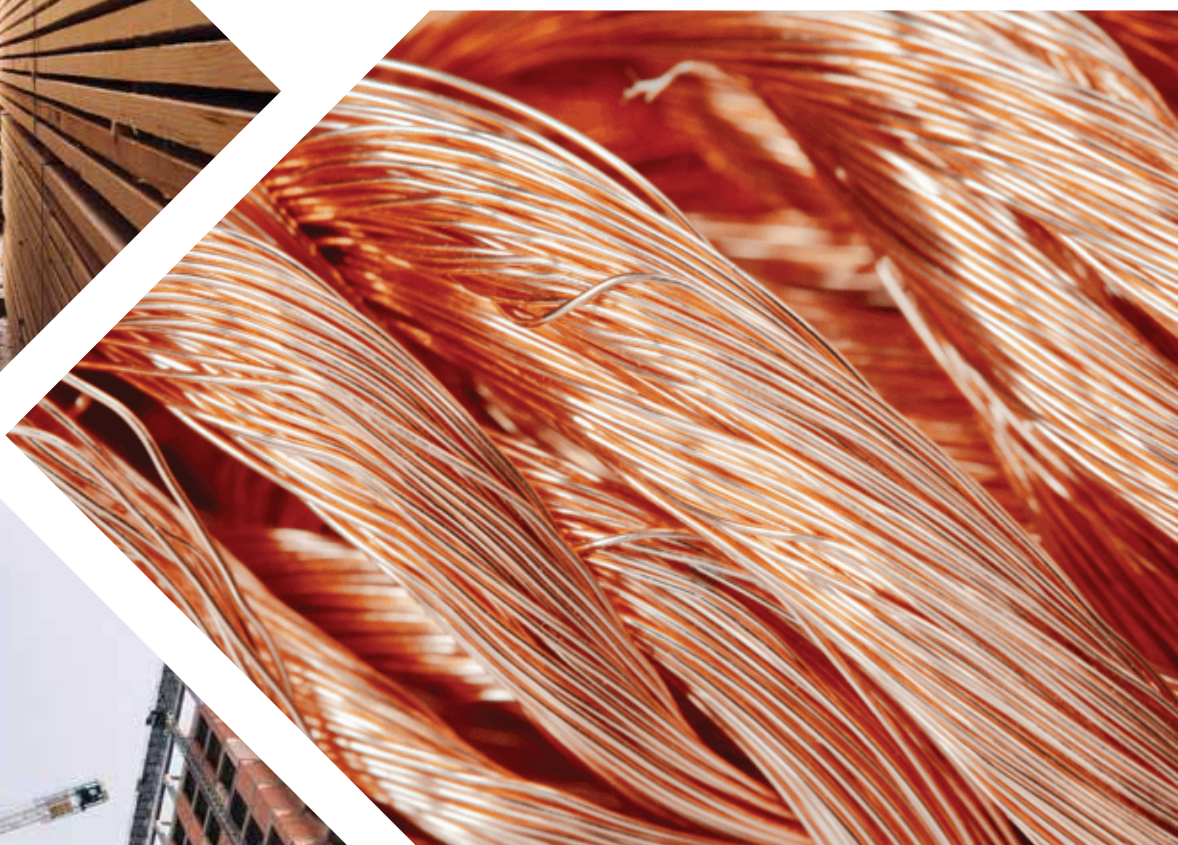




ANZO HOLDINGS BERHAD
安 卓 控 股 有 限 公 司

Registration No. 197701005955 (36998-T)



ANNUAL REPORT 2022

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

Managing Director

Datuk Chai Woon Chet

Independent Non-Executive Director

Wong Eng Kin

Low Poh Seong

AUDIT COMMITTEE

Low Poh Seong (Chairman)

Wong Eng Kin

NOMINATION AND REMUNERATION COMMITTEE

Wong Eng Kin (Chairman)

Low Poh Seong

COMPANY SECRETARY

Tan Tong Lang

(MAICSA 7045482 / SSM PC No. 202208000250)

PRINCIPAL PLACE OF BUSINESS

Lot 450, Jalan Papan

Pandamaran Industrial Area

42000 Port Klang, Selangor Darul Ehsan

Tel No. : (6013) 8666872

Website : www.anzo.com.my

INVESTOR RELATIONS

Email : anzoholdings@gmail.com

Tel No. : (603) 6143 8899

Website : www.anzo.com.my

REGISTERED OFFICE

B-21-1, Level 21, Tower B

Northpoint Mid Valley City

No 1, Medan Syed Putra Utara

59200 Kuala Lumpur

W.P. Kuala Lumpur

Tel No. : (603) 9770 2200

Fax No. : (603) 9770 2239

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. ChengCo PLT (AF 0886) &

(LLP0017004-LCA)

No. 8-2 & 10-2

Jalan 2/114, Kuchai Business Centre

Off Jalan Klang Lama

58200 Kuala Lumpur

Tel No. : (603) 7984 8988

Fax No. : (603) 7984 4402

STOCK EXCHANGE LISTING

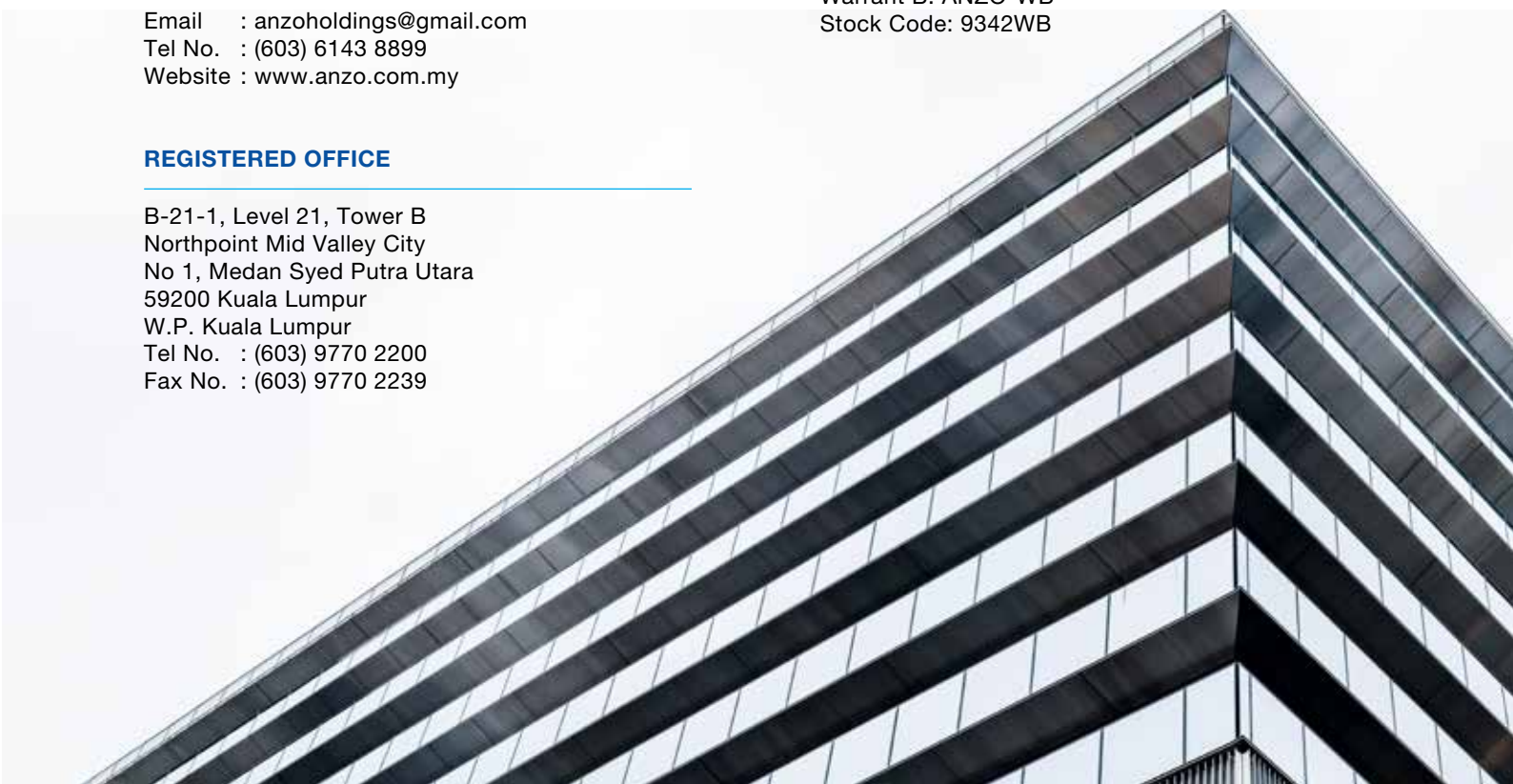
Main Market of Bursa Malaysia Securities Berhad

Stock Name: ANZO

Stock Code : 9342

Warrant B: ANZO-WB

Stock Code: 9342WB



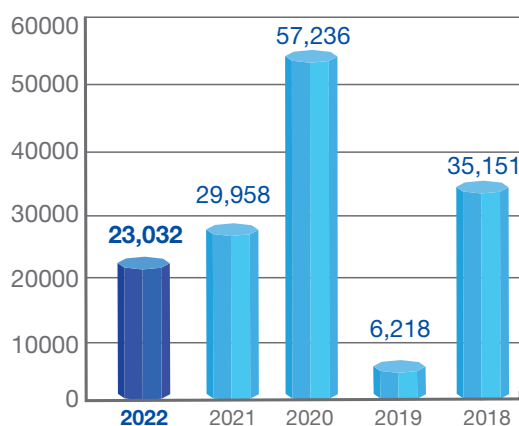
FINANCIAL HIGHLIGHTS

	30-Sep-22	31-Sep-21 ⁴	Financial Year Ended		
			30-Sep-20 ³	31-July-19	31-July-18 ^{1,2}
Turnover (RM'000)	23,032	29,958	57,236	6,218	35,151
Loss before tax (RM'000)	(30,168)	(24,411)	(9,166)	(3,537)	(6,019)
Tax (RM'000)	78	78	91	78	102
Loss after tax (RM'000)	(30,090)	(24,333)	(9,075)	(3,459)	(5,917)
Share Capital (RM'000)	156,574	156,574	139,609	138,754	138,754
Net Assets (RM'000)	97,319	127,408	134,776	143,137	146,596
Net Assets per shares (sen)	8.72	11.53	15.09	16.25	16.64
Net Earning Per shares (sen)	(2.69)	(2.33)	(1.03)	(0.39)	(0.77)

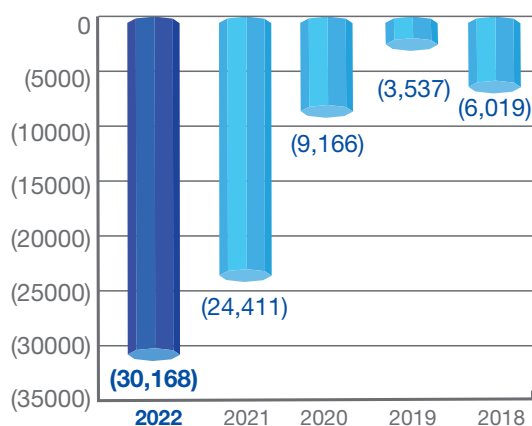
Note:

