

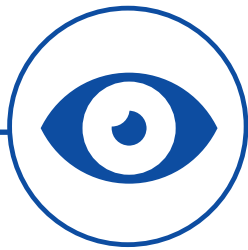


ANZO HOLDINGS BERHAD
安 卓 控 股 有 限 公 司
Registration No. 197701005955 (36998-T)



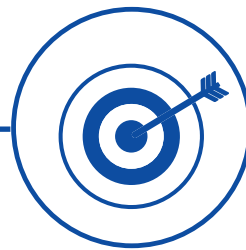
ANNUAL REPORT 2021

Vision & Mission



Vision

To be recognised as the premier integrated Contractors, Trading and Timber Service Provider in Malaysia and to successfully diversify our current scope of business.



Mission

Through a culture of Teamwork and Innovation, we shall strive to provide customers with quality services in a timely manner, generating wealth to our employees and shareholders.





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Independent Non-Executive Chairman

Dato' Seri Abdul Azim Bin Mohd Zabidi

Managing Director

Datuk Chai Woon Chet

Independent Non-Executive Directors

Chong Khing Chung
Low Poh Seong

AUDIT COMMITTEE

Low Poh Seong (Chairman)
Dato' Seri Abdul Azim Bin Mohd Zabidi
Chong Khing Chung

NOMINATION AND REMUNERATION COMMITTEE

Chong Khing Chung (Chairman)
Dato' Seri Abdul Azim Bin Mohd Zabidi
Low Poh Seong

COMPANY SECRETARY

Tan Tong Lang
(MAICSA 7045482 / SSM PC No. 201908002253)

PRINCIPAL PLACE OF BUSINESS

Lot 450, Jalan Papan
Pandamaran Industrial Area
42000 Port Klang,
Selangor Darul Ehsan
Tel No.: (6013) 866 6872
Website : www.anzo.com.my

INVESTOR RELATIONS

Email: anzoholdings@gmail.com
Tel No.: (603) 6143 8899
Website : www.anzo.com.my

REGISTERED OFFICE

Level 5, Block B
Dataran PHB, Saujana Resort
Section U2
40150 Shah Alam, Selangor
Tel No.: (603) 7890 0638
Fax No.: (603) 7890 1032

SHARE REGISTRAR

Shareworks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas
50480 Kuala Lumpur
Tel No.: (603) 6201 1120
Fax No.: (603) 6201 3121

PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank Berhad
Public Bank Berhad
Hong Leong Bank Berhad
RHB Bank Berhad

AUDITORS

Messrs. CAS Malaysia PLT
(AF 1476) & (LLP0009918-LCA)
B-5-1, IOI Boulevard
Jalan Kenari 5
Bandar Puchong Jaya
47170 Puchong, Selangor
Tel No.: (603) 8075 2300
Fax No.: (603) 8600 5463

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Name : ANZO
Stock Code : 9342

Warrant B : ANZO-WB
Stock Code : 9342WB

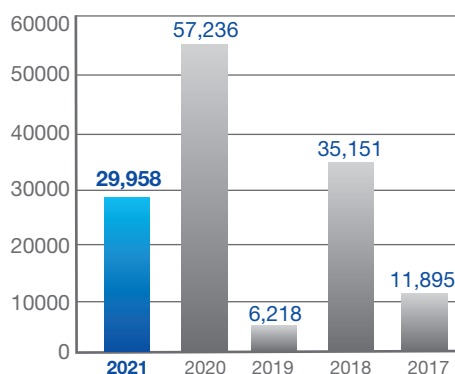
FINANCIAL HIGHLIGHTS

	Financial Year Ended				
	30-Sep-21 ⁵	30-Sep-20 ⁴	31-Jul-19	31-Jul-18 ^{2,3}	31-Mar-17 ¹
Turnover (RM'000)	29,958	57,236	6,218	35,151	11,895
Loss before tax (RM'000)	(24,411)	(9,166)	(3,537)	(6,019)	(4,849)
Tax (RM'000)	78	91	78	102	125
Loss after tax (RM'000)	(24,333)	(9,076)	(3,459)	(5,917)	(4,724)
Share Capital (RM'000)	156,574	139,609	138,754	138,754	31,049
Net Assets (RM'000)	127,408	134,776	143,137	146,596	41,991
Net Assets per shares (sen)	11.41	15.09	16.25	16.64	14.04
Net Earning Per shares (sen)	(2.33)	(1.03)	(0.39)	(0.77)	(1.58)

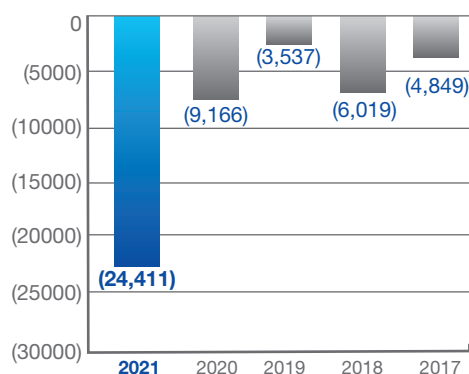
Note:

1. The Company had implemented capital reduction during FY 2017 by reducing the par value of ordinary share from RM0.25 per share to RM0.10 per share. As a result, the issued and paid up share capital was reduced from RM74.04 million to RM29.62 million. The resulting credit arising from the capital reduction was used to reduce the Company's accumulated losses by RM37.70 million.
2. The Company had completed its Right Issue by issuing 480,001,537 new ordinary shares at issue price of RM0.20 each on the basis of six (6) right shares and three (3) free warrants for every four (4) existing shares held on 25 May 2017. The above right issue had increased the issue and paid up share capital by RM96.4 million.
3. In FY 2018, the Company had changed its financial year end from 31 March to 31 July on 27 April 2018.
4. In FY 2020, the Company had changed its financial year end from 31 July to 30 September on 16 July 2019.
5. In FY 2021, the Company had completed its Private Placement by issuing 223,232,700 new ordinary shares at issue price of RM0.076 each. The above private placement has increased the issue and paid up share capital by RM17 million.

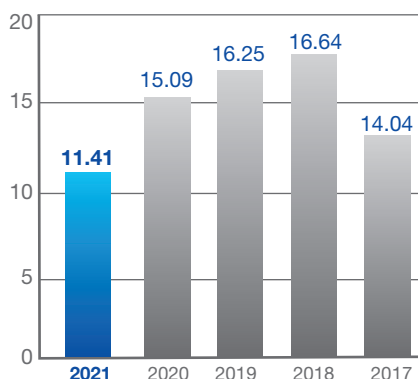
TURNOVER (RM'000)



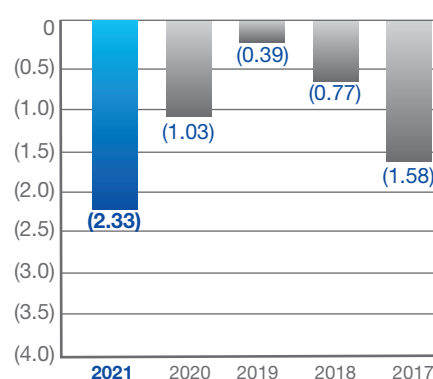
LOSS BEFORE TAXATION (RM'000)



NET ASSETS PER SHARE (Sen)



NET EARNING PER SHARE (RM'000)



DIRECTORS' PROFILE



**DATO' SERI ABDUL AZIM
BIN MOHD ZABIDI**
Independent Non-Executive Chairman

Dato' Seri Abdul Azim Bin Mohd Zabidi, a Malaysian male, joined the Board as Independent Non-Executive Director on 22 May 2015 and re-designated as the Chairman of Anzo Holdings Berhad ("Anzo") since 2 October 2015. He is presently a member of Audit Committee and Nomination and Remuneration Committee of Anzo.

Dato' Seri Azim graduated with a Master of Arts in Business Law from the London Metropolitan University, United Kingdom in 1983. He is also a Fellow of The Chartered Institute of Secretaries and Administrators, United Kingdom.

Aged 62, Dato' Seri Azim was Chairman of Bank Simpanan Nasional (BSN), Malaysia's National Savings Bank, a position he held for 10 years from 1999 – 2009. He had quickly risen through the ranks of the Malaysian financial industry, having started his banking career in 1984.

Growing from his work with BSN, Dato' Seri Azim was also active in the work undertaken by the Brussels based World Savings Banks Institute (WSBI). In 2000, he was appointed President (Asia Pacific) for WSBI and in 2003, he was elevated to its Board of Directors. In 2007, he became the first non-European since WSBI's inception, to be appointed to the dual post of Vice President and Treasurer.

A long association with the unit trusts/mutual funds and fund management industry culminated in Dato' Seri Azim's election as President of the Federation of Malaysian Unit Trust Managers, a post he held from 1998 to 2003. During this period, he was appointed Member of the Board of Directors of the International Investment Funds Association (IIFA), with headquarters in Montreal, Canada, a post he relinquished in 2008. The year prior to that, he was also appointed Chairman of the Board's Audit Committee.

His love for the arts and being an avid collector of Malaysian art works saw him being appointed Chairman of the Board of Trustees of the National Art Gallery, Malaysia in March 2009 until 2010.

In the field of sports, he was appointed Chairman of the National Sports Institute in May 2017 and subsequent to that appointed Malaysia's Chef-de-Mission to the Asian Games 2018 in Jakarta and Palembang, Indonesia. On 5 May 2018, Dato' Seri Azim was elected Deputy President of the Olympic Council of Malaysia.

He now sits on numerous local and foreign Boards of Companies, both public and private, amongst which are XOX Berhad, LYC Healthcare Berhad, Fintec Global Berhad and Seacera Group Berhad.

He has no relationship with any other Directors or Major Shareholders of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past five (5) years other than traffic offence, if any.

Directors' Profile *(Cont'd)*



DATUK CHAI WOON CHET
Managing Director

Datuk Chai Woon Chet, a Malaysian male, aged 43, was appointed to the Board of Anzo on 22 May 2015 as Managing Director of the Company. He has been overseeing all the business divisions of our Group. From his experience in sourcing for construction material and timber products and services from suppliers, he has established wide business network with suppliers and maintained cordial working relationship with these suppliers. As part of our Group's natural progression to expand the construction business, he kick-started our Group's initiative to commence trading construction materials via the Group's existing business network. The Group leveraged on his experience and networking to manage the Trading Business.

Datuk Chai graduated with a Diploma in Business Economics (KDU).

Datuk Chai was a Marketing Manager of Sanbumi Sawmill Sdn. Bhd. (a wholly-owned subsidiary of Sanbumi Holdings Berhad which is listed on the Main Board of Bursa Malaysia Securities Berhad). He had been involved in the timber business industry with buyers from Japan, Europe, South Africa and Korea for the past 8 years. He also has extensive experience in property development, construction and the automotive sector.

Datuk Chai was formerly the Managing Director of Lintasan Mayang Development Sdn Bhd, which is the developer for Sabah's biggest integrated township, Alamesra, an innovative 265-acre mixed development with gross development value of RM1.3 billion. Datuk Chai was also the former managing director of Maxims Circle Development Sdn Bhd, which carried out property development projects at Kuala Lumpur with gross development value of RM23 million in Taman Permata, Melawati and RM66 million in Segambut.

Being the Managing Director of the above companies, Datuk Chai was responsible to oversee and manage the business operations and project developments of the companies as well as to plan and implement the strategic directions of the companies.

He was also an Executive Director of Vizione Holdings Berhad and XOX Bhd until 2017 and 2018 respectively. He is currently a Non-Independent and Non-Executive Director of M3 Technologies (Asia) Berhad and an Executive Director of Oversea Enterprise Berhad.

Datuk Chai is a major shareholder of the Company through his interest held in Zenith City Investments Limited and Ocean Milestone Sdn Bhd, a major shareholder of the Company, pursuant to Section 8 of the Companies Act 2016.

He has no relationship with any other Directors or Major Shareholders of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past five (5) years other than traffic offence, if any.

Directors' Profile (Cont'd)



CHONG KHING CHUNG
Independent Non-Executive Director

Mr Chong Khing Chung, a Malaysian male, aged 54, was appointed as an Independent Non-Executive Director on 19 July 2017. He is presently the Chairman of Nomination and Remuneration Committee and a member of Audit Committee of Anzo.

Mr Chong graduated with a Bachelor of Commerce degree from University of Western Australia, Perth. He is a Fellow Member of CPA Australia ("FCPA") and Chartered Member of Malaysian Institute of Accountants ("CA").

Mr Chong spent the early part of his career in the accountancy profession. He later worked in the capital market industry holding various positions, including as the Executive Director of a stockbroking company in Sabah. He has also worked as Executive Director, Finance Director and Chief Financial Officer of numerous public listed companies in Malaysia, Singapore, Hong Kong and the United Kingdom.

He is currently a director of Wullersdorf Resources Sdn Bhd (a wholly-owned subsidiary of Bahvest Resources Berhad) and Country Heights Holdings Berhad.

He has no relationship with any other Directors or Major Shareholders of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past five (5) years other than traffic offence, if any.

Directors' Profile *(Cont'd)*



LOW POH SEONG
Independent Non-Executive Director

Mr Low Poh Seong, a Malaysian male, aged 44, was appointed as an Independent Non-Executive Director on 21 September 2021. He is presently a Chairman of Audit Committee of Anzo and a member of Nomination and Remuneration Committee.

Mr Low graduated from Middlesex University Business School in Accounting and Law and Statistics.

Mr Low Poh Seong has more than 18 years of experience in accounting and finance. He started his career as an Assistant Finance Manager, where his scope involved in preparation of forecast, budget, accounting, and tax computation. He then embarked in auditing field where he held the position as Executive Internal Auditor with a property developer. In 2016, Mr Low rejoined the finance sector where he was appointed as Assistant Finance Manager and Senior Financial Management Advisory Manager in Nglobe Sdn Bhd and CMA Management Sdn Bhd respectively. In year 2017 he moved on to carried out freelance works.

He is currently a Non-Independent and Non-Executive Director and a member of Audit Committee for Kanger International Berhad.

He has no relationship with any other Directors or Major Shareholders of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past five (5) years other than traffic offence, if any.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP BUSINESS AND OPERATIONS

Anzo Group is an integrated contractor and established timber service provider in Malaysia for over 30 years. The Company's timber service plant is strategically located at Pandamaran Industrial Area, Port Klang, Malaysia to take advantage of the excellent logistic support from Port Klang. The plant provides kiln drying and machining services to various local customers. The Group started venture into trading of building materials and metal scrap in year 2020 and the division has since became the largest contributor for the Group's revenue.

STRATEGIES IN CREATING VALUES

The Group has benefited from its strategic shift to the trading business and its poised to capitalize on this move in the future.

We strive to adopt organic growth strategies in our various business segments, i.e. trading, timber and construction segments, maximising profitability, increasing returns on shareholders' equity and enhancing market shares despite the challenging economic environment.

REVIEW OF FINANCIAL RESULTS AND OPERATING ACTIVITIES

Following the outbreak of Covid-19, the current financial year has been a challenging year, both timber and construction divisions were seriously affected. The Group had recorded lower revenue of RM29.9 million (FY 2020: RM57.2 million) for the financial year ended 30 September 2021 ("FY2021") and loss before tax of RM24.41 million (FY 2020: RM9.17 million) mainly due to:

1. lower revenue from metal scrap trading of RM3.2 million in FY 2021 (FY 2020: RM36.7 million).
2. higher impairment losses of RM21.4 million (FY 2020: RM7.56 million) on trade and other receivables.

FINANCIAL POSITION

Total assets of the Group decreased from RM164.96 million to RM135.06 million during the financial year under review, a decrease of 18.1% as compared to the previous financial year mainly due to repayment and higher impairment loss for trade and other debtors during the year.

The Group's Shareholders Equity as of 30 September 2021 stood at RM127.4 million, a reduce of RM7.4 million or 5.4% over the preceding year, mainly due to the operation loss made in FY 2021 which partially offset by the increase in issued and paid-up share capital arising from the private placement during the year.

