,672,275	11,409,643	**1,939,260**	1,581,235

24. EMPLOYEE BENEFITS EXPENSES (Cont'd)

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration as disclosed below.

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Executive directors:				
Directors of the Company				
Salaries and other emoluments	**1,012,500**	1,320,950	**660,200**	554,040
Defined contribution plans	**121,540**	152,487	**79,224**	66,540
	1,134,040	1,473,437	**739,424**	620,580
Directors of subsidiaries:				
Salaries and other emoluments	**750,000**	224,000	**-**	-
Defined contribution plans	**77,745**	29,120	**-**	-
	827,745	253,120	**-**	-
Total executive directors' remuneration	**1,961,785**	1,726,557	**739,424**	620,580

The remuneration of non-executive directors of the Group and of the Company are disclosed below:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-executive directors:				
Directors of the Company				
Directors' fee	**270,000**	225,000	**270,000**	225,000
Allowances	**118,000**	73,000	**118,000**	73,000
Total non-executive directors' remuneration	**388,000**	298,000	**388,000**	298,000
Total executive and non-executive directors' remuneration	**2,349,785**	2,024,557	**1,127,424**	918,580
Represented by:				
Present directors	**2,321,745**	1,807,577	**1,116,000**	701,600
Past directors	**28,040**	216,980	**11,424**	216,980
	2,349,785	2,024,557	**1,127,424**	918,580

25. DEPRECIATION

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Depreciation on:				
- property, plant and equipment	**3,074,872**	3,352,238	**163,362**	178,675
- right-of-use assets	**147,602**	76,719	**-**	-
	3,222,474	3,428,957	**163,362**	178,675

26. FINANCE COSTS

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Interest expenses on:				
- bank overdraft	**5,123**	31,524	**-**	-
- hire purchase loans	**56,854**	71,953	**-**	2,602
- interest charged on loan from a subsidiary's director	**140,253**	-	**-**	-
- lease liabilities	**20,040**	3,379	**-**	-
- term loan	**-**	73,814	**-**	73,814
	222,270	180,670	**-**	76,416

27. PROFIT/(LOSS) BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
After charging:				
Allowance for expected credit losses on receivables	**810,542**	528,573	**-**	-
Allowance for expected credit losses on amount due from a subsidiary	**-**	-	**6,574,247**	11,412,248
Audit fee				
- Statutory audit				
- Company's auditor				
- current year	**232,500**	156,000	**70,000**	45,000
- under provision in prior year	**-**	1,000	**25,000**	-
- Other auditors				
- current year	**12,600**	62,200	**-**	-
- under/(over) provision in prior year	**25,100**	(1,503)	**-**	-
- Other services				
- Company's auditor	**8,500**	3,000	**5,000**	3,000
- under provision in prior year	**3,000**	-	**3,000**	-
- Other auditors	**-**	6,000	**-**	-
Bad debts written off	**22,700**	1,477,010	**-**	22,700
Expenses relating to short term leases	**110,600**	222,000	**-**	-
Expenses relating to lease of low value assets	**107,892**	262,708	**-**	-
Fair value loss on other investments	**7,417,473**	-	**-**	-
Fair value loss on investment properties	**753,778**	258,480	**753,778**	258,480
Goodwill impairment	**-**	261,312	**-**	-
Impairment losses on property, plant and equipment	**892,912**	-	**-**	-
Inventories written down	**281,977**	389,502	**-**	-
Loss on disposal of property, plant and equipment	**378,906**	239	**3,247**	-
Property, plant and equipment written off	**285**	1	**-**	-
Realised loss on foreign exchange	**-**	584	**-**	-
Reversal of inventories written down	**(64,309)**	(27,070)	**-**	-

28. TAX EXPENSE

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Malaysian income tax:				
Based on results for the financial year				
Current tax	**(4,659,750)**	(1,436,924)	**(267,000)**	(51,000)
Deferred tax relating to the origination and reversal of temporary differences	**(164,291)**	13,012	**(69,350)**	65,561
	(4,824,041)	(1,423,912)	**(336,350)**	14,561
Under provision in prior years				
- Current tax	**(292,693)**	(3,369,584)	**11,204**	(3,428,476)
- Deferred tax	**(1,444,166)**	624,265	**(99,000)**	387,000
	(1,736,859)	(2,745,319)	**(87,796)**	(3,041,476)
Real property gains tax	**(14,200)**	-	**-**	-
	(6,575,100)	(4,169,231)	**(424,146)**	(3,026,915)