1. 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 warrant 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.
2. In FY 2018, the Company had changed its financial year end from 31 March to 31 July on 27 April 2018
3. In FY 2020, the Company had changed its financial year end from 31 July to 30 September on 16 July 2019
4. 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

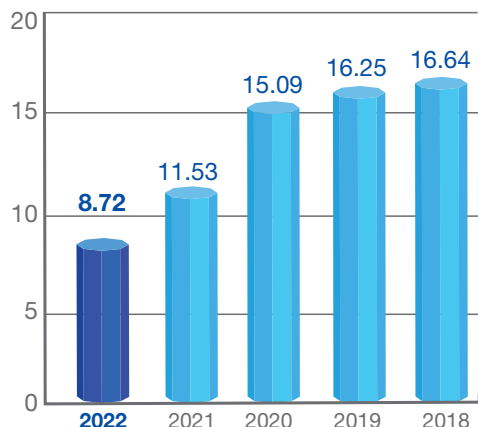
TURNOVER (RM'000)



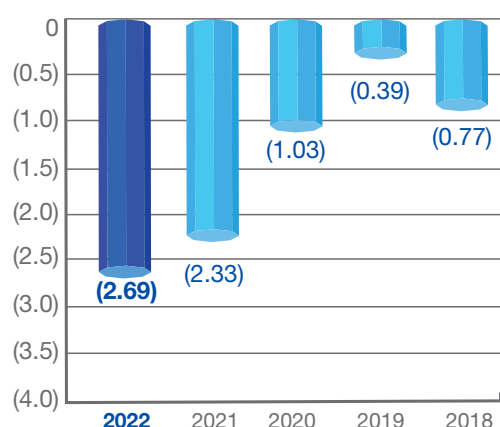
LOSS BEFORE TAXATION (RM'000)



NET ASSETS PER SHARE (Sen)



NET EARNING PER SHARE (RM'000)



DIRECTORS' PROFILE



Datuk Chai Woon Chet
Managing Director
Malaysian, Male, 44 years old

Datuk Chai Woon Chet ("Datuk Chai") was appointed to the Board of the Company as Managing Director on 22 May 2015. He has been overseeing all the business divisions of our Group. From his experience in sourcing construction materials, timber products, and services from suppliers, he has established a wide business network with suppliers and maintained a 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 his experience and networking to manage the Trading Business.

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

Datuk Chai was appointed as Marketing Manager at Sanbuni Sawmill Sdn. Bhd. (a wholly-owned subsidiary of Sanbuni Holdings Berhad, now known as Iconic Worldwide Berhad, which is listed on the Main Market 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 9 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 a 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 in Kuala Lumpur with a 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 planning and implement the strategic directions of the companies.

He was also an Executive Director of Vizione Holdings Berhad and XOX Berhad until year 2017 and 2018 respectively. He is currently a Non-Independent and Non-Executive Director of XOX Technology 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 director and/or other major shareholders of the Company, no conflict of interest with the Company. He was publicly reprimanded and fined RM150,000.00 for breach of Paragraph 9.03(1) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad ("MMLR"), Paragraphs 10.08(2)(a) & (b) read together with Paragraph 8.29(1) of the MMLR, Paragraph 10.08(2)(c) and Paragraph 10.08(4) of the MMLR (RPT ISA Breach), Paragraphs 10.08(2)(a) & (b) read together with Paragraph 8.29(1) of the MMLR, Paragraph 10.13(1) read together with Paragraph 8.29(1) of the MMLR, Paragraph 9.35A(1)(a) of the MMLR and Paragraph 10.08(1) of the Main LR on 1 September 2022. Save for as disclosed, he has not committed any offences within the past five (5) years other than traffic offence, if any.

Directors' Profile *(cont'd)*



Wong Eng Kin

*Independent Non-Executive Director
Malaysian, Male, 60 years old*

Mr. Wong Eng Kin ("Mr. Wong") was appointed as an Independent Non-Executive Director of the Company on 14 June 2022. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committees of the Company.

Mr. Wong was appointed as Accountant for Ganda Holdings Berhad and later Samanda Holdings Berhad from year 1992 until 1994. He was responsible for the preparation of the groups management and financial accounts, operational and budgetary reports.

In the year 1995 to 1998, Mr. Wong was engaged as the Complex Manager of the Wisma Central Management Corporation where he was responsible for efficient operations of the Wisma Central building as a commercial complex. He reported directly to the elected Management Council during their periodic meetings. Comprehensive management reports are prepared and presented including the cash flow and financial statements, budgetary controls reports, and general operations reports including the administrative, accounting, maintenance, and security functions.

Mr. Wong practiced as a Company Secretary and Corporate Affairs consultant at TAC Corporate Services Sdn. Bhd. from year 1998 to 2000. He was also a Senior Manager at Alan Yoon Associates, an MIA member firm offering public accounting/auditing services up to 2008. During his tenure, he was responsible for reviewing and suggesting revisions to the prepared draft audit reports as well as income tax compliance matters for his clients.

In the year 2009, Mr. Wong was engaged as the Property Manager of Halls Chadwick Asia to oversee and restructure their property management arm. He joined Ecobact Malaysia Sdn Bhd, a company marketing revolutionary ecological friendly bacterial-based industrial solutions in year 2011 to formulate the restructuring of the operations.

Currently, he has retired from active practice and serves primarily as a Corporate Consultant on ad hoc basis

He does not hold any directorship in other public companies and listed issuer. He has no relationship with any other Directors or Major Shareholder 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)*

Mr. Low Poh Seong ("Mr. Low") was appointed as an Independent Non-Executive Director of the Company on 21 September 2021. He is the Chairman of Audit Committee and a member of the Nomination and Remuneration Committee of the Company.

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

Mr. Low has more than 19 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 year 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 the Audit Committee for Kanger International Berhad, a public listed Company listed on the ACE Market of Bursa Malaysia Securities Berhad .

He has no relationship with any other Directors or Major Shareholder 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 Holdings Berhad and its subsidiaries (“the Group”) is an integrated contractor and established timber service provider in Malaysia for over 30 years. The Group 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 dry 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 become 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 it’s 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, maximizing 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 RM23.0 million (FY 2021: RM29.9 million) for the financial year ended 30 September 2022 (“FY 2022”) and loss before tax of RM30.17 million (FY 2021: RM24.4 million) mainly due to:

1. lower revenue from trading division of RM18.7 million in FY 2022 (FY 2021: RM25.6 million).
2. higher impairment losses of RM27.04 million (FY 2021: RM21.4 million) on trade and other receivables.

FINANCIAL POSITION

Total assets of the Group decreased from RM135.1 million to RM104.6 million during FY2022, a decrease of 22.6% as compared to the previous financial year mainly due to repayment and higher impairment loss for trade and other receivables during the year.

The Group’s Shareholders Equity as of 30 September 2022 stood at RM97.3 million, a reduction of RM30.1 million or 23.6% over the preceding year, mainly due to the operation loss made in FY 2022.

The total liabilities of the Group decreased from RM7.6 million to RM7.3 million in FY 2022, a reduction of 4.6% over the preceding year, mainly due to repayment to payables and hire purchase liabilities, which partially offset by the increase in amount due to director.

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

Management Discussion And Analysis *(cont'd)*

REVIEW OF OPERATING SEGMENTS

Our Group has three segments that drive the operations:

- a) Construction division – During the financial year, the operation results of the division is consistent with those of FY2021. The division, however, suffered a loss before tax of RM24.4 million (FY 2021: RM19.9 million) mainly due to higher impairment losses provided for trade and other receivables amounted to RM23.38 million (FY 2021: RM18.7 million) in current year.
- b) Timber division –The primary focus of the division is to provide kiln dry and machining services to local customers. The operation results of the division is consistent with those of previous year, which contributed a yearly revenue of RM3 million with segment loss of RM0.5 million (FY 2021: RM0.5 million).
- c) Trading division –During the financial year, the division contributed RM18.7 million (FY 2021: RM25.6 million) revenues and loss before tax of RM3.76 million (FY 2021: RM2.6 million). The division incurred higher loss before tax in current year mainly due to higher impairment loss provided for trade debtors amounted to RM3.7 million (FY 2021: 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 2022 has been a very challenging year for the Group and 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 is work 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 organization. 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 2021 (“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’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 (“AC”) and Nomination and Remuneration Committee (“NRC”) in order to enhance business and operational efficiency and effectiveness. The Terms of Reference for the Board Committees are available on the Company’s website at www.anzo.com.my.

Chairman

The Chairman of the Board, Dato’ Seri Abdul Azim Bin Mohd Zabidi was resigned on 30 May 2022 and during his tenure, he primarily responsible for the orderly conduct and effective running of the Board. Currently, the Company is actively looking for a suitable candidate to take up the role of the Chairman of the Board.

Separation of the positions of the 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 the 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.

However, the Company does not presently have a designated Chairman since the resignation of the previous Chairman on 30 May 2022.

Chairman of the Board should not be a member of the Board Committees

The Board is endeavors to comply with the Practice 1.4 of the MCCG whereby the Chairman of the Board should not be a member of the Board Committees, and the Board also acknowledges the risk of self-review and may impair the objectivity of the Chairman if the Chairman is the Board Committees’ member.

Before the previous Chairman resigned from the Board, he is the member of AC and NRC. However, he is not involved in management and operational matters of the Company, and he always provides constructive ideas and opinions to the Board and Board Committees based on different perspectives as a Board Chairman and member of Board Committees. Therefore, the Board are in the view that his presence as a member of the Board Committees would not impair the objectivity of his role as a Chairman.

Corporate Governance Overview Statement *(cont'd)*

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

Qualified and Competent Company Secretary

The Company Secretary is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and is qualified to act as Company Secretary pursuant to Section 235(2) of the Companies Act 2016 (the "Act").

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 ensure that discussions at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate action.

Access of Information and Advice

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. The Directors have access to the advice and services of the Company Secretary and where necessary, obtain independent professional advice at the Group's expense.

Company's Policies

a) Board Charter

The Board has adopted a Board Charter which is to provide guidance to them in the fulfilment of their roles, duties and responsibilities to be in line with the principles of good corporate governance. The Board Charter would be periodically reviewed and updated as and when necessary to ensure that it remains consistent with the Group's policies and procedures, the Board's overall responsibilities as well as changes to legislation and regulations.

The Board Charter is available on the Company's website at www.anzo.com.my.

b) 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.