The total liabilities of the Group decreased from RM30.19 million to RM7.65 million, a reduction of 74.7% over the preceding year, mainly due to repayment to trade creditors, which partially offset by the increase in hire purchase liabilities.

Generally, the Group has been financing its operations through internally generated funds and capital financing with minimum borrowings.

REVIEW OF OPERATING SEGMENTS

Our Group has three segments that drive the operations:

- a) Construction division – Due to various stages of Moving Control Orders ("MCO") during the financial year, the division has only contributed RM1.3 million revenue (FY 2020: RM0.01 million). The division, however, suffered a loss before tax of RM19.9 million (FY 2020: RM8.02 million) mainly due to higher impairment losses provided for trade and other receivables amounted to RM18.7 million (FY 2020: RM7.5 million) in current year as mentioned earlier.
- b) Timber division – The primary focus of the division is to provide kiln drying and machining services to local customers. Operating results from the division has been badly affected by the various stages of MCOs, particularly during the period from June 2021 to September 2021, where the division was not allowed to operate. The division contributed lower revenue of RM3.1 million (FY 2020: RM4.6 million) with segment loss of RM0.5 million (FY 2020: RM0.9 million).

Management Discussion and Analysis (Cont'd)

REVIEW OF OPERATING SEGMENTS (CONT'D)

Our Group has three segments that drive the operations: (Cont'd)

- c) Trading division – During the financial year, the division contributed RM25.6 million (FY 2020: RM52.6 million) revenue and loss before tax of RM2.6 million (FY 2020: RM1.5 million profit before tax). The division incurred loss before tax in current year mainly due to impairment loss provided for trade debtors amounted to RM2.8 million in the current year.

All divisions experienced challenging operating environment throughout the year with increasing operating costs while margin remain thin. For timber and construction division, shortage of skilled labour is another concern. Albeit as such, the management will continue to steer through the challenges and create positive values to the Group.

RISKS AND ITS MEASURES

The key risks prevalent to the Group's business are competition and execution risks.

All the sectors that the Group engaged in are highly competitive with many players. The Group will strive to maintain its market share with proper cost control and improve operation efficiency, while focus on delivering high quality services to meet customers' requirements.

There is always execution risk on construction work due to unforeseen circumstances that cause the delay in construction progress beyond the Group's control. Nevertheless, the Group will closely monitor the construction work progress with various preventive measures to ensure the work would not be disrupted due to such incidents.

FORWARD LOOKING STATEMENT

FY 2021 has been a very challenging year for Anzo, the Group would continue to build competitiveness on its timber services and construction business while remaining focused on operational efficiency and productivity so that satisfactory results are achieved.

The Group will continue to participate in bidding for new jobs on a more selective basis in view of more challenging environment and increasing credit risks.

DIVIDEND POLICY

At this juncture, the Board has not established a formal dividend policy because there is a need to conserve cash for working capital requirements.

ACKNOWLEDGEMENT AND APPRECIATION

We would like to thank our team for having shown great resilience by staying the course over the challenging year and continuing to achieve encouraging results. We would also like to extend our sincerest appreciation to all our valued customers, business associates and suppliers who have given us continuous support all this while. Finally, a heartfelt gratitude to the Board of Directors for their invaluable insights and guidance.

Lastly, we would also like to thank our shareholders for your unrelenting support over years, which has inspired and encouraged us to achieve all that we have thus far.

CORPORATE SUSTAINABILITY STATEMENT

OUR COMMITMENT

We perceived corporate sustainability as our commitment to create long term value for our shareholders, environment and society through innovation and overall operational excellence. We understand our choices today have an impact on our customers and suppliers and the success of their businesses in the future. Our business imperative is to carry out our activities responsibly and with integrity. Our people are expected to behave in an honest and ethical manner in accordance with our policies, business rules and guidelines.

OUR CORPORATE SUSTAINABILITY COMMITMENT

Within this context, we have defined our commitment to Corporate Sustainability across five impact areas:

i) **Work Environment**

As employees are viewed as internal customers, Anzo ensures that the workplace remains conducive, which helps to balance the needs and desires of each employee with the needs and capacity of the business. We continue to place high emphasis on health and safety issues at our work sites. Necessary tools and protective gears are provided to our employees to ensure that they are adequately protected. We also enforce stringent compliance requirements so that health and safety issues are not compromise.

ii) **Training and Development**

Anzo also ensures that all staff are well trained and the Group is a continuously learning organisation. The Group strives to bring out the best of its employees by providing growth and progression opportunities for employees through comprehensive trainings, health and safety programmes.

iii) **Marketplace**

Anzo is committed to maintain a proper framework to ensure that the business is run in an efficient and transparent manner in the interest of all its stakeholders. Ensuring that the business is conducted in a fair, transparent, sustainable and professional manner, Anzo is focused on delivering products of quality and being customer focused.

iv) **Environmental**

Anzo has taken steps to manage its environmental impact. The Group works very closely with environment enforcement agency with periodic consultation arrangements and visits so that our manufacturing activities are always in line with environmental standards and legislation.

We continuously encourage employees to recycle and/or reduce wastage on the consumption of raw materials so that waste disposals are kept to the minimum. We also incorporate changes to our manufacturing process to allow the usage of environmental friendly materials.

v) **Community**

As an organisation with its business deeply rooted in the community that it serves, Anzo has been consistently aware of its social obligations to the community and remains fully committed to this cause. Anzo feels privileged to have been able to support communities in need and make a difference in their lives.

MOVING FORWARD

We are committed to promote good corporate governance standards and building sustainability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Anzo Holdings Berhad (“Anzo” or “the Company”) believes that good corporate governance is essential to ensure long term sustainability and good business performance of the organisation. Therefore, the Board is committed to ensuring the highest standards of corporate governance are practiced throughout Anzo and its subsidiary companies (“the Group”), as a fundamental part of discharging the Board’s responsibilities to create and enhance economic value for shareholders as well as other stakeholders.

The Board is pleased to report on an overview of the application of the recommended practices of the Malaysian Code on Corporate Governance (“MCCG”) as required under the MCCG and the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) during the financial year under review.

The application of each Practice set out in the MCCG during the financial year under review is disclosed in the Company’s Corporate Governance Report which is available on the Company’s website at www.anzo.com.my as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Leadership

Board’s Roles and Responsibilities

The Board retains effective control of the Group and is responsible for the overall corporate affairs, strategic direction, formulation of policies and the overall performance of the Group. The Managing Director takes on primary responsibility for managing the Group’s business and resources.

The Board has formalised and adopted a Board Charter which serves as a source of reference and primary induction literature, providing insights to existing and prospective Board members to assist the Board in the performance of their fiduciary duties as Directors of the Company. The Board Charter is available at www.anzo.com.my.

The Board delegates certain responsibilities to Board Committees namely the Audit Committee and Nomination and Remuneration Committee (“NRC”) in order to enhance business and operational efficiency and effectiveness. The Terms of Reference for the Board Committees can be found at www.anzo.com.my.

Chairman and Managing Director

The Board recognises the importance of a clear division of roles and responsibilities at the head of the Group to ensure a balance of power and authority. The Non-Executive Chairman is primarily responsible for orderly conduct and effective running of the Board, whilst the Managing Director is responsible for the business direction and development of the operating units, organisational effectiveness and implementation of the Board’s policies and decisions with the management team oversees the Group’s day-to-day operations.

Company Secretary

The Company Secretary plays an advisory role to the Board and is responsible to ensure all Board procedures and Board management matters are in line as well as in compliance with MMLR, relevant laws and regulations. The Company Secretary ensures that discussions at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate action.

Corporate Governance Overview Statement (Cont'd)

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

Board Delegation

a) Audit Committee

The Audit Committee reviews and evaluates the audit plan and system of internal controls of external auditors, adequacy of internal audit functions. The Committee also reviews, comments and presents the quarterly financial results and year end results for approval of the Board.

b) Nomination and Remuneration Committee

The NRC is responsible to review and recommend remuneration packages and employment policies applicable to the Chairman, Managing Director, Directors and Senior Executives, including the following:-

- Recommend to the Board, candidates nominated by shareholders or the Board for directorships to be filled;
- Recommend to the Board, directors to fill seats on board committees;
- Review annually the required skills and experience and other qualities and core competencies for Non-Executive Directors; and
- Assess annually the effectiveness of the Board as a whole and the contribution of each individual Director.

Board Composition and their attendances

The Company is led by an experienced Board comprising four (4) members which include an Independent Non-Executive Chairman, a Managing Director, and two (2) Independent Non-Executive Directors.

No individual or group of individuals dominates the Board's decision making. Independent Directors constitute more than one third of the Board and the interest of significant shareholder are fairly represented on the Board. The present Directors bring a wide range of experience and skills relevant to the business of the Group. Brief descriptions on the background of each Director are set out on pages 5 to 8.

The current size and composition of the Board are considered adequate to provide the optimum skills and experience required to manage affairs. Furthermore, the Board is of the view that the current Board size is balanced in skills and composition.

The Board meets at least four (4) times a year and has a formal schedule of matters reserved for it. Additional meetings are held as and when necessary. During the financial year ended 30 September 2021, four (4) meetings were held in which the Board deliberated upon and considered various issues including the Group's financial results, annual budgets, performance of the Group's business, major investment, business plan and policies and strategic issues affecting the Group's business.

Details of attendance of the Directors at Board meetings held during the financial year are as follows:

	Name of Directors	Attendance
(a)	Dato' Seri Abdul Azim Bin Mohd Zabidi	4/4
(b)	Datuk Chai Woon Chet	4/4
(c)	Chong Khing Chung	4/4
(d)	Low Poh Seong	4/4

Corporate Governance Overview Statement (Cont'd)

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

Code of Conduct and Ethics

The Code of Conduct & Ethics, serves as a road map to guide the Board in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity. The Group has also in place the Code of Conduct & Ethics for its employees which comprised all aspects of its day to day business operations.

Directors and employees of the Group are expected to perceive high standards of integrity and fair dealings in relation to clients, staff, management and regulators which the Group operates and ensure compliance with all applicable laws, rules and regulations. The Code of Conduct and Code of Ethics are available on the Company's website at www.anzo.com.my.

Board Independence

The Board recognises the importance of independence and objectivity in its decision making process which is in line with the MCCG. The assessment of independence for the Independent Non-Executive Directors for the Group is conducted annually and incorporated in the questionnaires tailored for Independent Non-Executive Directors.

The independence of the three Independent Non-Executive Directors remains valid as the Directors are not involved in any business, transactions or other relationships with the Group that jeopardizes the exercise of independent judgement and opinion.

Tenure of Independent Directors

One of the recommendations of the MCCG states that the tenure of an independent director should not exceed a cumulative term of 9 years. MCCG also requires that retention of an independent director having served in excess of 12 years be justified by the Board and obtains shareholders' approval on an annual basis through a two-tier voting process. Currently, none of the independent directors have served the Company for a cumulative term of nine (9) years or more.

Gender Diversity

The Board supports the gender boardroom diversity as recommended under the MCCG. The Board will review the appropriate proportion of female to male Directors on the Board at the time of considering appointment of new Directors to the Board. Apart from gender boardroom diversity, the Board also supports diversity in ethnicity and age. The Board will review the appropriate proportion of the age group and ethnicity of Board members at the time of considering appointment of new Directors to the Board.

Appointments to the Board

The decision on new appointment of directors rests with the Board after considering the recommendation of the NRC. In evaluating the suitability of candidates to the Board, the NRC will consider certain criteria such as skills, knowledge, expertise, experience, integrity, commitment, background, boardroom diversity and the ability of the candidate to discharge his/her duties as expected.

Nomination of Board Members

The NRC is comprised of the following Independent Non-Executive Directors:-

- Chong Khing Chung (Chairman)
- Dato' Seri Abdul Azim Bin Mohd Zabidi (Member)
- Low Poh Seong (Member)

During the financial year under review, the NRC conducted the annual review on the Directors' core competencies, contribution, effectiveness and conducted a review on the independence of the independent directors.

Corporate Governance Overview Statement (Cont'd)

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

Supply and Access of Information

The Board has unrestricted access to timely and accurate information necessary in the furtherance of their duties. At each Board meeting, the Managing Director briefs the Board on the Group's activities and operations. Directors have access to the advice and services of the Company Secretary and where necessary, obtain independent professional advice at the Group's expense.

Board Assessment

- (a) On an annual basis, the performance of the Board and its members are evaluated on effectiveness in the following areas:
 - i. Board composition
 - ii. Board remuneration
 - iii. Board Committees: evaluation and self-evaluation
- (b) A set of questionnaires is given to Directors to complete. The questionnaire covers the following sections in respect of the financial year under review:
 - i. Independent Directors' Self-Assessment Form
 - ii. Directors' Evaluation Form
 - iii. Board & Board Committee Evaluation Form
- (c) The findings are as follows:
 - i. Subsequent to the performance assessment for 2021, the Board has concluded that the Board as a whole and its Committees functioned effectively. The Board is satisfied that each Director continues to contribute to the Board effectively, is well prepared and with knowledge of matters considered by the Board, has good insight of the Group's operations and financial matters. They remain committed to their responsibilities as Board members.
 - ii. The Directors are of opinion that Board meetings are convened with open and constructive communication, questioning, free expression of ideas and opinions to propagate meaningful discussions and decision making.

Re-election of Directors

In accordance with the Company's Constitution, one-third of the Directors are required to submit themselves for re-election by rotation at least once every three years at each Annual General Meeting ("AGM"). Retiring Directors may offer themselves for re-election.

Director who is appointed during the financial year is, in accordance with the Company's Constitution, required to retire at the AGM following his appointment but is eligible for re-election by the shareholders.

Succession Planning

The Board has put in place succession planning by seeking younger directors within the Board and senior management to assume greater responsibilities and different roles within the organisation. At the senior management level, young and designated aspiring executives were selected and exposed to current management practices where they were guided and mentored by senior staff through continuous job training and exposure.

Corporate Governance Overview Statement (Cont'd)

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

Directors' Trainings

All Directors appointed to the Board have undergone the Mandatory Accreditation Program ("MAP") prescribed by Bursa Securities. The Directors are encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group.

The Board has undertaken an assessment of the training needs of each Director and ensured that all the Directors undergo the necessary training programme to enable them to effectively discharge their duties.

The following Board members have attended the relevant seminars/conferences/training programmes during the financial year as detailed below:-

Name of Director	Seminars/Conferences/Training Programmes Attended
Dato' Seri Abdul Azim Bin Mohd Zabidi	<p>Managing Your Fraud Risk: Are We Doing Enough?</p> <p>Introduction to Anti-Money Laundering, Anti-Terrorism Financing. Proceed of Unlawful Activity Act 2001</p> <p>Asian Economies on Track as Covid Crisis Slows Down</p> <p>Rebuilding the Economy Sustainably Post Covid-19 by Minister of Finance</p> <p>Transfer Pricing 101</p> <p>Reflections on NEP after 50 years</p>
Chong Khing Chung	<p>Highlights from Budget 2021</p> <p>Risk, Strategy & Governance - How Integrated Thinking can Support Boards in Creating Long-Term Value</p> <p>Tax Landscape in Malaysia</p> <p>The Future of Accountants Through Data & Analytics</p> <p>The Tax Audit Landscape in Malaysia</p> <p>Innovation in Accounting & Finance</p>

Save as disclosed above, Datuk Chai Woon Chet and Mr Low Poh Seong did not attend any training during the financial year due to their busy schedule. They are aware of the duties and responsibilities and will continue to undergo other relevant training programmes to keep abreast with the new regulatory developments and requirements in compliance with the Listing Requirements on continuing education.

Corporate Governance Overview Statement (Cont'd)

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

Directors' Remuneration

The Company's remuneration policy for Director is formulated to attract and retain individuals of the necessary calibre relevant to the achievement of the Company's strategic achievements. The remuneration is structured to link experience, expertise and level of responsibility undertakings by the Directors.