The reconciliation of tax expense of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Profit/(Loss) before tax	**10,473,626**	5,030,384	**(7,058,787)**	(18,399,606)
Income tax at Malaysian statutory tax rate of 24%	**(2,513,671)**	(1,207,292)	**1,694,109**	4,415,905
Income not subject to tax	**544,529**	2,568,268	**-**	12,589
Expenses not deductible for tax purposes	**(2,057,671)**	(2,080,846)	**(1,946,109)**	(4,462,494)
Net deferred tax assets not recognised	**(757,329)**	(797,054)	**-**	-
Deferred tax liabilities on fair value adjustment	**(132,911)**	-	**(132,911)**	-
Annual crystallisation of deferred tax on revaluation	**93,012**	93,012	**48,561**	48,561
	(4,824,041)	(1,423,912)	**(336,350)**	14,561
Under provision in prior years	**(1,736,859)**	(2,745,319)	**(87,796)**	(3,041,476)
Real property gains tax	**(14,200)**	-	**-**	-
	(6,575,100)	(4,169,231)	**(424,146)**	(3,026,915)

28. TAX EXPENSE (Cont'd)

The deferred tax assets which have not been recognised are represented by net temporary differences arising from:

	GROUP	
	2022 RM	2021 RM
Unabsorbed tax losses	**(67,289,216)**	(66,202,313)
Unabsorbed reinvestment allowance	**(4,374,855)**	(2,306,224)
	(71,664,071)	(68,508,537)

Deferred tax assets have not been recognised on the above temporary differences as the management is unable to determine whether the subsidiaries concerned will be able to generate chargeable income in the foreseeable future to the extent that the above deductible temporary differences can be utilised.

The amount and future availability of unabsorbed tax losses and 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	
	2022 RM	2021 RM	2022 RM	2021 RM
Unabsorbed tax losses	**68,023,990**	66,937,087	**734,774**	734,774
Unabsorbed capital allowances	**15,759,577**	14,526,818	**4,007,166**	3,919,866
Unabsorbed reinvestment allowance	**8,838,146**	8,838,146	**-**	-

The unabsorbed reinvestment allowance will expire at the end of the seventh consecutive year of assessment commencing immediately after the expiry of the reinvestment allowance claim eligibility period of 15 years pursuant to the gazetted Finance Act 2018. The unabsorbed reinvestment allowance will expire in the year of assessment 2025.

The unabsorbed tax losses which were previously allowed to utilised for seven (7) consecutive years (''YAs") effective from YA 2019 was extended to ten (10) consecutive YAs during the financial year. The unabsorbed capital allowances can be carried forward indefinitely.

28. TAX EXPENSE (Cont'd)

The expiry of the unabsorbed tax losses and unabsorbed reinvestment allowance of the Group and of the Company are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Unabsorbed tax losses				
Year of assessment 2025	**-**	61,895,401	**-**	-
Year of assessment 2026	**-**	426,184	**-**	-
Year of assessment 2027	**-**	4,250,344	**-**	-
Year of assessment 2028	**61,819,940**	365,158	**-**	734,774
Year of assessment 2029	**425,844**	-	**-**	-
Year of assessment 2030	**4,250,344**	-	**-**	-
Year of assessment 2031	**807,618**	-	**-**	-
Year of assessment 2032	**720,244**	-	**734,774**	-
	68,023,990	66,937,087	**734,774**	734,774

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Unabsorbed reinvestment allowance				
Year of assessment 2025	**8,838,146**	8,838,146	**-**	-

29. EARNINGS/(LOSS) PER SHARE

GROUP

29.1 Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit/(loss) attributable to owners of the Company and on the weighted average number of shares in issue during the financial year, excluding treasury shares.