The 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.

c) Whistleblowing Policy

The Group has adopted the Whistleblowing Policy to provide an avenue for the employees of the Group and members of the public to raise genuine concerns of any wrongdoing or improper conduct involving the Group and its directors or employees. The Whistleblowing Policy is available on the Company's website at www.anzo.com.my.

d) Anti-Bribery and Anti-Corruption Policy

The Group is committed to conduct business in an ethical and honest manner while upholding zero-tolerance position on bribery and corruption and hence has adopted an Anti-Bribery and Anti-Corruption Policy. The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at www.anzo.com.my.

e) Directors' Fit and Proper Policy

Following the amendments to the MMLR of Bursa Securities, the Board adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is available on the Company's website at www.anzo.com.my.

Corporate Governance Overview Statement (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**Company's Policies (Cont'd)****f) 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.

Board Composition and their attendances

The Company is led by an experienced Board consists of three (3) members, comprising a Managing Director and two (2) Independent Non-Executive Directors. The Company has complied with the Paragraph 15.02 of the MMLR of having at least two (2) or one third (1/3) of the Board comprising independent directors.

No individual or group of individuals dominates the Board's decision making. Independent Non-Executive Directors constitute more than one third (1/3) 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. The brief descriptions on the background of each Director are set out on pages 5 to 7.

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 2022, four (4) meetings were held in which the Board deliberated upon and considered various issues including the Groups' 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:

<u>Name of Directors</u>	<u>Attendance</u>
(a) Datuk Chai Woon Chet	4/4
(b) Wong Eng Kin (appointed w.e.f. 14 June 2022)	1/1
(c) Low Poh Seong	4/4
(d) Dato' Seri Abdul Azim Bin Mohd Zabidi (resigned w.e.f. 30 May 2022)	3/3
(e) Chong Khing Chung (resigned w.e.f. 1 June 2022)	3/3

Directors' Trainings

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:-

<u>Name of Director</u>	<u>Seminars/Conferences/Training Programmes Attended</u>
Wong Eng Kin (appointed w.e.f. 14 June 2022)	Mandatory Accreditation Program

Save as disclosed above, Datuk Chai Woon Chet and Mr. Low Poh Seong did not attend any training during the financial year under review 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 MMLR on continuing education.

Corporate Governance Overview Statement *(cont'd)*

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

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 two (2) 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

As at the date of this Corporate Governance Overview Statement, none of the Independent Non-Executive Directors have served for a cumulative term of more than nine (9) years on the Board as Independent Non-Executive Directors.

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.

Board Delegation

a) Audit Committee

The AC reviews and evaluate the audit plan and system of internal controls of external auditors, adequacy of internal audit functions. The AC also reviews, comments and present the quarterly financial results and audited financial statements for approval of the Board.

b) Nomination and Remuneration Committee

The NRC is responsible to review and recommend the 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.

Nomination and Remuneration Committee

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

- Wong Eng Kin (Chairman)
- 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)****Board Assessment**

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

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 Committees Evaluation Form

Based on the annual assessment conducted for the financial year under review, the NRC was satisfied with the existing Board composition and concluded that each Directors has the requisite competence to serve on the Board and has sufficiently demonstrated their commitment to the Company in terms of time and participation during the financial year under review, and recommended to the Board the re-election of retiring Directors at the Company's forthcoming Annual General Meeting ("AGM"). All assessments and evaluations carried out by the NRC in discharge of its functions were properly documented.

Re-election of Directors

In accordance with the Company's Constitution, one-third (1/3) of the Directors are required to submit themselves for re-election by rotation at least once every three years at each AGM. Retiring Directors may offer themselves for re-election.

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

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 on the job training and exposure.

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. Independent Non-Executive Directors' remuneration will be decided by the Board as a whole with the Director concerned shall abstained from deliberation and voting on decisions in respect of his individual remuneration.

Corporate Governance Overview Statement (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**Directors' Remuneration (Cont'd)**

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 (resigned w.e.f. 30 May 2022)	16,000	-	146,531	16,000	-	146,531
Chong Khing Chung (resigned w.e.f. 1 June 2022)	16,000	-	3,600	16,000	-	3,600
Wong Eng Kin (appointed w.e.f. 14 June 2022)	7,000	-	-	7,000	-	-
Low Poh Seong	24,000	-	3,600	24,000	-	3,600

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 ended.

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

- i) Overseeing the overall conduct of the Company's business and that of the Group;
- ii) Identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- iii) Reviewing the adequacy and integrity of Internal Controls System and Management Information System in the Company and within the Group;
- iv) Adopting suitable accounting policies and apply them consistently;
- v) Making judgments and estimates that are reasonable and prudent; and
- vi) 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 minimize fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 September 2022, 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 AC comprise of two (2) members, all of whom are Independent Non-Executive Directors. The AC is led by Mr. Low Poh Seong, he has more than 19 years of experience in accounting and finance. The AC carries the responsibilities as listed in AC Report on page 19 of this Annual Report.

Pursuant to Paragraph 15.09(1)(a) of MMLR, the AC must be composed of not fewer than 3 members and in view thereof, the Company has taken several steps to look for a suitable candidate as the AC members.

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 AC and the Board the matters requiring the their 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.

The AC 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 AC. The internal audit functions are carried out impartially, proficiently and with due professional care. The reports issued by the internal auditors for the financial year under review were tabled at the AC meetings for deliberation. The Management was present at such meetings to provide pertinent clarification or additional information to address the questions raised by the AC.

The Statement of Risk Management and Internal Control which provides an overview of the state of risk management and internal control within the Group are set out on pages 21 to 23 of this 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 AC. The internal audit function is described in the AC Report set out on pages 19 to 20 of this Annual Report.

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 AC 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 ensure 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 period end. The Annual Report provides an insightful analysis of the Group's performance, operations and prospect affecting shareholders' interest.

Corporate Governance Overview Statement *(cont'd)*

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Relationship between the Company and Shareholders

The Board of Directors recognizes 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.

The 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 MMLR of Bursa Securities, all resolutions are voted by poll at the General Meetings.

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

The 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.

COMPLIANCE STATEMENT

Saved as disclosed above, the Board is of the view that the Group has complied with and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable and appropriate. This Corporate Governance Overview Statement was approved by the Board on 20 January 2023.

AUDIT COMMITTEE'S REPORT

COMPOSITION

The present members of the Audit Committee ("AC") comprise the following:

Chairman

Low Poh Seong - Independent Non-Executive Director

Member

Wong Eng Kin - Independent Non-Executive Director

TERMS OF REFERENCE

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

ATTENDANCE OF MEETINGS

The AC held four (4) meetings during the financial year ended 30 September 2022 ("FY 2022"). The details of attendance of the AC members are as follows:

<u>Name</u>	<u>Attendance</u>
Low Poh Seong (Chairman)	4/4
Wong Eng Kin (appointed w.e.f. 14 June 2022)	2/2

SUMMARY ACTIVITIES OF THE AC DURING FY 2022

The activities undertaken by the AC during FY2022 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 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 FY 2022 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;
- Reviewed the effectiveness of the Group's system of internal control;
- Reviewed the proposed fees for the external auditors and internal auditors in respect of their audit of the Company and the Group;

Audit Committee's Report *(cont'd)*

SUMMARY ACTIVITIES OF THE AC DURING FY 2022 (CONT'D)

- 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 MMLR, 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 AC 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, GovernanceAdvisory.com Sdn Bhd, which reports to the AC and assists the AC 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 AC.

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

- i) Review of the Property, Plant and Machinery control

The cost of internal audit was RM 9,600 during the FY 2022.

This AC Report has been reviewed by the AC and approved by the Board on 20 January 2023. .

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) specified that the Board of Directors (“the Board”) to provide a Statement on Risk Management and Internal Control for the Company and its subsidiaries (“the Group”). The Malaysian Code of Corporate Governance 2011 (“MCCG”) 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 the Board 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) The Board and the 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) The 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) The 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 2022 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

There were no other corporate proposals that have been announced but not yet completed during the financial year under review.

AUDIT AND NON-AUDIT FEES

During the financial year under review, 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 2022 were as follows:

	Company (RM)	Group (RM)
Audit Services Rendered	65,220	129,000
Non-Audit Services Rendered		
- Review of Statement on Risk Management and Internal Control	5,000	5,000

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 during the financial year under review.

RELATED PARTY TRANSACTIONS OF A REVENUE AND TRADING NATURE

During the financial year under review, there was no related party transactions of a revenue and trading nature which requires shareholders' mandate.



FINANCIAL STATEMENT



DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of management service. The principal activities of its subsidiary companies are disclosed in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Net loss for the financial period	(30,089,793)	(1,354,476)

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

DIVIDENDS

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

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

WARRANTS

Warrant B 2013/2023

The main features of the Warrants 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 Warrant 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;

Directors' Report (Cont'd)

WARRANTS (CONT'D)Warrant B 2013/2023 (Cont'd)

The movements in the Warrants is as follows:

	Expired on	At 1.10.2021	Number of warrants		At 30.9.2022
			Issued	Exercised	
Warrant B	25.8.2023	32,991,025	-	-	32,991,025

OPTIONS GRANTED OVER UNISSUED SHARES

No options have been granted by the Group and the Company to any party during the financial year to take up any unissued shares of the Group and the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Group and the Company. At the end of the financial year, there were no unissued shares of the Group and the Company under options.

DIRECTORS

The directors who serve since the date of the last report are:

Datuk Chai Woon Chet
 Low Poh Seong
 Wong Eng Kin (appointed on 14.6.2022)
 Dato' Seri Abdul Azim Bin Mohd Zabidi (resigned on 30.5.2022)
 Chong Khing Chung (resigned on 1.6.2022)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings required to be kept under Section 59 of the Companies Act, 2016, the directors who held office at the end of financial year and their interests in the Group and the Company during the financial year were as follows:

	At 1.10.2021	Number of ordinary shares		At 30.9.2022
		Acquired	Sold	
Direct interest:				
Datuk Chai Woon Chet	8,350,000	-	-	8,350,000
Indirect interests:				
Datuk Chai Woon Chet #	59,100,000	-	-	59,100,000

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.

By virtue of his interest in the shares of the Company, the above director is 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 holding office at 30 September 2022 had any interest in the shares and options over shares of the Group and the Company during the financial year.

Directors' Report *(Cont'd)*

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Group and the Company has received nor become entitled to receive any benefit (other than the benefits shown under directors' remuneration) by reason of a contract made by the Group and 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.

Neither during, nor at the end of the financial year, no arrangements subsisted to which the Group and the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Group and the Company or any other body corporate.

DIRECTORS' REMUNERATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Directors' remuneration:				
Salaries and other emoluments	617,531	485,200	575,531	447,700
Defined contribution plans	50,400	50,400	50,400	50,400
Fees	87,000	96,000	87,000	96,000
	754,931	631,600	712,931	594,100

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.

OTHER STATUTORY INFORMATION

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

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that no known bad debts to be written off and that adequate allowance has been made for doubtful debts; and
- to ensure that any current assets which were unlikely to be realise in the ordinary course of business including the values of current assets as shown in accounting records of the Group and the Company have 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:

- which would require to the writing off of bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- which have arisen and render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate; or
- not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and the Company misleading.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and the Company which has arisen since 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 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 the operations of the Group and 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 years are disclosed in Note 29 to the financial statements.