The NRC is entrusted with the responsibilities to make recommendations to the Board, the remuneration package for the Executive Directors. However, it is the ultimate responsibility of the entire Board to approve the remuneration of these Directors. Non-Executive Directors' remuneration will be decided by the Board as a whole with the Director concerned abstaining from deliberation and voting on decisions in respect of his individual remuneration.

The details of Directors' remuneration for the financial year under review are as follows:

	Company			Group		
	Fees	Salaries & EPF	Other emoluments	Fees	Salaries & EPF	Other emoluments
Executive Director						
Datuk Chai Woon Chet	24,000	470,400	1,800	24,000	470,400	1,800
Non- Executive Director						
Dato' Seri Abdul Azim Bin Mohd Zabidi	24,000	20,000	3,600	24,000	20,000	3,600
Chong Khing Chung	24,000	-	3,600	24,000	-	3,600
Low Poh Seong	24,000	-	2,700	24,000	-	2,700

Directors' Responsibility Statement in respect of the Audited Financial Statements

The Directors are responsible for the preparation of financial statements for each financial year to give a true and fair view of the state of the Group and the Company of the results and cash flows of the Group and the Company for the financial year then ended.

In ensuring the preparation of these financial statements, the Directors have observed the following criteria:

- Overseeing the overall conduct of the Company's business and that of the Group;
- Identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- Reviewing the adequacy and integrity of Internal Controls System and Management Information System in the Company and within the Group;
- Adopting suitable accounting policies and apply them consistently;
- Making judgments and estimates that are reasonable and prudent; and
- Ensuring compliance with application Approved Accounting Standards in Malaysia.

The Directors are responsible for ensuring that proper accounting and other records which are closed with reasonable accuracy at any time the financial position of the Group and ensuring that the financial statements comply with the MMLR, the provisions of the Companies Act 2016 and applicable Approved Accounting Standards in Malaysia. The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 September 2021, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

Corporate Governance Overview Statement *(Cont'd)*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee comprises three Independent Non-Executive Directors whose chairman is Mr. Low Poh Seong, he has more than 18 years of experience in accounting and finance. The Audit Committee carries the responsibilities as listed in Audit Committee's Report on pages 20 to 21 of the Annual Report.

Relationship with the External Auditors

The Company has established a transparent arrangement with the auditors to meet their professional requirements. The auditors have, from time to time, highlighted to the Audit Committee and the Board matters requiring the Board's attention.

Internal Control and Risk Management

The Directors are responsible for the Group's system of internal controls and its effectiveness. The principal aim of the system of internal controls is the management of financial and business risks that are significant to the fulfilment of the Group's business objectives, which is to enhance the value of shareholders' investment and safeguarding the Group's assets.

Audit Committee summarises and communicates the key business risks to the Board for consideration and resolution. Internal audit activities are outsourced to professional firm and based on an annual internal audit plan tabled and approved by the Audit Committee. The internal audit functions are carried out impartially, proficiently and with due professional care. Reports issued by the internal audit for the financial year under review were tabled at Audit Committee meetings. Management was present at such meetings to provide pertinent clarification or additional information to address questions raised by Audit Committee members.

The Statement of Risk Management and Internal Control of the Group are set out on pages 22 to 24 of the Annual Report.

Internal Audit Function

The Group has appointed an established external professional firm to carry out the Internal Audit function that reports directly to the Audit Committee. The internal audit function is described in the Audit Committee's Report set out on pages 20 to 21 of this Annual Report.

Corporate Governance Overview Statement *(Cont'd)*

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

Financial Reporting

The Board aims to provide and present a balanced and clear assessment of the Groups' financial performance and prospect primarily through the annual financial statements and quarterly report as well as announcements to the Bursa Securities. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure compliance with accounting standard, accuracy, adequacy and completeness.

Corporate Disclosure Policies and Procedures

The Company ensures all information such as corporate announcements, circulars to shareholders and financial results are disseminated to the general public in a timely and accurate manner.

The Company's quarterly interim financial results are released within two months from the end of each quarter. The Annual Report, which is the key communication channel between the Company and its shareholders, is published within four months after the financial year end. The Annual Report provides an insightful analysis of the Group's performance, operations and prospect affecting shareholders' interest.

Relationship Between the Company and Shareholders

The Board of Directors recognises the importance of communication and timely dissemination of information to shareholders. The Board believes in clear and regular communication with its shareholders and institutional investors. The Annual Report and financial results announcements through Bursa LINK on annually and quarterly and other disclosures provide an avenue to disseminate information to the shareholders with an overview of the Group's performance and its business activities.

General Meetings serve as the principal forum for communicating with the shareholders of the Company. The Board encourages participation of shareholders at the General Meeting to ensure a high level of accountability and identification with the Group's strategy and goals. In accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions are voted by poll at General Meetings.

The Board intentionally allocates time for question and answer sessions during General Meetings.

The Company follows a continuous disclosure policy, making announcements to the Bursa Securities when it becomes aware of information which might materially affect the price of its shares.

Shareholders and/or stakeholders are welcomed to raise queries by contacting the Managing Director throughout the year. It is the intention of the Board to resume actively engaging the investing public with briefings and press releases, as and when appropriate and in line with Bursa Securities regulations, so as to ensure that the public is aware of significant developments.

Leverage on Information Technology for Effective Dissemination of Information

The group maintains a corporate website at www.anzo.com.my which serves as a forum for the general public to access information on the corporate information, annual reports, corporate announcements and subsidiary developments on the Group's website.

AUDIT COMMITTEE'S REPORT

COMPOSITION

The present members of the Audit Committee comprise the following:

Chairman

Low Poh Seong - Independent Non-Executive Director

Members

Dato' Seri Abdul Azim Bin Mohd Zabidi - Independent Non-Executive Chairman

Chong Khing Chung - Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee which laid down its duties and responsibilities are accessible via the Company's website at www.anzo.com.my.

ATTENDANCE OF MEETINGS

The Audit Committee held four (4) meetings during the financial year ended 30 September 2021. The details of attendance of the Audit Committee members are as follows:

Name	Attendance
Low Poh Seong (Chairman)	4/4
Chong Khing Chung	4/4
Dato' Seri Abdul Azim Bin Mohd Zabidi	4/4

SUMMARY ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

The activities undertaken by the Audit Committee during the financial year ended 30 September 2021 included the following:

- Reviewed the quarterly and year-to-date unaudited financial results before submission to the Board for consideration and approval;
- Reviewed the external auditor's scope of work and audit plan for the financial year;
- Reviewed the annual audited financial statements of the Group before recommending to the Board for their approval and release of the Group's results to Bursa Securities;
- Reviewed and discussed with the external auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and management's response to these recommendations;
- Evaluated the performance of the external auditors for the financial year ended 30 September 2021 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the external auditors;
- Reviewed and assessed the adequacy of the scope and functions of the internal audit plan;
- Reviewed the internal audit reports presented and considered the major findings of internal audit in the Group's operating subsidiaries through the review of the internal audit reports tabled and management responses thereof and ensuring significant findings are adequately addressed by management;

Audit Committee's Report (Cont'd)

SUMMARY ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR (CONT'D)

- h) Reviewed the effectiveness of the Group's system of internal control;
- i) Reviewed the proposed fees for the external auditors and internal auditors in respect of their audit of the Company and the Group;
- j) Reviewed related party transactions and conflict of interest situation that may arise within the Company or the Group;
- k) Reviewed the Company's compliance with the Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements;
- l) Reported to the Board on its activities and significant findings and results;
- m) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report.

INTERNAL AUDIT FUNCTIONS

The Group has appointed an established external professional Internal Audit firm, which reports to the Audit Committee and assists the Audit Committee in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.

Internal audit provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the Audit Committee.

A summary of the work performed during the financial year under the internal audit functions is as follows:-

- i) Review of the delinquent debtors management
- ii) Review of payment management of the Group

The cost of internal audit was RM10,000 during the financial year ended 30 September 2021.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement, and considers that the Statement provides the information necessary to enables shareholders to evaluate how the MCCG has been applied. The Board considers and is satisfied that the Group has fulfilled its obligation under the MCCG, the MMLR and all applicable laws and regulations throughout the financial year ended 30 September 2021.

This Statement is made in accordance with a resolution of the Board of Directors dated 27 January 2022.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements) specified that the Board of Directors to provide a Statement on Risk Management and Internal Control for the Group. The Malaysian Code of Corporate Governance requires listed companies to maintain a sound system of internal controls to safeguard shareholders' investments and the Group's assets. The Board is pleased to include a statement on the state of the Group's risk management and internal control during the year under review. The statement is prepared in accordance with the Listing Requirements and as guided by the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

BOARD RESPONSIBILITY

The Board is committed to ensuring the existence of an appropriate risk management framework and sound, efficient and effective system of internal control that cover the financial reporting, compliance and operations of the Group to safeguard shareholders' investment and the Group's assets. However, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's risk management and internal control framework is an ongoing process, and has been in place for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group. The process is regularly reviewed by the Board.

The implementation of the risk management and internal control system within the Group inclusive of design, operation, identification, assessment, mitigation and control of risks, are operated with the assistance of the management throughout the year. The Board has received assurance from the Managing Director that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the view that the Group's risk management and internal control framework and systems is in place for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group. The key features of the internal control systems which are operated with the assistance of the management are described under the following headings: -

RISK MANAGEMENT FRAMEWORK

The Group has an embedded process for the identification, evaluation, reporting, treatment, monitoring and reviewing of the major strategic, business and operation risks within the Group, covering both wholly and partially owned subsidiaries. Both the Audit Committee and Board of Directors review the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports on a regular basis.

For the year under review, the Audit Committee is assisted by the internal control division and the operation staff from various divisions to effectively embed risk management and control into the corporate culture, processes and structures within the Group. The framework is continually monitored to ensure it is responsive to the changes in the business environment and clearly communicated to all levels.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL STRUCTURE

The Group has an established internal control structure and is committed to evaluating, enhancing and maintaining the structure to ensure effective control over the Group's business operations and to safeguard the value and security of the Group's assets. There is a clearly defined operating structure with lines of responsibilities and delegated authority in place to assist the Board to maintain a proper control environment. The key elements of the Group's internal control system include:

- (a) A clear and defined organisation structure that is aligned to the business and operational requirements of the core businesses of the Group which limits the respective levels of authority, accountability and responsibility of their job functions and specifications;
- (b) Documentation of standard operating procedures and ensuring that internal policies, processes and procedures are drawn-up, reviewed and revised as and when required and necessary;
- (c) Regular operational and financial reporting to the senior management and/or the Board, highlighting their progress and variances from budgets. The Audit Committee and the Board review quarterly operational as well as financial results and reports;
- (d) Regular group management meetings are held as and when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues and review financial performances against the business plans, the targets and the budgets, if any, for each operating unit and regular visits by the senior personnel or management team to each operating unit as and when necessary;
- (e) Board and Audit Committee meetings are scheduled regularly, that is at least four (4) times in a year and the respective meeting papers are distributed on a timely basis to enable members to have access to all relevant information for reviews and queries to be raised;
- (f) Audit Committee prepares the Audit Committee Report and also reviews the quarterly financial results and yearly Audited Financial Statements prior to the approval of the Board;
- (g) Management ensures that safety working regulations within the Group are being considered, implemented and adhered to accordingly;
- (h) As and when necessary, staff training and development programs may be provided to equip staff with the appropriate knowledge and skills to enable staff to carry out their job functions productively and effectively; and
- (i) Adequate insurance of major assets to ensure that assets of the Group are sufficiently covered against mishap that may results material losses to the Group.

The Group has also put in place a policy on whistle-blowing to facilitate the reporting of activities or practices which are in violation of the Group's work rules. The Group encourages employees or any other parties with whom the Group has a business relationship to report unlawful, unethical or fraudulent activities or practices. All whistle-blowing reports are submitted to the Internal Auditors or Chairman of the Audit Committee so that independent investigation and appropriate follow-up action can be taken. The Audit Committee has the responsibility of overseeing this policy, which is administered with the assistance of the Internal Auditors.

Statement on Risk Management and Internal Control *(Cont'd)*

MANAGEMENT RESPONSIBILITY

The management is responsible for implementing the Group's strategies and day-to-day businesses. The organisation structure sets out clear segregation of roles and responsibilities, lines of accountability and levels of authority to ensure effective and independent stewardship. The management assists the Board in implementing the policies approved by the Board, implementing risk control procedures and developing, operating and monitoring internal controls to mitigate and control identified risks.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company for the financial year ended 30 September 2021 and reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 included in the Annual Report, issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

For the financial year under review, there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring disclosure in the Annual report. The Board is of the view that the existing system of the risk management and internal control is adequate. Nevertheless, the Board recognises that the system of risk management and internal control must continuously improve in line with the Group's business environment. Therefore, the Board would put in place adequate plans, where necessary, to continuously improve the Group's system of risk management and internal control.

OTHER DISCLOSURE REQUIREMENTS

Pursuant to The Listing Requirements of Bursa Securities

UTILISATION OF PROCEEDS

The Company has undertaken a Private Placement, which was completed on 25 January 2021. The Private Placement has raised gross proceeds of RM17 million.

Status of utilisation of proceeds derived from the above Private Placement by the Company as at 30 September 2021 was as follows:-

Purpose	Expected time frame for utilisation of proceeds	Proposed utilisation RM	Actual utilisation RM	Deviation RM
Working Capital	Within 12 months	14,000,000	13,051,974	948,026
Administrative and operating expenses	Within 12 months	2,510,000	1,444,503	1,065,497
Defraying expenses	Immediate	455,685	359,678	96,007
Total		16,965,685	14,856,155	2,109,530

AUDIT AND NON-AUDIT FEES

During the financial year, the amount of audit and non-audit fees paid/payable to the external auditors by the Company and the Group respectively for the financial year ended 30 September 2021 were as follows:

	Company (RM)	Group (RM)
Audit Services Rendered	69,590	146,970
Non-Audit Services Rendered - Review of Statement on Risk Management and Internal Control	6,000	6,000

MATERIAL CONTRACTS AND CONTRACTS RELATING TO LOAN

There were no contracts relating to loan and material contracts of the Company and its subsidiaries involving the Directors and substantial shareholders since the end of the previous financial period.

Other Disclosure Requirements (Cont'd)

Pursuant To The Listing Requirements Of Bursa Securities

RELATED PARTY TRANSACTIONS OF A REVENUE AND TRADING NATURE ("RRPT")

The details of RRPTs of a trading or revenue nature of the Group for the financial year ended 30 September 2021 are as follows:

Related Party	Anzo Group - Transacting Party	Nature of Transaction with Anzo Group	Estimated aggregate value of transaction for the period from the forthcoming AGM to the next AGM	Actual value transacted (from the date of AGM on 9 March 2021 to the LPD)	Nature of relationship between Anzo Group and the Related Party
Permaju Group	Anzo Group	<p>Provision and/or receipt of construction work to and/or from Permaju Group.</p> <p>Provision and/or receipt of project management and development, property development to and/or from Permaju Group.</p> <p>Supply and/or purchase of construction and building materials to and/or from Permaju Group.</p> <p>Supply of timber and timber products to Permaju Group</p> <p>Leasing of properties from Permaju Group</p>	May exceed 5% of the percentage ratio pursuant to Paragraph 10.02 of the Listing Requirements	Nil	Datuk Chai Woon Chet's sister, Ms Chai Woon Yun is the Executive Director of Permaju with shareholdings of 2.03%. Datuk Chai Woon Chet is the Managing Director and Major Shareholder of Anzo.