	GROUP	
	2022 RM	2021 RM
Profit/(Loss) for the financial year (RM)	**750,071**	(132,612)
Weighted average number of shares	**220,927,593**	213,396,106
Basic earnings/(loss) per share (sen)	**0.36**	(0.06)

29. EARNINGS/(LOSS) PER SHARE (Cont'd)

GROUP (Cont'd)

29.2 Diluted earnings/(loss) per share

The diluted earnings/(loss) per share of the Group is calculated by dividing the profit/(loss) for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year adjusted to assume conversion of all dilutive potential ordinary shares arising from warrants, ICPS, ICULS and share options granted to employees and directors as follows:

	GROUP	
	2022 RM	2021 RM
Profit/(Loss) for the financial year (RM)	**750,071**	(132,612)
Weighted average number of shares	**220,927,593**	213,396,106
Diluted earnings/(loss) per share (sen)	**0.36**	(0.06)

As at the reporting date, the issued convertible instruments were anti-dilutive as the conversion/exercise price were higher than the prevailing mother share price.

30. 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 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.

30. SEGMENTAL INFORMATION (Cont'd)

Business segments (Cont'd)

	Manufacturing 2022 RM	Manufacturing 2021 RM	Trading 2022 RM	Trading 2021 RM	Property development 2022 RM	Property development 2021 RM	Others 2022 RM	Others 2021 RM	Elimination 2022 RM	Elimination 2021 RM	Note	Total 2022 RM	Total 2021 RM
Revenue													
External sales	**44,037,524**	46,426,483	**917,553**	1,583,855	**71,558,433**	27,163,803	**3,269,331**	2,692,176	**-**	-		**119,782,841**	77,866,317
Inter-segment sales	**119,365**	246,573	**112,624**	-	**-**	-	**1,260,000**	1,018,500	**(1,491,989)**	(1,265,073)	A	**-**	-
Total revenue	**44,156,889**	46,673,056	**1,030,177**	1,583,855	**71,558,433**	27,163,803	**4,529,331**	3,710,676	**(1,491,989)**	(1,265,073)		**119,782,841**	77,866,317
Results													
Segment results	**10,805**	(2,263,963)	**80,292**	(1,052,353)	**15,813,010**	4,804,989	**(12,523,617)**	(7,626,201)	**7,119,229**	11,150,936		**10,499,719**	5,013,408
Interest income	**13,188**	4,165	**1,532**	4,459	**84,188**	93,260	**97,269**	95,762	**-**	-		**196,177**	197,646
Interest expense	**(61,282)**	(88,380)	**(19,927)**	(13,482)	**(141,061)**	(2,392)	**-**	(76,416)	**-**	-		**(222,270)**	(180,670)
Tax expense	**(629,383)**	(119,619)	**-**	-	**(3,911,888)**	(1,299,408)	**(464,857)**	(2,750,204)	**(1,568,972)**	-		**(6,575,100)**	(4,169,231)
Profit/(Loss) for the financial year	**(666,672)**	(2,467,797)	**61,897**	(1,061,376)	**11,844,249**	3,596,449	**(12,891,205)**	(10,357,059)	**5,550,257**	11,150,936		**3,898,526**	861,153
Assets													
Segment assets	**80,231,595**	81,361,329	**22,882,896**	23,308,830	**187,814,064**	158,295,886	**457,080,159**	447,947,840	**(330,459,348)**	(316,363,429)		**417,549,366**	394,550,456
Current tax assets	**305,246**	1,006,833	**657**	-	**349,294**	1,480,154	**219,456**	10,323	**-**	-		**874,653**	2,497,310
Fixed deposits with licensed banks	**-**	-	**-**	-	**3,757,473**	3,689,280	**189,197**	640,151	**-**	-		**3,946,670**	4,329,431
Cash and bank balances	**7,136,450**	5,441,668	**141,105**	314,124	**5,044,046**	3,241,955	**2,593,029**	10,603,841	**-**	-		**14,914,630**	19,601,588
Total assets	**87,673,291**	87,809,830	**23,024,658**	23,622,954	**196,964,877**	166,707,275	**460,081,841**	459,202,155	**(330,459,348)**	(316,363,429)		**437,285,319**	420,978,785
Liabilities													
Segment liabilities	**38,528,681**	38,165,428	**42,846,395**	42,293,960	**119,540,005**	103,378,785	**133,613,112**	121,418,939	**(282,145,644)**	(261,705,812)		**52,382,549**	43,551,300
Deferred tax liabilities	**1,480,831**	1,819,282	**199,609**	199,609	**215,586**	6,000	**2,407,236**	2,238,886	**2,386,653**	-		**6,689,915**	4,263,777
Current tax liabilities	**-**	-	**-**	1,190	**70,871**	19,570	**3,036**	1,599,566	**(29,000)**	(29,000)		**44,907**	1,591,326
Borrowings	**282,538**	786,210	**376,737**	579,172	**-**	-	**-**	-	**-**	-		**659,275**	1,365,382
Total liabilities	**40,292,050**	40,770,920	**43,422,741**	43,073,931	**119,826,462**	103,404,355	**136,023,384**	125,257,391	**(279,787,991)**	(261,734,812)		**59,776,646**	50,771,785
Other information													
Additions to non-current assets	**218,148**	934,744	**-**	3,110	**160,390**	11,097	**1,914,829**	5,013,509	**-**	-	B	**2,293,367**	5,962,460
Depreciation	**2,479,239**	2,685,816	**269,320**	165,791	**73,278**	96,630	**400,637**	480,720	**-**	-		**3,222,474**	3,428,957
Non-cash expenses/(income) other than depreciation	**1,934,155**	2,352,532	**-**	-	**(716,144)**	1	**5,531,340**	(11,626,827)	**-**	-	C	**6,749,351**	(9,274,294)

