



**Tiger Synergy**

BERHAD 199401039944 (325631-V)

**ANNUAL REPORT  
2021**

**Sustainable  
Growth**

# Vision



- Deliver high quality residential and commercial projects that correlate with global developers.
- Commitment towards quality, integrity and value creation for all customers.
- Our shareholders are assured of maximum returns on their investments.

# Mission



- To create value and make a difference to our products towards total customer satisfaction.
- To become the most respected and highly diversified group fully committed to continuous enhancement of our core business.
- To build a strong trusted brand.

# Core Values



**T**

## TRUST

To build trust amongst staff within our organization as well as dealing with customers in pursuit to be a trusted name.



**I**

## INTEGRITY

To uphold the highest level of integrity in all our dealings amongst staff and customers alike.



**G**

## GRATITUDE

To be grateful and appreciate each other and do good to one another.



**E**

## EXCELLENCE

The will to win, the desire to succeed & the urge to reach our potential will unlock the door to personal excellence.



**R**

## RESPECT

To foster mutual respect and courteous amongst each other in sincere form that holds together all kinds of relationship and guarantee peace in our communities.





## OVERVIEW

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Dato' Tan Wei Lian**  
*Executive Chairman*

**Tan Lee Chin (F)**  
*Deputy Chairman/Managing Director*

**Datin Sek Chian Nee (F)**  
*Executive Director*

**Dato' Lee Yuen Fong**  
*Independent Non-Executive Director*

**Low Boon Chin**  
*Independent Non-Executive Director*

**Datin Sulizah Binti A. Salam**  
*Independent Non-Executive Director*

**Chua Eng Chin**  
*Non-Independent Non-Executive Director*

### AUDIT COMMITTEE

**Low Boon Chin (Chairman)**  
*(Independent Non-Executive Director)*  
*(Appointed on 7 December 2017)*

**Dato' Khoo Seng Hock**  
*(Independent Non-Executive Director)*

**Dato' Lee Yuen Fong**  
*(Independent Non-Executive Director)*

**Chua Eng Chin**  
*(Non-Independent Non-Executive Director)*  
*(Redesignated on 7 December 2017)*

### EMPLOYEE SHARE OPTION SCHEME ("ESOS") COMMITTEE

**Dato' Lee Yuen Fong (Chairman)**  
*(Independent Non-Executive Director)*

**Low Boon Chin**  
*(Independent Non-Executive Director)*

**Tan Lee Chin**  
*(Deputy Chairman/ Managing Director)*

### NOMINATION COMMITTEE

**Low Boon Chin (Chairman)**  
*(Independent Non-Executive Director)*

**Chua Eng Chin**  
*(Non-Independent Non-Executive Director)*

**Dato' Khoo Seng Hock**  
*(Independent Non-Executive Director)*

**Dato' Lee Yuen Fong**  
*(Independent Non-Executive Director)*

### REMUNERATION COMMITTEE

**Dato' Lee Yuen Fong (Chairman)**  
*(Independent Non-Executive Director)*  
*(Appointed on 9 October 2018)*

**Dato' Khoo Seng Hock**  
*(Independent Non-Executive Director)*

**Chua Eng Chin**  
*(Non-Independent Non-Executive Director)*  
*(Redesignated on 9 October 2018)*

### SECRETARIES

Heng Chiang Pooh (M)  
*(MAICSA7009923)*

### REGISTRAR

**Bina Management (M) Sdn Bhd**  
*(Company No. 197901005880 (50164-V))*  
Lot10, The Highway Centre,  
Jalan 51/205,  
46050 Petaling Jaya, Selangor.  
Tel No: 03-7784 3922  
Fax No: 03-7784 1988

### AUDITORS

UHY (AF1411)  
Suite 11.05, Level 11, The Gardens  
South Tower, Mid Valley City,  
Lingkaran Syed Putra,  
59200 Kuala Lumpur  
Tel No: 03-2279 3088  
Fax No: 03-2279 3099

### INVESTOR RELATION

Person to Contact:  
Serene Chong  
Email : tsb@tigersynergy.my

### PRINCIPAL BANKERS

Malayan Banking Berhad

### STOCK EXCHANGE LISTING

**Main Market of the Bursa  
Malaysia Securities Berhad**  
Main Market Stock Code:7079 Stock  
Name : TIGER

### REGISTERED OFFICE

Unit No. T3-13A-20,  
Level13A, Menara 3,  
3 Towers, No.296,  
Jalan Ampang,  
50450, Kuala Lumpur.  
Tel : 03-2733 0038  
Fax : 03-2733 0037

**COMPLETED PROJECT**

# BUKIT SRI PUTRA

The Bukit Sri Putra is the development project on a piece of land located within a locality known as Sungai Buloh comprising of 170 units of 3 storey linked house.

It is a prime location in the affluent Sungai Buloh. Built for comfort and luxurious living, these 3 storeys linked homes are carefully created to offer unrivalled spaciousness and delightful features to inspire and complement only the finest living. This project is completed with certificate of completion and compliance issued.



## ON GOING PROJECT

# TELARIS ALAM IMPIAN

Telaris Alam Impian is the Group's flagship development of a mixed-residential development of 3-Storey semidetached houses and 2-Storey terrace houses. It is situated approximately 42 kilometers due south west of Kuala Lumpur City Centre and is about 8 kilometers due south east of Klang Town Centre that enjoys excellent road connectivity via the Federal Highway, Kemuning-Shah Alam Highway, Kuala Lumpur-Shah Alam Expressway (KESAS), Sprint, LDP and Penchala Link Highways. Furthermore, it will also benefit from the completion of an upcoming MRT station located near to the project.

This Project is surrounded with established neighbourhoods such as TTDI Alam Impian, Desa Latania, Taman Klang Indah and Taman Mewah Jaya. Besides that, it is in close proximity to the notable industrial schemes include the AMJ Industrial Park, Bukit Kemuning Light Industrial Park, Alpine Industrial Park and KJ Techno Industrial Park. The amenities available within the vicinity are included schools, banks, medical centre, shopping centre, office, marketing and other public facilities.



## FUTURE PROJECT

# AFFORDABLE HOUSING PROJECTS

In collaboration with the government's initiative to provide more affordable housing, the Group embarked a joint development affordable housing project in Shah Alam and Sungai Buloh.

The Shah Alam affordable housing project is the development of 640 units of affordable housing units on freehold lands with a total area of 9.0 acres. It is strategically located nearby the growth areas of Shah Alam with easy access to Kuala Lumpur City Centre and the rest of the Klang Valley. It is accessible via the Federal Highway, Kuala Lumpur-Shah Alam Expressway, KESAS, Sprint, LDP and Penchala Link Highways.

Another affordable housing project to be undertaken by the Group is the development of 571 units affordable housing units on freehold lands with the total area of 5.5 acres in Sungai Buloh.

The Sungai Buloh affordable housing project is strategically located nearby the growth areas of Sungai Buloh. Developments within the immediate vicinity comprise residential, commercial and industrial premises. Notable landmarks in the vicinity include Kuang Railway Station, The Store Supermarket, Sungai Buloh Hospital. Facilities available within the vicinity include banking, medical centres, shopping, offices, marketing and other public amenities.

The Sungai Buloh affordable housing project is easily accessible from Kuala Lumpur City Centre via Jalan Kuching, Jalan Kepong, Jalan Sungai Buloh and major Highways.



# THE ASTER RESIDENCE – CHERAS

The Aster Residence-Cheras, sited on approximately 0.8094 hectare freehold land in Cheras, Selangor. It is a new masterpiece that epitomize city living on a grand scale. This project is a development of two (2) towers comprising 120 of exclusive condominiums and 4 units of business kiosk that offering exciting and multiplicity of facilities such as swimming pool, children playground, multipurpose conventional hall, gymnasium and others.

Geographically, it is located about 20 kilometers to the south-east of Kuala Lumpur City Centre and about 10 kilometers to south east of Kajang town Centre with excellent road connectivity via Cheras-Kajang Highway and North-South Highway.

The surrounded amenities that are available within this project are includes primary and secondary schools, marketing, banking, shopping centers such as Giant, Tesco and Econsave.

The Aster Residence Project is currently pending State Authorities' approval of the building plans. The project will be launched in first quarter of 2022.





## FUTURE PROJECT

# BUKIT SERDANG PROJECT

The Bukit Serdang Project conveys an under-stated stylish simplicity residential concepts that removed from the clamor of the city yet within easy reach of the Kuala Lumpur business centre and its main attractions. It is sited on 2.97 acres of freehold prime real estate, construction of two (2) towers consisting of 300 units of condominium. These comprehensive developments boast a long list of facilities for the enjoyment of all residents with the combination of swimming pool, playground, gymnasium, jogging trail and reflexology path combined with a full range of security.

It is located approximately 20 kilometers by road from Petaling Jaya town with convenient accessibility road via Federal Highway, North South Highway and Sungai Besi Highway. The landmarks in the larger neighbourhoods surrounded to this project include Technology Park Malaysia, Bukit Jalil Stadium, Bukit Jalil Golf and Country Club, The Mines Resort and University of Putra Malaysia.

The Bukit Serdang Project is still under planning stage and the Group is in the midst of preparing for submission of the planning approvals to the relevant authorities.



# SERI KEMBANGAN PROJECT

The Seri Kembangan Project is an architectural marvel, sited on approximately 1.875 acres of prime freehold land in Seri Kembangan, Selangor. This residential project target to construct of three (3) towers consisting of 600 units of stylish modern concept of condominium.

It is located approximately 15 kilometers from the south-east of the Kuala Lumpur City Centre via North-South Highway and Bukit Jalil Highway. One of the notable landmarks situated within close proximity to the subject property is Technology Park Malaysia. The immediate surrounded amenities are included two to four storey shops/offices, shopping centres, primary and secondary schools and other public amenities.

The Seri Kembangan Project is currently under the planning stage and the Group is in the midst of preparing for submission of the planning approvals to the relevant authorities.



**FUTURE PROJECT**

# BANGSAR SOUTH LUXURY CONDOMINIUM PROJECT

The Bangsar South Luxury Condominium Project is an art of living modern concept, sited on approximately 2 acres of prime freehold land in fast growing satellite town of Bangsar South, Kuala Lumpur. This luxury condominium project with 2-block towers consisting of total 206 units in stylish and luxury modern concept of condominium.

It is located approximately 7 kilometers from the Kuala Lumpur City Centre via Federal Highway. One of the notable landmarks situated within close proximity to the subject property is Nexus and KL Gateway provides a one-stop centre with various amenities, retail business from F&B, lifestyle brand as well as latest fashion labels. The immediate surrounded amenities are included two to four storey shops/offices, shopping centres, primary and secondary schools and other public amenities. It lies along Lorong Pantai Prima, Taman Pantai Prima, south-west of Bangsar South, Kuala Lumpur, approximately eight (8) kilometers due south-west of Kuala Lumpur City Centre, about two (2) kilometers due south-west of Mid Valley Megamall and Eco World City.

The Bangsar South Project is just a 300m walk to University LRT station, a connector to a larger and extensive rail network, which connect folks to all corners of Klang Valley and beyond.

The Bangsar South Project is currently under the planning stage and the Group is in the midst of preparing for submission of the planning approvals to the relevant authorities.



## BATCHING PLANT

The Group has setup its own concrete-mixed batching plant located at Alam Impian, Shah Alam. This batching plant has been designed to produce and supply innovative, highly technical and customize concrete mix and other concrete related products to internal and external parties. It has excellent environmental protection, dust collection system and anti noise design. The plant is mobile in nature and can be dismantled and relocated to another location.

Our concrete-mixed products are widely used in small or medium-scale building construction, road and bridge construction.

The plant is able to produce 10,000 meters cube per month and is making good progress in terms of production and sales.



## CORPORATE STRUCTURE



## CONSTRUCTION DIVISION

**PEMBINAAN TERASIA SDN. BHD.**  
201001010618 (895278-H)

## PLANTATION AND TIMBER DIVISION

**TIGER SYNERGY PLANTATION SDN. BHD.**  
199901013846 (488476-U)

## PROPERTY MANAGEMENT DIVISION

**GOLDENIER PROPERTY MANAGEMENT SDN. BHD.**  
200501036443 (718591-K)

**ALAM KEMUNING DEVELOPMENT SDN. BHD.**  
200501034278 (716419K)

## FINANCIAL SERVICES DIVISION

**TIGER SYNERGY CAPITAL SDN. BHD.**  
200501037562 (719710-W)

## PROPERTY DEVELOPMENT DIVISION

**PROMOSI JUARA SDN. BHD.**  
201401023101 (1099188-X)

**TIGER SYNERGY TIMBER SDN. BHD.**  
198901006161 (183466-T)

**TIGER SYNERGY HOUSING DEVELOPMENT SDN. BHD.**  
200501036787 (718935-D)

**TIGER SYNERGY DEVELOPMENT SDN. BHD.**  
200501035846 (717993-V)

**MYHARMONY DEVELOPMENT SDN. BHD.**  
201001037437 (921361-N)

**TIGER SYNERGY LAND SDN. BHD.**  
201001010813 (895473-M)

**TELADAN BINA SDN. BHD.**  
201401017901 (1093988-W)

## MANUFACTURING DIVISION

**ALLFIT FURNITURE INDUSTRIES SDN. BHD.**  
198801005095 (172453-X)

## BATCHING PLANT

**TIGER SYNERGY MIX SDN. BHD.**  
200601037390 (757150-K)

## TRADING DIVISION

**TIGER SYNERGY MEDICARE SDN. BHD.**  
(FORMERLY KNOWN AS TIGER SYNERGY INDUSTRIES (M) SDN. BHD.)  
199201013697 (245200-V)

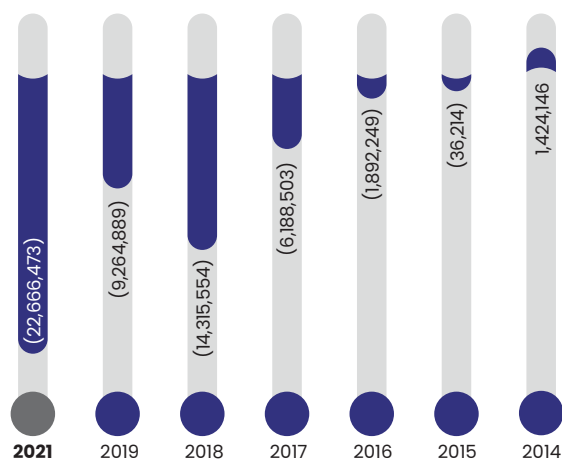
## FINANCIAL HIGHLIGHTS

RM/Year	2021 (18 months)	2019 (18 months)	2018 (12 months)	2017 (12 months)	2016 (12 months)	2015 (12 months)	2014 (12 months)
Turnover	12,541,777	19,848,550	10,574,280	9,363,019	15,703,059	15,141,995	12,180,497
(Loss) / Profit before taxation	(22,666,473)	(9,264,889)	(14,315,554)	(6,188,503)	(1,892,249)	(36,214)	1,424,146
(Loss) / Profit After taxation	(22,614,442)	(9,303,815)	(13,894,219)	(6,100,528)	(2,016,333)	(2,051,331)	129,212
Net Assets	282,305,920	296,809,589	215,641,811	213,546,416	212,004,764	175,291,103	170,242,434

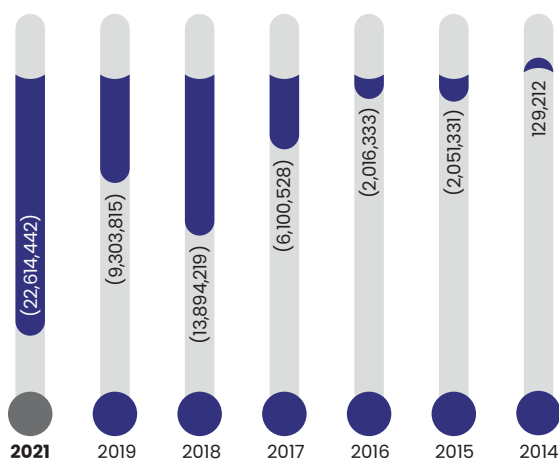
### (RM) TURNOVER



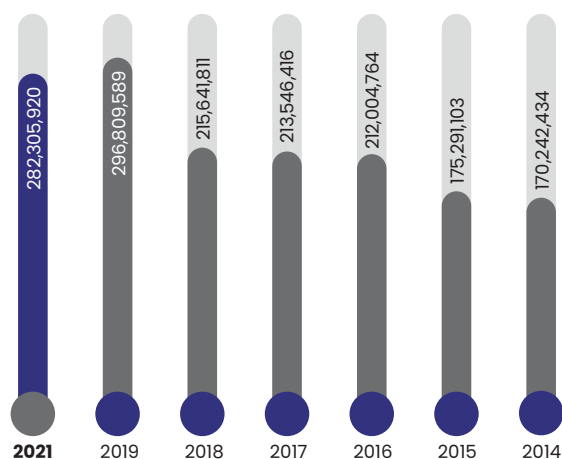
### (RM) (LOSS) / PROFIT BEFORE TAXATION