AUDITORS

The auditors, CHENGCO PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and the Company are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Auditors' remuneration:				
Current financial year				
Statutory audit	119,360	138,060	49,360	65,060
Non-statutory audit	5,000	6,000	5,000	6,000
Underprovision in prior financial year	9,640	8,910	15,860	4,530
	134,000	152,970	70,220	75,590

Signed on behalf of the board of director in accordance with a resolution of the directors,

DATUK CHAI WOON CHET

Director

LOW POH SEONG

Director

Kuala Lumpur,
Date : 20 January 2023

STATEMENT BY DIRECTORS

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

We, **Datuk Chai Woon Chet** and **Low Poh Seong**, being two of the directors of ANZO HOLDINGS BERHAD, do hereby state that in our opinion, the financial statements as set out on pages 35 to 73, 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 2022 and of their financial performance and cash flows for the financial year then ended.

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

DATUK CHAI WOON CHET
Director

LOW POH SEONG
Director

Kuala Lumpur,
Date : 20 January 2023

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 financial management of ANZO HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements of the Group and of the Company as set out on pages 35 to 73, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at)
on this 20 January 2023)
)

Before me,

DATUK CHAI WOON CHET
Director

Samuel John A/L Ponniah
B437
Commissioner for Oaths

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 statement of financial position as at 30 September 2022 of the Group and of the Company, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 35 to 73.

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 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the 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' Code of Ethics for Professional Accountants (including International Independence standard) ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Independent Auditors' Report

To The Members Of Anzo Holdings Berhad (Cont'd)

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

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

Key Audit Matters (Cont'd)

1. Impairment of trade and other receivables

The Group's trade and other receivables amounting to RM42 million and RM11 million respectively, representing approximately 40% and 10% of the Group's total assets as at 30 September 2022.

The Group's trade and other receivables included the amounts which has been long outstanding since years ago.

The assessment of recoverability of receivables involved judgements and estimation uncertainty in analysing historical bad debts, customer concentration, customer creditworthiness and customer payment terms.

In addressing this, we have involved the component auditors in performing, amongst others, the following audit procedures:

- We obtained and evaluated the Group's credit risk policy, and tested the processes used by management to assess credit exposures.
- We assessed the recoverability of trade receivables by checking past payment trend and assessing the receipts during the financial year and subsequent to year end collections.
- We have reviewed the appropriateness of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the directors' report, 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 directors' report 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 directors' report and, in doing so, consider whether the directors' report 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 the directors' report, 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 or the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report
To The Members Of Anzo Holdings Berhad *(Cont'd)*
 (Registration No.: 197701005955 (36998-T)) (Incorporated In Malaysia)

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

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:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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.
- 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Company to express an opinion on the financial statements of the Group and of the Company. 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.

Independent Auditors' Report
To The Members Of Anzo Holdings Berhad *(Cont'd)*
(Registration No.: 197701005955 (36998-T)) (Incorporated In Malaysia)

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.

The financial statements for the financial year ended 30 September 2021 were audited by another firm of certified public accountants whose report dated 27 January 2022 expressed an unqualified opinion on those statements.

CHENGCO PLT

201806002622
(LLP0017004-LCA) & AF 0886
Chartered Accountants

KONG TUNG SAM

03585/09/2023 J
Chartered Accountant

Kuala Lumpur,
Date: 20 January 2023

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2022

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	19,818,568	20,188,208	69,411	83,567
Right-of-use assets	5	4,459,352	4,952,886	4,459,352	4,952,886
Investment in subsidiaries	6	-	-	4,393,383	4,393,383
Other receivables	8	7,544,379	18,544,448	-	-
Total non-current assets		31,822,299	43,685,542	8,922,146	9,429,836
Current assets					
Trade receivables	7	42,616,743	42,765,961	-	-
Other receivables, deposits and prepayments	8	13,966,778	31,310,029	-	-
Amount due by subsidiaries	9	-	-	116,165,105	109,956,873
Other investments	10	1,504,488	1,364,809	1,157,588	864,492
Short-term deposits	11	14,237,482	15,356,279	159,065	7,504,507
Cash and bank balances		425,857	574,333	81,148	111,745
Total current assets		72,751,348	91,371,411	117,562,906	118,437,617
TOTAL ASSETS		104,573,647	135,056,953	126,485,052	127,867,453
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	156,574,187	156,574,187	156,574,187	156,574,187
Reserve	13	9,280,690	9,280,690	9,280,690	9,280,690
Accumulated losses		(68,536,094)	(38,446,301)	(40,540,605)	(39,186,129)
TOTAL EQUITY		97,318,783	127,408,576	125,314,272	126,668,748
Non-current liabilities					
Deferred tax liabilities	14	1,327,741	1,405,554	515,093	572,086
Hire purchase liabilities	15	305,721	426,176	-	-
Total non-current liabilities		1,633,462	1,831,730	515,093	572,086
Current liabilities					
Trade payables	16	2,553,620	2,689,924	-	-
Other payables and accruals	17	2,869,029	2,943,790	589,597	606,718
Amount due to directors	18	66,090	19,901	66,090	19,901
Hire purchase liabilities	15	132,663	163,032	-	-
Total current liabilities		5,621,402	5,816,647	655,687	626,619
TOTAL LIABILITIES		7,254,864	7,648,377	1,170,780	1,198,705
TOTAL EQUITY AND LIABILITIES		104,573,647	135,056,953	126,485,052	127,867,453

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 30 September 2022

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Revenue	19	23,031,708	29,958,547	420,000	420,000
Cost of sales		(22,688,580)	(29,306,764)	-	-
Gross profit		343,128	651,783	420,000	420,000
Other operating income		384,750	606,184	100,927	352,792
Administrative expenses		(30,869,267)	(25,646,783)	(1,932,396)	(25,615,351)
Operating loss		(30,141,389)	(24,388,816)	(1,411,469)	(24,842,559)
Finance costs	20	(26,217)	(22,465)	-	-
Loss before tax	21	(30,167,606)	(24,411,281)	(1,411,469)	(24,842,559)
Taxation	23	77,813	77,812	56,993	56,993
Net loss for the financial year, representing total comprehensive loss for the financial year		(30,089,793)	(24,333,469)	(1,354,476)	(24,785,566)
Total comprehensive loss attributable to:					
Owners of the Company		(30,089,793)	(24,333,469)	(1,354,476)	(24,785,566)
Basic loss per share (sen):	24 (a)	(2.69)	(2.33)		
Diluted loss per share (sen):	24 (b)	(2.69)	(2.33)		

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

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 30 September 2022

Group	Non-distributable				Total equity RM
	Share capital RM	Capital reserve RM	Warrant reserve RM	Discount on equity RM	
At 1 October 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 loss for the financial year	-	-	-	-	(24,333,469)
At 30 September 2021	156,574,187	6,725,590	5,195,619	(2,640,519)	127,408,576
Total comprehensive loss for the financial year	-	-	-	-	(30,089,793)
At 30 September 2022	156,574,187	6,725,590	5,195,619	(2,640,519)	97,318,783
Company					
At 1 October 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 loss for the financial year	-	-	-	-	(24,785,566)
At 30 September 2021	156,574,187	6,725,590	5,195,619	(2,640,519)	126,668,748
Total comprehensive loss for the financial year	-	-	-	-	(1,354,476)
At 30 September 2022	156,574,187	6,725,590	5,195,619	(2,640,519)	125,314,272

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 September 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Cash flows from operating activities					
Loss before tax		(30,167,606)	(24,411,281)	(1,411,469)	(24,842,559)
Adjustments for:					
Depreciation of property, plant and equipments	4	1,171,521	1,214,682	14,156	14,156
Depreciation of right-of-use assets	5	493,534	493,534	493,534	493,534
Fair value (gain)/loss on other investments	21	107,490	(103,761)	105,356	(108,962)
Finance costs	20	26,217	22,465	-	-
Gain on disposal of:					
- property, plant and equipment	21	-	(130,000)	-	-
- other investments	21	(10,331)	(69,754)	(14,035)	(69,754)
Interest income	21	(322,475)	(274,700)	(43,989)	(151,624)
Reversal of impairment losses	7	(69,205)	(14,008)	-	-
Impairment losses on:					
- trade receivables	7	3,249,819	4,207,989	-	-
- other receivables	8	14,507,393	20,802,822	-	-
- deposits	8	10,945,786	-	-	-
- amount due from subsidiary companies	9	-	-	-	20,993,824
- investments in subsidiary companies	6	-	-	-	2,429,798
Unwinding of discount on financial assets	8	(1,593,162)	(3,571,505)	-	-
Operating loss before changes in working capital		(1,661,019)	(1,833,517)	(856,447)	(1,241,587)
Receivables		1,451,907	8,668,130	-	-
Payables		(211,065)	(22,551,381)	(17,121)	(64,677)
Amount due from subsidiaries	9	-	-	(6,208,232)	(16,752,818)
Amount due to director		46,189	1,448	46,189	1,448
Cash flows used in operations		(373,988)	(15,715,320)	(7,035,611)	(18,057,634)
Interest received		322,475	274,700	43,989	151,624
Interest paid		(26,217)	(22,465)	-	-
Net cash flows used in operating activities		(77,730)	(15,463,085)	(6,991,622)	(17,906,010)

Statements Of Cash Flows *(Cont'd)*
For the Financial Year Ended 30 September 2022

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Cash flows from investing activities					
Proceeds from disposal of					
- property, plant and equipment		-	130,000	-	-
- other investments		515,726	569,000	309,105	569,000
Purchase of:					
- property, plant and equipment	4	(801,881)	(204,408)	-	-
- other investments		(752,564)	(577,985)	(693,522)	(72,467)
Net cash used in investing activities		(1,038,719)	(83,393)	(384,417)	496,533
Cash flows from financing activities					
Proceeds from private placement of shares	12	-	16,965,685	-	16,965,685
Repayment of hire purchase liabilities		(150,824)	(361,486)	-	-
Net cash (used in)/from financing activities		(150,824)	16,604,199	-	16,965,685
Net (decrease)/increase in cash and cash equivalents		(1,267,273)	1,057,721	(7,376,039)	(443,792)
Cash and cash equivalents at beginning of the financial year		15,930,612	14,872,891	7,616,252	8,060,044
Cash and cash equivalents at end of the financial year		14,663,339	15,930,612	240,213	7,616,252

Cash and cash equivalents comprise the followings:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash at bank	425,857	574,333	81,148	111,745
Short-term deposits	14,237,482	15,356,279	159,065	7,504,507
	14,663,339	15,930,612	240,213	7,616,252

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 30 September 2022

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on Main Market of the Bursa Malaysia Securities Berhad.