30. SEGMENTAL INFORMATION (Cont'd)

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	
	2022 RM	2021 RM
Allowance for expected credit losses on receivables	**810,542**	528,573
Bad debts	**22,700**	1,477,010
Debts waived by trade and other creditors	**(138,444)**	-
Employees retirement benefits obligation	**-**	4,753
Fair value loss on investment properties	**753,778**	258,480
Fair value loss/(gain) on other investments	**7,417,473**	(10,230,970)
Gain on disposal of investment properties	**(100,000)**	(100,000)
Gain on disposal of land held for development	**-**	(177,293)
Gain on disposal of other investments	**(2,142,482)**	(1,545,403)
Gain on disposal of property, plant and equipment	**(59,967)**	(104,114)
Impairment losses on property, plant and equipment	**892,912**	-
Impairment of goodwill	**-**	261,312
Inventories written down	**281,977**	389,502
Property, plant and equipment written off	**285**	1
Reversal of expected credit losses on receivables	**(204,109)**	(9,075)
Reversal of inventories written down	**(64,309)**	(27,070)
Reversal of provision for retirement benefit obligations	**(19,574)**	-
Unwinding of discounts	**(701,431)**	-
	6,749,351	(9,274,294)

30. SEGMENTAL INFORMATION (Cont'd)

Business segments (Cont'd)

Notes to segment information: (Cont'd)

C Other non-cash expenses/(income) consist of the following items: (Cont'd)

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	
	2022 RM	2021 RM
Malaysia	**114,203,266**	72,693,155
Others	**5,579,575**	5,173,162
	119,782,841	77,866,317

	Non-current assets		
	2022 RM	(Restated) 2021 RM	(Restated) 1.7.20 RM
Malaysia	**197,811,314**	188,375,816	185,358,807

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:

	Non-current assets		
	2022 RM	(Restated) 2021 RM	(Restated) 1.7.20 RM
Property, plant and equipment	**63,091,352**	66,469,386	63,997,054
Right-of-use assets	**308,167**	29,082	105,801
Inventory properties	**70,413,479**	57,077,348	57,694,640
Investment properties	**64,661,000**	64,800,000	63,300,000
	198,473,998	188,375,816	185,097,495

Information about major customers

There is no major customer which contributed more than 10% of the Group revenue during the financial year.

31. 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.