Other Disclosure Requirements (Cont'd)

Pursuant To The Listing Requirements Of Bursa Securities

Related Party	Anzo Group - Transacting Party	Nature of Transaction with Anzo Group	Estimated aggregate value of transaction for the period from the forthcoming AGM to the next AGM	Actual value transacted (from the date of AGM on 9 March 2021 to the LPD)	Nature of relationship between Anzo Group and the Related Party
OEB Group	Anzo Group	<p>Provision of construction work to OEB Group.</p> <p>Provision of project management and development, property development to OEB Group.</p> <p>Supply of construction and building materials to OEB Group.</p> <p>Supply of timber and timber products to OEB Group.</p>	May exceed 5% of the percentage ratio pursuant to Paragraph 10.02 of the Listing Requirements	NIL	Datuk Chai Woon Chet is the Executive Director and major shareholder of OEB with shareholdings of 39.98%. He is also the Managing Director of Anzo and Major Shareholder of Anzo.
XOX Group	Anzo Group	<p>Provision of construction work to XOX Group.</p> <p>Provision of project management and development, property development to XOX Group.</p> <p>Supply of construction and building materials to XOX Group.</p> <p>Supply of timber and timber products to XOX Group.</p>	May exceed 5% of the percentage ratio pursuant to Paragraph 10.02 of the Listing Requirements	NIL	Datuk Chai Woon Chet is a Substantial Shareholder of XOX with shareholdings of 5.96%. He is also the Managing Director and Major Shareholder of Anzo.



FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management service.

The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Loss for the financial year	(24,333,469)	(24,785,566)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the notes to the financial statements.

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend has been paid or declared since the end of the previous financial period. The directors do not recommend that a dividend to be paid in respect of the current financial year.

SHARES AND DEBENTURES

During the financial year, the ordinary share capital of the Company was increased from RM139,608,502 to RM156,574,187 by way of issuance of 223,232,700 new ordinary shares at issuance price of RM0.076 each for a total cash consideration of RM16,965,685 pursuant to the Company's Private Placement.

The newly issued ordinary shares ranked pari passu in all respects with the existing ordinary shares of the Company.

There were no debentures issued during the financial year.

Directors' Report (Cont'd)

WARRANTS

The main features of the Warrants are as follows:

- (a) Each Warrants carries the entitlement to subscribe for one (1) Company's share at the Exercise Price at any time during the Exercise Period, subject to adjustments in accordance with the provisions of the Deed Poll.
- (b) Subject to the adjustments in accordance with the Deed Poll, the exercise price of the Warrants B (2013/2023) has been fixed at RM0.25 each.
- (c) The Warrants can be exercised at any time during the period commencing from and including the date of issue of the Warrants and up to and including the Expiry Date.
- (d) Any Warrants which have not been exercised after their respective expiry dates will lapse and cease thereafter to be valid for any purpose.

The movement of the Warrants are as follows:

	Expired on	As at 01.10.2020	Number of Warrants		As at 30.09.2021
			Granted	Expired	
Warrants B	25.08.2023	32,991,025	–	–	32,991,025

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The directors who held office since the date of the last report are:

Dato' Seri Abdul Azim Bin Mohd Zabidi
 Datuk Chai Woon Chet
 Chong Khing Chung
 Low Poh Seong

Directors' Report (Cont'd)

DIRECTORS' INTEREST

According to the register of directors' shareholdings, the interests of directors in the ordinary shares of the Company during the financial year were as follows:

Shareholdings in the name of directors	As at 01.10.2020	Number of ordinary shares		As at 30.09.2021
		Acquired	Sold	
<u>Direct interest</u>				
Datuk Chai Woon Chet	8,350,000	–	–	8,350,000
<u>Indirect interest</u>				
Datuk Chai Woon Chet #	59,100,000	–	–	59,100,000
Dato' Seri Abdul Azim Bin Mohd Zabidi *	1,000,000	–	–	1,000,000

Deemed interest by virtue of his interests in Zenith City Investments Limited and Ocean Milestone Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 in Malaysia.

* Deemed interest by virtue of his interests in Syawaras Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 in Malaysia.

By virtue of their interest in the shares of the Company, the above directors are also deemed to have interests in the shares of the subsidiary companies to the extent the Company has an interest.

Other than as disclosed above, none of the other Directors had any interest in the shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial period, none of the directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company as shown in Note 22 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

During and at the end of the financial year, no arrangements subsisted to which the Company or its subsidiaries 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 body corporate.

INDEMNITY AND INSURANCE COSTS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, 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 have satisfied themselves that no 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 be realised at their book values in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (i) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent in respect of the financial statements of the Group and of the Company; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

The significant events during and subsequent to the financial year are disclosed in Note 29 to the financial statements.

Directors' Report *(Cont'd)*

AUDITORS

The auditors, CAS Malaysia PLT, Chartered Accountants have indicated their willingness to continue in office.

The auditors' remuneration is disclosed in Note 22 to the financial statements.

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

DATUK CHAI WOON CHET

Director

CHONG KHING CHUNG

Director

Date: 27 January 2022

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, DATUK CHAI WOON CHET and CHONG KHING CHUNG, being two of the directors of ANZO HOLDINGS BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements as set out on pages 40 to 88 are 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 September 2021 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 Directors.

DATUK CHAI WOON CHET
Director

CHONG KHING CHUNG
Director

Date: 27 January 2022

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, DATUK CHAI WOON CHET, being the director primarily responsible for the accounting records and financial management of ANZO HOLDINGS BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 40 to 88 are in my opinion 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

DATUK CHAI WOON CHET)
at Puchong in the state of Selangor Darul Ehsan)
on 27 January 2022)

DATUK CHAI WOON CHET

Before me,

TAN KAI YONG
Commissioner for Oath

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANZO HOLDINGS BERHAD

(Registration No.: 197701005955 (36998-T)) (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ANZO HOLDINGS BERHAD, which comprise the statements of financial position as at 30 September 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 40 to 88.

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 September 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. 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.

Emphasis of Matters

We draw attention to Note 9 and 29(a) of the financial statements, which the Group has paid a refundable deposit of RM9,000,000 to a third party to secure building materials at certain prices for business purposes. This amount has been included in other receivables of the Group as at 30 September 2021. The directors are of the opinion that this deposit is fully recoverable either through cash or shares settlement with equivalent value, as proposed by the third party. As at the date of this report, there is no indication that this deposit will be defaulted. Thus, no impairment nor fair value adjustment was recognised in the financial statements. Our opinion is not modified in respect of this matter.

Independent Auditors' Report to the Members Anzo Holdings Berhad (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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 matters	How our audit addressed the key audit matters
<p>a) Impairment assessment of tangible assets</p> <p>Refer to <i>Note 3.3 - Significant Accounting Policies, Note 4.2.2 - Significant Accounting Judgements, Estimates and Assumptions and Note 5 - Property, plant and equipment and Note 6 - Right-of-use assets</i> to the financial statements.</p> <p>As at 30 September 2021, the net carrying amount of tangible assets (classified under property, plant and equipment, and right-of-use assets) of the Group amounted to RM25,141,094, which represent approximately 18.6% of the Group's total assets.</p> <p>We focused on this area and considered the value of tangible assets as key audit matter due to the significance of the amount, and the degree of judgements and assumptions involved in the determination of recoverable amounts at the higher of fair value less cost to sell and its value in use.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> i. examined the title deeds, other ownership documents to ensure existence and site visit; ii. compared the cash flows projections to the available plan for manufacturing division; iii. compared the Group's assumptions to externally derived data as well as our assessment in relation to key assumptions such as discount rates, forecast growth rate and gross profit margin; iv. tested the mathematical accuracy of the impairment assessment; v. performed a sensitivity analysis on the key assumptions; and vi. assessed on whether there is indication of impairment based on the fair value of major assets, from comparable sources of information on the market.

Independent Auditors' Report to the Members Anzo Holdings Berhad (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
<p>b) Impairment assessment of trade and other receivables</p> <p>Refer to <i>Note 3.5.5 - Significant Accounting Policies, Note 4.2.4 - Significant Accounting Judgements, Estimates and Assumptions, Note 8 - Trade Receivables and Note 9 - Other Receivables</i> to the financial statements.</p> <p>Trade and other receivables are significant to the Group as these amounted to RM92,620,438, which represent approximately 68.6% of the Group's total assets. The key associated risk is the recoverability of the invoiced trade and other receivables as the recoverability of trade and other receivables required management judgement in determining the adequacy of the impairment loss associated with each individual trade and other receivables.</p>	<p>Our audit procedures included:</p> <ol style="list-style-type: none"> circularisation of receivables for confirmation of balances; reviewed aging of trade receivables and checked for adequacy of allowance for doubtful debts; evaluated the basis and evidence used by management for the impairment test and adequacy of allowance for impairment made; assessed cash receipts subsequent to the end of the reporting period for its effect in reducing amounts outstanding as at the end of the reporting period and recoverability of outstanding trade receivables; assessed the reasonableness of the Group's expected credit loss ("ECL") model by reviewing the probability of default using historical data and forward-looking information adjustment applied by the Group; identified any loss events subsequent to the end of reporting period for indications of increase in credit risk; made inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses; conducted interview session with certain receivables; reviewed the debt settlement agreement; and reviewed the repayments received up to the date of signing of the audited financial statements.

Independent Auditors' Report to the Members Anzo Holdings Berhad *(Cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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 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 and 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 these 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:

- (i) 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.
- (ii) 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditors' Report to the Members Anzo Holdings Berhad (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

- (iv) Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (vi) 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 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.

Other Matters

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

CAS MALAYSIA PLT

[No. (LLP0009918-LCA) & (AF 1476)]
Chartered Accountants

KONG JUNE HON

[No. 03258/05/2022(J)]
Chartered Accountant

Date: 27 January 2022

Puchong

STATEMENTS OF FINANCIAL POSITION

As At 30 September 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
NON-CURRENT ASSETS					
Property, plant and equipment	5	20,188,208	20,748,482	83,567	97,723
Right-of-use assets	6	4,952,886	5,446,420	4,952,886	5,446,420
Investments in subsidiary companies	7	–	–	4,393,383	6,823,181
Other receivables	9	18,544,448	39,397,931	–	–
		43,685,542	65,592,833	9,429,836	12,367,324
CURRENT ASSETS					
Trade receivables	8	42,765,961	59,064,397	–	–
Other receivables	9	31,310,029	24,251,538	–	–
Amount due from subsidiary companies	10	–	–	109,956,873	114,197,879
Other investments	11	1,364,809	1,182,309	864,492	1,182,309
Short term deposits	12	15,356,279	10,259,769	7,504,507	7,876,659
Cash and bank balances		574,333	4,613,122	111,745	183,385
		91,371,411	99,371,135	118,437,617	123,440,232
TOTAL ASSETS		135,056,953	164,963,968	127,867,453	135,807,556
EQUITY					
Share capital	13	156,574,187	139,608,502	156,574,187	139,608,502
Reserve	14	9,280,690	9,280,690	9,280,690	9,280,690
Accumulated losses		(38,446,301)	(14,112,832)	(39,186,129)	(14,400,563)
Total equity attributable to owners of the Company		127,408,576	134,776,360	126,668,748	134,488,629
NON-CURRENT LIABILITIES					
Deferred taxation	15	1,405,554	1,483,366	572,086	629,079
Hire purchase liabilities	16	426,176	150,092	–	–
		1,831,730	1,633,458	572,086	629,079
CURRENT LIABILITIES					
Trade payables	17	2,689,924	25,219,096	–	–
Other payables	17	2,943,790	2,965,999	606,718	671,395
Amount due to directors	18	19,901	18,453	19,901	18,453
Hire purchase liabilities	16	163,032	350,602	–	–
		5,816,647	28,554,150	626,619	689,848
TOTAL LIABILITIES		7,648,377	30,187,608	1,198,705	1,318,927
TOTAL EQUITY AND LIABILITIES		135,056,953	164,963,968	127,867,453	135,807,556

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 30 September 2021

	Note	Group		Company	
		01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Revenue	19	29,958,547	57,236,377	420,000	490,000
Cost of sales	20	(29,306,764)	(54,641,191)	–	–
GROSS PROFIT		651,783	2,595,186	420,000	490,000
Other income		606,184	531,456	352,792	296,789
Other expenses		(562,924)	(207,228)	(562,924)	(207,228)
Administrative expenses		(25,083,859)	(12,049,763)	(25,052,427)	(17,622,270)
LOSS FROM OPERATIONS		(24,388,816)	(9,130,349)	(24,842,559)	(17,042,709)
Finance costs	21	(22,465)	(36,225)	–	–
LOSS BEFORE TAXATION	22	(24,411,281)	(9,166,574)	(24,842,559)	(17,042,709)
Taxation	23	77,812	90,781	56,993	66,492
Net loss and representing total comprehensive expenses for the financial year/period		(24,333,469)	(9,075,793)	(24,785,566)	(16,976,217)
Loss per share attributable to owners of the Company (sen)					
- Basic	24	(2.33)	(1.03)		
- Diluted	24	(2.33)	(1.03)		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 30 September 2021

Group	Non-distributable					Total equity RM
	Share capital RM	Capital reserve RM	SIS reserve RM	Warrant reserve RM	Discount on equity RM	
Balance as at 1 August 2019	138,753,502	6,725,590	591,338	19,053,161	(16,498,061)	143,137,449
Total comprehensive expenses for the financial period	-	-	-	-	-	(9,075,793)
Transaction with owners:						
- Issuance of shares pursuant to SIS	855,000	-	(239,821)	-	-	855,000
- Warrants expired	-	-	-	(13,857,542)	13,857,542	-
Share options granted under SIS	-	-	106,200	-	-	106,200
Expired SIS	-	-	(457,717)	-	-	(246,496)
Balance as at 30 September 2020	139,608,502	6,725,590	-	5,195,619	(2,640,519)	134,776,360
Issuance of shares	16,965,685	-	-	-	-	16,965,685
Total comprehensive expenses for the financial year	-	-	-	-	-	(24,333,469)
Balance as at 30 September 2021	156,574,187	6,725,590	-	5,195,619	(2,640,519)	127,408,576

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 30 September 2021

Company	Non-distributable					Total equity RM
	Share capital RM	Capital reserve RM	SIS reserve RM	Warrant reserve RM	Discount on equity RM	
Balance as at 1 August 2019	138,753,502	6,725,590	591,338	19,053,161	(16,498,061)	150,750,142
Total comprehensive expense for the financial period	-	-	-	-	-	(16,976,217)
Transaction with owners:						
- Issuance of shares pursuant to SIS	855,000	-	(239,821)	-	-	855,000
- Warrants expired	-	-	-	(13,857,542)	13,857,542	-
Share options granted under SIS	-	-	106,200	-	-	106,200
Expired SIS	-	-	(457,717)	-	-	(246,496)
Balance as at 30 September 2020	139,608,502	6,725,590	-	5,195,619	(2,640,519)	134,488,629
Issuance of shares	16,965,685	-	-	-	-	16,965,685
Total comprehensive expenses for the financial year	-	-	-	-	(24,785,566)	(24,785,566)
Balance as at 30 September 2021	156,574,187	6,725,590	-	5,195,619	(2,640,519)	126,668,748

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 30 September 2021

		Group		Company	
		01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
	Note				
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before taxation		(24,411,281)	(9,166,574)	(24,842,559)	(17,042,709)
Adjustments for:					
Allowance for impairment losses on:					
- trade receivables	8	4,193,981	67,618	-	-
- other receivables	9	20,802,822	1,481,854	-	-
- amount due from subsidiaries	10	-	-	20,993,824	14,918,255
Depreciation of property, plant and equipment	5	1,214,682	1,567,904	14,156	15,302
Depreciation of right-of-use assets	6	493,534	575,790	493,534	575,790
Bad debts written off	22	-	5,000	-	-
Impairment loss on investment in subsidiaries	7	-	-	2,429,798	433,586
Loss on modification of financial assets	9	-	6,006,810	-	-
Unwinding of discount on financial assets	9	(3,571,505)	-	-	-
Gain on disposal of property, plant and equipment	22	(130,000)	(158,247)	-	-
Gain on disposal of other investments	22	(69,754)	(15,911)	(69,754)	-
Fair value (gain)/loss on other investments	22	(103,761)	101,388	(108,962)	101,388
SIS expenses	22	-	(140,295)	-	53,100
Interest income	22	(274,700)	(458,686)	(151,624)	(398,177)
Interest expenses	21	22,465	36,225	-	-
Operating loss before working capital changes		(1,833,517)	(97,124)	(1,241,587)	(1,343,465)
Changes in working capital					
Receivables		8,668,130	(15,550,133)	-	-
Payables		(22,551,381)	18,413,555	(64,677)	98,793
Amount due to directors		1,448	(141,159)	1,448	(141,158)
Amount due from subsidiaries		-	-	(16,752,818)	(2,698,911)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Cash Flows (Cont'd)

For The Financial Year Ended 30 September 2021

Note	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES (Cont'd)				
Cash (used in)/generated from operations	(15,715,320)	2,625,139	(18,057,634)	(4,084,741)
Interest received	274,700	458,686	151,624	398,177
Interest paid	(22,465)	(36,225)	–	–
Net cash (used in)/generated from operating activities	(15,463,085)	3,047,600	(17,906,010)	(3,686,564)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of property, plant and equipment	130,000	149,600	–	–
Proceeds from disposal of other investments	569,000	512,377	569,000	–
Purchase of other investments	(577,985)	(1,780,163)	(72,467)	(1,283,697)
Purchase of property, plant and equipment	5 (204,408)	(1,876,751)	–	(13,217)
Net cash (used in)/generated from investing activities	(83,393)	(2,994,937)	496,533	(1,296,914)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of ordinary shares pursuant to				
- exercise of SIS	13 –	855,000	–	855,000
- private placement	13 16,965,685	–	16,965,685	–
Repayment of hire purchase liabilities	(361,486)	(475,446)	–	–
Net cash generated from financing activities	16,604,199	379,554	16,965,685	855,000
Net increase/(decrease) in cash and cash equivalents	1,057,721	432,217	(443,792)	(4,128,478)
Cash and cash equivalents as at beginning of the financial year/period	14,872,891	14,440,674	8,060,044	12,188,522
Cash and cash equivalents as at end of the financial year/period	15,930,612	14,872,891	7,616,252	8,060,044
Cash and cash equivalents comprise of:				
- Short term deposits	15,356,279	10,259,769	7,504,507	7,876,659
- Cash and bank balances	574,333	4,613,122	111,745	183,385
	15,930,612	14,872,891	7,616,252	8,060,044

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 September 2021

1. GENERAL INFORMATION

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 Company's registered office is located at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan.