### (RM) (LOSS) / PROFIT AFTER TAXATION



### (RM) NET ASSETS

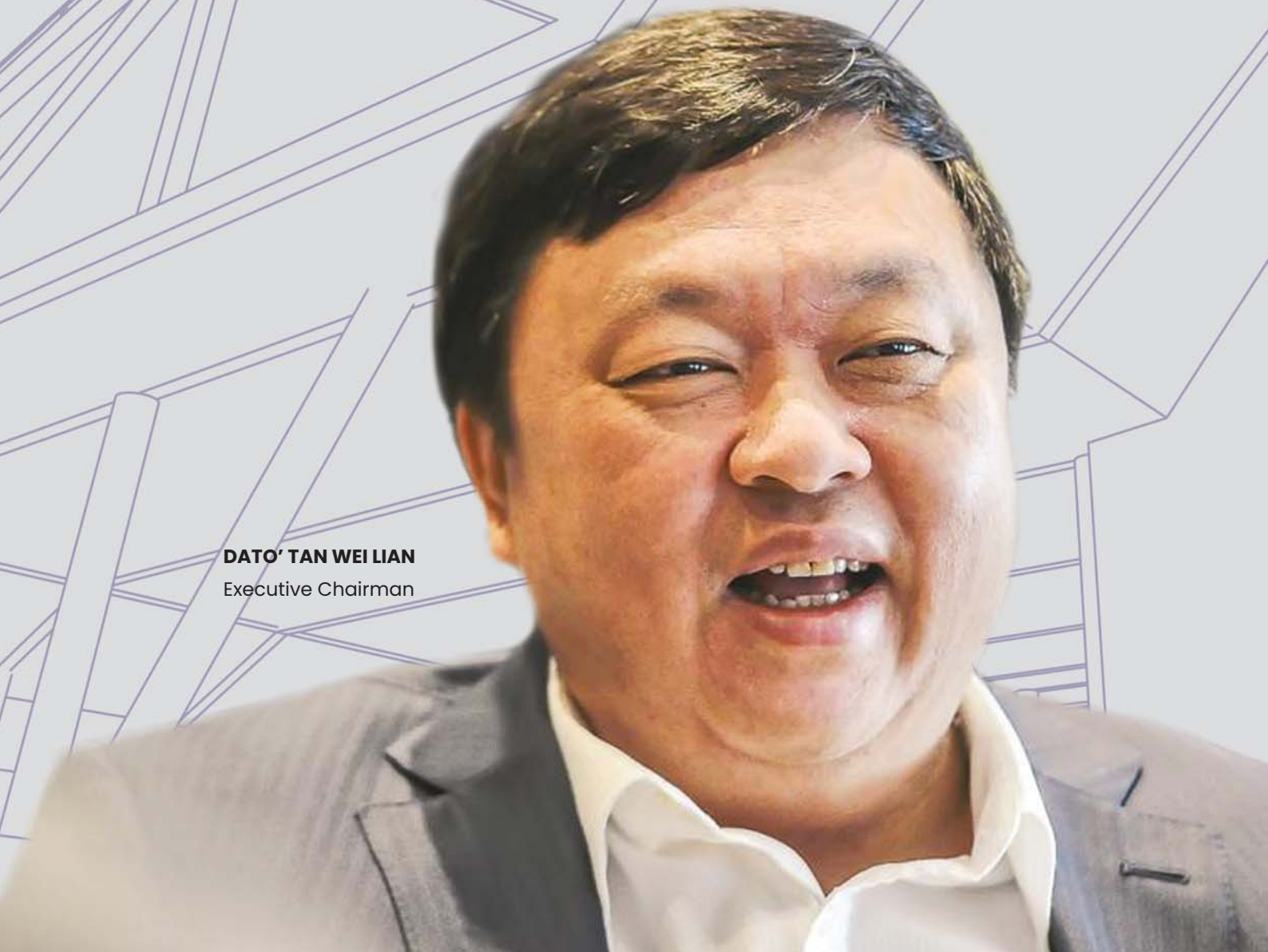


# EXECUTIVE CHAIRMAN'S STATEMENT

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present to you another year of Annual Report and Audited Financial Statement of Tiger Synergy Berhad ("the Group") for the financial period ended 30 June 2021 ("FY2021")

**DATO' TAN WEI LIAN**  
Executive Chairman



## EXECUTIVE CHAIRMAN'S STATEMENT

### Financial Performance

During the financial period, the property market in Malaysia was facing tremendous challenges and pressures. The Board of Directors of the Group swiftly resolved to strictly control and implement comprehensive business and finance containment measures.

The outbreak of the Covid-19 pandemic which was first identified in China in December 2019, had drastically changed the world. The pandemic has resulted in severe global social and economic disruption, including the largest global recession. In order to curb the spread of the raging Covid-19 virus, the Malaysian government has implemented various phases of Movement Control Order (MCO). It is without a doubt that the nationwide lockdown has severely slowed down and hit the local property market. Under such circumstances, the Group's housing development plans were forced to be repeatedly extended and postponed, and therefore the Group was unable to achieve satisfactory performance in the past financial year.

### Business Development and Prospect

In response to the tough challenges brought about by the Covid-19 pandemic, the Group has launched a Rights Issue fund raising exercise this year (2021).

With the government's effort to accelerate the vaccination program and has successively unveiled the Short-term Economic Recovery Plan in addressing the impact of the Covid-19, we will begin to see a sustainable growth in property market in the coming year.

The Group has been exploring projects with the best prospect over the last few years. Under the new norm of an unstable economy and pandemic combo, the Group resolutely decided to embark on a business transformation and expand new business model, including:

1. To undertake the construction of government housing projects
2. To develop affordable home projects
3. To explore, invest and operate medical, pharmaceutical and glove industries
4. To invest in oil palm and durian plantations
5. To invest in leisure and resort hotels

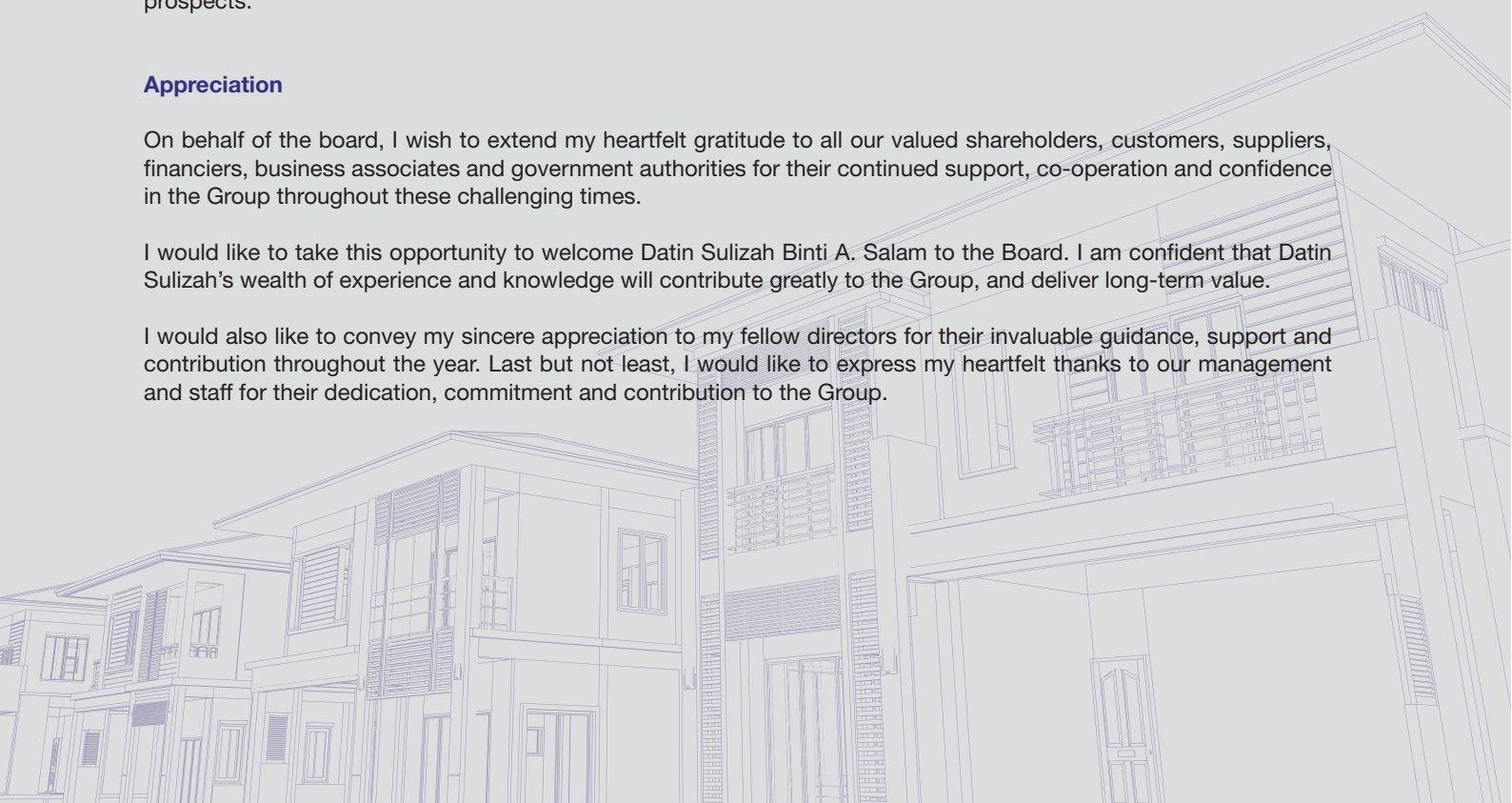
By focusing on the above-mentioned turnaround plans and transformation strategies, I am confident that the Group will deliver outstanding results and performance in the next financial year. With the successful implementation of the Rights Issue, we will have the solid backing and confidence to engage and execute such projects of great scale and prospects.

### Appreciation

On behalf of the board, I wish to extend my heartfelt gratitude to all our valued shareholders, customers, suppliers, financiers, business associates and government authorities for their continued support, co-operation and confidence in the Group throughout these challenging times.

I would like to take this opportunity to welcome Datin Sulizah Binti A. Salam to the Board. I am confident that Datin Sulizah's wealth of experience and knowledge will contribute greatly to the Group, and deliver long-term value.

I would also like to convey my sincere appreciation to my fellow directors for their invaluable guidance, support and contribution throughout the year. Last but not least, I would like to express my heartfelt thanks to our management and staff for their dedication, commitment and contribution to the Group.



## PENYATAAN PENERUS EKSEKUTIF

### KEPADA PEMEGANG – PEMEGANG SAHAM,

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan kepada anda satu lagi tahun Laporan Tahunan dan Penyata Kewangan Tiger Synergy Berhad ("Kumpulan") yang telah diaudit bagi tahun kewangan yang berakhir pada 30 Jun 2021 ("FY2021").

### Prestasi Kewangan

Dalam tempoh kewangan ini, pasaran hartanah di Malaysia menghadapi banyak cabaran dan tekanan. Lembaga Pengarah Kumpulan dengan tangkas memutuskan untuk mengawal dan melaksanakan tindakan pengekangan perniagaan dan kewangan secara menyeluruh.

Wabak pandemi Covid-19 yang pertama kali dikenal pasti di China pada bulan Disember 2019 telah mengubah dunia secara drastik. Pandemi ini mengakibatkan gangguan sosial dan ekonomi global yang teruk, termasuk kemelesetan ekonomi global terbesar. Untuk mengekang penyebaran virus Covid-19 yang semakin teruk, kerajaan Malaysia telah melaksanakan pelbagai fasa Perintah Kawalan Pergerakan (PKP). Tidak dapat diragukan lagi bahawa penutupan dan penyekatan pergerakan di seluruh negara telah menyebabkan pasaran hartanah tempatan merosot dan perlahan. Dalam keadaan ini, rancangan pembangunan perumahan Kumpulan terpaksa dipanjangkan dan ditunda berulang kali, dan oleh itu kami tidak dapat mencapai prestasi yang memuaskan pada tahun kewangan yang lalu.

### Pembangunan Perniagaan dan Prospek

Sebagai tindak balas terhadap cabaran-cabaran sukar yang disebabkan oleh pandemik Covid-19, kami telah melancarkan pengumpulan dana melalui "Rights Issue" pada tahun ini (2021).

Dengan usaha Kerajaan untuk mempercepatkan program vaksinasi dan melancarkan Pelan Pemulihan Ekonomi Jangka Pendek secara berturut-turut dalam menangani impak Covid-19, kita akan mula melihat pertumbuhan yang berterusan dalam pasaran hartanah pada tahun mendatang.

Sejak beberapa tahun kebelakangan ini, Kumpulan telah sentiasa menerokai bidang-bidang perniagaan yang mempunyai prospek yang terbaik. Dengan wujudnya norma baru iaitu kombinasi ekonomi yang tidak stabil bersama-sama pandemik, Kumpulan dengan tegas memutuskan untuk memulakan transformasi perniagaan dan mengembangkan model perniagaan baru, termasuk:

1. Melaksanakan pembinaan projek perumahan kerajaan
2. Membangunkan projek rumah mampumilik
3. Meneroka, melabur dan mengendalikan industri perubatan, farmasi dan sarungtangan
4. Melabur di ladang kelapa sawit dan durian
5. Melabur di dalam sector tempat peranginan dan penginapan

Dengan memberi tumpuan kepada pelan-pelan dan strategi transformasi yang disebutkan di atas, saya yakin bahawa Kumpulan akan memberi hasil dan prestasi yang cemerlang pada tahun kewangan akan datang. Kejayaan dalam pelaksanaan pengumpulan dana melalui "Rights Issue" baru-baru ini telah membuktikan bahawa Kumpulan mendapat sokongan dan keyakinan yang cukup kuat dalam penglibatan dan pelaburan atas projek-projek yang berskala besar dan mempunyai prospek.

### Penghargaan

Bagi pihak lembaga pengarah, saya ingin mengucapkan ribuan terima kasih kepada semua pemegang saham, pelanggan, pembekal, pembiaya, rakan perniagaan dan pihak berkuasa kerajaan yang kami hargai atas sokongan, kerjasama dan keyakinan mereka yang berterusan terhadap Kumpulan ini di sepanjang tempoh yang mencabar ini.

Saya ingin mengambil kesempatan ini untuk mengalu-alukan Datin Sulizah Binti A. Salam yang dilantik sebagai ahli Lembaga Pengarah yang baru. Saya yakin bahawa pengalaman dan ilmu pengetahuan Datin Sulizah akan memberi manfaat dan sumbangan besar kepada Kumpulan ini, seterusnya memberi nilai tambahan kepada Kumpulan dalam jangka masa panjang.

Saya juga ingin menyampaikan penghargaan yang tulus kepada rakan-rakan pengarah saya yang lain atas bimbingan, sokongan dan sumbangan mereka yang tidak ternilai di sepanjang tahun ini. Akhir kata, saya ingin mengucapkan ribuan terima kasih kepada pihak pengurusan dan kakitangan kami atas dedikasi, komitmen dan sumbangan mereka kepada Kumpulan.



## 执行主席献词

我谨代表董事部，提呈金虎集团截至2021年6月30日年度的常年报告和经审核财务报表。

### 财务表现

在本会计年度，我国房地产业面对严峻挑战和压力，董事部即时议决严控业务和财务。

中国在2019年12月底爆发2019冠状病毒病 (Covid-19)，目前疫情影响世界各国。

在疫情肆虐下，我国先后执行各阶段行动管控令，严重拖慢及打击房地产市场。在这种情况下，本集团的房屋计划被迫一再展延，因此在本会计年度无法取得令人满意的业绩。

### 企业发展及展望

为了应对疫情的挑战，本集团今年推出附加股集资计划。

在政府加速疫苗接种计划，并先后多次推出经济振兴计划，房地产领域预料会在明年重现曙光。

公司在过去几年一直探索具有最佳前景的发展项目。在当前疫情新常态下，本集团毅然决定转型及扩展新业务策略，其中包括：

1. 承接政府可负担房屋工程
2. 发展可负担房屋计划
3. 探讨，投资及经营医疗，药剂，手套行业
4. 投资油棕及榴莲种植
5. 休闲度假酒店

在上述改变和转型方针下，我有信心本集团将在明年交出亮丽业绩与表现。随着成功执行附加股，我们将有坚实的后盾及信心参与及执行具规模和前景的发展项目。

### 鸣谢

我谨代表董事部衷心感谢所有尊贵的股东，客户，供应商，融资机构，及政府机构，感谢他们在这充满挑战的时期，继续给予本集团支持，合作和信心。

我想借此机会欢迎 Datin Sulizah Binti A. Salam 加入董事部。我相信凭着Datin Sulizah的丰富经验和知识，将为集团做出巨大贡献，并带来长期价值。

我也要感谢各位董事给予指导，支持与奉献，以及管理层和职员对本集团的信心，承诺和贡献。

执行主席  
拿督陈维年

## DIRECTORS' PROFILE



**DATO' TAN WEI LIAN ('DTWL')**  
*Executive Chairman*

Dato' Tan Wei Lian, Malaysian, aged 53, male, he began his colorful livelihood as a property developer at the age of 21. He has gained over 29 years of experience in the property development and construction industry. Therefore, DTWL has played a major role in leading the Group to diversify its business into Property Development. He has strong communication skills, experience, and in-depth knowledge of the business environment. He is also the former President of the Negeri Sembilan Chinese Chamber of Commerce and Industry, former Vice President of The Associated Chinese Chambers of Commerce and Industry of Malaysia.

On 28 November 2006, he was appointed to the Board of Tiger Synergy Berhad ("Tiger") as Managing Director in order to assist the company to diversify into property development. However, he has been re-designated as the Executive Chairman of the Group on 26 November 2014. He has attended six (6) Board of Directors' meeting during the financial period ended 30 June 2021.

DTWL does not have any conflict of interest with the Company and has not been convicted of any offence over the past five years. DTWL is the brother of Ms Tan Lee Chin, the Deputy Chairman/ Managing Director of Tiger as well as the spouse of Datin Sek Chian Nee, the Executive Director of the Company. He has direct shareholding of 302,832,503 ordinary shares and indirect shareholding of 69,297,125 ordinary shares as at 21 October 2021.



**TAN LEE CHIN ('TLC'), SHIRLEY**  
*Deputy Chairman/ Managing Director*

Tan Lee Chin, Malaysian, aged 52, female, was appointed to the Board as an Executive Director of Tiger in February 2008 and she is the member of Employee Share Option Scheme ("ESOS") Committee of Tiger. She graduated with a LLB (Honours) from the University of Northumbria, United Kingdom. In 1993, she joined the property development and construction company. During her tenure in the said company, she has pioneered to develop the marketing, finance and administrative division of the company. Since then, she has gained substantial experience in the property development, financial, marketing, business management and corporate restructuring. In recognition of her outstanding entrepreneurial achievements, she has received an Outstanding Entrepreneur Award at the Golden Bull Award.

TLC has been re-designated as Managing Director on 26 November 2014 and was appointed as a Deputy Chairman in February 2020. She has attended six (6) Board of Directors' meeting during the financial period ended 30 June 2021. She has no conflict of interest with the Company and has not been convicted of any offence in the last five years.

TLC is the sister of Dato' Tan Wei Lian, the Executive Chairman of Tiger. She holds a direct shareholding of 10,331,675 ordinary shares and indirect shareholding of 361,797,953 ordinary shares as at 21 October 2021.