	COMPANY 2022 RM	COMPANY 2021 RM
Management fee received from subsidiaries	**1,260,000**	1,018,500
Net of payment on behalf, advances and repayment by subsidiaries	**4,090,138**	4,900,564

	GROUP 2022 RM	GROUP 2021 RM
Transactions with a director of a subsidiary		
- Loan from a director	**5,000,000**	-
- Interest charged on loan from a director	**140,253**	-

(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	
	2022 RM	2021 RM	2022 RM	2021 RM
Executive Directors (Note 24)	**1,961,785**	1,726,557	**739,424**	630,080
Other key management personnel:				
- Salaries and allowances	**186,000**	127,340	**186,000**	127,340
- Defined contribution plan	**22,320**	15,312	**22,320**	15,312
	208,320	142,652	**208,320**	142,652
	2,170,105	1,869,209	**947,744**	772,732

Key management personnel is 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.

32. COMMITMENTS

(i) Capital commitment

	GROUP AND COMPANY	
	2022 RM	2021 RM
Contracted but not provided for:		
- Property, plant and equipment	**1,079,721**	-
- Investment properties (Renovation)	**449,778**	179,000
	1,529,499	179,000

(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	
	2022 RM	2021 RM
Within 1 year	**3,216,192**	1,378,368

33. FINANCIAL INSTRUMENTS

33.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost (“AC”) and fair value through profit or loss (“FVTPL”).

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
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**
Financial liabilities			
Trade and other payables	**48,295,327**	**48,295,327**	**-**
Borrowings	**659,275**	**659,275**	**-**
	48,954,602	**48,954,602**	**-**

33. FINANCIAL INSTRUMENTS (Cont'd)

33.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM
COMPANY			
Financial assets			
Other receivables	**193,639,068**	**193,639,068**	**-**
Fixed deposits with licensed banks	**189,197**	**189,197**	**-**
Other investments	**565,066**	**-**	**565,066**
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**	**-**
GROUP			
2021			
Financial assets			
Trade and other receivables*	22,303,556	22,303,556	-
Other investments	31,189,404	-	31,189,404
Fixed deposits with licensed banks	4,329,431	4,329,431	-
Cash and bank balances	19,601,588	19,601,588	-
	77,423,979	46,234,575	31,189,404

* The trade and other receivables presented above are excluding prepayment, advance to suppliers and GST receivable.

33. FINANCIAL INSTRUMENTS (Cont'd)

33.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM
Financial liabilities			
Trade and other payables	38,196,054	38,196,054	-
Borrowings	1,365,382	1,365,382	-
	39,561,436	39,561,436	-
COMPANY			
2021			
Financial assets			
Other receivables	194,876,132	194,876,132	-
Fixed deposits with licensed banks	640,151	640,151	-
Cash and bank balances	7,447,591	7,447,591	-
	202,963,874	202,963,874	-
Financial liabilities			
Other payables	2,143,762	2,143,762	-

33.2 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 and 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.

33.3 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 advances to its subsidiaries and financial guarantees given.

(i) Trade receivables

The Group generally extends to existing customers credit terms that range between 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 subjects 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.

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.

33. FINANCIAL INSTRUMENTS (Cont'd)

33.3 Credit risk (Cont'd)

(i) Trade receivables (Cont'd)

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 country risk assessment has been incorporated in determining the expected credit losses. The ECL calculated by the Company 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
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	**4,038,399**	**(4,038,399)**	**-**
	30,704,539	**(4,038,399)**	**26,666,140**
2021			
Not past due	3,805,148	-	3,805,148
Past due 1 - 30 days	4,132,605	-	4,132,605
Past due 31 - 60 days	4,532,222	-	4,532,222
Past due 61 - 90 days	550,137	-	550,137
Past due more than 90 days	2,989,778	-	2,989,778
	12,204,742	-	12,204,742
Individually impaired	3,431,967	(3,431,967)	-
	19,441,857	(3,431,967)	16,009,890

33. FINANCIAL INSTRUMENTS (Cont'd)

33.3 Credit risk (Cont'd)

(i) Trade receivables (Cont'd)

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 **RM14,408,415** (2021: RM12,204,742) 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.