The principal activity of the Company is investment holding and provision of management service. The principal activities of its subsidiary companies are disclosed in Note 6. There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

The registered office of the Company 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 was located at Lot 450, Jalan Papan, Pandamaran Industrial Area, 42000 Port Klang, Selangor Darul Ehsan.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

2.2 Basis of measurement

The financial statements, which are presented in Ringgit Malaysia ("RM"), have been prepared under the historical cost except as disclosed in the accounting policies below.

2.3 Adoption of new and amended standards

The Group and the Company have adopted the following MFRS and Interpretations (collectively referred to as "MFRSs"), issued by the Malaysian Accounting Standards Board ("MASB") and effective for the financial periods beginning on or after 1 January 2022;

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

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's and the Company's financial statements.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards issued but not yet effective

The Group and the Company have not adopted the following standards that have been issued as at the reporting date but are not yet effective:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosures of Accounting Estimates
- Amendments to MFRS 112, Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, Leases – Lease liability in a sale and leaseback

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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

The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRS when they become effective.

2.5 Business combinations and consolidation

(a) Business combinations

The Group applies the acquisition method to account for all combinations.

The Group identifies the acquisition date of business combination as the date on which the Group obtains control of an acquiree. Control is obtained when the group commences to have the power to direct financial and operating policy decisions of the investee so as to obtain benefits from its activities. This may require fulfilment of precedent conditions, such as completion of due diligence audit, and shareholders' approvals if they are specified in a sale and purchase agreement.

As of the acquisition date, the Group recognises, separately from goodwill, the identifiable assets acquired (including identifiable intangible assets), the liabilities assumed (including contingent liabilities) and any non-controlling interest in the acquiree. The identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair values, except for those permitted or required to be measured on other bases by assets, excluding goodwill.

The cost of a business combination is measured at fair value, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Expenses incurred in connection with a business combination are capitalised in the cost of business combination.

The cost of business combination is allocated to the share of net assets acquired to determine the initial amount of goodwill on combination. In a business combination achieved in stages (including acquisition of a former joint venture), the cost of each exchange transaction is compared with the share of net assets to determine the goodwill of each exchange transaction on a step-by-step basis. Any increase in equity interest in an investee after acquisition date is accounted as an equity transaction between the parent and the non-controlling interest and the effect is adjusted directly in equity.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Business combinations and consolidation (Cont'd)

(a) *Business combinations (Cont'd)*

If the initial accounting for a business combination is not complete by the end of the reporting year in which the combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about fact and circumstances that existed as of the acquisition date, including additional assets or liabilities in the measurement period. The measurement period for completion of the initial accounting ends after one year from the acquisition date.

(b) *Subsidiaries and basis of consolidation*

The Group recognises a subsidiary based on the criterion of control. A subsidiary is an entity (including special purpose entities) over which the Group has the power to govern the financial and operating policy decision of the investee so as to obtain benefits from its activities. In circumstances when the voting rights are not more than half or when voting right are not dominant determinant of control, the Group uses judgements to assess whether it has de facto control, control by other arrangements (including control of special purpose entities), or by holding substantive potential voting right.

The financial statements of the Company and all its subsidiaries used in the preparation of the consolidated financial statement are prepared as of the same reporting date of 30 September 2022.

The consolidated financial statements are prepared using uniform accounting policies for like transaction, other events conditions in similar circumstances.

The carrying amount of investment in each subsidiary of a parent in the Group is eliminated against the parent's portion of equity in each subsidiary. The consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company and all its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date acquisition (which is the date the Group assumes control of an investee) or up effective date of disposal (which is the date the Group ceases to have control of an investee).

All intra-group balance and transactions are eliminated in full on consolidation. Unrealised profits or losses arising from intra-group transactions are also eliminated in full on consolidation, except when an unrealised loss is an impairment loss.

When the Group ceases to control a subsidiary, the difference between the proceeds from the disposal of the subsidiary and its carrying amount at the date that control is lost and is recognised in the statements of comprehensive income as a gain or loss on disposal of the subsidiary. The cumulative amount of any exchange differences that related to a foreign subsidiary recognised in other comprehensive income is not reclassified to profit or loss on disposal of the subsidiary. If the Group retains an equity interest in the former subsidiary, it is accounted for as a financial asset (provided it does not become an associate or a joint venture). The carrying amount of the investment retained at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

Any decrease in equity stake in a subsidiary that does not result in loss of control is accounted for as an equity transaction and the financial effect is adjusted directly in the consolidated statement of change in equity.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Property, plant and equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purpose or for rental to others are recognised as property, plant and equipment when the Group and the Company obtain control of the asset. The assets, including major spares, stand-by equipment and servicing equipment, are classified into appropriate classes based on the nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchases price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. 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 %- 10%
Electrical installation	5%

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

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current financial year.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, is determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

2.7 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 indication exists, or when an annual impairment testing 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 an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

The increase to its recoverable amount cannot exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss 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.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, 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 requirement.

2.9 Financial instruments

(a) *Initial recognition and measurement*

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

(b) *Financial instrument categories and subsequent measurement*

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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments (Cont'd)

(b) Financial instrument categories and subsequent measurement (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.

(c) 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.

(d) 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Impairment of financial assets

MFRS 9's impairment 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.

2.11 Share capital

Ordinary shares are recorded at nominal value and proceeds received in excess, if any, of the nominal value of shares issued are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of shares is accounted for as a deduction from share premium, if any, otherwise it is charged to profit or loss.

Dividends to shareholders 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Leases

As lessee

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

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 2.7 on impairment of non-financial assets.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or at the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold lands

Over the remaining lease period

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group or the Company changes its assessment of whether it will exercise an extension or termination option. Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM50,000 each when purchased new.

2.13 Provisions

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

Provisions are reviewed at the end of each reporting period and 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.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Revenue 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 receivables.

(a) Revenue

(i) 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 discount and taxes applicable to the revenue.

(ii) Sale of other services

Revenue from services is recognised at the point of 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.

(iii) Construction revenue

Revenue from construction contract is accounted in accordance to the accounting policies as described in Note 2.15 to the financial statements.

(iv) Management fee

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

(v) Interest income

Interest income is recognised using the effective interest rate.

2.15 Construction contracts

Construction contracts are contract specifically negotiated for the consideration 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 estimate 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 costs.

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.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Employee benefits

(a) Short term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

(b) Defined contribution plans

The Group and the Company pay monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Group and the Company are limited to the amount that they required to contribute to the EPF. The contributions to EPF are charged to profit or loss in the period to which they relate.

2.17 Income taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods 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 at the reporting date, in the countries where the Group and the Company operate and generates taxable income.

Current income 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

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

Deferred tax liabilities are recognised for all temporary differences, except:

- (i) Where the deferred tax liability arises from the initial recognition of goodwill or 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; and
- (ii) In respect of taxable temporary differences associated with investments in associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Deferred tax (Cont'd)

(b) Deferred tax (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- (i) Where the deferred tax asset relating to the deductible temporary difference 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; and
- (ii) In respect of deductible temporary differences associated with investments in associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the reporting date 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 asset to be utilised. Unrecognised deferred tax assets are reassessed at the reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.18 Earnings/(Loss) per share

The Group presents basic and diluted earnings/(loss) per share data for its ordinary shares. Basic earnings/(loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

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

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

For The Financial Year Ended 30 September 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Operating segments

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

Additional disclosures on operating segments are shown in Note 26 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment results that are reported to the Group's directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2.20 Related parties

A related party is defined as follows:

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

- has control or joint control over the Group or the Company; or
- has significant influence over the Group or the Company; or
- is a member of the key management personnel of the Company or of a parent of the Group or the Company.

An entity is related to the Group or the Company if any of the following conditions applies:

- The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of the third entity and the other entity is an associate of the third entity.
- The entity is a post-employment benefit plan for the benefit of employees of either the Group or the Company or an entity related to the Group or the Company. If the Group or the Company is itself such a plan, the sponsoring employers are also related to the Company.
- The entity or any member of a group of which it is a part, provides key management personnel services to the Group or the Company or to the parent of the Group or the Company.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported 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 require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Accounting judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Judgement and assumption applied

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.

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

For The Financial Year Ended 30 September 2022

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty

The measurement of some assets and liabilities requires directors to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Group and the Company are as follow:

(a) Measurement of income taxes

Significant judgement is required in determining the Group's and the Company's provision for current and deferred taxes because the ultimate tax liability for the Group and the Company is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amount might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the financial period when such determination is made. The Group and the Company will adjust for the differences as over- or under- provision of current or deferred taxes in the current financial period in which those differences arise.

(b) Measurement of expected credit loss ("ECL")

The Group uses a provision matrix to calculate ECLs for trade and other 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, products type, customers 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 instances, 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 and other receivables is disclosed on Note 7 and 8.

(c) Useful lives of property, plant and equipment and right-of-use assets (ROU)

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment and ROU assets. The carrying amount at the reporting date for the property, plant and equipment and ROU assets are disclosed in Notes 4 and 5 respectively.

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

4. PROPERTY, PLANT AND EQUIPMENT

Group Cost	Leasehold buildings RM	Plant and machinery RM	Motor vehicles RM	Office furniture, fittings and equipment RM	Electrical installation RM	Total RM
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)
At 30 September 2021	21,916,988	9,828,206	3,180,425	1,966,469	779,254	37,671,342
Additions	800,200	-	-	1,681	-	801,881
At 30 September 2022	22,717,188	9,828,206	3,180,425	1,968,150	779,254	38,473,223
Accumulated depreciation						
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)
At 30 September 2021	5,154,915	8,991,616	2,100,637	470,048	765,918	17,483,134
Charge for the financial year	433,155	269,688	278,235	188,807	1,636	1,171,521
At 30 September 2022	5,588,070	9,261,304	2,378,872	658,855	767,554	18,654,655
Net carrying amount						
At 30 September 2022	17,129,118	566,902	801,553	1,309,295	11,700	19,818,568
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 2022

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

	Office furniture, fittings and equipment RM	Total RM
Company Cost		
At 1 October / 30 September	147,965	147,965
Accumulated depreciation		
At 1 October 2020	50,242	50,242
Charge for the financial year	14,156	14,156
At 30 September 2021	64,398	64,398
Charge for the financial year	14,156	14,156
At 30 September 2022	78,554	78,554
Net carrying amount		
At 30 September 2022	69,411	69,411
At 30 September 2021	83,567	83,567

(a) The carrying amount of the property, plant and equipment under hire purchase are as follows:

	Group	
	2022 RM	2021 RM
Motor vehicles	555,746	1,079,788

(b) During the financial year, the Group acquires the property, plant and equipment by following means:

	Group	
	2022 RM	2021 RM
Cash payment	801,881	204,408
Finance lease	-	450,000
	801,881	654,408

Notes to the Financial Statements *(Cont'd)*
For The Financial Year Ended 30 September 2022

5. RIGHT OF USE ASSETS

	Leasehold land RM	Group/Company Total RM
Cost		
At 1 October / 30 September	10,258,373	10,258,373
Accumulated depreciation		
At 1 October 2020	4,811,953	4,811,953
Charge for the financial year	493,534	493,534
At 30 September 2021	5,305,487	5,305,487
Charge for the financial year	493,534	493,534
At 30 September 2022	5,799,021	5,799,021
Net carrying amount		
At 30 September 2022	4,459,352	4,459,352
At 30 September 2021	4,952,886	4,952,886

The Group and the Company have certain lease of premise with lease term of 12 months or less. The Group and the Company applies the “short-term lease” exemption for the lease.