The principal place of business of the Company is located at Lot 450, Jalan Papan, Pandamaran Industrial Area, 42000 Port Klang, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management service.

The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements.

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

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

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

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous financial period.

2.2 Adoption of Amendments to MFRSs and Annual Improvements

At the beginning of the financial year, the Group and the Company have adopted the following Amendments to MFRSs and Annual Improvements which are mandatory for the financial periods beginning on or after 1 January 2020:

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 4	Insurance Contracts
Amendments to MFRS 7	Financial Instruments: Disclosure
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement
Amendments to MFRS 16	Leases
Amendments to References to Conceptual Framework in MFRS Standards	

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

2.3 Standards issued but not yet effective

The Group and the Company have not adopted the following Standards, Amendments and Annual Improvements that have been issued but are not yet effective by the Malaysian Accounting Standards Board ("MASB").

Effective for financial periods beginning on or after 1 January 2021

Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement
Amendments to MFRS 7	Financial Instruments: Disclosure
Amendments to MFRS 4	Insurance Contracts
Amendments to MFRS 16	Leases

Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 3	Intangible assets - Website Costs
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 141	Agriculture
Amendments to Annual Improvements to MFRS Standards 2018-2020	

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance contracts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 112	Income Taxes

Effective date to be determined by Malaysian Accounting Standards Board

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company will adopt the above mentioned standards, amendments or interpretations, if applicable, when they become effective in respective financial periods. The Directors do not expect any material impact to the financial statements from the above pronouncements.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

2.4 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis except as disclosed in the financial statements.

2.5 Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information are presented in RM, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

(i) Subsidiaries

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

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group 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 proceed and its carrying amount is recognised in profit or loss.

(ii) Business combination

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

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

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(iii) Acquisitions of non-controlling interests

The Group accounts for 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 reserve.

(iv) 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 financial 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 an available-for-sale financial asset depending on the level of influence retained.

(v) 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.

(vi) 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 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset.

Subsequent costs 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 the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Property, plant and equipment (Cont'd)

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income as a revaluation surplus reserve. When the asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus reserve of that asset.

Depreciation on the property, plant and equipment is calculated on a straight line basis over the expected useful lives of the assets, summarised as follows:

Leasehold buildings	2%
Plant and machinery	7% – 8%
Motor vehicles	20%
Office furniture, fittings and equipment	5% – 20%
Electrical installation	5%

Depreciation of an asset begins when it is ready for its intended use.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

At each reporting date, the Group and the Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

3.3 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or CGUs.

In assessing value in use, the estimated future cash flows expected to be generated by the assets are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Impairment of non-financial assets (Cont'd)

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

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in 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 with original maturities of three months or less, and are used by the Group and the Company in management of their short term funding requirements.

3.5 Financial instruments

3.5.1 Initial recognition

Financial assets or financial liabilities are recognised when the Group or the Company become a party to the contractual provisions of the instrument.

3.5.2 Classification and subsequent measurement of financial assets

Financial assets, other than those designated as hedging instruments, are classified into the following categories:

- (i) amortised cost ("AC");
- (ii) fair value through profit or loss ("FVTPL"); and
- (iii) fair value through other comprehensive income ("FVOCI").

The classification is determined by both:

- (i) the entity's business model for managing the financial asset; and
- (ii) the contractual cash flow characteristics of the financial asset.

All income and expenses relating to the financial assets that are recognised in profit or loss are presented within financial cost, financial income or other financial items, except for impairment of receivables which is presented within other expenses.

(i) Financial assets at amortised cost ("AC")

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's and the Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (Cont'd)

3.5.2 Classification and subsequent measurement of financial assets (Cont'd)

(ii) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The Group's and the Company's quoted investment fall into this category of financial instruments.

(iii) Financial assets at fair value through other comprehensive income ("FVOCI")

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income ("OCI") will be recycled upon derecognition of the asset.

3.5.3 Classification and subsequent measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group and the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

3.5.4 Derecognition

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

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (Cont'd)

3.5.5 Impairment of financial assets

MFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss ("ECL") model'. Instruments within the scope of the requirements included loans, trade and other receivables and other debt-type financial assets measured at amortised cost and financial assets at FVOCI.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead, the Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month ECL' are recognised for the first category while 'lifetime ECL' are recognised for the second category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables, and amount due from subsidiary companies

The Group makes use of a simplified approach in accounting for trade receivables and amount due from related parties, and records the loss allowance as lifetime ECL. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors such as external indicators surrounding the economic environment in which the debtor is operating.

For other receivables and amount due from subsidiary companies, the Group measures the loss allowance for other receivables and amount due from subsidiary companies equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition.

3.6 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

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

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Leases

3.7.1 Leases in which the Group is a lessee

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease based on whether the contract conveys to the user the right to control the use of an identified asset for a period of time in exchange for consideration. If a contract contains more than one lease component, or a combination of leasing and servicing elements, the consideration is allocated to each of the lease and non-lease components and on each subsequent re-measurement of the contract on the basis of their relative stand-alone selling prices. For a contract that is, or contains, a lease, an entity shall account for each lease component within the contract as a lease separately from non-lease components of the contract.

(a) Right-Of-Use Assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of the lease liability. The cost of the right-of-use asset comprises of the amount of lease liabilities adjusted for the lease payments that are paid at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred for dismantling and removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives received. If the Group and the Company are reasonably certain that the ownership of the underlying asset will be transferred to them by the end of the lease term, the right-of-use asset are depreciated from the commencement date to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset are depreciated on a straight-line basis from the commencement date to the earlier of the end of its useful life or the end of the lease term.

Depreciation on the right-of-use assets are calculated using straight-line basis over the earlier of the estimated useful lives of the right-of-use assets at the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold lands	Remaining lease periods of 10 to 30 years
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(b) Lease Liabilities

The Group and the Company recognise lease liability, which is measured at the present value of the lease payments to be made over the lease term, at the commencement date. The lease payments include fixed payments including in-substance fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, less lease incentives receivable. The lease payments also include the exercise price of purchase option if the Group and the Company are reasonably certain to exercise, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The lease payments are discounted using incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the Group and the Company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. The carrying amount of lease liabilities is remeasured in order to reflect any reassessment or lease modifications.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Leases (Cont'd)

3.7.1 Leases in which the Group is a lessee (Cont'd)

(c) Short-term leases and leases of low-value assets

The Group and the Company elected to apply exemption to those short term leases in which the lease term is 12 months or less from the commencement date and without purchase option. Besides, exemption is also applied for the lease of low value assets. The lease payments incurred on the exempted leases are recognised as expenses on a straight-line basis over the lease term.

(d) Lease term

The lease term includes non-cancellable period of a lease together with periods covered by an option to extend or terminate the lease if the Group and the Company are reasonably certain to exercise that option.

3.7.2 Leases in which the Group is a lessor

As a lessor, the Group and the Company determine whether a lease is finance lease or operating lease. The assessment are based on if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to them. Examples of indicators for finance lease are:-

- (i) Ownership is transferred at the end of lease term;
- (ii) Purchase option is offered at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable;
- (iii) The lease term is for the major part of the economic life of the underlying asset;
- (iv) The present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset;
- (v) The underlying asset is of such a specialised nature that only the Group and the Company can use it.

Operating lease

Lease payment from operating lease are recognised as income by the Group and the Company on straight line basis over the lease term of the lease. Initial direct costs incurred in obtaining the assets that are leased out are included in the carrying amount of the underlying assets, and the subsequent costs incurred is recognised as expense for the period of earning the income. Assets leased out under operating leases are presented on the statement of financial position according to the nature of the assets.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Provisions

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

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

3.9 Revenue and other income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

3.9.1 Sale of goods

Revenue from sales of goods is recognised at the point in time when the customer obtains control of goods, which is generally at the time of delivery. Revenue is measured at the fair value of the consideration received or receivables, net of discounts and taxes applicable to the revenue.

3.9.2 Services rendered

Revenue from services is recognised at the point in time when the customer acceptance of the services or period of time as per stated in contract with customer which is generally at the time of delivery.

3.9.3 Construction revenue

Revenue from construction contract is accounted in accordance to the accounting policies as described in Note 3.10 to the financial statements.

3.9.4 Management fee

Management fee is recognised on an accrual basis when service is rendered.

3.9.5 Interest income

Interest income is recognised as it accrues, taking into account the principal outstanding and the effective rate over period of maturity.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion method is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract cost.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as expenses in the period in which they are incurred. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately irrespective of whether the outcome of a construction contract can be estimated reliably.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is presented as amount due from contract customers. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as amount due to contract customers.

3.11 Employee benefits

3.11.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as 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 are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

3.11.2 Defined contribution plans

Defined contribution plans are post-employment benefits 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 periods. The contributions are charged as an expense in the financial period in which the employees render their services. As required by law, the Group and the Company make such contributions to the Employees Provident Fund ("EPF").

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Income tax

3.12.1 Current tax

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

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

3.12.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except for the deferred tax liability that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unutilised tax losses and unused tax credits can be utilised except where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each financial year end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are reassessed at each financial period end and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

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

3.13 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services and the geographical locations which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Earnings per ordinary share

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

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

3.15 Related parties

A party is related to an entity if:-

- (i) directly, or indirectly through one or more intermediaries, the party:-
 - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - has an interest in the entity that gives it significant influence over the entity; or
 - has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, joint controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with entity.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reporting amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

4.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, there were no critical judgements made by management on the amounts recognised in the consolidated financial statements.

4.2 Key sources of estimation uncertainty

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

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

4.2 Key sources of estimation uncertainty (Cont'd)

4.2.1 Depreciation

The costs of property, plant and equipment are depreciated on a straight-line basis over the asset's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within a range of 5 to 50 years. These are common life expectancies applied in this industry.

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets and therefore future depreciation charges could be revised. The carrying amounts of the Group's and of the Company's property, plant and equipment at the reporting date are disclosed in Note 5 to the financial statements.

4.2.2 Impairment of non-financial assets

When recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

4.2.3 Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognised tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

4.2.4 Provision for expected credit losses of trade receivables and other receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geographical region, product type, customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next period which can lead to an increased number of defaults in the trading sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 8.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

5. PROPERTY, PLANT AND EQUIPMENT

Group		Leasehold buildings RM	Plant and machinery RM	Motor vehicles RM	Office furniture, fittings and equipment RM	Electrical installation RM	Total RM
2021							
At cost							
As at 1 October 2020		21,916,988	9,828,206	2,978,530	1,957,844	779,254	37,460,822
Additions		–	–	645,783	8,625	–	654,408
Disposal		–	–	(443,888)	–	–	(443,888)
As at 30 September 2021		21,916,988	9,828,206	3,180,425	1,966,469	779,254	37,671,342
Less: Accumulated depreciation							
As at 1 October 2020		4,727,094	8,711,910	2,228,087	281,049	764,200	16,712,340
Charge for the financial year		427,821	279,706	316,438	188,999	1,718	1,214,682
Disposal		–	–	(443,888)	–	–	(443,888)
As at 30 September 2021		5,154,915	8,991,616	2,100,637	470,048	765,918	17,483,134
Net carrying amount							
As at 30 September 2021		16,762,073	836,590	1,079,788	1,496,421	13,336	20,188,208

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

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

Group	Leasehold lands RM	Leasehold buildings RM	Plant and machinery RM	Motor vehicles RM	Office furniture, fittings and equipment RM	Electrical installation RM	Total RM
2020							
At cost							
As at 1 August 2019, as previously stated	10,258,273	21,916,988	9,828,206	3,474,029	465,146	779,254	46,721,896
Adjustment on initial adoption of MFRS 16	(10,258,273)	-	-	-	-	-	(10,258,273)
As at 1 August 2019, as restated	-	21,916,988	9,828,206	3,474,029	465,146	779,254	36,463,623
Additions	-	-	-	745,389	1,495,862	-	2,241,251
Disposals	-	-	-	(1,240,888)	(3,164)	-	(1,244,052)
As at 30 September 2020	-	21,916,988	9,828,206	2,978,530	1,957,844	779,254	37,460,822
Less: Accumulated depreciation							
As at 1 August 2019, as previously stated	4,236,163	4,227,970	8,379,839	2,637,730	184,348	760,248	20,426,298
Adjustment on initial adoption of MFRS 16	(4,236,163)	-	-	-	-	-	(4,236,163)
As at 1 August 2019, as restated	-	4,227,970	8,379,839	2,637,730	184,348	760,248	16,190,135
Charge for the financial period	-	499,124	332,071	634,527	98,230	3,952	1,567,904
Disposals	-	-	-	(1,044,170)	(1,529)	-	(1,045,699)
As at 30 September 2020	-	4,727,094	8,711,910	2,228,087	281,049	764,200	16,712,340
Net carrying amount							
As at 30 September 2020	-	17,189,894	1,116,296	750,443	1,676,795	15,054	20,748,482

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

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

Company

	Leasehold lands RM	Office furniture, fittings and equipment RM	Total RM
2021			
At cost			
As at 1 October 2020/ 30 September 2021	–	147,965	147,965
Less: Accumulated depreciation			
As at 1 October 2020	–	50,242	50,242
Charge for the financial year	–	14,156	14,156
As at 30 September 2021	–	64,398	64,398
Net carrying amount			
As at 30 September 2021	–	83,567	83,567
2020			
At cost			
As at 1 August 2019, as previously stated	10,258,373	134,748	10,393,121
Adjustment on initial adoption of MFRS 16	(10,258,373)	–	(10,258,373)
As at 1 August 2019, as restated	–	134,748	134,748
Additions	–	13,217	13,217
As at 30 September 2020	–	147,965	147,965
Less: Accumulated depreciation			
As at 1 August 2019, as previously stated	4,236,163	34,940	4,271,103
Adjustment on initial adoption of MFRS 16	(4,236,163)	–	(4,236,163)
As at 1 August 2019, as restated	–	34,940	34,940
Charge for the financial period	–	15,302	15,302
As at 30 September 2020	–	50,242	50,242
Net carrying amount			
As at 30 September 2020	–	97,723	97,723

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

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

- (i) The carrying amount of the Group's and the Company's property, plant and equipment under hire purchase are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Motor vehicles	1,079,788	750,443	–	–

- (ii) Purchase of property, plant and equipment

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cost of property, plant and equipment purchased	654,408	2,241,251	–	13,217
Amount financed through loan and borrowings	(450,000)	(364,500)	–	–
Cash disbursed for purchase of property, plant and equipment	204,408	1,876,751	–	13,217

6. LEASES

Right-of-use assets

	Group/Company	
	Leasehold lands RM	Total RM
2021		
At cost		
As at 1 October 2020/ 30 September 2021	10,258,373	10,258,373
Less: Accumulated depreciation		
As at 1 October 2020	4,811,953	4,811,953
Charge for the financial year	493,534	493,534
As at 30 September 2021	5,305,487	5,305,487
Net carrying amount		
As at 30 September 2021	4,952,886	4,952,886

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

6. LEASES (CONT'D)

Right-of-use assets (Cont'd)

	Group/Company	
	Leasehold lands RM	Total RM
2020		
At cost		
As at 1 August 2019, as previously stated	–	–
Adjustment on initial adoption of MFRS 16	10,258,373	10,258,373
As at 1 August 2019, as restated/30 September 2020	10,258,373	10,258,373
Less: Accumulated depreciation		
As at 1 August 2019, as previously stated	–	–
Adjustment on initial adoption of MFRS 16	4,236,163	4,236,163
As at 1 August 2019, as restated	4,236,163	4,236,163
Charge for the financial period	575,790	575,790
As at 30 September 2020	4,811,953	4,811,953
Net carrying amount		
As at 30 September 2020	5,446,420	5,446,420

- (a) The Group has certain lease of premise with lease term of 12 months or less. The Group applies the “short-term lease” exemption for the lease.
- (b) The following are the amounts recognised in profit or loss:

	Group		Company	
	01.10.2020 to 30.09.2021	01.08.2019 to 30.09.2020	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Depreciation of right-of-use assets (included in administrative expenses)	493,534	575,790	493,534	575,790
Expense related to short-term leases (included in administrative expenses)	238,500	371,000	–	–
	732,034	946,790	493,534	575,790

- (c) At the end of the financial year, the Group had total cash outflow for leases of RM238,500 (2020: RM371,000).