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 subsidiary is not recoverable. Hence, an allowance for expected credit losses has been provided for as disclosed in Note 9 to the financial statements.

(iii) Financial guarantees

The Company provides unsecured financial guarantees to banks and third parties in respect of banking facilities granted to and supply of goods 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	
	2022 RM	2021 RM
Guarantees given to financial institutions for credit facilities granted to certain subsidiaries	**282,679**	954,454

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.

Financial guarantees have not been recognised since the fair value on initial recognition was not material.

33.4 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.

33. FINANCIAL INSTRUMENTS (Cont'd)

33.4 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					
2022					
Non-derivative financial liabilities					
Interest bearing 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**
2021					
Non-derivative financial liabilities					
Interest bearing borrowings	1,365,382	1,458,128	745,472	482,152	230,504
Lease liabilities	29,739	30,600	30,600	-	-
Trade and other payables	38,196,054	38,196,054	38,196,054	-	-
	39,591,175	39,684,782	38,972,126	482,152	230,504

33. FINANCIAL INSTRUMENTS (Cont'd)

33.4 Liquidity risk (Cont'd)

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM
COMPANY			
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**
2021			
Non-derivative financial liabilities			
Other payables	2,143,762	2,143,762	2,143,762
Financial guarantees *	-	954,454	954,454
	2,143,762	3,098,216	3,098,216

* This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystalised.

33.5 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's and the Company's floating rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

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	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed rate instruments				
Financial assets	**3,946,670**	4,329,431	**189,197**	640,151
Financial liabilities	**5,659,275**	1,175,060	**-**	-
Floating rate instruments				
Financial liabilities	**-**	190,322	**-**	-

33. FINANCIAL INSTRUMENTS (Cont'd)

33.5 Interest rate risk (Cont'd)

Fair value 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.

Cash flow sensitivity analysis for variable rate instruments

An increase of 25 basis point at the end of the reporting period would have decreased profit before tax and equity by the amount shown below and a corresponding decrease would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
Decrease in profit before tax	**-**	1,032	**-**	-
Decrease in equity	**-**	1,032	**-**	-

33.6 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 currencies giving rise to this risk is US Dollar and Singapore Dollar.

Sensitivity analysis for foreign currency risk

Below demonstrates 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 decreased the profit before tax and equity by the amount shown below and a corresponding weakening would have an equal but opposite effect.

	GROUP	
	2022 RM	2021 RM
US Dollar	**5**	28,162
Singapore Dollar	**37,000**	23,295
Decrease in profit before tax	**37,005**	51,457
Decrease in equity	**28,124**	39,107

34. FAIR VALUE MEASUREMENT

34.1 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.

The fair values of financial assets that are quoted in an active market are determined by reference to the quoted closing price at the end of the reporting period.

Financial assets measured at fair value in the statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as disclosed in Note 2.2.

(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.

The fair value of investment properties of which a valuation is carried out, the land is valued by reference to transactions of similar land in the surrounding vicinity with adjustments made for differences in location, size, terrain, restrictive covenants, if any and other relevant characteristics. The buildings are valued by taking into consideration the replacement cost to construct a similar building, based on market prices for materials, labour and contractor's overhead. From this total, depreciation is then deducted using an appropriate rate to reflect the condition of the building.

For investment properties of which no valuation is carried out by an independent professional valuer, the Group determines the fair values of its investment properties by reference to the selling price of recent transactions and asking prices of similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, size, present market trends and other differences. The directors of the Group believe that assessments made by the management are appropriate in determining the fair value of the Group's investment properties as there have been no significant changes to the market value of the Group's investment properties during the financial year.

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					
2022					
Investment properties	**-**	**-**	**64,661,000**	**64,661,000**	**64,661,000**
2021					
Investment properties	-	-	64,800,000	64,800,000	64,800,000

34. FAIR VALUE MEASUREMENT (Cont'd)

34.1 Fair value measurement of financial instruments (Cont'd)

(a) Non-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					
2022					
Investment properties	**-**	**-**	**31,103,297**	**31,103,297**	**31,103,297**
2021					
Investment properties	-	-	31,103,297	31,103,297	31,103,297

The amount included in profit or loss of the Group and of the Company for fair value loss on Level 3 assets are disclosed in Note 27 to the financial statements respectively.