The following are the amounts recognised in profit or loss:

	Group 2022 RM	2021 RM	Company 2022 RM	2021 RM
Depreciation of right-of-use assets	493,534	493,534	493,534	493,534
Expense related to short-term leases	212,000	238,500	-	-
	705,534	732,034	493,534	493,534

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2022 RM	2021 RM
Unquoted shares, at cost		
As at 1 October	41,732,267	51,612,267
Written off	-	(9,880,000)
As at 30 September	41,732,267	41,732,267
Less: Accumulated impairment losses		
As at 1 October	37,338,884	44,789,086
Impairment losses recognised during the financial year	-	2,429,798
Written off	-	(9,880,000)
As at 30 September	37,338,884	37,338,884
Net carrying amount	4,393,383	4,393,383

The subsidiary companies, which are incorporated in Malaysia, are as follow:

Name	Effective Interest		Principal activities
	2022 %	2021 %	
Anzo Construction Sdn. Bhd. *	100	100	Construction and trading of building materials
Anzo Capital 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
Quantum Pro Sdn. Bhd. *	100	100	Timber kiln drying
Anzo Trading Sdn. Bhd. *	100	100	Wholesale of construction materials and metal scraps

* Audited by ChengCo PLT

7. TRADE RECEIVABLES

	Group	
	2022 RM	2021 RM
Trade receivables	50,071,212	48,058,127
Less: Accumulated impairment losses	(7,454,469)	(5,292,166)
	42,616,743	42,765,961

Trade receivables are non-interest bearing and the normal trade term range from 30 to 60 days.

Included in trade receivables is an amount of RM19.9 million in which the Group has signed a power of attorney to secure certain properties in progress of the trade debtor as collaterals.

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

7. TRADE RECEIVABLES (CONT'D)

The movement in the allowance for impairment losses of trade receivables are as follows:

	Lifetime ECL RM	Credit impaired RM	Total RM
At 1 October 2020	69,205	1,028,980	1,098,185
Impairment losses recognised	-	4,207,989	4,207,989
Reversal of impairment losses	-	(14,008)	(14,008)
At 30 September 2021	69,205	5,222,961	5,292,166
Impairment losses recognised	-	3,249,819	3,249,819
Impairment losses written off	-	(1,018,311)	(1,018,311)
Reversal of impairment losses	(69,205)	-	(69,205)
At 30 September 2022	-	7,454,469	7,454,469

An aging analysis of trade receivables as at reporting date is as follows:

	Group 2022 RM	2021 RM
Gross amount		
Neither past due	292,072	3,525,925
Past due not impaired:		
Less than 30 days	98,161	10,843
31 to 60 days	42,226,510	39,229,193
	42,616,743	42,765,961
Credit impaired		
Individually impaired	7,454,469	5,292,166
	50,071,212	48,058,127

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group 2022 RM	2021 RM
Non-current		
Other receivables	8,000,000	20,022,274
Less: Accumulated impairment losses	(455,621)	(1,477,826)
	7,544,379	18,544,448
Current		
Other receivables	19,371,874	32,873,465
Less: Accumulated impairment losses	(16,138,038)	(23,242,155)
	3,233,836	9,631,310

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

	2022 RM	Group 2021 RM
Deposits	21,621,000	21,621,000
Less: Accumulated impairment losses	(10,945,786)	-
	10,675,214	21,621,000
Prepayments	57,728	57,719
	13,966,778	31,310,029
	21,511,157	49,854,477

The movement of the allowance for impairment losses of other receivables and deposits are as follows:

	2022 RM	Group 2021 RM
Other receivables		
As at 1 October	24,719,981	7,488,664
Impairment losses recognised	14,507,393	20,802,822
Impairment losses written off	(21,040,553)	-
Unwinding of discount	(1,593,162)	(3,571,505)
As at 30 September	16,593,659	24,719,981
Presented as:		
Non-current	455,621	1,477,826
Current	16,138,038	23,242,155
	16,593,659	24,719,981
Deposits		
As at 1 October	-	-
Impairment losses recognised	10,945,786	-
As at 30 September	10,945,786	-

Included in the deposits are:

- a gross amount of RM12.5 million related to performance bond in relation to the construction project for Porto De Melaka;
- a gross amount of RM9 million related to secure of building materials at certain prices for future potential construction projects.

Notes to the Financial Statements *(Cont'd)*
For The Financial Year Ended 30 September 2022

9. AMOUNT DUE BY SUBSIDIARIES

	Company	
	2022 RM	2021 RM
Amount due by subsidiary companies		
Amount due from subsidiaries	153,958,875	147,750,643
Less: Allowance for impairment loss	(37,793,770)	(37,793,770)
	116,165,105	109,956,873

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

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

	Company	
	2022 RM	2021 RM
As at 1 October	37,793,770	16,819,777
Impairment losses recognised	-	20,993,824
Impairment losses written off	-	(19,831)
As at 30 September	37,793,770	37,793,770

10. OTHER INVESTMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fair value through profit or loss				
Unit trust funds	1,504,488	1,364,809	1,157,588	864,492

11. SHORT-TERM DEPOSITS

The short term deposits earn interest at rates ranging from at 1.6% - 2.8% (2021: 1.6% - 2.2%) per annum and have maturity of 1 to 30 days.

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

12. SHARE CAPITAL

	Number of shares		Group/Company	
	2022 Unit	2021 Unit	2022 RM	2021 RM
Issued and fully paid up:				
As at 1 October	1,116,163,660	892,930,960	156,574,187	139,608,502
Issuance of shares pursuant to:				
- Private placement	-	223,232,700	-	16,965,685
As at 30 September	1,116,163,660	1,116,163,660	156,574,187	156,574,187

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

13. RESERVE

	Group/Company	
	2022 RM	2021 RM
Capital reserve	6,725,590	6,725,590
Warrant reserve	5,195,619	5,195,619
Discount of equity	(2,640,519)	(2,640,519)
	9,280,690	9,280,690

(a) Capital reserves

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

(b) Warrant reserves

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

The main features of the Warrant 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 warrant 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:

	Expired on	As at 1.10.2021	Number of warrants		As at 30.9.2022
			Granted	Expired	
Warrant B	25.8.2023	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.

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

14. DEFERRED TAX LIABILITIES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
As at 1 October	1,405,554	1,483,366	572,086	629,079
Recognised in profit or loss (Note 23)	(77,813)	(77,812)	(56,993)	(56,993)
As at 30 September	1,327,741	1,405,554	515,093	572,086

The deferred tax liabilities at the end of financial year are in respect of:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Temporary differences arises from property, plant and equipment and right-of-use assets	1,327,741	1,405,554	515,093	572,086

15. HIRE PURCHASE LIABILITIES

	Group	
	2022 RM	2021 RM
Future minimum lease payments		
Not later than 1 year	151,432	188,324
Later than 1 year and not later than 5 years	325,452	464,677
	476,884	653,001
Less: Future finance charges	(38,500)	(63,793)
At end of financial year	438,384	589,208
Present value of liabilities		
Not later than 1 year	132,663	163,032
Later than 1 year and not later than 5 years	305,721	426,176
	438,384	589,208

The interest rate of the Group at reporting date are ranged as follow:

	Group	
	2022 %	2021 %
Lease liabilities	0.77 - 2.80	0.77 - 2.80

Notes to the Financial Statements *(Cont'd)*
For The Financial Year Ended 30 September 2022

16. TRADE PAYABLES

The normal trade credit term granted to the Group range from 30 to 120 days depending on the terms of the contracts. Other credit terms are assessed and approved on a case to case basis.

17. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Other payables	2,347,359	2,433,162	478,559	476,368
Accruals	521,670	510,628	111,038	130,350
	2,869,029	2,943,790	589,597	606,718

18. AMOUNT DUE TO DIRECTORS

This amount is non-trade in nature, unsecured, interest free and repayable on demand.

19. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Construction project revenue	1,062,052	1,297,509	-	-
Sales of goods and services	21,969,656	28,661,038	-	-
Management fee	-	-	420,000	420,000
	23,031,708	29,958,547	420,000	420,000

20. FINANCE COSTS

	Group	
	2022 RM	2021 RM
Hire purchase interest	26,217	22,465

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

21. LOSS BEFORE TAX

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<i>Loss before tax is derived after charging/(crediting):</i>				
Auditors' remuneration:				
- Current financial year				
Statutory audit	119,360	138,060	49,360	65,060
Non-statutory audit	5,000	6,000	5,000	6,000
- Underprovision in prior financial year	9,640	8,910	15,860	4,530
Depreciation of property, plant and equipment (Note 4)	1,171,521	1,214,682	14,156	14,156
Depreciation of right-of-use assets (Note 5)	493,534	493,534	493,534	493,534
Directors' remuneration:				
- Salaries and other emoluments	617,531	485,200	575,531	447,700
- Defined contribution plans	50,400	50,400	50,400	50,400
- Fees	87,000	96,000	87,000	96,000
Fair value loss/(gain) on other investments	107,490	(103,761)	105,356	(108,962)
Impairment losses on:				
- Investments in subsidiaries (Note 6)	-	-	-	2,429,798
- Trade receivables (Note 7)	3,249,819	4,207,989	-	-
- Other receivables (Note 8)	14,507,393	20,802,822	-	-
- Deposits (Note 8)	10,945,786	-	-	-
- Amount due from subsidiaries (Note 9)	-	-	-	20,993,824
Reversal of impairment losses on trade receivables	(69,205)	(14,008)	-	-
Office rental	212,000	238,500	-	-
Unwinding of discount on financial assets (Note 8)	(1,593,162)	(3,571,505)	-	-
Gain on disposal of property, plant and equipment	-	(130,000)	-	-
Gain on disposal of other investments	(10,331)	(69,754)	(14,035)	(69,754)
Interest income	(322,475)	(274,700)	(43,989)	(151,624)

22. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Salaries, wages and others	670,218	618,324	247,300	233,000
Defined contribution plans	105,544	100,895	46,987	44,270
Social security costs	6,574	6,622	923	924
	782,336	725,841	295,210	278,194

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

23. TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<i>Deferred tax (Note 14)</i>				
Current financial year	(77,813)	(77,812)	(56,993)	(56,993)

Reconciliation between taxation and the loss before tax at the applicable statutory tax rate is as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Loss before tax	(30,167,606)	(24,411,281)	(1,411,469)	(24,842,559)
Income tax calculated at statutory tax rate of 24%	(7,240,225)	(5,858,707)	(338,753)	(5,962,214)
Non-deductible expenses	6,779,295	5,626,017	176,431	5,894,200
Income not subject to tax	(91,828)	(114,284)	(24,223)	(84,670)
Deferred tax assets not recognised	552,758	386,954	186,545	152,684
Utilisation of deferred tax liabilities not recognised in prior financial year	-	(39,980)	-	-
Crytallisation of deferred tax liability arising from revaluation of property, plant and equipment	(77,813)	(77,812)	(56,993)	(56,993)
	(77,813)	(77,812)	(56,993)	(56,993)