## DIRECTORS' PROFILE



### **DATIN SEK CHIAN NEE ('DSCN')**

*Executive Director*

Datin Sek Chian Nee, Malaysian, aged 54, female, was appointed as the Executive Director of Tiger on 29 May 2015. She completed her Diploma in Perguruan Kementerian Pelajaran Malaysia in 1993. Upon graduation, she joined the education industry in Bahau, Negeri Sembilan Darul Khusus as a teacher. She joined Tiger as the Group Human Resource and Admin General Manager since 2006. Currently, she oversees the entire organisation's human resources by planning, implementing, and evaluating employee relations and human resources policies, programme, and practices.

DSCN is the spouse of Dato' Tan Wei Lian, the Executive Chairman of Tiger. She has attended six (6) Board of Directors' meeting during the financial period ended 30 June 2021. She has no conflict of interest with the Company and has not been convicted of any offence in the last five years. Further, she holds a direct shareholding of 58,965,450 ordinary shares and indirect shareholding of 313,164,178 ordinary shares as at 21 October 2021.



### **DATO' KHOO SENG HOCK ('DATO KSH')**

*Independent Non-Executive Director*

Dato' Khoo Seng Hock, Malaysian, aged 73, male, was appointed to the Board of Tiger on 7 October 2010 as an Independent Non- Executive Director. He is one of the member of Audit Committee, Nomination Committee and Remuneration Committee of Tiger group. From 1986 to 1995, he was elected and served as the State Assemblyman for Lobak Constituency, Negeri Sembilan after completed his upper secondary education from Chung Hwa High School, Seremban. Subsequently in 1987, he served as the Chief of Negeri Sembilan MCA Public Services and Complaints Bureau; and the Vice President of MCA Branch Taman Permata.

During the financial period ended 30 June 2021, Dato' Khoo has attended six (6) Board of Directors' meeting and six (6) Audit Committee meeting. He does not hold directorship in other public companies. He also does not have any family relationship with any director and/or major shareholder, nor any conflict of interest with the Tiger Group. He has not been convicted of any offence over the past five years.

## DIRECTORS' PROFILE



### CHUA ENG CHIN ('CEC')

*Non-Independent Non-Executive Director*

Chua Eng Chin, Malaysian, aged 62, male, was appointed as the Independent Non-Executive Director of Tiger on 15 December 2006. However, on 7 December 2017, he has been re-designated as the Non-Independent Non-Executive Director. Currently, Mr. Chua is the member of the Remuneration Committee, Audit Committee as well as Nomination Committee of Tiger Group. Mr. Chua is a qualified Chartered Accountant since 1984. He is a registered Fellow Member of the Association of Chartered Accountants (United Kingdom) and Malaysian Institute of Accountants (MIA). He has extensive experience in auditing and consultancy. He held various key positions with some established companies, i.e. as an internal auditor of Lion Group and Berjaya Group. He also has served as Senior Accountant in Berjaya Textiles Berhad and Senior Manager in Malpac Holdings Berhad. Currently, he is a Commissioned Dealer Representative with PM Securities Sdn. Bhd.

Mr Chua has attended five (5) Board of Directors' meeting and five (5) Audit Committee meeting during the financial period ended 30 June 2021. He does not have any family relationship with any director and/or major shareholder nor any conflict of interest with the Tiger Group. He also has not been convicted of any offence over the past five years.



### LOW BOON CHIN ('LBC')

*Independent Non-Executive Director*

Low Boon Chin, Malaysian, aged 73, male, was appointed on 12 September 2014 as the Independent Non-Executive Director at Tiger. He is the Chairman of Nomination Committee and Audit Committee as well as the member of ESOS Committee of Tiger Group. During the financial period ended 30 June 2021, Mr Low has attended six (6) Board of Directors' meeting and six (6) Audit Committee meeting.

Mr. Low graduated with a Degree in Business & Administration from National Chengchi University, Taiwan. He began his career in the direct sales industry and joined Win Win Sdn. Bhd., dealing in health food and pioneered the Direct Sales Division of the said company. Since then, he has gained about more than ten (10) years of experience in direct selling & emporium operations. In recognition of his outstanding entrepreneurial achievements and contributions to the society, he was awarded the Negeri Sembilan's ANS, PMC, PJK and the Pahang State's Setia Mahkota Pahang (SMP). Mr. Low was also bestowed with a National Honour of Ahli Mangku Negara (AMN) by His Majesty the Yang Dipertuan. In addition, Mr. Low is an active member and holds several prominent positions in number of Associations and societies in Malaysia including that of Honorary Secretary in the Negeri Sembilan Chinese Chamber of Commerce & Industry.

Mr. Low sits on Boards of several other private companies in Malaysia where he holds executive function positions but he does not hold directorship in other public companies. He does not have any family relationship with any director and/or major shareholder nor any conflict of interest with Tiger Group. He has not been convicted of any offence over the past five years.

## DIRECTORS' PROFILE



**DATO' LEE YUEN FONG ('DATO LYF')**  
Independent Non-Executive Director

Dato' Lee Yuen Fong, Malaysian, aged 71, male, was appointed to the Board of the Company on 30 July 2014 as the Independent Non-Executive Director of Tiger. He is the Chairman of the ESOS Committee and the member of Audit Committee and Nomination Committee of Tiger Group. He has been appointed as the Chairman of Remuneration Committee on 9 October 2018. He has attended three (3) Board of Directors' meeting and three (3) Audit Committee meeting during the financial period ended 30 June 2021.

From 1986 to 2008, he was a devoted and active Member of the State Legislative Assembly of Negeri Sembilan Darul Khusus, where he has gained much recognition through his earnest participation, involvement and contribution. He was bestowed and conferred the Dato' Setia Negeri Sembilan (DSNS). Since 2008, Dato' Lee has steadfastly and ardently played a key role as the Executive Chairman of the Negeri Sembilan Basketball Association and is also a dedicated and an active Member of the Persatuan Pengusaha-Pengusaha Burung Walit Negeri Sembilan Darul Khusus wherein he sits as the Chairman through to the present date. Through his many years of participating and engaging in various executive functions, roles and positions in these Associations, Dato' Lee has gained immeasurable experience in the areas of management, promotion, sponsorship, marketing, operation, controlling and organizational development. Currently, he is the Secretary General of Persekutuan Persatuan Pedagang Sarang Burung Malaysia.

Dato' Lee does not hold directorship in other public companies. He also does not have any family relationship with any director and/or major shareholder, nor any conflict of interest with the Tiger Group. He has not been convicted of any offence over the past five years.



**DATIN SULIZAH BINTI A. SALAM ('DATIN SULIZAH')**  
Independent Non-Executive Director

Datin Sulizah Binti A.Salam, Malaysian, aged 56, female, was appointed to the Board of Tiger on 14 June 2021 as an Independent and Non-Executive Director. She graduated from Institut Teknologi Mara (ITM) majoring in Chartered Insurance Course.

Datin Sulizah is actively involved in NGOs from where she has gained invaluable experience in communication skills and leadership. She is currently holding several key positions in NGOs i.e:

- Chairman of Pertubuhan Kebajikan Islam Malaysia (PERKIM) Wanita Bukit Antarabangsa (Since 2004)
- EXCO Wanita PERKIM Kebangsaan (Since 2004)
- EXCO member of Yayasan Koreksional Penjara Malaysia (Since 2017)

Apart from Tiger, Datin Sulizah is also holding the directorship in Rasta Pelangi Sdn Bhd and serves as Chairman in PDSB Consultant.

## KEY PERSONNEL MANAGEMENT TEAM

### KELVIN CHIA CHIN LIANG

(SENIOR FINANCE MANAGER)

*Male, Malaysian*

Mr. Kelvin Chia, aged 49, obtained his Bachelor Degree in Accounting from Bolton University, United Kingdom. Prior joining to Tiger Group, he had worked at Ho Hup Construction Company Berhad, TSI Holdings Sdn Bhd, Talam Corporation Berhad, Oxford Fajar Sdn Bhd as Accountant, Muhibbah Engineering (M) Berhad and Hibiscus Petroleum Berhad as Senior Finance Manager. He had over 22 years of experience in finance and accountancy.

He had been with Tiger Group from August 2007 to April 2018 as a group accountant. He has rejoined the Group in November 2019 to sphere head the accounts department. Over the years, he had been involved in the preparation of group financial statements, review of financial performance, budgeting and project costing. Furthermore, he also liaises closely with group tax manager to resolve Tiger and its subsidiaries' tax matters. Recently, he headed to participate for Group's equity fund raising with amongst others.

Mr. Kelvin does not hold directorship in any public companies.

He has no family relationship with any Director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has no conviction for offences, within the past five (5) years.

### BAK WING SON

(TAX AND ACCOUNTS MANAGER)

*Male, Malaysian*

Mr. Bak, aged 30, he joined Tiger Synergy Berhad on February 2020 as Tax and Accounts Manager. He graduated with a Bachelor of Accounting (Honours) from Multimedia University on 2014.

He is responsible for review of group account and managing tax reporting and compliance within an organization to ensure tax returns are completed and accurate and also complied with local authorities.

Mr. Bak does not hold directorship in any public companies

He has no family relationship with any Director and/or major shareholder of the Company. He has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has no conviction for offences, within the past five (5) years.

## MANAGEMENT DISCUSSION & ANALYSIS

### Dear Valued Shareholders,

This Management's Discussion and Analysis elaborates on the financial and operational performance of Tiger Synergy Berhad and its Group ("The Group") over the 18-month period ended 30 June 2021 ("FY2021"). Tiger Group changed its financial end from 31 December 2020 to 30 June 2021 during the current financial period. Given the change, the Company's financial information presented covers a 18-month period from 1 January 2020 to 30 June 2021 for the current financial period.

Ever since the COVID-19 outbreak, the global and local markets have been impacted and clouded with economic uncertainties. The Malaysia economy contracted by 17.1% in Q2 2020. The performance for Q2 2020 was the lowest recorded since Q4 1998. On the production side, all sectors recorded negative growth in Q2 2020. On the demand side, all final demand components declined except for Government expenditure which recorded a positive growth of 2.3% according to the Department of Statistics Malaysia.

Under budget 2020, the government introduced several measures aimed to improve property market activities:

1. the revision of the base year for real property gains tax ("**RPGT**") to 1 January 2013 (initially 1 January 2000) for property purchased before the date (i.e. 1 January 2013).
2. the reduction of price threshold for foreign purchase from RM1 million to RM600,000 for unsold completed high-rise properties in urban areas.

The government has initiated under a new short-term Economic Recovery Plan or Penjana, proposed a recovery plan which is related to property which include:

1. Reintroduction of Home Ownership Campaign ("**HOC**") - Stamp duty exemption on the instruments of transfer and loan agreement for the purchase of residential homes priced between RM300,000 to RM2.5 million subject to at least 10% discounts provided by the developer.
2. RPGT exemption for disposal of residential homes from 1st June 2020 to 31st December 2021 (This exemption is limited to the disposal of three units of residential homes per individual).
3. The uplifting of the current 70 percent margin of financing limit applicable for the third housing loan onwards for property valued at RM600,000 and above, during the period of the HOC.

Notwithstanding the upturn of market activity and the proposed measures under Penjana, the property market is more than likely to remain soft for the rest of the second half 2020. The pace of improvement, will be depend on both domestic and external factors such as political stability, global oil and commodity prices as well as the COVID-19 pandemic development.

During the financial under review, the Group is mindful of the headwinds that surround the local property market scene. The Group exercised greater prudence in its products planning and continuously monitored and strategized its project launches and project planning to achieve the best match of its products to meet customer's needs and affordability levels in various locations whilst balancing profit and prudence to create higher value to its stakeholders.

While the demand in properties is currently low, the Group has a number projects currently in plan. These developments are in the process of securing necessary development approvals ready to be launched when the property market recovers.

## MANAGEMENT DISCUSSION & ANALYSIS

### CREATING VALUE ACROSS THE PROPERTY CYCLE

#### Land Banking

Land or project acquisition opportunities are identified by our Management using their knowledge and contacts. A feasibility assessment is prepared by the Project Department, which is reviewed at Top Management level before submit to the Board before the final decision is taken on.

Land acquisitions or joint venture project are considered against a series of criteria, such as gross margin, forecast sales rates, location and planning prognosis.

Lands at the strategic location helps to augment the land bank and complements our strategy of growth. Development via joint venture is expected to lower the upfront cost and give greater flexibility in timing and for launches and fixing types of properties.

#### Designing

Designing appropriate range of products at reasonable price to cater to the different group and income of buyers. Simple and practical are the main concerns in designing process in terms of space and materials used and we undertake a viable research to know customers needs and preferences.

Good product quality enhances customer satisfaction which enhance marketing and sales of properties for our development.

#### Building

We strive to maintain a long-term working relationships with contractors and suppliers to ensure good quality of building product. We seek to ensure that suitable building materials are available at competitive prices.

Having suitable materials at competitive prices enables us to meet our growth aspirations, better control over its cost and enhance profitability.

#### Marketing

We exercised greater prudence in its products planning to achieve the best match of its products to meet customer's needs and affordability levels in various locations whilst balancing profit and prudence to create higher value and returns to its customers.

We continue to innovate our approaches and enhance marketing strategy to further improve on sales and provide good customer care by conducting regular customer survey and feedback.

### PERFORMANCE REVIEW

#### Revenue

For the FY 2021, the Group recorded a lower revenue of RM12.54 million for the eighteen (18) months period from RM19.85 million in FY 2019. The decrease in revenue was mainly due to lowers sales volume from the timber services segment and delay in launching of new projects which were both affected by the COVID-19 pandemic as well as the impact of the various MCO restrictions imposed by the Government on the Group's operations. Revenue for the FYE 2021 was mainly derived from the trading of gloves and the disposal of a parcel of land held for development in Gombak.

The Group recorded a loss of RM22.61 million. The loss was mainly attributed to the higher administration expenses arising from the depreciation of PPE of RM0.91 million, RM1.40 million from the corporate exercise expenses, recognition of expected credit losses, RM14.24 million from loss on disposal of land held for development and the recognition of share based payment of RM1.81 million from the Employees' Share Option Scheme (ESOS). Revenue for the FY 2021 was mainly derived from the trading of gloves and the disposal of land held for development.

#### Total Assets

Total assets decreased by RM9.57 million to RM300.54 million from RM310.11 million in the last financial year. The decrease was mainly attributable to the decrease of other receivable and disposal of land held for property development.

#### Share Capital

During the financial period, the Company increased its issued and paid-up share capital from RM225.00 million in FY2019 to RM233.13 million in FY2021, largely due to the issuance of new shares pursuant to the conversion of Redeemable Convertible Notes, issuance of new shares pursuant to the private placement and the exercise of Employee Shares Option Scheme ("ESOS") during the year.

#### Total Liabilities

The Group's bank borrowings increased from RM7.68 million to RM10.47 million during the financial period. The Group's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. On a net basis, the Group's gearing ratio set at 0.04 times.



## MANAGEMENT DISCUSSION & ANALYSIS

### Insignificant business or operations

On 30 April 2021, the Company announced that it has triggered Paragraph 8.03A(2)(b) of the Listing Requirements for having an insignificant business or operations. However, pursuant to the “Additional Temporary Relief Measures to Listed Issuers Amid the Evolving COVID-19 Situation” issued by Bursa Securities on 17 February 2021, the Company has been granted relief from complying with the other obligations under Paragraph 8.03A of the Listing Requirements.

Based on the Company’s audited results for the 18-month period ended 30 June 2021, the Company would not trigger Paragraph 8.03A of the Listing Requirements.

### Corporate Proposal

On 13 January 2021, the Company had proposed to undertake a Renounceable Rights Issue of up to 1,101,480,437 Rights Shares at an issue price of RM0.04 per Rights Share together with up to 1,101,480,437 free detached warrants on the basis of 3 Rights Shares together with 3 free warrant D for every 4 existing shares held.

On 29 July 2021, the Shareholders had approved the Rights Issue with Warrants at the EGM of the Company.

On 11 October 2021, the Proposed Rights Issue with warrants has been completed with the total subscription level of 125.77%. The Company has raised a total sum of RM44.06 million for the funding of property development projects for the Group, repayment of bank borrowings and working capital.

### DEVELOPMENT PROJECTS

2020 was a challenging year for property industry as the COVID-19 pandemic dampened the overall property market. The property sector remained challenging in the year under review, where the prevailing market uncertainty was compounded by concerns on affordability, rising unemployment and strict financing guidelines.

The Group will continue to be resilient by adopting a cautious approach towards new project launches. Presently, the Group intends on prioritizing the development of affordable properties and landed properties as the Group strives to tailor its products to meet the changing customer demands due to the existing economic sentiment.

During FY2021, the Group has the following on-going projects ;-

#### Telaris Alam Impian

This is a joint-development project to be undertaken by the Group of 3-Storey semidetached houses and 2-Storey terrace houses on freehold lands with a total area of approximately 13.586 acres in Shah Alam, Selangor Darul Ehsan.

Telaris Alam Impian is nestled in the locale of Alam Impian, a mature township complete with amenities to sustain the daily need of its population. Five educational institutes cover the age range from children to adults, one of them being a prestigious international school. Hypermarkets and shopping centres sprout in close proximity. Professional healthcare is also around the corner at the various medical centres. Telaris Alam Impian has everything covered.

Telaris Alam Impian is strategically located nearby the growth areas of Shah Alam with easy access to Kuala Lumpur City Centre and the rest of the Klang Valley. It is accessible via the Federal Highway, Kuala Lumpur-Shah Alam Expressway, KESAS, Sprint, LDP and Penchala Link Highways.

It was an honoured that Telaris Alam Impian won a prestigious Asia Pacific Property Award 2017. This is an achievement that is recognised as a mark of excellence and has emerged triumphant for its residential development.

#### Affordable Housing Project

Given the challenging marketplace, we focused our development strategy on the affordable products for our property development division. We continuously innovated on layout and design to achieve competitive pricing and products.

In collaboration with the government’s initiative to provide more affordable housing, the Group embarked a joint-development affordable housing project for the development of 640 units of affordable housing units on freehold lands with a total area of 9.0 acres in Shah Alam, Selangor with a GDV of approximately RM176 million.