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.

34. FAIR VALUE MEASUREMENT (Cont'd)

34.1 Fair value measurement of financial instruments (Cont'd)

(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					
2022					
Financial asset					
Other investments	**20,096,981**	**-**	**-**	**20,096,981**	**20,096,981**
2021					
Financial asset					
Other investments	31,189,404	-	-	31,189,404	31,189,404
COMPANY					
2022					
Financial asset					
Short-term investments	**565,066**	**-**	**-**	**565,066**	**565,066**

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.

35. 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.

35. CAPITAL MANAGEMENT (Cont'd)

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	
	2022 RM	2021 RM	2022 RM	2021 RM
Total equity	**377,508,673**	370,207,000	**309,829,532**	307,733,320
Borrowings	**659,275**	1,365,382	**-**	-
Debt-to-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.

36. 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 expiring 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.

36. EMPLOYEES SHARE OPTIONS SCHEME ("ESOS") (Cont'd)

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 1.7.2021	Exercised	Lapsed	Balance at 30.6.2022
9.10.2013	RM0.87	640,514	-	(82,507)	558,007
14.10.2014	RM0.87	180,779	-	(20,513)	160,266
15.2.2016	RM0.87	1,616,562	-	(183,454)	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, 2,056,915 ESOS remained unexercised has lapsed upon the expiry of the ESOS.

37. EVENTS DURING AND AFTER THE REPORTING PERIOD

Private Placement Exercise ("Private Placement")

During the financial year, the Company had obtained approval from Bursa Malaysia Securities Berhad ("Bursa Malaysia") for the listing of and quotation for up to 153,328,000 new ordinary shares to be issued pursuant to the Private Placement. On 3 January 2022, the Company had completed its first tranche of Private Placement with the issuance of 7,419,500 new ordinary shares at an issue price of RM0.405 per ordinary share.

On 25 January 2022, the Company had submitted an application to Bursa Malaysia seeking its approval for an extension of time of 6 months until 18 August 2022 for the Company to complete the implementation of its Private Placement and the approval was obtained on 28 January 2022.

On 15 August 2022, the Company issued 16,076,500 new ordinary shares pursuant to the second and final tranche of Private Placement at an issue price of RM0.29 per ordinary share. The implementation of the Private Placement was completed on 18 August 2022 with a total of 23,496,000 ordinary shares issued.

38. COMPARATIVE FIGURES

The following comparative figures were adjusted to comform to current year's presentation:

(i) Reclassification of the property development costs to land held for development as those development projects are not expected to commence its construction for the next 12 months;

(ii) Reclassification of property development cost to contract costs in relation to cost incurred to fulfill the contracts with customers for those units sold but yet to charge to profit or loss;

(iii) Trade and other receivables and trade, other payables and provision are offset as there is a legally enforceable right to offset and there is an intention to settle on a net basis;

(iv) Reclassification of the retention sum payables from current liabilities to non-current liabilities as certain portion of the retention sum will not due within the next 12 months; and

(v) Reclassification of costs to obtain contract which were previously included under other operating expense to property development cost.

The effects of the above reclassifications to the financial statements of the Group are as follows:

	Note	As previously stated RM	Reclassification RM	Restated RM
Consolidated statement of financial position				
As at 30 June 2021				
Non-current assets				
Inventories properties	(i)	47,708,297	9,369,051	57,077,348
Current assets				
Inventories properties	(i), (ii)	160,642,008	(10,571,554)	150,070,454
Trade and other receivables	(iii)	27,221,285	(3,754,903)	23,466,382
Contract costs	(ii)	-	1,202,503	1,202,503
Non-current liabilities				
Trade, other payables and provision	(iv)	-	6,988,489	6,988,489
Current liabilities				
Trade, other payables and provision	(iii), (iv)	41,951,357	(10,743,392)	31,207,965

38. COMPARATIVE FIGURES (Cont'd)

The effects of the above reclassifications to the financial statements of the Group are as follows: (Cont'd)