Unrecognised deferred tax assets

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Unabsorbed capital allowances	6,851,000	6,606,800	198,800	196,400
Unutilised tax losses	35,865,000	33,806,000	7,297,500	6,522,600
Reinvestment allowances	1,338,200	1,338,200	234,700	234,700
	44,054,200	41,751,000	7,731,000	6,953,700
Unrecognised deferred tax assets at 24%	10,573,000	10,020,000	1,855,000	1,669,000

The unabsorbed capital allowances can be carried forward indefinitely, and unutilised tax losses can be carried forward for a maximum period of ten (10) 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 2022

24. LOSS PER SHARE

a. Basic loss per share

The basic loss per share is calculated based on the consolidated loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group 2022 RM	2021 RM
Loss attributable to owners of the Company:	(30,089,793)	(24,333,469)
Weighted average number of ordinary shares for basic earning per share (unit)	1,116,163,660	1,044,606,877
Basic loss per ordinary share (sen)	(2.69)	(2.33)

b. Diluted loss per share

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

	Group 2022 RM	2021 RM
Diluted loss per ordinary shares attributable to owners of the Company (sen)	(2.69)	(2.33)

25. 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. Related party transaction

	Group 2022 RM	2021 RM
Management fee received from Subsidiaries	420,000	420,000

c. Compensation of key management personnel

The Group and the Company consider the directors to be the key management personnel. Disclosure of their remuneration is made in Directors' remuneration to the Directors' report.

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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2022

26. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, which comprises the following:

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

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Group	Investment holding and others RM	Timber services RM	Construction and property development RM	Trading RM	Adjustments and eliminations RM	Consolidation RM
2022 Revenue						
External customers	-	3,264,932	1,062,053	18,704,723	-	23,031,708
Inter-segment	420,000	-	-	-	(420,000)	-
	420,000	3,264,932	1,062,053	18,704,723	(420,000)	23,031,708
Results						
Segment results	(1,455,458)	(811,972)	(24,438,702)	(3,757,732)	-	(30,463,864)
Interest income	43,989	278,486	-	-	-	322,475
Finance costs	-	(25,190)	(1,027)	-	-	(26,217)
Loss before tax	(1,411,469)	(558,676)	(24,439,729)	(3,757,732)	-	(30,167,606)
Taxation	56,993	20,820	-	-	-	77,813
Loss after tax	(1,354,476)	(537,856)	(24,439,729)	(3,757,732)	-	(30,089,793)
Assets						
Capital expenditure	801,881	-	-	-	-	801,881
Segment assets	126,485,052	33,929,719	49,870,363	16,247,800	(121,959,285)	104,573,649

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

26. SEGMENT INFORMATION (CONT'D)

Group (Cont'd)	Investment holding and others RM	Timber services RM	Construction and property development RM	Trading RM	Adjustments and eliminations RM	Consolidation RM
2022						
Other non-cash items						
Depreciation of property, plant and equipment	14,156	875,927	281,438	-	-	1,171,521
Depreciation of right-of-use assets	493,534	-	-	-	-	493,534
Fair value loss on other investments	105,356	2,134	-	-	-	107,490
Impairment loss on trade and other receivables	-	(69,205)	24,971,970	3,731,028	-	28,633,793
Unwinding of discount on financial assets	-	-	(1,593,162)	-	-	(1,593,162)
2021						
Revenue						
External customers	-	3,103,711	1,297,509	25,557,327	-	29,958,547
Inter-segment	420,000	-	-	-	(420,000)	-
	420,000	3,103,711	1,297,509	25,557,327	(420,000)	29,958,547
Results						
Segment results	(24,994,184)	(596,410)	(19,870,687)	(2,625,857)	23,423,622	(24,663,516)
Interest income	151,624	121,416	1,660	-	-	274,700
Finance costs	-	(21,172)	(1,293)	-	-	(22,465)
Loss before tax	(24,842,560)	(496,166)	(19,870,320)	(2,625,857)	23,423,622	(24,411,281)
Taxation	56,993	20,819	-	-	-	77,812
Loss after tax	(24,785,567)	(475,347)	(19,870,320)	(2,625,857)	23,423,622	(24,333,469)
Assets						
Capital expenditure	-	654,408	-	-	-	654,408
Segment assets	127,867,453	28,126,207	78,017,389	16,801,614	(115,755,710)	135,056,953

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

26. SEGMENT INFORMATION (CONT'D)

Group (Cont'd)	Investment holding and others RM	Timber services RM	Construction and property development RM	Trading RM	Adjustments and eliminations RM	Consolidation RM
2021						
Other non-cash items						
Impairment loss on trade and other receivables	-	(4,308)	22,250,600	2,750,511	-	24,996,803
Depreciation of property, plant and equipment	14,156	919,088	281,438	-	-	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 on other investments	(108,962)	5,201	-	-	-	(103,761)

27. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost ("AC")
- (ii) Fair value through profit or loss ("FVPL")

	Carrying amount RM	AC RM	FVPL RM
Financial assets			
2022			
Group			
Trade receivables	42,616,743	42,616,743	-
Other receivables and deposits	21,453,429	21,453,429	-
Other investments	1,504,488	-	1,504,488
Short-term deposits	14,237,482	14,237,482	-
Cash and bank balances	425,857	425,857	-
	80,237,999	78,733,511	1,504,488
Company			
Amount due by subsidiaries	116,165,105	116,165,105	-
Other investments	1,157,588	-	1,157,588
Short-term deposits	159,065	159,065	-
Cash and bank balances	81,148	81,148	-
	117,562,906	116,405,318	1,157,588

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

27. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVPL RM
Financial assets (Cont'd)			
2021			
Group			
Trade receivables	42,765,961	42,765,961	-
Other receivables and deposits	49,796,758	49,796,758	-
Other investments	1,364,809	-	1,364,809
Short-term deposits	15,356,279	15,356,279	-
Cash and bank balances	574,333	574,333	-
	109,858,140	108,493,331	1,364,809
Company			
Amount due by subsidiaries	109,956,873	109,956,873	-
Other investments	864,492	-	864,492
Short-term deposits	7,504,507	7,504,507	-
Cash and bank balances	111,745	111,745	-
	118,437,617	117,573,125	864,492
Financial liabilities			
2022			
Group			
Trade payables	2,553,620	2,553,620	-
Other payables	2,347,359	2,347,359	-
Amount due to director	66,090	66,090	-
Hire purchase liabilities	438,384	438,384	-
	5,405,453	5,405,453	-
Company			
Other payables	478,559	478,559	-
Amount due to director	66,090	66,090	-
	544,649	544,649	-
2021			
Group			
Trade payables	2,689,924	2,689,924	-
Other payables	2,347,359	2,347,359	-
Amount due to director	19,901	19,901	-
Hire purchase liabilities	589,208	589,208	-
	5,646,392	5,646,392	-
Company			
Other payables	476,368	476,368	-
Amount due to director	19,901	19,901	-
	496,269	496,269	-

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

27. FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair value measurement

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

There is no transfer between levels of fair values hierarchy during the financial period.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

	Carrying amount Total RM	Fair value of financial instruments carried at fair value			Total RM
		Level 1 RM	Level 2 RM	Level 3 RM	
2022					
Group					
Financial asset					
Other investments	1,504,488	1,504,488	-	-	1,504,488
Company					
Financial asset					
Other investments	1,157,588	1,157,588	-	-	1,157,588
2021					
Group					
Financial asset					
Other investments	1,364,809	1,364,809	-	-	1,364,809
Company					
Financial asset					
Other investments	864,492	864,492	-	-	864,492

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 market 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.

Notes to the Financial Statements *(Cont'd)*
For The Financial Year Ended 30 September 2022

27. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risk management objectives and policies

The Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

(i) *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 minimize credit risk by dealing exclusively with reputable financial institution.

Trade and other receivables

Credit risk is minimized by monitoring the financial standing of the debtors on an ongoing concern basis. The maximum exposure to credit risk disclosed in Note 7 and 8 to the financial statements, representing the carrying amount of the trade and other receivables recognized on the statements of the financial position.

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 end of the financial year, the Company has made sufficient allowances for impairment loss on advances to its subsidiary companies.

(ii) *Liquidity 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.

Notes to the Financial Statements (Cont'd)
For The Financial Year Ended 30 September 2022

27. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and Company's liabilities at the statement of financial position based on contractual undiscounted repayment obligations:

	Contractual cash flows			
	Carrying amount RM	or within 1 year RM	On demand Between 1 and 5 years RM	Total RM
Group				
2022				
Trade payables	2,553,620	2,553,620	-	2,553,620
Other payables and accruals	2,869,029	2,869,029	-	2,869,029
Amount due to director	66,090	66,090	-	66,090
Hire purchase liabilities	438,384	151,432	325,452	476,884
	5,927,123	5,640,171	325,452	5,965,623
Group				
2021				
Trade payables	2,689,924	2,689,924	-	2,689,924
Other payables and accruals	2,943,790	2,943,790	-	2,943,790
Amount due to director	19,901	19,901	-	19,901
Hire purchase liabilities	589,208	188,324	464,677	653,001
	6,242,823	5,841,939	464,677	6,306,616
Company				
2022				
Other payables and accruals	589,597	589,597	-	589,597
Amount due to director	66,090	66,090	-	66,090
	655,687	655,687	-	655,687
2021				
Other payables and accruals	606,718	606,718	-	606,718
Amount due to director	19,901	19,901	-	19,901
	626,619	626,619	-	626,619

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and of the Company's financial instruments as a result of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their interest-bearing financial assets and liabilities. Interest-bearing financial assets includes short-term deposits with licensed banks. Interest-bearing financial liabilities includes hire purchase liabilities.

The interest rate per annum on the financial liabilities are disclosed in Note 15.

Notes to the Financial Statements *(Cont'd)*
For The Financial Year Ended 30 September 2022

28. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain 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 make 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 2022.

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

On 13 June 2022, the Company made announcement to Bursa Malaysia Securities Berhad ("Bursa Malaysia") that Bursa Malaysia had granted the Company further extension time up to 31 October 2022 to submit its regularisation plan to Bursa Malaysia.

The Company had further submitted its application for extension of time up to 30 April 2023 to Bursa Malaysia on 31 October 2022 and the application is still pending Bursa Malaysia approval.