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

7. INVESTMENTS IN SUBSIDIARY COMPANIES

	Company	
	2021 RM	2020 RM
Unquoted shares, at cost		
As at 1 October/1 August	51,612,267	58,112,267
Written off	(9,880,000)	(6,500,000)
As at 30 September	41,732,267	51,612,267
Less: Accumulated impairment losses		
As at 1 October/1 August	44,789,086	50,855,500
Impairment losses recognised during the financial year/period	2,429,798	433,586
Written off	(9,880,000)	(6,500,000)
As at 30 September	37,338,884	44,789,086
Net carrying amount		
As at 30 September	4,393,383	6,823,181

The subsidiary companies, which are incorporated in Malaysia, are as follows:-

Name of subsidiaries	Effective equity interest		Principal activities
	2021	2020	
Anzo Construction Sdn. Bhd.^	100%	100%	Construction and trading of building materials
Anzo Capital Sdn Bhd (formerly known as Anzo Marketing Sdn Bhd)	100%	100%	Management consultancy services and money lending business
Anzo Properties Sdn. Bhd.^	100%	100%	Property development
Harvest Lumber Sdn. Bhd.^	100%	100%	Provision of timber processing services
Harvest Rimba Sdn. Bhd.#	-	99%	Dormant
Quantum Pro Sdn. Bhd.^	100%	100%	Timber kiln drying
Anzo Trading Sdn. Bhd.^	100%	100%	Wholesale of construction materials and metal scraps

^ Audited by CAS Malaysia PLT.

Struck off from the register of Companies Commission of Malaysia on 9 February 2021.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

8. TRADE RECEIVABLES

	2021 RM	Group 2020 RM
Trade receivables *	48,058,127	60,162,582
Less: Allowance for impairment losses	(5,292,166)	(1,098,185)
	42,765,961	59,064,397

Group

The movement in the allowance for impairment losses of trade receivables during the financial year/period are as follows:

	Lifetime ECL RM	Credit impaired RM	Total RM
2021			
As at 1 October 2020	69,205	1,028,980	1,098,185
Allowance for impairment losses	–	4,207,989	4,207,989
Reversal during the financial year	–	(14,008)	(14,008)
As at 30 September 2021	69,205	5,222,961	5,292,166
2020			
As at 1 August 2019	–	1,053,849	1,053,849
Allowance for impairment losses	69,205	–	69,205
Written off	–	(23,282)	(23,282)
Reversal during the financial period	–	(1,587)	(1,587)
As at 30 September 2020	69,205	1,028,980	1,098,185

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

8. TRADE RECEIVABLES (CONT'D)

Group (Cont'd)

The ageing of the receivables and allowance for impairment losses provided for above are as follows:

	Gross carrying amount RM	Allowance for impairment losses		Net balance RM
		ECL (Collectively assessed) RM	ECL (Individually assessed) RM	
2021				
Neither past due	3,525,925	–	–	3,525,925
Past due 1 - 30 days	10,843	–	–	10,843
More than 30 days past due	39,229,193	–	–	39,229,193
	42,765,961	–	–	42,765,961
Credit Impaired				
More than 30 days past due	5,292,166	(69,205)	(5,222,961)	–
	48,058,127	(69,205)	(5,222,961)	42,765,961
2020				
Neither past due	10,779,179	–	–	10,779,179
Past due 1 - 30 days	10,684,223	–	–	10,684,223
More than 30 days past due	37,600,995	–	–	37,600,995
	59,064,397	–	–	59,064,397
Credit Impaired				
More than 30 days past due	1,098,185	(69,205)	(1,028,980)	–
	60,162,582	(69,205)	(1,028,980)	59,064,397

The maximum exposure of credit risk at the reporting date is the carrying value of receivables mentioned above. The Group does not hold any collateral as security.

The Group's normal trade credit term range from 30 to 60 days. Other credit terms are assessed and approved on a case by case basis.

* Included in trade receivables is an amount of approximately RM20 million in which the Group has signed a power of attorney to secure certain properties of the trade receivables as collaterals.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

9. OTHER RECEIVABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Non-current				
Other receivables	20,022,274	43,600,974	–	–
Less: Allowance for impairment losses	(1,477,826)	(4,203,043)	–	–
	18,544,448	39,397,931	–	–
Current				
Other receivables	32,873,465	14,858,430	–	–
Less: Allowance for impairment losses	(23,242,155)	(3,285,621)	–	–
	9,631,310	11,572,809	–	–
Deposits *	21,621,000	12,621,000	–	–
Prepayments	57,719	57,729	–	–
	31,310,029	24,251,538	–	–
	49,854,477	63,649,469	–	–

The movement in the allowance for impairment losses of other receivables during the financial year/period are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
As at 1 October/1 August	7,488,664	252,818	–	252,818
Written off	–	(252,818)	–	(252,818)
Impairment losses recognised during the financial year/period	20,802,822	1,481,854	–	–
Loss on modification of financial asset during the financial year/period	–	6,006,810	–	–
Unwinding of discount	(3,571,505)	–	–	–
As at 30 September	24,719,981	7,488,664	–	–

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

9. OTHER RECEIVABLES (CONTD)

The accumulated impairment losses are analysed as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Non-current	1,477,826	4,203,043	–	–
Current	23,242,155	3,285,621	–	–
	24,719,981	7,488,664	–	–

* Included in deposits are:

- (a) an amount of RM12,465,000, which are related to performance bond in relation to the construction project for Porto De Melaka.
- (b) an amount of RM9,000,000, which are related to secure of building materials at certain prices for future potential construction projects. Further details of this deposit have been disclosed in Note 29(a) to the financial statements.

10. AMOUNT DUE FROM SUBSIDIARY COMPANIES

	Company	
	2021 RM	2020 RM
Amount due from subsidiary companies	147,750,643	131,017,656
Less: Allowance for impairment losses	(37,793,770)	(16,819,777)
	109,956,873	114,197,879

The amount due from subsidiary companies represent non-trade transactions which are unsecured, interest free and repayable on demand.

The movement in the allowance for impairment losses of amount due from subsidiary companies during the financial year/period are as follows:

	Company	
	2021 RM	2020 RM
As at 1 October/1 August	16,819,777	1,901,522
Allowance for impairment losses	20,993,824	14,918,255
Written off	(19,831)	–
As at 30 September	37,793,770	16,819,777

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

11. OTHER INVESTMENTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<u>Financial assets at fair value through profit or loss</u>				
Unit trust funds	1,364,809	1,182,309	864,492	1,182,309

12. SHORT TERM DEPOSITS

The short term deposits of the Group and of the Company have interest rates with a range of 1.6% to 2.2% (2020: 1.8% to 3.78%) per annum, with maturity of 1 to 30 days (2020: 1 to 30 days).

13. SHARE CAPITAL

	2021 Units	Group/Company		2020 Units	2020 RM
		2020 Units	2021 RM		
Issued and fully paid up:					
As at 1 October/1 August	892,930,960	880,810,960	139,608,502		138,753,502
Issuance of shares pursuant to:					
- SIS	–	12,120,000	–		855,000
- Private Placement	223,232,700	–	16,965,685		–
As at 30 September	1,116,163,660	892,930,960	156,574,187		139,608,502

The new ordinary shares issued during the financial year ranked parri passu in all respect with the existing ordinary shares of the Group.

14. RESERVE

		Group/Company	
	Notes	2021 RM	2020 RM
Capital reserve	(a)	6,725,590	6,725,590
Warrant reserve	(b)	5,195,619	5,195,619
Discount on equity		(2,640,519)	(2,640,519)
		9,280,690	9,280,690

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

14. RESERVE (CONT'D)

(a) Capital reserve

Capital reserve represents a transfer from share capital arising from capital reduction exercise.

(b) Warrant reserve

The Company has one type of warrants: Warrant B (2013/2023).

The main features of the Warrants B are as follows:

- (a) Each Warrant carries the entitlement to subscribe for one (1) Company's share at the Exercise Price at any time during the Exercise Period, subject to adjustments in accordance with the provisions of the Deed Poll.
- (b) Subject to the adjustments in accordance with the Deed Poll, the exercise price of the Warrants has been fixed at RM0.25 for Warrants B.
- (c) The Warrants can be exercised at any time during the period commencing from and including the date of issue of the Warrants and up to and including the expiry date.

During the financial year, no warrants were exercised. The movement of the Warrant B are as follows:

	As at Expired on	Number of warrants			As at 30.09.2021
		01.10.2020	Granted	Expired	
Warrant B	25.08.2023	32,991,025	–	–	32,991,025

The warrant reserve is in respect of the fair value for free Warrant B issued pursuant to the Right Issue and the discount on equity is a reserve account that is created to preserve the par value of the ordinary shares.

15. DEFERRED TAXATION

The following are the movements of deferred tax liabilities:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
As at 1 October/ 1 August	1,483,366	1,574,147	629,079	695,571
Recognised in profit or loss (Note 23)	(77,812)	(90,781)	(56,993)	(66,492)
As at 30 September	1,405,554	1,483,366	572,086	629,079

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

15. DEFERRED TAXATION (CONT'D)

The components of the deferred tax liabilities at the end of the financial year/period comprise tax effects of:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Temporary difference arises from property, plant and equipment and right-of-use assets	1,405,554	1,483,366	572,086	629,079

Unrecognised deferred tax assets

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

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unabsorbed capital allowances	6,604,600	6,403,000	196,400	172,800
Unutilised tax losses	33,833,400	32,501,200	6,536,300	5,900,100
Reinvestment allowances	1,103,500	1,103,500	–	–
	41,541,500	40,007,700	6,732,700	6,072,900
Unrecognised deferred tax assets at 24%	9,970,000	9,602,000	1,616,000	1,457,000

The unabsorbed capital allowances can be carried forward indefinitely, and unutilised tax losses can be carried forward for a maximum period of seven (7) consecutive years of assessment effective from year 2019. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group and the Company can utilise the benefits.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

16. HIRE PURCHASE LIABILITIES

	2021 RM	Group 2020 RM
Minimum repayment:		
- Within one year	188,324	359,418
- Within two year to five years	464,677	158,940
	653,001	518,358
Future finance charges on hire purchase liabilities	(63,793)	(17,664)
Present value of hire purchase liabilities	589,208	500,694

Present value of hire purchase liabilities is analysed as follows:

Current liabilities		
- Within one year	163,032	350,602
Non-current liabilities		
- Within two year to five years	426,176	150,092
	589,208	500,694

Rates of interest charged per annum:

	2021 %	Group 2020 %
Hire purchase liabilities	0.77 - 2.80	0.77 - 2.94

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade payables	2,689,924	25,219,096	–	–
Other payables	2,433,162	1,990,305	476,368	523,451
Accruals	510,628	975,694	130,350	147,944
	2,943,790	2,965,999	606,718	671,395
	5,633,714	28,185,095	606,718	671,395

The trade payables are non-interest bearing and the normal trade credit terms received by the Group range from 30 to 120 days (2020: 30 to 120 days). Other credit terms are assessed and approved on a case to case basis.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

18. AMOUNT DUE TO DIRECTORS

The amount due to directors represented non-trade transactions which are unsecured, interest free and repayable on demand.

19. REVENUE

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Construction project revenue	1,297,509	10,849	–	–
Sale of goods and services	28,661,038	57,225,528	–	–
Management fee	–	–	420,000	490,000
	29,958,547	57,236,377	420,000	490,000

20. COST OF SALES

	Group	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Sale of goods and services	28,056,764	54,647,692
Construction cost	1,250,000	(6,501)
	29,306,764	54,641,191

21. FINANCE COSTS

	Group	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Hire purchase interest	22,465	36,225

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

22. LOSS BEFORE TAXATION

	Group		Company	
	01.10.2020	01.08.2019	01.10.2020	01.08.2019
	to	to	to	to
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM	RM	RM	RM
Loss before taxation is arrived at:				
after charging/(crediting)				
Auditors' remuneration:				
- current financial year:				
Statutory audit	138,060	143,000	65,060	70,000
Non-statutory audit	6,000	5,500	6,000	5,500
- under/(over)provision from previous financial period	8,910	(12,760)	4,530	(3,360)
Allowance for impairment loss on:				
- Trade receivables (Note 8)	4,193,981	67,618	-	-
- Other receivables (Note 9)	20,802,822	1,481,854	-	-
- Amount due from subsidiary companies (Note 10)	-	-	20,993,824	14,918,255
Loss on modification of financial assets (Note 9)	-	6,006,810	-	-
Unwinding of discount on financial assets (Note 9)	(3,571,505)	-	-	-
Bad debts written off	-	5,000	-	-
Depreciation of property, plant and equipment (Note 5)	1,214,682	1,567,904	14,156	15,302
Depreciation of right-of-use assets (Note 6)	493,534	575,790	493,534	575,790
Fair value (gain)/loss of FVTPL on other investments	(103,761)	101,388	(108,962)	101,388
Directors' remunerations:				
- Salaries and other emoluments	485,200	526,250	447,700	465,750
- Pension cost: Defined contribution plan	50,400	54,000	50,400	54,000
- Fees	96,000	105,666	96,000	105,666
Corporate exercise expenses	562,924	207,228	562,924	207,228
Impairment loss on investments in subsidiaries (Note 7)	-	-	2,429,798	433,586
Office rental	238,500	371,000	-	-
SIS expenses	-	(140,295)	-	53,100
Gain on disposal of property, plant and equipment	(130,000)	(158,247)	-	-
Gain on disposal of other investments	(69,754)	(15,911)	(69,754)	-
Interest income	(274,700)	(458,686)	(151,624)	(398,177)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

22. LOSS BEFORE TAXATION (CONT'D)

(a) Employees benefit expenses

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
<u>Employee benefit expenses excluding the directors are as follow:</u>				
Salaries, wages and others	618,324	1,045,479	233,000	629,612
Pension cost: Defined contribution plans	100,895	135,799	44,270	78,450
Social securities costs	6,622	8,425	924	1,847
Share option granted under SIS	–	(140,295)	–	53,100
	725,841	1,049,408	278,194	763,009

23. TAXATION

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
<u>Deferred taxation (Note 15)</u>				
Recognised in the income statement and tax credit for current financial year/period	(77,812)	(90,781)	(56,993)	(66,492)

Domestic current income tax is calculated at the statutory tax rate of 24% of the estimated assessable loss for the financial year/period.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

23. TAXATION (CONT'D)

The reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.08.2019 to 30.09.2020 RM
Loss before taxation	(24,411,281)	(9,166,574)	(24,842,559)	(17,042,709)
Tax at the statutory tax rate of 24%	(5,858,707)	(2,199,978)	(5,962,214)	(4,090,250)
Deferred tax assets not recognised during the financial year/period	386,954	245,138	152,684	248,963
Non-deductible expenses	5,626,017	2,490,547	5,894,200	3,912,516
Non-taxable income	(114,284)	(90,571)	(84,670)	(71,229)
Utilisation of previously unrecognised deferred tax assets	(39,980)	(445,136)	–	–
Crystallisation of deferred tax liability arising from revaluation of property, plant and equipment	(77,812)	(90,781)	(56,993)	(66,492)
Tax credit for the current financial year/period	(77,812)	(90,781)	(56,993)	(66,492)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

24. LOSS PER SHARE

(a) Basic loss per ordinary share

The calculation of basic loss per ordinary share at 30 September 2021 is based on the loss attributable to owners of the Company and divided by weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	01.10.2020 to 30.09.2021	01.08.2019 to 30.09.2020
Loss attributable to owners of the Company (RM)	(24,333,469)	(9,075,793)
Weighted average number of ordinary shares	1,044,606,877	883,284,660
Basic loss per ordinary share attributable to owners of the Company (sen)	(2.33)	(1.03)

(b) Diluted loss per ordinary share

Diluted loss per share is calculated by dividing the loss for the financial year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year/period adjusted to assume conversion of all dilutive potential ordinary shares arising from warrants and share options granted.