The Shah Alam affordable housing project is strategically located nearby the growth areas of Shah Alam with easy access to Kuala Lumpur City Centre and the rest of the Klang Valley. It is accessible via the Federal Highway, Kuala Lumpur Shah Alam Expressway, KESAS, Sprint, LDP and Penchala Link Highways.

## MANAGEMENT DISCUSSION & ANALYSIS

Another affordable housing project to be undertaken by the Group is the development of 571 units affordable housing units on freehold lands with the total area of 5.5 acres in Sungai Buloh with a GDV of approximately RM160 million.

The Sungai Buloh affordable housing project is strategically located nearby the growth areas of Sungai Buloh. Developments within the immediate vicinity comprise residential, commercial and industrial premises. Notable landmarks in the vicinity include Kuang Railway Station, The Store Supermarket, SungaiBuloh Hospital. Facilities available within the vicinity include banking, medical centres, shopping, offices, marketing and other public amenities.

The Sungai Buloh affordable housing project is easily accessible from Kuala Lumpur City Centre via Jalan Kuching, Jalan Kepong, Jalan Sungai Buloh and major Highways.

### The Aster Residence-Cheras

The Aster Residence is a contemporary condominium development located in Taman Koperasi in Cheras, Kuala Lumpur. The development is spread across 0.8094 hectare of freehold land.

With a gross development value of estimated RM72 million, Aster Residence offers discerning buyers and home owners the opportunity to live in a mature and established township supported by a wide variety of amenities and conveniences. The gated and guarded development has 24-hour security surveillance.

The condominium comprises a total of 120 residential units. The development offers a full range of facilities that include a swimming pool, a multipurpose hall, a cafe, a mini-market, a launderette and a children's playground.

The Aster Residence is a beautiful and picturesque abode with elegant landscaping and gardens that lend the development a peaceful and serene ambience. The development is targeted at first time home buyers, young families, couples and professionals.

Home to many conveniences, The Aster Residence is at the epicenter of robust development in the vicinity of Cheras surrounded by booming commercial and residential hubs. Hotspots in the area include AEON Cheras Selatan Shopping Centre, Eonsave Balakong and Tesco Kajang.

The neighbouring townships of Bandar Sungai Long, Taman Segar Perdana, Taman Cheras Jaya and Bandar MahkotaCheras, which are all located within a 10-minute drive from the condominium, also have a wide variety of offerings that include banks, supermarkets, restaurants, food courts, schools and other retail outlets.

The Aster Residence is within a 25-minute drive to Kuala Lumpur city centre and is well-connected via the Cheras-Kajang Highway, the SILK Highway, the Kajang-Semenyih Bypass and the Sungai Besi Highway. The condominium is a mere 600m away from an upcoming MRT station, which will make commuting within the Klang Valley convenient.

### Bangsar South Development

Bangsar South Development is a freehold luxurious residential development of 206 units of luxury condominium on freehold lands in the Mukim Kuala Lumpur, Daerah Kuala Lumpur with a total area of approximately 2 acres.

This residential development offers a holistic living with host of luxurious facilities and amenities. Residents will enjoy privacy and security and conveniences with easy access to major shopping malls, office landmarks and educational hubs with Federal Highway just a stone's throw away.

Nexus which is nearby to the Bangsar South Development, provides a one-stop centre with various amenities and convention centre. KL Gateway, the latest mall is just a walking distance from the Bangsar South Development, equipped with all the latest names in retail business from F&B, lifestyle brand as well as latest fashion labels.

Connectivity wise, the Bangsar South Development is just a 300m walk to University LRT station. And that itself is the connector to the larger and extensive rail network, which connects folks to all corners of Klang Valley and beyond.

## CONSTRUCTION

The Construction division of the Group was severely impacted by the suspension of construction activities during various MCO phases. The Group was also forced to temporarily suspend the construction of its projects during certain stages of the MCO when construction activities are not allowed.

The Construction division keeps track of new developments in the construction industry whilst complying with regulatory requirements for an effective quality and costs saving system.

## MANAGEMENT DISCUSSION & ANALYSIS

### MANUFACTURING AND TRADING

The Group has set-up its own batching plant to produce and supply ready mixed concrete and other concrete related products located near to our Alam Impian projects for our internal supply and sale to external parties.

The setting-up of the batching plant is expected to ease the Group's concern over the supply of ready mixed concrete and other concrete related products from external suppliers and to ensure timely delivery of the ready mixed concrete to our development projects. This is also expected to contribute to a savings and lower the construction cost which could enhance the profitability to the Group.

In the current financial year, the production and sales of ready mixed concrete decreased by 72%, which was mainly due to the temporary suspension of its operations as well as construction activities in general during certain stages of the MCO. In addition, the group was restricted from producing and selling its concrete products unless it is for those involved in essential industries.

### MONEY LENDING BUSINESS

Tiger Synergy Capital Sdn Bhd, a wholly-owned subsidiary of Tiger has obtained from Ministry of Housing and Local Government of Malaysia the money lending licence to operate and carry out the money lending business.

The money lending business is expected to complement the Group's property development business division as well as an additional income stream to generate revenue and profits to the Group. The primary target market for its money lending business are home-buyers, suppliers of building materials and contractors of the Group's property development projects, in addition to individuals and businesses. By providing financing to the house buyers for its property development projects, the Group envisaged that it will be a good take-up rate for its property development projects.

### STRATEGIC AND DIVERSIFICATION

Taking cognisance of the challenging economic environment and pending launching of the major new development project, the Group has taken all steps and measures to reduce or eliminate specific administration costs and capital expenditure. The Group is cautious in its spending and always practise cost savings strategy to improve profitability and cash flow.

The Group will continue to explore opportunities for new property developments projects with priority on the affordable housing segment as well as for the acquisition of landbank in strategic locations in view of the anticipated softer property market following the COVID-19 outbreak.

Moving forward, the Group will aim to expedite the progress of its current projects in order to generate revenue and cash flows to the Group. Once the COVID-19 pandemic is gradually contained with the ongoing progress of the national vaccination programme, the Group will aim to capitalise on any property development opportunities that may arise following the ensuing return to growth in business and economic activities.

### CUSTOMER SERVICE STRATEGIES

The group recognized the importance of integrating sustainability and shared value creation into our business strategies and objectives for sustainable business growth, sustainable communities and enhanced brand value. We are committed to this endeavor with the establishment of a dedicated sustainability team to manage the risks and opportunities with our businesses and sustainability.

We have continuously urged and initiatives for improvement in achieving cost savings, reducing risk and adding value to our products by mainstreaming sustainability development.

We recognized that innovating our businesses in today's digital age will give us a competitive edge, as well as enhance collaboration and communication internally and externally. As such, the Group is identifying opportunities in the digital space and collaborate with start-up companies to provide smart home solutions to house buyers.

We will also be taking bold steps in enhancing our corporate branding and positioning, ensuring that our core values remain distinctly visible and relevant in everything that we do.

## MANAGEMENT DISCUSSION & ANALYSIS

### RISK MANAGEMENT

As the Group moves forward, we recognise our vulnerability to some key anticipated risks that may have a material effect on our operations. The Board is committed to put in place sound risk management policies to identify, manage, monitor and mitigate the risks.

The main risk factors identified and the initiative taken to mitigate its impact on the Group's performance are as follows :

#### (i) Liquidity risks

The Group acknowledges that in view of the current challenging market condition, cash flow liquidity risks are to be closely managed and monitored. The Group will adopt prudent financial policies and proactive monitoring process, and will implement strict control measurements;

#### (ii) Market risk

The Group recognises that its performance is affected by both the macro and micro environment in which it operates. Amongst these factors are the affordability of the buyer, competition from other developers and subsisting governing policies.

The Group will continue to devise marketing strategies to strengthen the brand name, aiming to deliver quality products with good capital appreciation to maintain the loyalty of its customers;

#### (iii) High customer concentration risks

The Group acknowledges the risk of having a group of customers that account for more than 50% of the Group's total sales. The Group takes various initiatives to enhance the relationship with this group of customers and establish partnering arrangements with the customers whilst at the same time working hard to increase its customers base;

#### (iv) Acquisition and investments risks

The Group recognises that not every acquisition or joint venture arrangement are able to yield a healthy return. The Group has set up a feasibility study working group to study and review the viability of each and every proposal before presenting to the Board for approval; and

#### (v) Financing risks

The Group is fully aware that it is a challenge to obtain fresh facilities or renew its facilities when they fall due. The restriction covenants associated with borrowing may also limit or otherwise materially and adversely affect the Group.

### PROSPECTS

The Group acknowledges that the property market scene is facing challenges currently due to the increase in strict lending policy, increased property overhang and lukewarm buying sentiments. In addition, the global COVID-19 pandemic may have a negative impact on the Malaysian and global economy.

We are optimistic that the progressive roll-out of vaccinations will help tremendously in facilitating a gradual recovery and reopening of the economy. The Group expects the property market to gradually show sign of improvement by 2022. Hence, we continue to focus on strengthening our core competencies and developing new capabilities to widen our income streams. While the pandemic has been a major disruption, it has also presented opportunities for us to refocus on operational sustainability and efficiency as we continue to adapt to new operating conditions. At the same time, we are committed to delivering innovative, quality offerings that are well suited to current market sentiment and demand.

Moving forward, the Group endeavours to practice good governance and operational excellence to ensure sustainability in the economic, environment and social aspects. The Group will continue to be innovative in its marketing strategies and prudent in its financial policies to ensure sustainable growth in earnings for the Group. We will continue to strive for success, ensuring that our core value of "**Trust, Integrity, Gratitude, Excellence and Respect**" remain distinctly visible.

#### TAN LEE CHIN, SHIRLEY

Deputy Chairman/ Managing Director

## AWARDS & ACCOLADES

### LE FONTI AWARD 2018

Le Fonti Awards are held each year in multiple locations recognizing industry leaders in banking, business, economics, finance, sustainability, law, healthcare, insurance and e-commerce. The winners were selected after being carefully evaluated by Le Fonti’s editorial staff of over 120 journalists from around the world. On March 23rd 2018, Tiger Synergy Berhad has won the Excellence of the Year for Innovation & Leadership Real Estate, Malaysia.



### ASIA PACIFIC PROPERTY AWARD 2017

Tiger Synergy has won the Asia Pacific Property Awards (APPA) in the Residential Development category for Alam Impian – Telaris project. APPA is the acclaimed industry award throughout the Asia Pacific region, supported by a range of professional bodies worldwide and independently judged by a panel of over 70 experts.



## SUSTAINABILITY STATEMENT

### SUSTAINABILITY MANAGEMENT

Sustainability is about long-term thinking and leadership. In Tiger, we've always taken a sustainable approach that leads to positive economic, environmental and social outcomes for our business and our stakeholders. We understand the world is constantly changing and to be part of the future we must remain agile and open to new ways of working. We believe that a sustainable approach makes good business sense and seek to work with stakeholders who feel the same. By aligning our corporate responsibility and sustainability vision with our purpose, we believe we can make space for greatness for all our stakeholders.

#### Sustainability Governance

The Board of Directors undertakes an oversight role over the Group's sustainability efforts. The Board is responsible for overseeing key decisions related to sustainability matters of the Group and monitoring our performance against set targets to help advance our sustainability agenda.

We uphold the belief that commitment to high standards of corporate governance is essential in ensuring the sustainability of the Company, as well as to safeguard shareholders' interests and deliver long-term value. Aligning with the perspective of our stakeholders, the Group, within the scope of corporate operations, identified that the Corporate Governance and Integrity, Risk and Opportunity Management, Stakeholders Relations, Environment, Human Capital constitute key sustainability aspects material to our business.

### CORPORATE GOVERNANCE AND INTEGRITY

The Group is committed to upholding a high standard of corporate governance and business integrity in all its business activities, which is essential for the long-term sustainability of the Group's businesses and the enhancement of shareholders' value. Setting the right standards on governance protects the business and strengthen stakeholders' confidence whereas transparency in disclosure ensures that all stakeholders, be they investors, employees, customers or suppliers of the Company can have confidence in the decision-making and management processes of the Company. We believe that making good governance practices as an ingrained corporate culture would ease the Management's effort in achieving the financial goals of the Company. Having good governance would therefore reduce the risk of the Company and minimize the chance of a failure. Together with transparency, it could also enhance the image and standing of the Company in the eyes of the suppliers, customers and business partners. Consequently, with better performance, the value of the Company will increase and with more potential investors. The Board and Senior Management of Tiger are committed to conducting business with integrity and consistent with high standards of business ethics, and in compliance with all applicable laws and regulatory requirements. Through good and transparent corporate governance, we are committed to safeguard shareholders' interest and the Group's assets, so as to drive long-term sustainable growth and value creation in our business.

## SUSTAINABILITY STATEMENT

### RISK AND OPPORTUNITY MANAGEMENT

Tiger has embedded proactive and structured risk and opportunity management at all levels of the organization. The breadth of the Group's Project Development and Construction operations provide increased resilience to risks and greater ability to capture opportunities. The Group has established a network across the business and in conjunction with ongoing discussions with management, external agencies and stakeholders, to identify the risks facing by our business. The Board recognises the importance of identifying and actively monitoring the strategic, reputational, financial and operational risks, and other longer term threats, trends and challenges facing the business.

### TIGER'S STAKEHOLDERS

We define our stakeholders as groups whom our business has a significant impact on, and those with a vested interest in our operations. By assessing the significance and impact of their interest on Tiger's business, we have identified stakeholders groups as follows:

#### Investor Relations

Building stakeholders' confidence through timely and accurate disclosure and regular communication is the key focus of Tiger's Investor Relations function. We are committed to maintaining an open dialogue with shareholders and the Board recognises the importance of that relationship in the governance process. The Board has overall responsibility for ensuring that we listen to and effectively communicate with our shareholders. We communicate on significant corporate news through website, press conferences & interviews by engaging mainstream media and web based platforms. Information is also communicated to shareholders on a timely basis through regular announcements including its business activities and financial performance. Communication is also made through annual reports that are issued to all shareholders within the mandatory period. Annual general meetings and extraordinary general meetings of the Company represent the principal forum for dialogue and interaction with all shareholders, and for the Company to solicit and understand the views and inputs of the shareholders.

### CUSTOMERS

Tiger seeks to deliver sustainable solutions and exceptional service levels to delight our customers. Understanding and meeting customers' needs is at the heart of everything we do. We anticipate people's evolving expectations and requirements and consider future market scenarios carefully. Our promise is to create inspiring spaces and deliver quality homes in line with the rising expectations and lifestyles aspirations of homebuyers to deliver quality products.

### GOVERNMENT

Legal compliance and ethical practices are the core foundation of our business. The Group maintains close working relationships with business associates and regulators to keep abreast of changes in the regulatory framework and business environment. In doing so, regular formal and informal communications are undertaken with regulators, and also through industry associations. The Board is responsible for reviewing findings of internal investigations into suspected fraud, irregularity or infringement of any relevant laws, rules and regulations within the organisation that is likely to have a material impact on the Group's results.

### BUSINESS PARTNERS

Tiger works closely with partners in our value chain to ensure that construction activities are carried out in line with best practices in Environment, Health & Safety standards and sustainable building methods.

### EMPLOYEES

Our employees are part of our human capital whose competencies and well-being are fundamental to Tiger's operational effectiveness. We aim to develop their potential to drive innovation and organisational excellence. Our goal is to establish work ethics among our employees, which are in line with our core values and code of conduct. They are the foundation upon which we build all our business initiatives and conduct our day-to-day activities.

### COMMUNITY

Our primary vehicle for engaging with our communities is through charitable organisations that help those in need throughout our communities. Within a broad range of our community engagements, we focus on the education of today's youth and providing financial and practical support to targeted local and communities, through donation, sponsorship, and voluntary activities. Through our philanthropic contributions, we continue to champion various efforts deserving support. This involved various organizations and charitable bodies that truly deserve it. We believe that in giving back is when we truly received. During the financial period, the Group has contributed and donated to the following charitable organisations, association and schools:-

- 1) Persatuan Keturunan Liew Negeri Sembilan
- 2) The Chung Hwa Old Pupil's Association, Kuala Pilah
- 3) Pertubuhan Pengikut Rumah Berhala Kuan Eng Meo
- 4) Chung Hua High School Seremban
- 5) Goh Xue Xin-Donation CHHS school fees
- 6) Kechara Soup Kitchen Society
- 7) Persatuan Hokkien Negeri Sembilan

## SUSTAINABILITY STATEMENT

### ENVIRONMENT

At Tiger, we view our role as a developer of living spaces, lives, and communities. We are committed to protecting and conserving the environment that our business operates in. Initiatives have been taken to develop buildings which comply with the guidelines set by the local building authorities. We adopt strategies that are socially responsible by incorporating more greenery, landscaping, better facilities and innovative house design into our projects to improve the quality of the environment. We endeavor to create an inclusive built-environment that serves the need of all age groups and people with different abilities, allowing for independent and equitable access and use. We are guided by our philosophy to care for and contribute to the economic, environmental, and social development of the communities. In conceptualising our developments, we create value by balancing economic objectives with the needs for environmental sustainability, and universal design considerations.

#### Water Management and Efficiency

Our developments are designed with a strong focus on water sustainability throughout the lifecycle of the asset. We will further enhance the water management by adopting new technologies and solutions to raise water efficiency such as rainwater harvesting at residential and commercial developments. To reduce fresh water consumption at construction site, the Group increases the reuse and recycling of wastewater.

#### Energy

Our developments integrate energy-efficient designs such as natural ventilation induced to all spaces to encourage reduced air-con use for healthier lifestyle, large over-hang shading elements that allow diffused natural light to enter all spaces thus reducing reliance on artificial light and energy consumption.

#### Materials supply

Tiger has a strong track record in supply chain management by engaging contractors and consultants that abide to its ethos of 'Conserving as we Construct'. It has built a supply chain that shares Tiger's firm commitment to EHS (Environment, health and safety) through Tiger's EHS Management that clearly state the requirement for the selection of products through sustainable sourcing. Their support has helped Tiger adapts effectively to challenges posed by climate change or shortage of resources, for long-term business sustainability.