GROUP'S LANDED PROPERTIES

Location		Description	Tenure	Area sq. m.	Approximate Age (Years)	Net Book Value as at 30.09.2022	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	1-36	11,265,054	2009	Factory and Office
2.	Lot 10568, Jalan Papan Pandamaran Industrial Area 42000 Port Klang	- KD Plant and warehouse	Leasehold	5,970	1-32	9,956,371	2009	KD Chambers

ANALYSIS OF SHAREHOLDINGS

(BASED ON REGISTER OF DEPOSITORS AS AT 30 DECEMBER 2022)

SHARE CAPITAL

Total Number of Issued Shares : 1,116,163,660
 Class of Shares : Ordinary Shares
 Voting Rights : One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

(Based on Register of Depositors as at 30 December 2022)

Size of Shareholdings	No. of Shareholders	No. of Ordinary Shares	Percentage (%)
LESS THAN 100	152	5,567	0.00
100 TO 1,000	694	564,733	0.05
1,001 TO 10,000	2,065	13,461,819	1.21
10,001 TO 100,000	4,192	191,759,487	17.18
100,001 TO LESS THAN 5% OF ISSUED SHARES	1,716	910,372,054	81.56
5% AND ABOVE OF ISSUED SHARES	0	0	0.00
TOTAL	8,819	1,116,163,660	100.00

DIRECTORS' SHAREHOLDINGS

(Based on Register of Directors' Shareholdings as at 30 December 2022)

No.	Names	Direct		Indirect	
		No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
1.	Datuk Chai Woon Chet	8,350,000	0.75	59,100,000 ⁽²⁾	5.29
2.	Wong Eng Kin	-	-	-	-
3.	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 30 December 2022)

Based on the Register of Depositors as at 30 December 2022, none of the shareholders hold more than 5% of the issued shares.

Analysis of Shareholdings *(Cont'd)*
(Based on Register of Depositors as at 30 December 2022)

LIST OF TOP 30 SHAREHOLDERS/ DEPOSITORS
(Based on Register of Depositors as at 30 December 2022)

No.	Name	No. of Shares Held	Percentage (%)
1.	MOO SOO CHIN	55,770,000	4.99
2.	CHAI KOON KHOW	52,246,000	4.68
3.	HSBC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (GCHK-LAZARUS)	50,000,000	4.48
4.	CHAI WEI QUAN	30,000,000	2.69
5.	CHUNG KIN CHUAN	8,880,000	0.80
6.	WONG NGIE TIEN	8,250,000	0.74
7.	LOH POI GIEK	6,000,000	0.54
8.	SEAN KOH WEI ZHONG	5,791,500	0.52
9.	CHIN CHIEW TED	5,600,000	0.50
10.	LIEW THAU SEN	5,473,000	0.49
11.	LIM CHEEN MEI	5,000,000	0.45
12.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG MEW CHOO	5,000,000	0.45
13.	NG SWEE KIAT	4,436,900	0.40
14.	YEE CHAI TEEI	4,000,000	0.36
15.	M & A NOMINEE (ASING) SDN BHD FOR MOHAMMED MOHIUDDIN BHUIYAN	3,700,000	0.33
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.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. ONG BENG HOE	3,100,000	0.28
20.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. LOONG CHEE YEN	3,050,000	0.27
21.	GAM TONG KEONG	3,000,000	0.27
22.	LEE POH HIN	3,000,000	0.27
23.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE FOO SAN	3,000,000	0.27
24.	SEOW GIM BENG	3,000,000	0.27
25.	M & A NOMINEE (TEMPATAN) SDN. BHD. FOR TUAH JUJUR SDN. BHD.	2,940,800	0.26
26.	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAW THIAN SEN @ KHOO THIAN SEN (SMT)	2,800,000	0.25
27.	LAU KOK SENG	2,650,000	0.24
28.	CHIN KAM TECK	2,586,500	0.23
29.	KENANGA NOMINEES (TEMPATAN) SDN BHD NG CHIA HER	2,500,000	0.22
30.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY GEOK SENG (DEALER 023)	2,500,000	0.22
Total		294,494,200	26.38

ANALYSIS OF WARRANT B HOLDINGS

(BASED ON REGISTER OF DEPOSITORS AS AT 30 DECEMBER 2022)

NO. OF OUTSTANDING WARRANTS : 32,991,025 WARRANTS B 2013/2023
 NO. OF WARRANT HOLDERS : 982

ANALYSIS BY SIZE OF WARRANT B HOLDINGS

(Based on Register of Depositors as at 30 December 2022)

Size of Warrant Holdings	No. of Warrant Holders	No. of Warrant held	Percentage %
LESS THAN 100	171	7,524	0.02
100 TO 1,000	213	115,298	0.35
1,001 TO 10,000	305	1,277,094	3.87
10,001 TO 100,000	227	9,544,851	28.93
100,001 AND ABOVE	66	22,046,258	66.83
TOTAL	982	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 30 December 2022)

Based on the Register of Directors' Warrant Holdings as at 30 December 2022, none of the Directors have any interest/ holdings in Warrants B.

LIST OF TOP 30 WARRANT B HOLDERS

(Based on Register of Depositors as at 30 December 2022)

Analysis Of Warrant B Holdings *(Cont'd)*
(Based on Register of Depositors as at 30 December 2022)

No.	Name	No. of Warrants B Held	Percentage (%)
1.	CHAI KOON KHOW	3,240,100	9.82
2.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	2,574,400	7.80
3.	ONG GUAN THIAM	1,267,433	3.84
4.	AH SEH A/L EWAN	685,800	2.08
5.	TAN KIAN AIK	600,000	1.82
6.	PANG NGUK HIONG	583,700	1.77
7.	CHIENG KOK TUNG	500,000	1.52
8.	SEGAR SURIA SDN. BHD.	500,000	1.52
9.	CHE BALKIS BINTI CHE SENAWI	430,000	1.30
10.	MONG KONG MOI	428,300	1.30
11.	FOUR SISTERS SDN. BHD.	409,400	1.24
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.	LAI WEI LEE	285,100	0.86
22.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. TAN SO CHANG	265,500	0.80
23.	KUANG WEE BENG	250,000	0.76
24.	LEONG KIM SENG	250,000	0.76
25.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR BEH SUET YENG	240,000	0.73
26.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SIEW YU WENG (T CHERAS-CL)	237,100	0.72
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. KUA SONG TUCK	235,000	0.71
28.	TAN SO CHANG	211,900	0.64
29.	TAN SHUI KOI	200,100	0.61
30.	CHIN LIM SHU	200,000	0.61
Total		16,766,733	50.80

NOTICE OF FORTY-FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Fourth (44th) 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 Wednesday, 15 March 2023 at 10.30 a.m. to transact the following businesses: -

- | | | |
|----|--|--|
| 1. | To receive the Audited Financial Statements of the Company and of the Group for the year ended 30 September 2022 together with the Directors' and Auditors' Reports thereon. | Please refer Explanatory Note 1 |
| 2. | To re-elect the following Directors who are retiring pursuant to the Company's Constitution: | |
| | i) Datuk Chai Woon Chet (Clause 105(1)) | Ordinary Resolution 1 |
| | ii) Wong Eng Kin (Clause 114) | Ordinary Resolution 2 |
| 3. | To approve the payment of Directors' fees and other benefits payable of up to RM300,000 to the Directors of the Company for the period from 1 October 2022 until the conclusion of the 45 th AGM to be held in year 2024. | Ordinary Resolution 3 |
| 4. | To re-appoint Messrs. ChengCo PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 4 |

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 5 |
|----|--|-----------------------|

THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons, firms or corporations 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 does not exceed ten per centum (10%) of the total issued share capital of the Company or such higher percentage as Bursa Malaysia Securities Berhad allowed for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company;

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 61 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company.

- | | |
|----|---|
| 6. | 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. 202208000250)
Company Secretary

Kuala Lumpur
31 January 2022

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

Notes

1. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely at this virtual AGM using RPV Facilities provided by Mlabs Research Sdn Bhd via Webex Events platform through the link <http://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 44th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 8 March 2023. Only members whose name appears on the Record of Depositors as at 8 March 2023 shall be entitled to participate the said meeting or appoint proxies to participate and/or vote on his/her behalf.

EXPLANATORY NOTES ON SPECIAL BUSINESSES

1. Audited Financial Statements for the year ended 30 September 2022

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.

2. Ordinary Resolutions 1 and 2: Re-election of Directors who retire in accordance with Clause 105(1) and 114 of the Company's Constitution

Clause 105(1) of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Whereby Clause 114 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following AGM, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Pursuant to Clause 105(1) of the Company's Constitution, Datuk Chai Woon Chet shall retire at the forthcoming AGM of the Company.

Mr. Wong Eng Kin who was appointed as an Independent Non-Executive Director of the Company on 15 June 2022 is required to submit himself for re-election at the 44th AGM of the Company pursuant to the Clause 114 of the Company's Constitution.

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

The performance of the Directors who are recommended for re-election has been assessed through the Board annual evaluation. The Nomination and Remuneration Committee and the Board are satisfied with the performance and effectiveness of Datuk Chai Woon Chet and Mr. Wong Eng Kin who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 44th AGM of the Company.

3. Ordinary Resolutions 3: 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 RM300,000 for the payment of Directors' fees and benefits to the INEDs of the Company during the course of the period from 1 October 2022 until the conclusion of 45th AGM of the Company to be held in year 2024.

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

The proposed Ordinary Resolution 4, if passed, is a renewal general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% 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. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next AGM.

The 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 at any time without convening a general meeting as it would be both costs and time consuming to organize a general meeting.

There was no ordinary share issued pursuant to the general mandate granted to the Directors at 43rd AGM held on 15 March 2022 and which will lapse at the conclusion of the 44th AGM.

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 61 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

Section 85(1) of the Companies Act 2016 provides as follows:

"85. Pre-emptive rights to new shares

- (1) Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Clause 61 of the Constitution of the Company provides as follows:

"61. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

The proposed Ordinary Resolution, if passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

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

NO. OF SHARES HELD

CDS ACCOUNT NO.

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 _____

of _____ NRIC No. / Passport No. _____

*Tel no: _____ *email address: _____

(*You are required to fill in the contact no. and email address in order to participate the Forty-Fourth (44th) 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 44th 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 Wednesday, 15 March 2023 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 Datuk Chai Woon Chet as Director		
Ordinary Resolution 2	-	To re-elect Wong Eng Kin as Director		
Ordinary Resolution 3	-	To approve the payment of Directors' fees and other benefits payable of up to RM300,000 to the Directors of the Company for the period from 1 October 2022 until the conclusion of the 45th AGM to be held in year 2024.		
Ordinary Resolution 4	-	To re-appoint Messrs. ChengCo PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 5	-	To approve the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		

(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 _____, 2023.

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 AGM using RPV Facilities provided by Mlabs Research Sdn Bhd via Webex Events platform through the link <http://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 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.
- 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 44th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 8 March 2023. Only members whose name appears on the Record of Depositors as at 8 March 2023 shall be entitled to participate the said meeting or appoint proxies to participate and/or vote on his/her behalf.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

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

1st fold here



ANZO HOLDINGS BERHAD
安 卓 控 股 有 限 公 司

Registration No. 197701005955 (36998-T)

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Menara Sapurakencana Petroleum
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