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

	Group	
	01.10.2020 to 30.09.2021	01.08.2019 to 30.09.2020
Diluted loss per ordinary share attributable to owners of the Company (sen)	(2.33)	(1.03)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

25. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

The Group and the Company have related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) In addition to the information detailed elsewhere in the financial statements, the Group and the Company carried out the following transactions with its related parties during the financial year/period:

	Company	
	01.10.2020	01.08.2019
	to	to
	30.09.2021	30.09.2020
	RM	RM
<u>Subsidiary companies</u>		
Management fee	420,000	490,000

(c) The key management personnel comprised all the directors of the Group and of the Company whose remuneration during the year are disclosed in Note 22.

The directors of the Group and of the Company are of the opinion that the related party transactions have been entered into the normal course of business on an arm's length basis and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

26. SEGMENT INFORMATION

26.1 Business segment

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group's chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services, which comprises the following:

(i) Timber services	Kiln drying, provision of timber trading and related services
(ii) Construction and property development	Contractors in construction and interior design fit up works and related trading and maintenance services, development of residential and commercial properties
(iii) Trading	Trading of metal scraps and construction materials
(iv) Investment holding and others	Investments in shares and securities and the provision of marketing and management service

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

26. SEGMENT INFORMATION (CONT'D)

26.1 Business segment (Cont'd)

Group

	Timber services RM	Construction and property development RM	Trading RM	Investment holding and others RM	Eliminations RM	Total as per consolidated financial statements RM
2021						
<u>Revenue</u>						
External revenue	3,103,711	1,297,509	25,557,327	–	–	29,958,547
Inter-segment revenue	–	–	–	420,000	(420,000)	–
	3,103,711	1,297,509	25,557,327	420,000	(420,000)	29,958,547
<u>Results</u>						
Segment results	(596,410)	(19,870,687)	(2,625,857)	(24,994,184)	23,423,622	(24,663,516)
Interest income	121,416	1,660	–	151,624	–	274,700
Finance costs	(21,172)	(1,293)	–	–	–	(22,465)
(Loss)/Profit before taxation	(496,166)	(19,870,320)	(2,625,857)	(24,842,560)	23,423,622	(24,411,281)
Tax expense	20,819	–	–	56,993	–	77,812
(Loss)/Profit after taxation	(475,347)	(19,870,320)	(2,625,857)	(24,785,567)	23,423,622	(24,333,469)
Addition to non- current assets	654,408	–	–	–	–	654,408
Segment assets	28,126,207	78,017,389	16,801,614	127,867,453	(115,755,710)	135,056,953
<u>Non-cash items</u>						
Impairment loss on trade and other receivables	(4,309)	22,250,600	2,750,512	–	–	24,996,803
Depreciation of property, plant and equipment	919,088	281,438	–	14,156	–	1,214,682
Depreciation of right-of-use assets	–	–	–	493,534	–	493,534
Unwinding of discount on financial assets	–	(3,571,505)	–	–	–	(3,571,505)
Fair value (gain)/loss of FVTPL on other investments	5,201	–	–	(108,962)	–	(103,761)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

26. SEGMENT INFORMATION (CONT'D)

26.1 Business segment (Cont'd)

Group						
	Timber services RM	Construction and property development RM	Trading RM	Investment holding and others RM	Eliminations RM	Total as per consolidated financial statements RM
2020						
Revenue						
External revenue	4,642,226	10,849	52,583,302	–	–	57,236,377
Inter-segment revenue	–	–	–	490,000	(490,000)	–
	4,642,226	10,849	52,583,302	490,000	(490,000)	57,236,377
Results						
Segment results	(898,753)	(8,050,023)	1,459,762	(17,440,887)	15,340,866	(9,589,035)
Interest income	33,474	27,035	–	398,177	–	458,686
Finance costs	(34,541)	(1,684)	–	–	–	(36,225)
(Loss)/Profit before taxation	(899,820)	(8,024,672)	1,459,762	(17,042,710)	15,340,866	(9,166,574)
Tax expense	24,289	–	–	66,492	–	90,781
(Loss)/Profit after taxation	(875,531)	(8,024,672)	1,459,762	(16,976,218)	15,340,866	(9,075,793)
Addition to non- current assets	199,150	2,028,884	–	13,217	–	2,241,251
Segment assets	23,065,953	101,600,746	27,061,347	150,705,978	(137,470,056)	164,963,968
Non-cash items						
Impairment loss on trade and other receivables	67,618	1,481,854	–	–	–	1,549,472
Depreciation of property, plant and equipment	1,393,068	159,534	–	15,302	–	1,567,904
Depreciation of right-of-use assets	–	–	–	575,790	–	575,790
Loss on modification of financial assets	–	6,006,810	–	–	–	6,006,810
Fair value loss of FVTPL on other investments	–	–	–	101,388	–	101,388

Notes to the Financial Statements *(Cont'd)*

For The Financial Year Ended 30 September 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its risks.

The main areas of the financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:

27.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of the changes in market interest rates. The Group's and the Company's exposure to interest rate risk relates to interest-bearing financial assets and liabilities. Interest-bearing financial assets includes short term deposits with licensed banks. Interest-bearing liabilities includes hire purchase liabilities.

The interest rates per annum on the financial liabilities are disclosed in Note 16.

27.2 Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk mainly arises from its receivables below. For bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable financial institution.

(a) Trade receivables

Credit risk is minimised by monitoring the financial standing of the debtors on an ongoing concern basis. The Group and the Company do not have any major concentration of credit risks related to any individual customer and counterparty. The maximum exposure to credit risk is disclosed in Note 8 to the financial statements, representing the carrying amount of the trade receivables recognised on the statements of financial position.

(b) Advances to subsidiary companies

The Company provides unsecured advances to its subsidiary companies and monitors the results of the subsidiary companies regularly. The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. As at 30 September 2021, the Company had made sufficient allowance for impairment loss on advances to its subsidiary companies.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

27.3 Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group and the Company manage liquidity risk by maintaining sufficient cash. In addition, The Group and the Company maintain bank facilities such as working capital lines deemed adequate by the management to ensure it will have sufficient liquidity to meet its liabilities when they fall due.

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates). The effective interest rates of these financial liabilities are disclosed in the respective notes to the financial statements.

Group

	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	Not later than 1 year RM	Later than 1 year but not later than 5 years RM	More than 5 years RM
2021						
Trade and other payables	5,633,714	-	5,633,714	5,633,714	-	-
Amount due to directors	19,901	-	19,901	19,901	-	-
Hire purchase liabilities	589,208	0.77 - 2.80	653,001	188,324	464,677	-
	6,242,823		6,306,616	5,841,939	464,677	-
2020						
Trade and other payables	28,185,095	-	28,185,095	28,185,095	-	-
Amount due to directors	18,453	-	18,453	18,453	-	-
Hire purchase liabilities	500,694	0.77 - 2.94	518,358	359,418	158,940	-
	28,704,242		28,721,906	28,562,966	158,940	-

Company

2021

Other payables	606,718	-	606,718	606,718	-	-
Amount due to directors	19,901	-	19,901	19,901	-	-
	626,619		626,619	626,619	-	-

2020

Other payables	671,395	-	671,395	671,395	-	-
Amount due to directors	18,453	-	18,453	18,453	-	-
	689,848		689,848	689,848	-	-

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

27.4 Classification of financial instruments

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Financial assets				
<u>At fair value through profit or loss</u>				
Other investments	1,364,809	1,182,309	864,492	1,182,309
<u>Amortised costs</u>				
Trade receivables	42,765,961	59,064,397	–	–
Other receivables	49,796,758	63,591,740	–	–
Amount due from subsidiary companies	–	–	109,956,873	114,197,879
Short term deposits	15,356,279	10,259,769	7,504,507	7,876,659
Cash and bank balances	574,333	4,613,122	111,745	183,385
	108,493,331	137,529,028	117,573,125	122,257,923
Financial liabilities				
<u>Amortised costs</u>				
Trade payables	2,689,924	25,219,096	–	–
Other payables	2,433,162	1,990,305	476,368	523,451
Amount due to directors	19,901	18,453	19,901	18,453
Hire purchase liabilities	589,208	500,694	–	–
	5,732,195	27,728,548	496,269	541,904

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

27.5 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments that are carried at fair value.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2021				
Financial asset				
Other investments at FVTPL	1,364,809	–	–	1,364,809
Financial liability				
Hire purchase liabilities	–	589,208	–	589,208
2020				
Financial asset				
Other investments at FVTPL	1,182,309	–	–	1,182,309
Financial liability				
Hire purchase liabilities	–	500,694	–	500,694
Company				
2021				
Financial asset				
Other investments at FVTPL	864,492	–	–	864,492
2020				
Financial asset				
Other investments at FVTPL	1,182,309	–	–	1,182,309

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

27.5 Fair value of financial instruments (Cont'd)

Policy on transfer between levels

The fair value of an asset or liability to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets or liabilities.

The responsibility for managing the above risks is vested in the directors.

28. CAPITAL MANAGEMENT

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

The Group and the Company manage the capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial year ended 30 September 2021.

The Group and the Company are not subject to any external imposed capital requirements. The Group manages capital by regularly monitoring its liquidity requirements rather than using debt to equity ratio.

29. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

- (a) On 15 February 2021, a subsidiary of the Company, Anzo Construction Sdn. Bhd. ("Anzo"), has paid a refundable deposit of RM9,000,000 to Seacera Tiles Marketing Sdn. Bhd. ("Seacera"), a wholly-owned subsidiary of Seacera Group Berhad, to secure building materials at certain price for the next 6 months.

However on 11 October 2021, Seacera has announced a scheme of arrangement proposal with creditors of Seacera Group ("Scheme Creditors"). Under this proposal, all debts with Scheme Creditors shall be settled through issuance of shares at an estimated conversion ratio of every RM0.196 of debts into one (1) new Seacera shares. This proposal has been accepted by a majority of Scheme Creditors on 9 November 2021.

In the event if the refundable deposit has been settled through shares, the fair value changes of shares may result in potential financial gain or loss to Anzo. Still, as at the date of report, there is no official announcement by Seacera in relation to the undertaking of this proposal. As such, we are unable to quantify the financial impact of this share settlement to the Group at this juncture.

The Group has received a legal confirmation from Seacera Group's legal representative that the scheme arrangement will take place as Seacera Group has the necessary votes to ensure the scheme is carried out.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2021

29. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR (CONT'D)

- (b) On 12 October 2021, the Company made announcement to Bursa Malaysia Securities Berhad ("Bursa Malaysia") that Bursa Malaysia had granted the Company an extension time of 6 months up to 10 April 2022 to submit its regularisation plan to Bursa Malaysia.

Currently, the Company is in the midst of formulating a regularisation plan to be submitted for regulator's approval.

- (c) COVID-19 pandemic

On 11 March 2020, the World Health Organisation declared the outbreak of a novel coronavirus ("COVID-19") as a global pandemic, which continues to spread throughout Malaysia and around the world. On 16 March 2020, the Malaysian Prime Minister announced Movement Control Order ("MCO") which includes closure of all government and private premises except those involved in essential services effective 18 March 2020 to 3 May 2020 and Conditional Movement Control Order ("CMCO") from 4 May to 9 June 2020 and Recovery Movement Control Order ("RMCO") from 10 June 2020 to 31 August 2020 and further extended RMCO to 31 December 2020. On 11 January 2021, the Malaysian Government announced the re-imposition the MCO for certain states of the country effective from 13 January 2021 to 4 February 2021 which was further extended to 5 March 2021 and entered CMCO thereafter. On 3 May 2021, the Government re-imposed MCO which will be effective from 6 May 2021 to 17 May 2021 for selective states. Meanwhile, due to the spike in the cases, on 10 May 2021, Government had announced that a nationwide MCO would be reinstated from 12 May 2021 to 7 June 2021 subsequently entered into different phases of the MCO. Consequently, the Covid-19 outbreak had resulted in travel restrictions, lockdown and other precautionary measures which has then brought significant economic uncertainties in Malaysia and markets in which the Group operates as well as may cause impact to the Group's revenue, earnings, cash flow and financial condition.

Impact from Covid-19 Pandemic

The Group's business operations have been slowed down due to the MCO and COVID-19 pandemic, which resulted in an adverse financial performance for the current financial year due to restrictions in business operation.

Despite headwinds from uncertain economic environment, the management and the Board will be prudent and cautious in drawing up the Group's business plans for the financial year ending 30 September 2022. Nevertheless, the Board shall closely monitor the Group's operations and take the necessary steps to navigate its post-pandemic recovery to improve the performance of its operations.

30. COMPARATIVE FIGURES

The financial statements of the Group and of the Company were prepared for a period of twelve (12) months ended 30 September 2021 and fourteen (14) months ended 30 September 2020. Accordingly, comparative amounts of the financial statements and related notes may not be comparable.