### Environmental Awareness Activities

The Group has always been mindful of the way of its operations and business activities impact the environment. As such, the Group is always open to new ideas, techniques and technologies that can help enhance its entire value chain from an eco-friendly perspective. Our employees and contractors also have an integral role to play in the Group's efforts to be 'green'. A culture is embedded among our employees and contractors for the conservation of electricity, water and paper during the day to day operations. Employees at Tiger are also encouraged to share ideas and suggestions on ways to save energy and safeguard our environment. Furthermore, Tiger seeks to reduce the impact on the environment by monitoring and reducing carbon footprint, waste, emissions and environment risks.

### HUMAN CAPITAL

It is at the core of our value system to ensure the wellbeing of our team. Held together with a corporate and united vision, the Tiger team evidently strives together to ensure growth and development of the company, and each other.

Tiger's talented and varied people are our strongest resource. Through our Core Values, there has been a focus on providing a healthy and supportive working environment for all of our employees. We believe that an ethical and professional working environment is crucial in cultivating a corporate culture which motivates and empowers our employees to meet their full potential both professionally and personally.

We advocate lifelong learning and seek to develop our employees' capabilities to their potential so that they can grow together with the Company. Employees have been encouraged to sign up for relevant training courses to hone and sharpen their skills, knowledge and competencies.

#### Remuneration

We place a strong emphasis on having a performance based remuneration framework that is competitive and flexible to company, market and industry changes. Salary benchmarking with the market and within the industry is conducted regularly to ensure competitiveness of remuneration and benefits.



## SUSTAINABILITY STATEMENT

### Harmony Work Place

The Group continuously reviews on the working environment, staff development, staff benefits and welfare. Monthly management meetings are held to discuss current affairs of the Group; management's decisions are then disseminated to staff via issuance of circulars, memorandum or other means to keep them well informed. Recruitment of staff workforce is made based on candidates' competency, knowledge, skills, experience and attitude. Tiger is committed to provide an environment where all staff, regardless of age, gender, ethnicity, race and religion has equal opportunity to work and grow together.

### Safety and Health ("SH")

The safety, health and wellness of employees and contractors' workers may affect work performance and productivity, therefore safety and health are fundamental in sustaining our human capital. Workplace safety is paramount to our employees, particularly in the construction sites. We are committed to Workplace Safety and Health (WSH) and take every precaution to prevent occupational injuries among employees. We believe that optimum work conditions not only make our employees safer, but also boost morale. We have worked extremely hard to ensure that all our contractors, suppliers and partners share our commitment to promoting safe and healthy work practices.

### SUSTAINABLE FUTURE

The Group recognises the importance of business sustainability and will continue to reassessing its current operations and reviewing its performance in another essential perspective. We continue to refine our management approach to adapt to the changing business and sustainability landscape. As the Group commits itself in balancing good Economic performance with responsible Environmental and Social considerations, the Group will ensure that the notion of sustainability be embedded within our organisation as an important corporate culture. We will be looking forward to further seeking enhancement opportunities and mitigate foreseeable risks in delivering true and sustainable value for our stakeholders. This will be our long term commitment in recognizing the need of a sustainable future.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which has been made in accordance with applicable financial reporting standards and applicable approved accounting standards in Malaysia. The Directors take responsibility in ensuring the financial statements to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial period and of the results and cash flow of the Group and of the Company for the financial period then ended.

In preparing the financial statements for the financial period ended 30 June 2021, the Directors have:

- Adopted the suitable and appropriate accounting policies and applied them consistently;
- Made judgments and estimates that the prudent and reasonable;
- Ensured strict adherence of all applicable accounting standards, subject to any material departures disclosed and explained in the financial statement.
- Prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy of the financial position of the Group and the Company to enable them to ensure that the financial statement

## STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“Board”) of Tiger Synergy Berhad (“Tiger” or “the Company”) recognises the importance of corporate governance towards promoting business prosperity and corporate accountability to protect and enhance shareholders’ value as well as the interest of the Company.

The Board is fully committed in upholding the principles of corporate governance which are practiced throughout the Company and its subsidiaries (the “Group”) with the ultimate objective to protect and enhance shareholders’ value, achieving financial sustainability and corporate accountability.

In its application of pertinent governance practices, the Board has taken into consideration the enumerations of the Malaysian Code on Corporate Governance 2017 (“MCCG 2017” or “Code”) and the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa”) wherever applicable in the best interest of the shareholders of the Group for the financial period ended 30th June 2021 (“FPE 2021”).

The Board is pleased to provide an overview of the corporate governance (“CG”) practices, which made reference to the following three (3) key CG principles as set out in the MCCG 2017 throughout the FPE 2021: -

- (a) Principle A : Board Leadership and Effectiveness;
- (b) Principle B : Effective Audit and Risk Management; and
- (c) Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG overview statement, approved by the Board, shall be read together with the CG Report 2021 (“CG Report”) of the Company which is available on the website of Bursa at [www.bursamalaysia.com](http://www.bursamalaysia.com).

The said CG Report will provide the details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FPE 2021. The Board is satisfied that the Company has substantially complied with the MCCG 2017 throughout the FPE 2021 save for the exceptions which are fully described in the CG Report.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### INTENDED OUTCOME 1: EVERY COMPANY IS HEADED BY A BOARD, WHICH ASSUMES RESPONSIBILITY FOR THE COMPANY’S LEADERSHIP AND IS COLLECTIVELY RESPONSIBLE FOR MEETING THE OBJECTIVES AND GOALS OF THE COMPANY

The Board has overall responsibility for the proper conduct of the Group’s business. This includes setting the goals and strategic directions, establishing goals for management and monitoring the achievement of these goals, overseeing the process of evaluating the adequacy and effectiveness of internal controls, identifying principles risks and ensuring the implementations of appropriate systems to manage these risks.

The Board plays a key and active role in the formulation and development of the Group’s policies and strategies and is responsible for oversight and overall management of the Group. The Board has undertaken the following principal roles and responsibilities in discharging its fiduciary duties and responsibilities:-

- (a) Reviewing and adopting the strategic plans for the Group. The Board deliberates all materials relating to the strategic plan with management. Management must seek the Board’s approval for any transaction that would have a significant impact on the strategic plan;
- (b) Reviewing the Group’s financial performance and position on a quarterly basis;
- (c) Identifying principal risks and ensuring the implementation of appropriate internal control systems to manage the identified risks;
- (d) Reviewing succession planning including appointments, determination of compensation levels and replacement of senior management staff;
- (e) Reviewing other significant matters that may have a material impact on the Group; and

## STATEMENT ON CORPORATE GOVERNANCE

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

The Board plays a key and active role in the formulation and development of the Group's policies and strategies and is responsible for oversight and overall management of the Group. The Board has undertaken the following principal roles and responsibilities in discharging its fiduciary duties and responsibilities (cont'd):-

- (f) Reviewing the adequacy and integrity of management information and internal control system of the Group. The Board of Directors has also established various Board Committees to assist and complement the Board in the execution of its responsibilities. Each Board Committee operates within its terms of reference, which clearly define its functions and authority, and the Board receives reports of their proceedings and deliberations with their recommendations. The ultimate responsibility for decision making lies with the Board.

The Board has formally adopted a Board Charter to ensure that all the Board members are aware of their responsibilities as Board members, the various legislation and regulations including the Code of Conduct & Ethics for Company's Directors issued by Companies Commission of Malaysia ("CCM") and that the practices of good Corporate Governance are applied in all dealings by Board members individually and/ or collectively on behalf of the Group.

To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to the following committee: -

- (a) Audit Committee;  
 (b) Nomination Committee;  
 (c) Remuneration Committee; and  
 (d) Employee Share Option Scheme ("ESOS") Committee

The Board has also delegated the daily management of the Group's affairs to the Executive Chairman, Managing Director ("MD") and Executive Director ("ED"). The Executive Chairman, MD, ED and Management meet regularly to review and monitor the performance of the Group's operations. Independent Non- Executive directors are not involved in the daily management of the Group but contribute their own particular expertise and experience in the development of the Group's overall business strategy.

The Board meets at least once every financial quarter with urgent and important matters resolved by way of circular resolutions and convening of additional meetings as and when the need arises. All proceedings of the Board and Committee meetings are recorded and the minutes thereof signed by the Chairman of the respective meetings. During the FPE 2021, 6 meetings were held and the attendances of the Directors at Board Meeting as follows:-

	<b>No. of Meetings Attended</b>
Dato' Tan Wei Lian	6/6 meetings
Tan Lee Chin	6/6 meetings
Datin Sek Chian Nee	6/6 meetings
Dato' Khoo Seng Hock	6/6 meetings
Chua Eng Chin	5/6 meetings
Dato' Lee Yuen Fong	3/6 meetings
Low Boon Chin	6/6 meetings
Datin Sulizah binti A. Salam	2/2 meetings

The Board is led by the Executive Chairman, Dato' Tan Wei Lian while the MD, Ms. Tan Lee Chin, has taken the role at the same par as a Chief Executive Officer. The MD holds the primary executive responsibility for the Group's business performance and to manage the Group in accordance with the strategies and policies approved by the Board. The MD focus on the business and leads the Senior Management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group. The distinct and separate roles between the Chairman and the MD with clear division of responsibilities have ensured the balance of the power and authority and that no one has unfettered control of the Board.

The Board is supported by the Company Secretaries, who are members of the professional body namely, the Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified under the Companies Act 2016 who can provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices. The Board has unlimited access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively.

## STATEMENT ON CORPORATE GOVERNANCE

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

In order to advise and guide the Board effectively, the Company Secretaries have also been continuously attending the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the current regulatory, changes in laws and regulatory requirements that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.

The directors are provided with agenda together with the Board papers on issues to be discussed prior to the Board meetings. A record of the Board's deliberation of issues discussed and conclusion reached are recorded in the minutes of the meeting by the company secretary. After the meeting, the minutes are circulated to the Board and Board Committee members in a timely manner. The Board, whether as a full Board or in their individual capacity, has the right to engage independent professional advice, if necessary, at the Group's expense, in furtherance to their duties.

### INTENDED OUTCOME 2: THERE IS DEMARCATION OF RESPONSIBILITY BETWEEN THE BOARD, BOARD COMMITTEES AND MANAGEMENT. THERE IS CLARITY IN THE AUTHORITY OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has adopted a Board Charter to promote the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board. The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices.

The Board Charter is published on the Company's website at [www.tigersynergy.my](http://www.tigersynergy.my). In short, the Board Charter includes the following:-

- a) Composition of The Board
- b) Role of The Board
- c) Role of The Chairman
- d) Role of The Managing Director
- e) Board Committees
- f) Board Meeting Processes/Procedure
- g) The Board's Relationship with Shareholders and Stakeholders
- h) Directors' External Commitments and Conflict of Interest

### INTENDED OUTCOME 3: THE BOARD IS COMMITTED TO PROMOTING GOOD BUSINESS CONDUCT AND MAINTAINING A HEALTHY CORPORATE CULTURE THAT ENGENDERS INTEGRITY, TRANSPARENCY AND FAIRNESS

The Board has adopted a Code of Conduct and Ethics for Directors ("the Code") which is incorporated in the Board Charter and published on the Company's website. The Code was formulated to enhance the standard of corporate governance and to promote ethical conduct of the Directors.

The Board continues to observe the Code for Company Directors issued by CCM. The Code sets out the standard of conduct and ethical behavior for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility.

Apart from the Code of Conduct and Ethics for Directors, the Company is working on a code of conduct for the management and employees, which focus on the Group's policy on anti-corruption and the Group's policy and procedures on whistle-blowing in order to reflect the recent amendments made to the relevant laws.

The Code of Ethics aimed to provide the management and employees with certain rules and standards to be followed in their connections with customers, suppliers and other related parties of the Company's business. The Company strictly prohibits any suspicious or illegal intelligence gathering, in order to protect the Company's reputation and employees are prohibited from the occurrence of any unethical behavior.

All Directors, Management and employees are committed to comply with high ethical standards and observe the highest standards of integrity and behaviour in all activities conducted by the Company and the Group, including the interaction with its shareholders, employees, creditors, customers and within the community and environment in which the Company and the Group operate.

## STATEMENT ON CORPORATE GOVERNANCE

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

#### INTENDED OUTCOME 4: BOARD DECISIONS ARE MADE OBJECTIVELY IN THE BEST INTERESTS OF THE COMPANY TAKING INTO ACCOUNT DIVERSE PERSPECTIVES AND INSIGHTS

The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The current Board recently comprises eight (8) Directors, out of which, one (1) Executive Chairman, one (1) Managing Director, one (1) Executive Director, one (1) Non-Independent Non- Executive Director and four (4) Independent Non-Executive Directors. The Company has complied with the requirements of at least one third (1/3) of its members are independent as stated in Paragraph 15.02(1) of Main LR of Bursa. There is no individual Director or group of Directors who dominates the Board's decision making.

The Board is of the view that the significant composition of Independent Non-Executive Directors, coupled with the adoption of Board Charter, all provide for the relevant check and balance to ensure no individual has unfettered powers in making Board's decision.

The Board regarded current Board composition to be effective in decision making at Board level where deliberation is still being upheld with the presence of the 4 Independent Non-Executive Directors. The presence of 4 Independent Non-Executive Directors also able to provide an unfettered and unbiased independent judgment to promote good corporate governance in their roles as Independent Directors. The view and deliberations of these Independent Directors usually aligned to safeguard public interest and to bring independence and objectivity to the Board's deliberations.

The wide mix of different skill sets and professional diversity of the members provides an atmosphere where deliberations draw a wide range of viewpoints which are at times challenged before a decision is arrived at. The Board acknowledges that a well-balanced board will benefit the organization in promptly appraising matters and to competently arrive at decisions which will enhance the performance of the Group.

Directors are encouraged to participate in seminars, conferences and relevant training programmes to keep themselves abreast with regulatory updates and developments in the business environment and financial sector in order to comply with Paragraph 15.08 of Main LR of Bursa Securities. All the Directors have successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities as at the end of the financial year.

During the financial period under review, the Directors attended the following training, briefing and workshop programmes:-

Director	Seminars/Briefing/Workshop attended
Dato' Tan Wei Lian	1) Overview of Directors' Duties
Datin Sek Chian Nee	1) Overview of Directors' Duties
Tan Lee Chin	1) Overview of Directors' Duties 2) Green Financing : Funding Green Projects Through the Islamic Capital Market
Dato' Khoo Seng Hock	1) Overview of Directors' Duties
Chua Eng Chin	1) Identifying Growth Companies 2) Anti Money Laundering & Anti-Terrorism Financing - A relationship & Client Based
Dato' Lee Yuen Fong	1) Overview of Directors' Duties
Low Boon Chin	1) Focus Group Discussion to Review Order of the minimum wage 2) Entrepreneurs' Action Committee meeting for Negeri Sembilan

The Directors will continue to attend relevant trainings and education programmes in order to keep themselves abreast of the latest development in the economy, industry and technology and discharge their duties and responsibilities more effectively.

## STATEMENT ON CORPORATE GOVERNANCE

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

The Board is mindful of the recommendation of the Code which limits the tenure of Independent Directors to nine (9) years of service and such recommendation is also reflected in the Company's Board Charter. However, the Board may, in appropriate cases and subject to the assessment of the Nomination Committee on an annual basis, retain an Independent Director who has served a consecutive or cumulative term of nine (9) years to continue to serve as Independent Director subject to shareholder's approval.

Based on the current composition of the Board, as of financial period ended 30 June 2021, Dato' Khoo Seng Hock has served the Board as an Independent Non-Executive Director for a cumulative term of more than nine (9) years. Following the assessment and recommendation by the Nomination Committee, the Board will seek approval from shareholders of the Company at the forthcoming Annual General Meeting to support the Board's decision to retain Dato' Khoo Seng Hock as Independent Non-Executive Director of the Company.

The Appointment of board and senior management in the Company are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. The appointment of a new Director is a matter for consideration and decision by all members of the Board upon appropriate recommendation from the Nomination Committee. In identifying candidates for the appointment of directors, the Nomination Committee may receive suggestion from existing Board Members, Management, and major shareholder. The Committee is also open to referrals from external sources available, such as industry and professional association as well as independent search firms.

The Board values the contributions and insights that women can bring to the Board and the Group and will strive to maintain the female composition of the Board. The Board currently has three (3) female directors which constitute more than one third (1/3) of the Board and is in line with Practice 4.5 of the MCCG 2017 in relation to gender diversity.

### INTENDED OUTCOME 5: STAKEHOLDERS ARE ABLE TO FORM AN OPINION ON THE OVERALL EFFECTIVENESS OF THE BOARD AND INDIVIDUAL DIRECTORS

#### Nomination Committee

The Nomination Committee is principally responsible for recommending appropriate appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board.

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

Chairman	: <b>Low Boon Chin</b> <i>(Independent Non-Executive Director)</i>
Members	: <b>Dato' Khoo Seng Hock</b> <i>(Independent Non-Executive Director)</i>
	: <b>Dato' Lee Yuen Fong</b> <i>(Independent Non-Executive Director)</i>
	: <b>Chua Eng Chin</b> <i>(Non-Independent Non-Executive Director)</i>

As per Practice 4.7 of the MCCG 2017, the Nomination Committee is chaired by an Independent Director.

## STATEMENT ON CORPORATE GOVERNANCE

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

The Board has stipulated specific terms of reference for the Nomination Committee, which covers, inter- alia, the salient functions as below:-

- To consider and recommend to the Board candidate for directorship and Board Committee Membership;
- To facilitate an annual assessment of the required mix of skill and experience of the Board, Board Committees and individuals Directors;
- To recommend the appropriate Board Balance and its size that including non-executive participation; and
- To review the term of office and performance of the AC and its members.

The Nomination Committee met once during the financial period ended 30th June 2021 to review the effectiveness of the Board, its Committees and the contribution of each individual Director, including the required mix of skills, independence, diversity and core competencies necessary for the Board to discharge its duties effectively. The criterion for Director's evaluation covers areas such as contributions to interaction, roles and responsibilities and quality of input to enhance the Board's effectiveness. For Board and Board Committee assessment, the criteria include board structure and operations, their roles and responsibilities, succession planning and board governance.

During the financial period ended 30th June 2021, the main activities carried by the Nomination Committee include the following:-

- a. Assessed the performance of the Board, Board Committees and individual Director;
- b. Reviewed the independence of Independent Non-Executive Director in relation to the 9-years tenure limit and reported the outcome to the Board for decision; and
- c. Reviewed the re-election of Directors at the Annual General Meeting.