	Note	As previously stated RM	Reclassification RM	Restated RM
Consolidated statement of financial position				
As at 1 July 2020				
Non-current assets				
Inventories properties	(i)	48,647,629	9,047,011	57,694,640
Current assets				
Inventories properties	(i), (ii)	137,436,006	(10,370,924)	127,065,082
Contract costs	(ii)	-	1,323,913	1,323,913
Non-current liabilities				
Trade, other payables and provision	(iv)	-	3,906,571	3,906,571
Current liabilities				
Trade, other payables and provision	(iv)	38,725,471	(3,906,571)	34,818,900
Consolidated statement of comprehensive income				
For the financial year ended 30 June 2021				
Property development cost	(v)	(19,232,803)	(856,921)	(20,089,724)
Other operating expenses	(v)	(22,641,628)	856,921	(21,784,707)

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安達環球集團有限公司
ATTA GLOBAL GROUP BERHAD
Registration No.: 198101012950 (79082-V)
(Incorporated in Malaysia)

FORM OF PROXY

No. of shares held	
CDS A/C No.	
Telephone No.	

I/We ____ (FULL NAME IN BLOCK CAPITALS)

NRIC No./Company No. ____________________________ of ____________________________

____ (FULL ADDRESS)

being a member of 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-First (41st) Annual General Meeting of the Company to be held on 14 December 2022 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	Mr. Goh Chin Heng		
4	Ms. Loh Yee Sing		
5	The re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors and authority to Directors to fix their remuneration		
	Special Business		
6	Authority to allot and issue shares in general pursuant to Section 76 of the Companies Act, 2016		
7	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 6 December 2022 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.

Please fold across the line and close

AFFIX STAMP
(Within Malaysia)

To

The Share Registrar
ATTA GLOBAL GROUP BERHAD
[198101012950 (79082-V)]

11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

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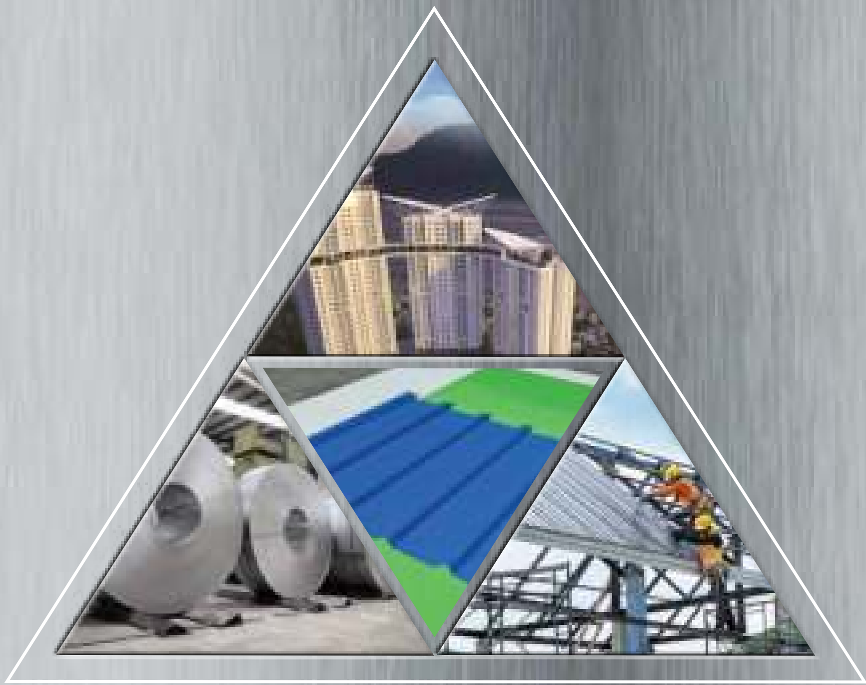

ATTA GLOBAL GROUP BERHAD
Registration No:. 198101012950 (79082-V)

No. 17, Jalan Perusahaan Sungai Lokan 3,
Taman Industri Sungai Lokan,
13800 Butterworth,
Pulau Pinang, Malaysia

Tel : +604 685 7324
Fax : +604 685 7306

www.attaglobalgroup.com