GROUP'S LANDED PROPERTIES

Location	Description	Tenure	Area sq. m.	Approximate Age (Years)	Net Book Value as at 30.09.2021	Date of Acquisition	Existing use
1. Lot 450, 451 & 452, Jalan Papan Pandamaran Industrial Area 42000 Port Klang Selangor Darul Ehsan	- Main Office - 4 factory buildings - 6 storage yards - 1 packing area - Boiler houses & workshop	Leasehold	32,375	1-35	11,398,353	2009	Factory and Office
2. Lot 10568, Jalan Papan Pandamaran Industrial Area 42000 Port Klang Selangor Darul Ehsan	- KD Plant and warehouse	Leasehold	5,970	1-31	10,232,113	2009	KD Chambers

ANALYSIS OF SHAREHOLDINGS

(Based on Register of Depositors as at 31 December 2021)

SHARE CAPITAL

Total Number of Issued Shares	:	1,116,163,660
Issued Share Capital	:	RM 156,574,186.93
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

(Based on Register of Depositors as at 31 December 2021)

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
LESS THAN 100	147	5,347	0.00
100 TO 1,000	684	559,386	0.05
1,001 TO 10,000	2,159	14,282,419	1.28
10,001 TO 100,000	4,681	215,357,988	19.29
100,001 TO LESS THAN 5% OF ISSUED SHARES	1,883	885,958,520	79.38
5% AND ABOVE OF ISSUED SHARES	0	0	0.00
TOTAL	9,554	1,116,163,660	100.00

DIRECTORS' SHAREHOLDINGS

(Based on Register of Directors' Shareholdings as at 31 December 2021)

No.	Names	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1.	Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	1,000,000 ⁽¹⁾	0.09
2.	Datuk Chai Woon Chet	8,350,000	0.75	59,100,000 ⁽²⁾	5.29
3.	Chong Khing Chung	-	-	-	-
4.	Low Poh Seong	-	-	-	-

Notes:

(1) Deemed interested by virtue of his interest in Syawaras Sdn Bhd pursuant to Section 8 of the Companies Act 2016

(2) Deemed interested by virtue of his interest in Zenith City Investments Limited and Ocean Milestone Sdn Bhd pursuant to Section 8 of the Companies Act 2016

LIST OF SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE)

(Based on Register of Depositors as at 31 December 2021)

Based on the Register of Depositors as at 31 December 2021, none of the shareholders hold more than 5% of the issued shares.

Analysis of Shareholdings (Cont'd)

(Based on Register of Depositors as at 31 December 2021)

LIST OF TOP 30 SHAREHOLDERS/ DEPOSITORS

(Based on Register of Depositors as at 31 December 2021)

No.	Name	No. of Shares Held	Percentage
1.	MOO SOO CHIN	55,770,000	4.99
2.	CHAI KOON KHOW	54,040,200	4.85
3.	LOW LI YAM	13,500,000	1.21
4.	WONG NGIE TIEN	9,600,000	0.86
5.	CHUNG KIN CHUAN	8,880,000	0.80
6.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOO KAM SWEE (W KOPONAS-CL)	7,973,100	0.71
7.	SEAN KOH WEI ZHONG	5,791,500	0.52
8.	LIM SIEW HONG	5,730,000	0.51
9.	CHIN CHIEW TED	5,600,000	0.50
10.	LIM CHEEN MEI	5,000,000	0.45
11.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG MEW CHOO	5,000,000	0.45
12.	NG SWEE KIAT	4,436,900	0.41
13.	YEE CHAI TEEI	4,000,000	0.36
14.	M & A NOMINEE (ASING) SDN BHD FOR MOHAMMED MOHIUDDIN BHUIYAN	3,700,000	0.33
15.	TAN MENG HOOI	3,600,000	0.32
16.	SIM KIAN SENG	3,500,000	0.31
17.	WONG CHEE KEEN	3,500,000	0.31
18.	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHUA SIOW LENG	3,219,500	0.29
19.	LIEW THAU SEN	3,007,000	0.27
20.	RAMLY BIN OTHMAN	3,005,000	0.27
21.	LOH POI GIEK	3,000,000	0.27
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE FOO SAN	3,000,000	0.27
23.	SEOW GIM BENG	3,000,000	0.27
24.	M & A NOMINEE (TEMPATAN) SDN BHD FOR TUAH JUJUR SDN BHD	2,940,800	0.26
25.	MAYBANK NOMINEES (TEMPATAN) SDN BHD ONG BENG HOE	2,900,000	0.26
26.	LIEW CHUN KEONG	2,884,100	0.26
27.	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAW THIAN SEN @ KHOO THIAN SEN (SMT)	2,800,000	0.25
28.	KENANGA NOMINEES (TEMPATAN) SDN BHD NG CHIA HER	2,500,000	0.22
29.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY GEOK SENG (DEALER 023)	2,500,000	0.22
30.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHUA SIN MO	2,450,000	0.22
Total		236,828,100	21.22

ANALYSIS OF WARRANTS B HOLDINGS

(Based on Register of Depositors as at 31 December 2021)

NO. OF OUTSTANDING WARRANTS : 32,991,025 WARRANTS B 2013/2023
 NO. OF WARRANT HOLDERS : 1,002

ANALYSIS BY SIZE OF WARRANT B HOLDINGS

(Based on Register of Depositors as at 31 December 2021)

SIZE OF WARRANT HOLDINGS	No. of Warrant Holders	No. of Warrants Held	%
LESS THAN 100	171	7,524	0.02
100 TO 1,000	207	113,698	0.35
1,001 TO 10,000	308	1,298,294	3.94
10,001 TO 100,000	247	10,851,851	32.89
100,001 TO LESS THAN 5% OF ISSUED WARRANTS B	68	18,145,258	55.00
5% AND ABOVE OF ISSUED WARRANTS B	1	2,574,400	7.80
TOTAL	1,002	32,991,025	100.00

DIRECTORS' WARRANT HOLDINGS AS PER THE REGISTER OF DIRECTORS' WARRANT HOLDINGS

(Based on Register of Directors' Warrant Holdings as at 31 December 2021)

Based on the Register of Directors' Warrant Holdings as at 31 December 2021, none of the Directors have any interest/ holdings in Warrants B.

Analysis of Warrants B Holdings (Cont'd)

(Based on Register of Depositors as at 31 December 2021)

LIST OF TOP 30 WARRANT B HOLDERS

(Based on Register of Depositors as at 31 December 2021)

No.	Name	No. of Warrants B Held	Percentage
1.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	2,574,400	7.80
2.	CHAI KOON KHOW	1,596,900	4.84
3.	MONG KONG MOI	938,800	2.84
4.	AH SEH A/L EWAN	685,800	2.07
5.	TAN KIAN AIK	600,000	1.81
6.	PANG NGUK HIONG	583,700	1.76
7.	CHIENG KOK TUNG	500,000	1.52
8.	FOUR SISTERS SDN BHD	500,000	1.52
9.	SEGAR SURIA SDN BHD	500,000	1.52
10.	ONG GUAN THIAM	467,533	1.42
11.	CHE BALKIS BINTI CHE SENAWI	430,000	1.30
12.	LAU FUI SENG	400,000	1.21
13.	ZULKARNAIN BIN ABDULLAH ANAS @ ANAS	400,000	1.21
14.	WONG YORK NGOH	383,400	1.16
15.	CHEW SA PAU	382,000	1.16
16.	LOO TONG CHENG	362,700	1.10
17.	CHAI KIAN WAH	344,800	1.05
18.	LIM HOW SOON	300,000	0.91
19.	WONG KEH CHONG	300,000	0.91
20.	WONG KON WAH	300,000	0.91
21.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD TAN SO CHANG	265,500	0.80
22.	TAN SO CHANG	260,000	0.79
23.	KUANG WEE BENG	250,000	0.76
24.	LEE AI PENG	250,000	0.76
25.	LEONG KIM SENG	250,000	0.76
26.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR BEH SUET YENG	240,000	0.73
27.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIEW YU WENG (T CHERAS-CL)	237,100	0.72
28.	TAN HENG POH	210,000	0.64
29.	TAN SHUI KOI	200,100	0.61
30.	CHIN LIM SHU	200,000	0.61
TOTAL		14,912,733	45.20

NOTICE OF FORTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Third (43rd) Annual General Meeting (“AGM”) of the Company will be held and conducted by way of virtual meeting entirely through live streaming via a Remote Participation and Voting (“RPV”) facilities via Mlabs VGM platform operated by Mlabs Research Sdn Bhd at the main venue at Boardroom, Suite 11.1, Level 11, Menara 1 Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur on Tuesday, 15 March 2022 at 10.30 a.m. to transact the following businesses: -

1. To receive the audited financial statements for the financial year ended 30 September 2021 together with the Directors’ and Auditors’ Reports thereon.
Please refer to Note A.
2. To re-elect the following Director who are retiring pursuant to the Company’s Constitution:
 - i) Dato’ Seri Abdul Azim bin Mohd Zabidi (Article 105(1)) Ordinary Resolution 1
3. To approve the payment of Directors’ fees and other benefits payable of up to RM310,000 to the Directors of the Company for the financial year ending 30 September 2022. Ordinary Resolution 2
4. To re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 3

SPECIAL BUSINESSES:

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

5. **Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016** Ordinary Resolution 4

THAT subject to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), Additional Temporary Relief Measures to Listed Corporations for Covid-19, issued by Bursa Securities on 16 April 2020, its subsequent letter dated 23 December 2021 on extension of implementation of the 20% General Mandate and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time (“20% General Mandate”); AND THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued pursuant to the 20% General Mandate on Bursa Securities which would be utilised before 31 December 2022 and thereafter, the 10% general mandate will be reinstated;

AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.”

Notice of Forty-Third Annual General Meeting (Cont'd)

6. **Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")**

Ordinary Resolution 5

"THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature with related parties as set out in Section 2.4 of the Circular to Shareholders dated 31 January 2022 for the purposes of Paragraph 10.09, Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

- (i) the transactions are necessary for the day to day operations of the Company's subsidiaries in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;
- (ii) the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until: -
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is earlier.

- (iii) disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:-
 - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
 - (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,

whichever is higher;

and amongst other, based on the following information:

- (a) the type of the Recurrent Related Party Transactions made; and
- (b) the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with Anzo Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

Notice of Forty-Third Annual General Meeting (Cont'd)

7. To transact any other business of the Company for which due notice shall have been given.

By order of the Board,

Tan Tong Lang (MAICSA 7045482/ SSM PC No.201908002253)
Company Secretary

Selangor
31 January 2022

Notes

1. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely at this virtual Forty-Third AGM using RPV Facilities provided by Mlabs Research Sdn Bhd via Webex Events platform through the link <https://rebrand.ly/AnzoAGM>.
2. A member entitled to participate and vote at this meeting is entitled to appoint a proxy/proxies to participate and vote instead of him. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. Where a member appoints more than one proxy to participate the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or, if the appointer is a corporation, either under its Common Seal or signed by attorney so authorized.
6. The Form of Proxy must be deposited at the Company's Share Registrar Office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
7. For the purpose of determining a member who shall be entitled to participate the Forty-Third AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 8 March 2022. Only members whose name appears on the Record of Depositors as at 8 March 2022 shall be entitled to participate the said meeting or appoint proxies to participate and/or vote on his/her behalf.

Notice of Forty-Third Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON SPECIAL BUSINESSES

Note A: Audited Financial Statements for the financial year ended 30 September 2021

This Agenda item is meant for discussion only as Section 340(1) of the Companies Act 2016 and the Company's Constitution provide that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, it is not put forward for voting.

Ordinary Resolutions 2: Directors' Fees and Benefits

In accordance with Section 230 (1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors of public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The Company pays Directors' fees and benefits to the Independent Non-Executive Directors ("INEDs"). The Executive Directors do not receive any fees and benefits as Directors, but they are remunerated with salary, benefits and other emoluments by virtue of their contract of service or employment which do not require approval by the shareholders.

The Board recommends that shareholders approve a maximum aggregate amount of RM310,000 for the payment of Directors' fees and benefits to the INEDs of the Company during the course of the period from October 2021 until the next AGM of the Company.

Ordinary Resolution 4: Authority to Directors to Allot and Issue Shares

The proposed Ordinary Resolution 4, if passed, is a general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 20% of the total number of issued share of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. Bursa Securities has via their letter dated 23 December 2021 granted an extension to the temporary relief measures to listed corporations, amongst others, an increase in general mandate limit for new issues of securities to not more than 20% of the total number of issued shares of the Company for the time being ("20% General Mandate"). Pursuant to the 20% General Mandate, Bursa Securities has also mandated that the 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2022 and thereafter, the 10% general mandate will be reinstated. Having considered the current economic climate arising from the global COVID-19 pandemic and future financial needs of the Group, the Board would like to procure approval for the 20% General Mandate, pursuant to Section 76(4) of the Companies Act 2016 from its shareholders at the forthcoming Forty-Third AGM of the Company. The 20% General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions. The 20% General Mandate, unless revoked or varied by the Company in general meeting, will expire at the end of the 31 December 2022. The Board of Directors of the Company, after due consideration, is of the opinion that in the face of unprecedented challenges to the Company brought by Covid-19 pandemic, this 20% General Mandate will enable the Company further flexibility to raise funds expeditiously other than incurring additional interest costs as compared to bank borrowings, thereby allowing the Company to preserve its cash flow and achieve a more optimal capital structure. Any funds raised from this 20% General Mandate is expected be used as working capital to finance day-to-day operational expenses, on-going projects or future projects/investments to ensure the long-term sustainability of the Company. The Board, having considered the current and prospective financial position, needs and capacity of the Company, is of the opinion that the 20% General Mandate is in the best interest of the Company and its subsidiaries. As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 9 March 2021 and which will lapse at the conclusion of the Forty-Third AGM.

Ordinary Resolution 5: Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution 5, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.

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ANZO HOLDINGS BERHAD
安 卓 控 股 有 限 公 司

(Registration No: 197701005955(36998-T))

CDS ACCOUNT NO.	NO. OF SHARES HELD

FORM OF PROXY

(Before completing this form please refer to the notes below)

I / We (Full Name in Block Letters) _____

NRIC No. / Passport No. / Company No. _____ of _____

*Tel No: _____ *Email Address: _____ being a member / members
of **ANZO HOLDINGS BERHAD** (Registration No: 197701005955(36998-T)), hereby appoint _____

NRIC No. / Passport No. / Company No. _____ of _____

*Tel No: _____ *Email Address: _____ and/or _____

NRIC No. / Passport No. _____ of _____

*Tel No: _____ *Email Address: _____

(*You are required to fill in the contact no. and email address in order to participate the Forty-Third (43rd) Annual General Meeting ("AGM") of our Company, otherwise we are unable to register you as the participant of the meeting.)

or failing him/her, the Chairman of the Meeting as *my/our proxy to attend and vote for *me/us and on my/our behalf at the Forty-Third (43rd) AGM of the Company will be held and conducted by way of virtual meeting entirely through live streaming via a Remote Participation and Voting ("**RPV**") facilities via Mlabs VGM platform operated by Mlabs Research Sdn Bhd at the main venue at Boardroom, Suite 11.1, Level 11, Menara 1 Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur on Tuesday, 15 March 2022 at 10.30 a.m. and at any adjournment thereof in the manner as indicate below:

RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1 - To re-elect Dato' Seri Abdul Azim bin Mohd Zabidi as Director		
Ordinary Resolution 2 - To approve the payment of Directors' fees and other benefits payable for the financial year ending 30 September 2022		
Ordinary Resolution 3 - To re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company		
Ordinary Resolution 4 - To approve the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Ordinary Resolution 5 - To approve the Proposed Shareholders' Mandate		

(Please indicate with 'X' how you wish to cast your vote. In the absence of specific directions, the proxy may vote or abstain from voting on the resolutions as he/she may think fit.)

Signed this _____ day of _____, 2019.

Signature : _____
(If shareholder is a corporation, this form should be executed under seal)

The proportions of my/our holdings to be represented by my/our proxies are as follows:-

First Proxy
No. of Shares:

Percentage :%

Second Proxy
No. of Shares:

Percentage :%

NOTES:

- Please refer to the Administrative Guide for the procedures to register, participate and vote remotely at this virtual Forty-Third AGM using RPV Facilities provided by Mlabs Research Sdn Bhd via Webex Events platform through the link <https://rebrand.ly/AnzoAGM>.
- A member entitled to participate and vote at this meeting is entitled to appoint a proxy/proxies to participate and vote instead of him. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- Where a member appoints more than one proxy to participate the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The Form of Proxy must be deposited at the Company's Share Registrar Office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
- For the purpose of determining a member who shall be entitled to participate the Forty-Third AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 8 March 2022. Only members whose name appears on the Record of Depositors as at 8 March 2022 shall be entitled to participate the said meeting or appoint proxies to participate and/or vote on his/her behalf.



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The Share Registrar of
ANZO HOLDING BERHAD
(Registration No.: 197701005955 (36998-T))
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur

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ANNUAL REPORT 2021

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