### INTENDED OUTCOME 6: THE LEVEL AND COMPOSITION OF REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT TAKE INTO ACCOUNT THE COMPANY'S DESIRE TO ATTRACT AND RETAIN THE RIGHT TALENT IN THE BOARD AND SENIOR MANAGEMENT TO DRIVE THE COMPANY'S LONG-TERM OBJECTIVES

#### Remuneration Committee

The Remuneration Committee is responsible for evaluating, deliberating and recommending to the Board the compensation and benefits that are fairly guided by market norms and industry practices. The Remuneration Committee comprises of three (3) Directors as follows:-

Chairman	: <b>Dato' Lee Yuen Fong</b> (Independent Non-Executive Director)
Members	: <b>Dato' Khoo Seng Hock</b> (Independent Non-Executive Director)
	: <b>Chua Eng Chin</b> (Non-Independent Non-Executive Director)

The Board believes that Remuneration Committee fairly supports the Directors' responsibilities and fiduciary duties in steering and growing the Group to achieve its long term goals and to enhance its shareholder value.

The Remuneration Committee is also responsible for evaluating the Executive Directors' remuneration which is linked to the performance of the Executive Director and performance of the Group. Individual Directors do not participate in the decisions regarding his or her individual remuneration.



## STATEMENT ON CORPORATE GOVERNANCE

### INTENDED OUTCOME 7: STAKEHOLDERS ARE ABLE TO ASSESS WHETHER THE REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT IS COMMENSURATE WITH THEIR INDIVIDUAL PERFORMANCE, TAKING INTO CONSIDERATION THE COMPANY'S PERFORMANCE

The remuneration of the key Senior Management of the Company disclosed below is on an aggregate basis as the Board is of the view that it is not in the best interest to disclose the Senior Management's various remunerations on name basis due to the confidentiality and sensitivity concerns. Details of Directors' remuneration paid or payable to all Directors of the Company and the Group and categorized into appropriate components for FPE 2021 are as follows:

Company	Salary & Fees RM	Other Emoluments RM	Bonus RM	Share- based payment RM	Benefit in kind RM	Total RM
<b>Executive Directors</b>						
Dato' Tan Wei Lian	-	-	-	1,236,000	-	1,236,000
Datin Sek Chian Nee	-	-	-	-	-	-
Tan Lee Chin	-	-	-	-	-	-
<b>Independent Directors</b>						
Dato' Khoo Seng Hock	36,000	-	-	-	-	36,000
Dato' Lee Yuen Fong	36,000	-	-	-	-	36,000
Low Boon Chin	36,000	-	-	-	-	36,000
Chua Eng Chin	36,000	-	-	-	-	36,000
Datin Sulizah Binti A Salam	-	-	-	-	-	-
<b>Group</b>						
<b>Executive Directors</b>						
Dato' Tan Wei Lian	680,000	-	-	1,236,000	-	1,916,000
Datin Sek Chian Nee	630,000	-	-	-	-	630,000
Tan Lee Chin	608,400	-	-	-	-	608,400
<b>Independent Directors</b>						
Dato' Khoo Seng Hock	36,000	-	-	-	-	36,000
Dato' Lee Yuen Fong	36,000	-	-	-	-	36,000
Low Boon Chin	36,000	-	-	-	-	36,000
Chua Eng Chin	36,000	-	-	-	-	36,000
<b>Other key management Personnel</b>						
Salaries, wages and others	-	-	-	-	-	542,761
Defined contribution plan	-	-	-	-	-	59,470
Share-based payments	-	-	-	-	-	-
Other benefits	-	-	-	-	-	-

## STATEMENT ON CORPORATE GOVERNANCE

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### INTENDED OUTCOME 8: THERE IS AN EFFECTIVE AND INDEPENDENT AUDIT COMMITTEE. THE BOARD IS ABLE TO OBJECTIVELY REVIEW THE AUDIT COMMITTEE'S FINDINGS AND RECOMMENDATIONS. THE COMPANY'S FINANCIAL STATEMENT IS A RELIABLE SOURCE OF INFORMATION

##### Audit Committee

The Audit Committee ("AC") of the Company comprises four (4) members, all of whom are Non-Executive Directors. The members are as follows:-

(i) Low Boon Chin (Chairman/Independent Non-Executive Director)	6 of 6 meetings
(ii) Dato' Khoo Seng Hock (Independent Non-Executive Director)	6 of 6 Meetings
(iii) Dato' Lee Yuen Fong (Independent Non-Executive Director)	3 of 6 Meetings
(iv) Chua Eng Chin (Non-Independent Non-Executive Director)	5 of 6 Meetings

The Chairman of the AC is appointed by the Board and is not the Chairman of the Board. The members of the AC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities.

The AC members are literate in financials and are able to understand, analyse and challenge matters under purview of the AC including the financial reporting process. One of the Audit Committee Members, Mr. Chua Eng Chin is a qualified Chartered Accountant since 1984 and a registered member of the Malaysian Institute of Accountants (MIA) and registered Fellow Member of the Association of Chartered Accountants (United Kingdom).

The Board is assisted by the AC to oversee the Group's and Company's financial reporting process and the quality of financial reporting and ensuring that the financial statements comply with the provisions of the Companies Act 2016 and the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia. The AC reviews the annual financial statements and quarterly financial results before they are submitted to the Board for approval.

In presenting the annual audited financial statements to the shareholders, the Board takes responsibility to present a balanced and meaningful assessment of the Group's financial performance and prospects and ensure that the financial statements reviewed and recommended by the AC for Board's approval are prepared in accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to present a true and fair view of the financial position, financial performance and cash flows of the Group and Company.

Besides overseeing the Group's accounting and financial reporting process, the AC is also responsible to assist the Board to review the nature, scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors, to oversee and monitor the Group internal audit functions, reviews any related party transactions, oversees recurrent related party transactions, risk management activities and other activities such as governance matters. A full AC Report detailing its composition and a summary of activities during the FPE 2021 is set out in pages 45 to 47 of this Annual Report.

The performance of the AC is reviewed annually by the Nomination Committee. The evaluation covered aspects such as the members' financial literacy levels, its quality and composition, skills and competencies and the conduct and administration of the AC meetings.

The Board via the AC has always maintained a cordial and transparent relationship with its auditors in seeking their professional advice towards ensuring compliance with the relevant accounting standards. The AC will continue to review and monitor the suitability and independence of the External Auditors. The External Auditors had confirmed that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of the relevant professional and regulatory requirements. During the financial period ended 30th June 2021, the independent Directors held a dialogue session with the external auditors to discuss issues of concern to the external auditors.

Besides that, the external auditors are invited to attend AC meetings to discuss their audit plan, audit findings and the Company's financial statements. In addition, the external auditors are invited to attend the Company's Annual General Meeting ("AGM") and are available to respond to shareholders' queries.

## STATEMENT ON CORPORATE GOVERNANCE

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### BOARD'S STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

**INTENDED OUTCOME 9: COMPANIES MAKE INFORMED DECISIONS ABOUT THE LEVEL OF RISK THEY WANT TO TAKE AND IMPLEMENT NECESSARY CONTROLS TO PURSUE THEIR OBJECTIVES. THE BOARD IS PROVIDED WITH REASONABLE ASSURANCE THAT ADVERSE IMPACT ARISING FROM A FORESEEABLE FUTURE EVENT OR SITUATION ON THE COMPANY'S OBJECTIVES IS MITIGATED AND MANAGED.**

**AND**

**INTENDED OUTCOME 10: COMPANIES HAVE AN EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK AND STAKEHOLDERS ARE ABLE TO ASSESS THE EFFECTIVENESS OF SUCH A FRAMEWORK**

The Board is responsible for the Group's system of risk management and internal controls and their effectiveness to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following statement on Risk Management and Internal Control of the Company pursuant to Para 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Statement on Risk Management and Internal Control: Guidelines for Directors' of Listed Issuers ("the Guidance"), which outlines the nature and scope of risk management and internal control of the Group for the financial period ended 30th June 2021.

The Board acknowledges that it can only achieve the Company's objectives and sustain success with a proper risk management and internal control framework. In order to ensure that the Company make informed decision about the level of risk involved and implement necessary controls to pursue its objectives, the Board has undertaken to establish a risk management and internal control framework, some of the features and process of the risk management and internal control framework are summarised as follows: -

- (a) The departments are required to identify the risks relevant to their department with the support of independent internal audit;
- (b) The risks are then assessed and categorised as Low, Medium or High;
- (c) The audit/assessment report will be prepared and reported to the Board periodically;
- (d) The departments are required to develop control procedures or action plans to either prevent or reduce the risks identified;
- (e) The management are required to review the risks faced by the Company periodically and ensure that the existing mitigation actions are adequate.

In line with the Main LR and the MCCG 2017, the Board has established an internal audit function, which reports directly to the Audit Committee on the adequacy and effectiveness of the system of risk management and internal controls from the perspective of governance, risk and controls. In this regard, the Board has outsourced the internal audit function to an independent party in order to ensure that the internal audit is able to function independently and objectively. The internal audit provided assessments as to whether risks, which may hinder the Company from achieving its objectives, are being adequately evaluated, managed and controlled periodically. The internal audit also evaluates/recommends the effectiveness of the governance, risk management and internal control framework and facilitate enhancement, where appropriate. Areas of improvement in risks and internal controls have been identified and the implementation of action plans based on proposed recommendations have subsequently been initiated.

The risk management and internal control system is regularly reviewed by the management and relevant recommendations are made to the Audit Committee and Board for approval. The Company continues to maintain and review its internal control procedures to ensure that its assets and its shareholders' investments are protected.

## STATEMENT ON CORPORATE GOVERNANCE

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### BOARD'S STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

**INTENDED OUTCOME 9: COMPANIES MAKE INFORMED DECISIONS ABOUT THE LEVEL OF RISK THEY WANT TO TAKE AND IMPLEMENT NECESSARY CONTROLS TO PURSUE THEIR OBJECTIVES. THE BOARD IS PROVIDED WITH REASONABLE ASSURANCE THAT ADVERSE IMPACT ARISING FROM A FORESEEABLE FUTURE EVENT OR SITUATION ON THE COMPANY'S OBJECTIVES IS MITIGATED AND MANAGED. (CONT'D)**

**AND**

**INTENDED OUTCOME 10: COMPANIES HAVE AN EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK AND STAKEHOLDERS ARE ABLE TO ASSESS THE EFFECTIVENESS OF SUCH A FRAMEWORK (CONT'D)**

The summary of key elements of the Group's internal control system is stated as below:-

- Reviewed the system of internal controls, risks management and key operating processes and recommending improvements to the existing system of controls;
- Identified opportunities to improve the operations of and processes within the Group;
- Internal control procedures are set out in a series of policies and procedures. These procedures are subject to regular reviews and improvements to reflect changing risks or to resolve operational deficiencies;
- On-going training and educational programme for Directors and relevant employees in assessing the adequacy and integrity of the Group's risk and control process; and
- Quarterly performance reports that provide the Board and the Management with comprehensive information on financial and key business indicators.

This Statement on Risk Management and Internal Control has been reviewed by the external auditors, provides an overview of the risk position and state of internal controls within the Group.

The external auditors have reviewed this Statement for inclusion in the financial period ended 30th June 2021 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; nor is the statement factually inaccurate.

The Board has received assurance from the Executive Chairman, Managing Director and Executive Director that the Group's risk management and internal control system is operating adequately and effectively, in all material aspect, based on the risk management and internal control system of the Group.

The Board confirms that the risk management and internal control system has been in place for the period under review and up to the date of approval of this statement for inclusion in the annual report, is adequate and effective to provide reasonable assurance in safeguarding shareholders' investment and the Group's asset. There was no major internal control weakness identified that may result in any material loss or uncertainties that would require disclosure in this annual report. Notwithstanding this, reviews of all control procedures will be continuously improved and enhancement of the existing system of risk management and internal controls will be made, taking into consideration the changing business environment.

The Board acknowledge its responsibility for maintaining a sound system of internal controls and for reviewing its adequacy and integrity in order to safeguard shareholders' investments and the assets of the Group. Notwithstanding that, due to the limitation that are inherent in any system of internal control, the group's internal control system is designed to manage rather than abolish the risk of failure to achieve Group's business objective. Therefore, the system can only able to provide reasonable but not absolute assurance against material misstatement or loss.

## STATEMENT ON CORPORATE GOVERNANCE

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

#### INTENDED OUTCOME 11: THERE IS CONTINUOUS COMMUNICATION BETWEEN THE COMPANY AND STAKEHOLDERS TO FACILITATE MUTUAL UNDERSTANDING OF EACH OTHER'S OBJECTIVES AND EXPECTATIONS

The Company strives to maintain an open and transparent channel of communication with its shareholders, institutional investors, analysts and the public at large with the objective of providing as clear and complete picture of the Group's performance and financial position as possible. The provision of timely information is important to the shareholders and investors for informed decision making. Whilst the Company endeavors to provide as much information as possible to its shareholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

The Company's corporate website at [www.tigersynergy.my](http://www.tigersynergy.my) serves as a key communication channel for shareholders, investor, members of the public and other stakeholders to obtain up-to-date information on the corporate profile, corporate structure, core business of the group, financial results, major strategic developments and other matters affecting stakeholders' interest. The Company announces its quarterly and full year results within the mandatory period. The financial statements and, where necessary other materials presented at the Company's general meetings, including all the relevant material information, are disseminated and publicly released via Bursa LINK on timely basis to ensure effective dissemination of information relating to the Group.

#### INTENDED OUTCOME 12: SHAREHOLDERS ARE ABLE TO PARTICIPATE, ENGAGE THE BOARD AND SENIOR MANAGEMENT EFFECTIVELY AND MAKE INFORMED VOTING DECISIONS AT GENERAL MEETINGS

The Company's AGM remains the principal forum for dialogue with private and institutional shareholders and aims to ensure that the AGM provides an important opportunity for effective communication and constructive feedback from the shareholders. At each AGM, the Board presents the progress and performance of the Company's businesses and shareholders are encouraged to participate in the proceedings and question and answer session and thereafter to vote on all resolutions. The External Auditors also present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

The Chairman as well as the Executive Directors will respond to shareholders' questions at the AGM. The Executive Directors and other Directors present will also respond when required. The Notice and agenda of AGM together with Form of Proxy are given to shareholders at least twenty-eight (28) days before the AGM, which gives sufficient time to prepare themselves to attend the AGM personally or to appoint a proxy to attend and vote on their behalf. Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolution to facilitate the full understanding and evaluation of issues involved.

All the resolutions passed by the shareholders at the previous AGM held on 9 June 2020 were voted by way of electronic polling (e-polling) in accordance with the Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities. The shareholders were briefed on the e-polling voting procedures by the appointed Poll Administrator, Mega Corporate Services Sdn Bhd to conduct the polling process and Cygnus IT Solutions PLT as the Scrutineers to verify the poll results.

The poll results of the AGM with details on the number of votes cast for and against for each resolution and the respective percentage were announced on the same day to Bursa Securities. The minutes of the AGM was also made available on the Company's website after it has been confirmed and signed by the Chairman of the AGM.

The Company has explored the use of technology to facilitate the voting in absentia and/or remote shareholders' participation at general meetings, taking into consideration the number of shareholders, the accuracy and stability of such technologies, applicable laws and regulations and the cost and resources required vis-à-vis the benefits. Moving forward, the Company has planned to conduct the coming AGM via virtual meeting where the shareholders can participate the AGM remotely without physically present at the venue of the AGM.

## AUDIT COMMITTEE REPORT

The Audit Committee with delegated oversight responsibilities assists the Board in ensuring that the paramount interest of the shareholders and other stakeholders of the Group are well protected. With this, the Board of Directors of Tiger Synergy Berhad (“Tiger”) is pleased to present the report of the Audit Committee Report and its work for the financial period ended 30 June 2021.

### MEMBERS AND MEETINGS

The Audit Committee comprises four (4) members, majority of whom are Independent Non-Executive Directors. The Audit Committee is chaired by Mr. Low Boon Chin, the Independent Non-Executive Director of the Company.

The Audit Committee held six (6) meetings during the financial period ended 30 June 2021. The members of the Audit Committee and their attendance are as follows:

(i) Low Boon Chin (Chairman/Independent Non-Executive Director)	6 of 6 Meetings
(ii) Dato’ Khoo Seng Hock (Independent Non-Executive Director)	6 of 6 Meetings
(iii) Dato’ Lee Yuen Fong (Independent Non-Executive Director)	3 of 6 Meetings
(iv) Chua Eng Chin (Non-Independent Non-Executive Director)	5 of 6 Meetings

### SUMMARY OF WORK DURING THE FINANCIAL PERIOD

For the financial period ended 30 June 2021, the Audit Committee members had worked closely with the external auditors, internal auditors and management to monitor, oversee, review and evaluate the effectiveness and adequacy of the Group’s risk management and internal control, financial management and reporting.

The Committee had in the discharge of its duties, carried out the following:

- Reviewed with the external auditors on the scope of work and audit plan of the Company and of the Group for the financial period ended 30 June 2021; and significant issues and concerns arising from the audit.
- Reviewed the annual report and audited financial statements for the financial period ended 30 June 2021 prior to tabling to the Board for approval.
- Reviewed the unaudited quarterly financial results of the Group prior to the Board of Directors’ approval with particular focus on the compliance with accounting standards and regulatory requirements; and the Group’s accounting policies and practices.
- Reviewed the Audit Planning Memorandum of the external auditors in respect of the audit for the financial statements of the Company and the Group for the financial period ended 30 June 2021.
- Held a private session with the external auditors without the presence of Executive Directors and Management.
- Reviewed with the internal auditors on significant issues and concerns arising from the audit; and assessing the internal auditor’s findings and the management’s responses thereto and thereafter, making the necessary recommendations to the Board of Directors.
- Evaluated the performance of the external auditors and made recommendation to the Board on their re-appointment and remuneration.
- Reviewed the Statement on Risk Management & Internal Control for inclusion in the Company’s Annual Report.

## AUDIT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION

The Group has recognized that an internal audit function is essential in ensuring the effectiveness of the Group's systems of internal control and is an integral part of the risk management process. The Company has established an internal audit function which is independent of the activities in audit. The Company ensures that its internal audit function reports directly to the Audit Committee.

The internal audit function is carried out by independent party to assist the Board in the review and appraisal of the internal control system within the Group. The internal audit function adopts a risk-based approach and prepares its audit strategy and plan based on the undated risk profiles of the major business units of the Group. The follow-up work on previous internal audit findings would carry out by the internal audit function on the implementation of corrective actions by Management. The Audit Committee considers reports from the internal audit function and comments from Management before making recommendations to the Board to strengthen the internal control and governance systems.

During the financial period, various of internal audit reviews on the appropriateness of the instituted controls and evaluation of the acceptable levels of principal risk exposures were conducted in relation to the Group's operations and information systems as follows:

- Reliability of financial and operational information;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with policies, procedures, laws & regulations and contracts.

During the financial period, 3 reports were presented to the Audit Committee focusing on and others activities as below:

#### (i) Legal Department

- The department's standard operating procedures.
- Security of documents.
- Document Management System.
- Awareness of Legal & Regulatory Risks.
- Safekeeping practices of the legal departments.
- Contract approval process.
- Document retention policy.

#### (ii) Human Resource Department

- Human Resource Planning.
- Hiring and On-Boarding.
- Safety and security.
- Job Descriptions.
- Compliances to Employment Act 1955

## AUDIT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION (CONT'D)

#### (iii) Purchasing Department

- Department policies and procedures including any conflict of interest or morality policies.
- Review on data processed.
- Identify various type of purchasing transactions against the set policies and procedures.
- Risk involved in purchasing.

#### (iv) Secretary Department

- Procedures and guidelines on secretarial duties.
- Procedures followed to ensure compliances with relevant act, guideline and requirement.
- Document/Record Management System.

At the conclusion of the various audits, weaknesses together with the recommended corrective actions were highlighted to the management. There were no material losses incurred during the current financial period as a result of the weaknesses in the internal control systems and management is proactive in strengthening the internal control environment. Follow-up audit reviews were conducted to ensure that corrective actions are being implemented accordingly. The Audit Committee then deliberates on the internal audit reports to ensure recommendations from the reports are duly acted by management.

The total cost incurred for the internal audit function of the Group in respect of the financial period ended 30 June 2021 amounted to RM3,600.



## ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”):

### STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

#### Proposed Right Issue With Warrants

On 13 January 2021, Tiger Synergy Berhad (“Tiger”) announced to undertake the renounceable rights issue of up to 1,137,789,807 new ordinary shares in the Company (“Tiger shares” or “Shares”)(“Right Shares”) together with up to 1,137,789,807 free detachable warrants in the Company (“Warrants D”) on the basis of 3 Rights Shares together with 3 free Warrants D for every 4 existing Shares held by entitled shareholders of the Company on an entitlement date to be determined (“Proposed Rights Issue with Warrants”)

Bursa Malaysia Securities Berhad had vide its letter dated 07 July 2021 had approved the following:

- i) Listing and quotation of up to 1,101,480,437 Right Shares to be issued pursuant to Proposed Rights Issue with Warrants
- ii) Admission to the Official List and listing and quotation of up to 1,101,480,437 Warrants D to be issued pursuant to the Proposed Rights Issue with Warrants and
- iii) Listing and quotation of up to 1,101,480,437 new Shares to be issued arising from the exercise of the Warrants D

Pursuant to the close of acceptance on 27 September 2021, the Company had received valid acceptances and excess applications for a total of 1,385,371,477 Rights Shares representing 125.77% subscription of the total number of Rights Shares available for subscription under the Rights Issue with Warrants.

The Company had announced on 11 October 2021 that the Rights Issue with Warrants has been completed following the listing and quotation of 1,101,479,634 Rights Shares and 1,101,479,634 Warrants D on the Main Market of Bursa Securities.

### OPTIONS OVER ORDINARY SHARES

#### Employees’ Share Option Scheme (“ESOS”)

At an Extraordinary General Meeting held on 29 May 2014, the Company’s shareholders approved the established of an ESOS for eligible Directors and employees of the Group.

The ESOS is administered by the ESOS committee which is appointed by the Board of Directors, in accordance with the By-Laws of the ESOS. The ESOS shall be in force for a period of five (5) years commencing from 2 October 2014, and further extended for a period of five (5) years.

- (a) The total number of options granted, and outstanding options under the ESOS as at 30 June 2021 are set out in the table below:

Description	Number of Options as at 30 June 2021 Total
(a) Granted during the financial period	30,180,000
(b) Exercised during the financial period	30,180,000
(c) Outstanding options exercisable during the financial period	0

## ADDITIONAL COMPLIANCE INFORMATION

### OPTIONS OVER ORDINARY SHARES (CONT'D)

#### Employees' Share Option Scheme ("ESOS") (Cont'd)

- (b) The total number of options granted to the Directors and Senior Management, and outstanding options under the ESOS as at 30 June 2021 are set out in the table below:

Description	Number of Options as at 30 June 2021	
	Directors	Senior Management
(a) Granted during the financial period	20,600,000	0
(b) Exercised during the financial period	20,600,000	0
(c) Outstanding options exercisable during the financial period	0	0

- (c) Percentage of options granted to Directors and Senior Management under the ESOS are as follows:

	Since commencement up to 30 June 2021
(a) Aggregate maximum allocation applicable to directors and senior management	70%
(b) Actual percentage granted	69.80%

### AUDIT AND NON-AUDIT FEES

During the financial period ended 30 June 2021, the total audit and non-audit fees incurred for services rendered to the Company and the Group by the external auditors are as follows:

	Group	The Company
Audit fees	RM233,300	RM130,000
Non-Audit fees	RM87,100	RM87,100

### MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

During the financial period ended 30 June 2021, there is no material contracts entered into by the Company and/or its subsidiaries involving directors and major shareholders.



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## DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial period ended 30 June 2021.

### Principal Activities

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements.

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

### Change of Financial Year End

The financial year end of the Company was changed from 31 December to 30 June. The Board of Directors is of the opinion that there are administrative conveniences in closing the annual financial year on 30 June. Accordingly, the current financial statements are prepared for eighteen months from 1 January 2020 to 30 June 2021.

### Financial Results

	Group RM	Company RM
Loss for the financial period attributable to owners of the Company	22,614,442	5,020,371

### Reserves and Provisions

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

### Dividends

There were no dividends proposed, declared or paid by the Company since the end of the previous financial period. The Board of Directors does not recommend any dividend in respect of the current financial period.

### Issue of Shares

During the financial period, the Company increased its issued and paid-up share capital from RM225,004,757 comprising 1,398,460,584 ordinary shares to RM233,127,714 comprising 1,468,640,584 ordinary shares through the following:

- (a) Issuance of 40,000,000 new ordinary shares pursuant to the conversion of Redeemable Convertible Notes ("RCN") at an exercise price of RM0.10 per share;
- (b) Issuance of 26,250,000 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price of RM0.083 per share.
- (c) Issuance of 2,750,000 new ordinary shares pursuant to the exercise of ESOS at an exercise price of RM0.078 per share; and
- (d) Issuance of 1,180,000 new ordinary shares pursuant to the exercise of ESOS at an exercise price of RM0.073 per share.

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

## DIRECTORS' REPORT

### Options Granted Over Unissued Shares

At the Extraordinary General Meeting held on 29 May 2014, the Company's shareholders approved the establishment of an ESOS of not more than 15% of the issued share capital of the Company at any point of time throughout the duration of the ESOS to eligible Directors and employees of the Group.

The salient features and other terms of the ESOS are disclosed in the Note 28 to the financial statements.

As at 30 June 2021, the options offered to take up unissued ordinary shares and the exercise prices are as follows:

Date of offer	Exercise price	Number of options over ordinary shares			
		At 01.01.2020	Granted	Exercised	At 30.06.2021
31.01.2020	RM0.083	-	26,250,000	(26,250,000)	-
03.06.2020	RM0.078	-	2,750,000	(2,750,000)	-
03.06.2020	RM0.073	-	1,180,000	(1,180,000)	-

### 1% RCN

The terms of the conversion of the RCN are disclosed in Note 21 to the financial statements.

As at 30 June 2021, the RCN in issue is RMNil.

### Warrants

#### Warrants 2016/2021

The warrants were constituted under the Deed Poll dated 31 December 2015 as disclosed in Note 14(a) to the financial statements.

As at 30 June 2021, none of the warrants were exercised and the unexercised warrants were expired.

### Directors

The Directors in office during the financial period until the date of this report are:

Chua Eng Chin  
 Datin Sek Chian Nee\*  
 Dato' Khoo Seng Hock  
 Dato' Lee Yuen Fong  
 Dato' Tan Wei Lian\*  
 Low Boon Chin  
 Tan Lee Chin\*  
 Datin Sulizah Binti A.Salam (appointed on 14.06.2021)

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial period up to the date of this report:

Devagi A/P Thangarasu (resigned on 01.10.2020)

\* *Director of the Company and its subsidiary companies*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

## DIRECTORS' REPORT

### Directors' Interests in Shares

The interests and deemed interests in the shares, options over shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial period end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 30.06.2021
	At 01.01.2020	Bought	Sold	
<b>Interests in the Company:</b>				
<b>Direct Interests</b>				
Dato' Tan Wei Lian	128,442,159	226,115,900	(177,796,100)	176,761,959
Datin Sek Chian Nee	30,714,400	77,056,500	(73,428,100)	34,342,800
Tan Lee Chin	11,182,175	4,170,000	(5,020,500)	10,331,675
<b>Indirect interest</b>				
Dato' Tan Wei Lian #	41,896,575	81,226,500	(78,448,600)	44,674,475
Datin Sek Chian Nee #	139,624,334	230,285,900	(182,816,600)	187,093,634
Tan Lee Chin #	159,156,559	303,172,400	(251,224,200)	211,104,759
<b>Number of options over ordinary shares</b>				
	At 01.01.2020	Granted	Exercised	At 30.06.2021
<b>Interests in the Company</b>				
Dato' Tan Wei Lian	-	20,600,000	(20,600,000)	-

# Deemed interests by virtue of shares held by spouse and closed family member pursuant to Section 59(11)(c) of the Companies Act 2016.

None of the other Directors in office at the end of the financial period had any interest in shares in the Company or its related corporations during the financial period.

### Directors' Benefits

Since the end of the previous financial period, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors and shown in Note 32(c) to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 32(b) to the financial statements.

Neither during nor at the end of the financial period, was the Group or the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those arising from share options granted under Employees Share Option Scheme.

## DIRECTORS' REPORT

### Indemnity and Insurance Costs

During the financial period, the total amount of indemnity coverage and insurance premium paid for the Directors of the Company were RM10,000,000 and RM14,840 respectively.

No indemnity was given to or insurance effected for auditors of the Company.

### Other Statutory Information

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



## **DIRECTORS' REPORT**

### **Subsidiary Companies**

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

### **Significant Event**

The details of significant event are disclosed in Note 36 to the financial statements.

### **Subsequent Event**

The details of the subsequent event are disclosed in Note 37 to the financial statements.

### **Auditors**

The Auditors, Messrs. UHY, have expressed their willingness to continue in office.

The details of auditors' remuneration are set out in Note 24 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 22 October 2021.

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**DATO' TAN WEI LIAN**

KUALA LUMPUR

---

**TAN LEE CHIN**

**STATEMENT BY DIRECTORS**

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 62 to 123 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 June 2021 and of their financial performance and cash flows for the financial period then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 22 October 2021.

---

**DATO' TAN WEI LIAN**


---

**TAN LEE CHIN**

KUALA LUMPUR

**STATUTORY DECLARATION**

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

I, Dato' Tan Wei Lian, being the Director primarily responsible for the financial management of Tiger Synergy Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 62 to 123 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provision of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by     )  
 the abovenamed at Kuala Lumpur in     )  
 the Federal Territory on 22 October 2021 )

---

**DATO' TAN WEI LIAN**

Before me,

---

**COMMISSIONER FOR OATHS**

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGER SYNERGY BERHAD

[Registration No.: 199401039944 (325631-V)] (Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Tiger Synergy Berhad, which comprise the statements of financial position as at 30 June 2021 of the Group and of the Company, and the statements of profit and loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 62 to 123.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including international independence standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key Audit Matters

### How we addressed the key audit matters

#### Existence and valuation of inventories

As at 30 June 2021, the Group recognised land held for property development and property development costs amounting to RM220,759,777 and RM18,342,126 respectively, in which represented 80% of the Group's total assets. The cost of inventories mainly comprising of land costs, development expenditure capitalised and entitlement to land owners pursuant to joint venture agreements to jointly develop land.

We focused on this area mainly due to following:

- (a) material account balances and large number of individual parcels of land and their related development expenditure incurred; and
- (b) high dependency on a range of estimates which are based on current and future market or economic conditions which determine the recoverable amount or net

#### (a) Existence of inventories

Our audit procedures include the following:

- discussed with management to obtain understanding on control and monitoring over inventories;
- obtained list of inventories to identify the locations of land held by the Group and conducted site visit on sampling basis;
- inspected land titles for land held by the Group;
- inspected development expenditures incurred during the financial period to the relevant supporting documents;
- evaluated joint venture agreements and entitlement paid to land owners; and

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGER SYNERGY BERHAD

[Registration No.: 199401039944 (325631-V)] (Incorporated in Malaysia)

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

### *Key Audit Matters (Cont'd)*

Key Audit Matters	How we addressed the key audit matters
<b>Existence and valuation of inventories (Cont'd)</b>	(b) Valuation of inventories Our audit procedures include the following: <ul style="list-style-type: none"> <li>• obtained understanding from management on the Group's internal control over preparation of property development project budget;</li> <li>• discussed with management on the current progress of the property development project and examined relevant documents such as development order issued by relevant authorities;</li> <li>• assessed reasonableness of key assumptions used by management in property development project budget; and</li> <li>• compared the estimated selling price to recent transacted prices of similar or comparable completed property units and taking into consideration the estimated selling costs.</li> </ul>

### *Information Other than the Financial Statements and Auditors' Report Thereon*

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

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

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

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

### *Responsibilities of the Directors for the Financial Statements*

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

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGER SYNERGY BERHAD

[Registration No.: 199401039944 (325631-V)] (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 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 of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGER SYNERGY BERHAD

[Registration No.: 199401039944 (325631-V)] (Incorporated in Malaysia)

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

## OTHER MATTERS

1. 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.
2. The financial statements of the Group and of the Company for the financial period ended 31 December 2019 were audited by another firm of auditors who expressed an unmodified opinion with a paragraph on Material Uncertainty Related to Going Concern on these statements on 14 May 2020.

UHY  
Firm Number: AF 1411  
Chartered Accountants

LIM YANG YUE  
Approved Number: 03544/12/2022 J  
Chartered Accountant

KUALA LUMPUR

22 October 2021

## STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		Group		Company	
	Note	30.06.2021 RM	31.12.2019 RM	30.06.2021 RM	31.12.2019 RM
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	4	2,814,642	4,374,200	151,376	93,380
Inventories	5	220,759,777	136,595,963	-	-
Right-of-use assets	6	357,393	-	-	-
Investments in subsidiary companies	7	-	-	15,440,607	17,482,577
Goodwill on consolidation	8	-	-	-	-
Amount owing from subsidiary companies	9	-	-	305,101,313	300,152,829
		223,931,812	140,970,163	320,693,296	317,728,786
<b>Current Assets</b>					
Inventories	5	18,793,608	118,240,082	-	-
Trade receivables	10	3,927,210	983,874	-	-
Other receivables	11	42,943,917	47,739,124	-	100,948
Fixed deposits with financial institutions	12	325,601	325,601	29,000	29,000
Cash and bank balances		10,618,578	1,853,024	7,808	241,877
		76,608,914	169,141,705	36,808	371,825
<b>Total Assets</b>		<b>300,540,726</b>	<b>310,111,868</b>	<b>320,730,104</b>	<b>318,100,611</b>
<b>EQUITY</b>					
Share capital	13	233,127,714	225,004,757	233,127,714	225,004,757
Reserves	14	49,178,206	71,804,832	79,223,169	84,243,540
<b>Total Equity</b>		<b>282,305,920</b>	<b>296,809,589</b>	<b>312,350,883</b>	<b>309,248,297</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
Finance lease liabilities	15	-	1,002,903	-	-
Lease liabilities	16	537,024	-	-	-
Borrowings	17	9,621,005	-	-	-
		10,158,029	1,002,903	-	-
<b>Current Liabilities</b>					
Trade payables	18	3,038,291	480,374	-	-
Other payables	19	2,991,473	1,935,597	726,543	329,482
Amount due to Directors	20	250,413	236,945	26,672	29,002
Amounts due to subsidiary companies	9	-	-	7,626,006	7,493,830
Redeemable Convertible Notes ("RCN")	21	-	1,000,000	-	1,000,000
Tax payable		541,803	593,834	-	-
Finance lease liabilities	15	-	376,490	-	-
Lease liabilities	16	407,305	-	-	-
Borrowings	17	847,492	7,676,136	-	-
		8,076,777	12,299,376	8,379,221	8,852,314
<b>Total Liabilities</b>		<b>18,234,806</b>	<b>13,302,279</b>	<b>8,379,221</b>	<b>8,852,314</b>
<b>Total Equity and Liabilities</b>		<b>300,540,726</b>	<b>310,111,868</b>	<b>320,730,104</b>	<b>318,100,611</b>

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

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Note	Group		Company	
		01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Revenue	22	12,541,777	19,848,550	-	-
Cost of sales		(26,225,376)	(16,150,563)	-	-
<b>Gross (loss)/profit</b>		(13,683,599)	3,697,987	-	-
Other income		733,989	91,431	771,834	1,861,191
Net gain on impairment of financial instruments	24	346,185	-	-	-
Administrative expenses		(9,010,263)	(11,685,685)	(5,792,205)	(5,647,068)
Finance costs	23	(1,052,785)	(1,368,622)	-	-
<b>Loss before taxation</b>	24	(22,666,473)	(9,264,889)	(5,020,371)	(3,785,877)
Taxation	25	52,031	(38,926)	-	11,900
<b>Net loss for the financial period, representing total comprehensive loss for the financial period</b>		(22,614,442)	(9,303,815)	(5,020,371)	(3,773,977)
<b>Loss attributable to:</b>					
Owners of the parent		(22,614,442)	(9,303,815)	(5,020,371)	(3,773,977)
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent		(22,614,442)	(9,303,815)	(5,020,371)	(3,773,977)
<b>Loss per share</b>	26				
- Basic (sen)		(1.54)	(0.91)		
- Diluted (sen)		(1.54)	(0.90)		

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



**STATEMENTS OF CHANGES IN EQUITY**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Note	Attributable to owners of the parent			Distributable Retained earnings RM	Total Equity RM
		Share capital RM	Warrant reserve RM	ESOS reserve RM		
<b>Group</b>						
<b>At 1 January 2020, as previously stated</b>		225,004,757	5,809,499	-	65,995,333	296,809,589
Effect of adopting MFRS 16	2(a)	-	-	-	(12,184)	(12,184)
<b>At 1 January 2020, as restated</b>		225,004,757	5,809,499	-	65,983,149	296,797,405
Net loss for the financial period, representing total comprehensive loss for the financial period		-	-	-	(22,614,442)	(22,614,442)
<b>Transactions with owners:</b>						
Issuance of shares pursuant to:						
- Conversion of RCN		4,000,000	-	-	-	4,000,000
- Exercise of ESOS		4,290,897	-	(1,810,800)	-	2,480,097
Issuance of ESOS		-	-	1,810,800	-	1,810,800
Expiry of unexercised Warrants 2016/2021		-	(5,809,499)	-	5,809,499	-
Share issuance expenses:						
- Conversion of RCN		(167,940)	-	-	-	(167,940)
<b>Total transactions with owners</b>		8,122,957	(5,809,499)	-	5,809,499	8,122,957
<b>At 30 June 2021</b>		233,127,714	-	-	49,178,206	282,305,920

**STATEMENT OF CHANGES IN EQUITY**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

Note	Attributable to owners of the parent				Total Equity RM
	Share capital RM	Warrant reserve RM	ESOS reserve RM	Retained earnings RM	
<b>Group</b>					
<b>At 1 July 2018</b>	134,533,164	40,645,808	1,162,180	39,300,659	215,641,811
Net loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(9,303,815)	(9,303,815)
<b>Transactions with owners:</b>					
Issuance of shares pursuant to:					
- Conversion of RCN	71,000,000	-	-	-	71,000,000
- Exercise of ESOS	14,082,879	-	(6,077,669)	-	8,005,210
- Private placement	8,887,789	-	-	-	8,887,789
- Exercise of Warrants	136	-	-	-	136
Issuance of ESOS	-	-	6,077,669	-	6,077,669
Share issuance expenses:					
- Conversion of RCN	(3,430,639)	-	-	-	(3,430,639)
- Exercise of ESOS	(68,572)	-	-	-	(68,572)
Cancellation of ESOS	-	-	(1,162,180)	1,162,180	-
Expiry of unexercised Warrants 2013/2018	-	(34,836,309)	-	34,836,309	-
<b>Total transactions with owners</b>	90,471,593	(34,836,309)	(1,162,180)	35,998,489	90,471,593
<b>At 31 December 2019</b>	225,004,757	5,809,499	-	65,995,333	296,809,589

**STATEMENT OF CHANGES IN EQUITY**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

Note	← Attributable to owners of the parent →				Total Equity RM
	Share capital RM	Warrant reserve RM	ESOS reserve RM	Distributable Retained earnings RM	
<b>Company</b>					
<b>At 1 January 2020</b>	225,004,757	5,809,499	-	78,434,041	309,248,297
Net loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(5,020,371)	(5,020,371)
<b>Transactions with owners:</b>					
Issuance of shares pursuant to:					
- Conversion of RCN	4,000,000	-	-	-	4,000,000
- Exercise of ESOS	4,290,897	-	(1,810,800)	-	2,480,097
Issuance of ESOS	-	-	1,810,800	-	1,810,800
Expiry of unexercised Warrants 2016/2021	-	(5,809,499)	-	5,809,499	-
Share issuance expenses:					
- Conversion of RCN	(167,940)	-	-	-	(167,940)
<b>Total transactions with owners</b>	<b>8,122,957</b>	<b>(5,809,499)</b>	<b>-</b>	<b>5,809,499</b>	<b>8,122,957</b>
<b>At 30 June 2021</b>	<b>233,127,714</b>	<b>-</b>	<b>-</b>	<b>79,223,169</b>	<b>312,350,883</b>
<b>At 1 July 2018</b>	<b>134,533,164</b>	<b>40,645,808</b>	<b>1,162,180</b>	<b>46,209,529</b>	<b>222,550,681</b>
Net loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(3,773,977)	(3,773,977)
<b>Transactions with owners:</b>					
Issuance of shares pursuant to:					
- Conversion of RCN	71,000,000	-	-	-	71,000,000
- Exercise of ESOS	14,082,879	-	(6,077,669)	-	8,005,210
- Private placement	8,887,789	-	-	-	8,887,789
- Exercise of Warrants	136	-	-	-	136
Issuance of ESOS	-	-	6,077,669	-	6,077,669
Share issuance expenses:					
- Conversion of RCN	(3,430,639)	-	-	-	(3,430,639)
- Exercise of ESOS	(68,572)	-	-	-	(68,572)
Cancellation of ESOS	-	-	(1,162,180)	1,162,180	-
Expiry of unexercised Warrants 2013/2018	-	(34,836,309)	-	34,836,309	-
<b>Total transactions with owners</b>	<b>90,471,593</b>	<b>(34,836,309)</b>	<b>(1,162,180)</b>	<b>35,998,489</b>	<b>90,471,593</b>
<b>At 31 December 2019</b>	<b>225,004,757</b>	<b>5,809,499</b>	<b>-</b>	<b>78,434,041</b>	<b>309,248,297</b>

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

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Cash Flows From Operating Activities</b>				
Loss before taxation	(22,666,473)	(9,264,889)	(5,020,371)	(3,785,877)
Adjustments for:				
Amortisation of right-of-use assets	422,197	-	-	-
Bad debts written off	12,506	-	-	-
Depreciation of property, plant and equipment	907,299	1,546,462	37,952	31,833
Share-based payments	1,810,800	6,077,669	1,810,800	3,858,869
Gain on disposal of property, plant, and equipment	(82,930)	(8,300)	-	-
Impairment loss on:				
- Investment in subsidiary	-	-	2,041,970	-
- Inventories	33,790	-	-	-
- Trade receivables	45,865	-	-	-
- Other receivables	107,950	-	-	-
Interest expenses	1,052,785	1,368,622	-	-
Interest income	(42,106)	(66,986)	(987)	(1,191)
Reversal of impairment loss on:				
- Trade receivables	(500,000)	-	-	-
Right-of-use assets written off	323,675	-	-	-
Waiver of Director's remuneration	-	(663,103)	-	-
Operating (loss)/profit before working capital changes	(18,608,432)	(1,010,525)	(1,130,636)	103,634
Changes in working capital:				
Inventories	15,248,870	(31,523,229)	-	-
Trade receivables	(2,501,707)	(386,309)	-	-
Other receivables	4,687,257	(39,626,313)	100,948	(12,998)
Trade payables	2,557,917	(4,407,730)	-	-
Other payables	1,055,876	(457,528)	397,061	(671,697)
Amount due from/(to) subsidiary companies	-	-	(4,816,308)	(79,534,191)
	21,082,003	(76,401,109)	(4,318,299)	(80,218,886)
Cash generated from/(used in) operations	2,473,571	(77,411,634)	(5,448,935)	(80,115,252)
Interest received	42,106	66,986	987	1,191
Interest paid	(460,864)	(1,368,622)	-	-
	(418,758)	(1,301,636)	987	1,191
Net cash from/(used in) operating activities	2,054,813	(78,713,270)	(5,447,948)	(80,114,061)

**STATEMENTS OF CASH FLOWS**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Cash Flows From Investing Activities</b>				
Purchases of property, plant and equipment	(129,204)	(283,000)	(95,948)	-
Proceeds from disposal of other investment	-	1,613	-	1,613
Investment in a subsidiary company	-	-	-	(3,249,998)
Proceeds from disposal of property, plant and equipment	163,608	11,000	-	-
<b>Net cash from/(used in) investing activities</b>	<b>34,404</b>	<b>(270,387)</b>	<b>(95,948)</b>	<b>(3,248,385)</b>
<b>Cash Flows From Financing Activities</b>				
Advances from/(Repayment to) Directors	13,468	-	(2,330)	-
Decrease in fixed deposits pledged	-	614,952	-	-
Repayment of finance lease liabilities	-	(545,251)	-	-
Repayment of lease liabilities	(849,728)	-	-	-
Repayment of term loans	(343,389)	(868,688)	-	-
Proceeds from term loans	2,540,000	-	-	-
Proceeds from exercises of ESOS	2,480,097	8,005,210	2,480,097	8,005,210
Proceed from private placement	-	8,887,789	-	8,887,789
Proceed from exercise of Warrants	-	136	-	136
Proceed from issuance of RCN	3,000,000	68,000,000	3,000,000	68,000,000
Share issuance expenses:				
- Issuance of RCN	(167,940)	(3,430,639)	(167,940)	(3,430,639)
- Issuance of share options	-	(68,572)	-	(68,572)
<b>Net cash from financing activities</b>	<b>6,672,508</b>	<b>80,594,937</b>	<b>5,309,827</b>	<b>81,393,924</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,761,725</b>	<b>1,611,280</b>	<b>(234,069)</b>	<b>(1,968,522)</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>1,882,024</b>	<b>270,744</b>	<b>270,877</b>	<b>2,239,399</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>10,643,749</b>	<b>1,882,024</b>	<b>36,808</b>	<b>270,877</b>
<b>Cash and cash equivalents at the end of the financial period comprise:</b>				
Fixed deposits with financial institutions	325,601	325,601	29,000	29,000
Cash and bank balances	10,618,578	1,853,024	7,808	241,877
Bank overdraft	(3,829)	-	-	-
	10,940,350	2,178,625	36,808	270,877
Less: Fixed deposits pledged with licensed banks	(296,601)	(296,601)	-	-
	10,643,749	1,882,024	36,808	270,877

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

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 1. Corporate Information

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

The registered office of the Company is located at Unit No. T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan.

The principal place of business of the Company was located at Ground Floor, No. 482, Wisma Hwa Lian, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan. With effect from 30 June 2020, the Company's principal place of business has been relocated to Unit No. T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan.

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies are disclosed in Note 7. There have been no significant changes in the nature of these activities during the financial year.

### 2. Basis of Preparation

#### (a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

The financial year end of the Company was changed from 31 December to 30 June. The directors are of the opinion that there are administrative conveniences in closing the annual financial year on 30 June. Accordingly, the current financial statements are prepared for eighteen months from 1 January 2020 to 30 June 2021.

#### Adoption of new and amended standards

During the financial period, the Company has adopted the following new MFRSs, new interpretation and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial period:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term interests in Associates and Joint Ventures
Amendments to MFRS 15	Clarifications to MFRS 15
Amendments to MFRS 140	Transfers of Investment Property
Annual Improvements to MFRSs 2015 - 2017 Cycle:	- Amendments to MFRS 3
	- Amendments to MFRS 11
	- Amendments to MFRS 112
	- Amendments to MFRS 123
Amendments to References to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current - Deferral of Effective Date

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 2. Basis of Preparation (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### Adoption of new and amended standards (Cont'd)

The adoption of the new MFRSs, new interpretation and amendments to MFRSs did not have any significant impact on the financial statements of the Company, except for:

##### MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 *Leases*, IC Interpretation 4 *Determine whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Leases – Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

As a result of the adoption of MFRS 16, the existing requirements for a lessee to distinguish between finance leases and operating leases under the MFRS 117 *Leases* are no longer required. MFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use (“ROU”) asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the ROU asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows.

The ROU asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As permitted by the transitional provision of MFRS 16, the Group has elected to adopt a simplified transition approach where cumulative effects of initial application are recognised on 1 January 2020 as an adjustment to the opening balance of retained earnings.

For leases that were classified as finance lease under MFRS 117, the carrying amounts of the ROU asset and the lease liability at 1 January 2020 are determined to be the same as the carrying amount of the lease asset and lease liability under MFRS 117 immediately before that date.

The Group has also applied the following practical expedients when applying MFRS 16 to lease previously classified as operating lease under MFRS 117:

- Applied a single discount rate to portfolio of leases with reasonably similar characteristics.
- The Group does not apply the standard to leases which lease terms end within 12 months from 1 January 2020.
- No adjustments are made on transition for leases for which the underlying assets are of low value.
- Excluded initial direct costs from measuring the ROU assets at the date of initial application.
- The Group uses hindsight in determining lease terms for contracts that contain options for extension or termination.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 2. Basis of Preparation (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### Adoption of new and amended standards (Cont'd)

Impact arising from the adoption of MFRS 16 on the financial statements:

##### Statements of Financial Position

	As at 31.12.2019, as previously stated RM	MFRS 16 adjustments RM	As at 01.01.2020, as restated RM
<b>Group</b>			
Property, plant and equipment	4,374,200	(700,785)	3,673,415
Right-of-use assets	-	1,103,265	1,103,265
Retained earnings	(65,995,333)	12,184	(65,983,149)
Finance lease liabilities	(1,379,393)	1,379,393	-
Lease liabilities	-	(1,794,057)	(1,794,057)

##### Standards issued but not yet effective

The Group and the Company have not applied the following new MFRSs, new interpretations and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company

	Effective dates for financial periods beginning on or after
Amendments to MFRS 16	1 June 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4, and MFRS 16	1 January 2021
Amendment to MFRS 16	1 April 2021
Amendments to MFRS 3	1 January 2022
Amendments to MFRS 116	1 January 2022
Amendments to MFRS 137	1 January 2022
Amendments to MFRSs	1 January 2022
MFRS 17	1 January 2023
Amendments to MFRS 17	1 January 2023
Amendments to MFRS 101	1 January 2023
Amendments to MFRS 101	1 January 2023
Amendments to MFRS 108	1 January 2023
Amendments to MFRS 112	1 January 2023
Amendments to MFRS 10 and MFRS 128	Deferred until further notice

The Group and the Company intend to adopt the MFRSs when they become effective.

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



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 2. Basis of Preparation (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### Standards issued but not yet effective (Cont'd)

##### IFRIC Agenda Decision on MFRS 123 Borrowing Costs

On 18 December 2018, the Malaysian Accounting Standards Board (“MASB”) has issued for public comment six Tentative Agenda Decisions (“TAD”) published by the IFRS Interpretations Committee, including the TAD on International Accounting Standards 23 Borrowing Costs (“IAS 23”) relating to over time transfer of constructed good.

The MASB observed that non-private entities in the real estate industry might need to change their accounting policy as a result of the Agenda Decision on IAS 23. In ensuring consistent application of the MFRSs, which are word for-word the IFRS Standards, the MASB has decided that an entity shall apply the change in accounting policy as a result of the Agenda Decision on IAS 23 to financial statements of annual periods beginning on or after 1 July 2020.

Based on the assessments undertake to date, the Group and the Company do not expect the above change in accounting policy to have significant impact to the financial statements of the Group and of the Company.

#### (b) Functional and presentation currency

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

#### (c) Significant accounting judgements, estimates and assumptions

The preparation of the Group’s financial statements requires management 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 could require a material adjustment to the carrying amount of the asset or liability affected in the future.

##### Judgements

The following are the judgements made by management in the process of applying the Group’s accounting policies that have the most significant effect on the amounts recognised in the financial statements:

##### Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

The Group recognises revenue over time in the following circumstances:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- (b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
- (c) the Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 2. Basis of Preparation (Cont'd)

#### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

##### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

##### Useful lives of property, plant and equipment and right-of-use ("ROU") asset

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 amounts at the reporting date for the property, plant and equipment and ROU assets are disclosed in Note 4 and 6 to the financial statements.

##### Impairment of investment in subsidiary companies

The Company reviews its investments in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investments in subsidiary companies is disclosed in Note 7 to the financial statements.

##### Impairment of land held for property development

The Group assesses whether there is any indication that land held for property development is impaired at the end of each reporting period. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. The recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flow derived from that asset discounted at an appropriate discount rate. Projected future cash flows are calculated based on historical, sector and industry trends, general market and economic conditions, and other available information. Changes to any of these assumptions would affect the amount of impairment.

The carrying amount of land held for property development at the reporting date is disclosed in Note 5(a) to the financial statements.

##### Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 5 to the financial statements.

##### Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group assesses the impact of any variable consideration in the contract due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 2. Basis of Preparation (Cont'd)

#### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

##### Key sources of estimation uncertainty (Cont'd)

###### Revenue from property development contracts

Revenue is recognised when the control of the asset is transferred to the customers and depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognise property development revenue and costs over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation at the reporting date. This is measure based on the proportion of property development costs incurred for work performed up to end of the reporting period as a percentage of the estimated total property development costs of the contract.

Significant judgement are used to estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

###### Provision for expected credit loss of financial assets at amortised cost

The Group review the recoverability of its receivables, include trade and other receivables at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Notes 10 and 11 respectively to the financial statements.

###### Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

###### Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also require determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Details of assumptions made in respect of the share-based payment scheme are disclosed in Note 28 to the financial statements.

###### Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 30 June 2021, the Group has payable of RM 541,803 (31.12.2019: RM 593,834).

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

#### (a) Basis of consolidation

##### (i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(j)(i) to the financial statements on impairment of non-financial assets.

##### (ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### (iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

##### (iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (i.e. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(j)(i) to the financial statements on impairment of non-financial assets.

#### (b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(j)(i) to the financial statements.

##### (i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

##### (ii) Subsequent costs

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

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (b) Property, plant and equipment (Cont'd)

##### (iii) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful lives. Freehold land is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives. Property, plant and equipment under construction are not depreciated until the assets are ready for its intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Buildings	2%
Furniture, fittings and equipment	10%
Motor vehicles	20%
Plant and machinery	10%
Renovations	10%

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

#### (c) Leases

##### *Policy applicable from 1 January 2020*

##### (a) As lessee

The Group and the Company recognise a ROU asset 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 amortisation, 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 3(j)(i) to the financial statements.

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 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:

Office buildings	Over the remaining lease period
Motor vehicles	20%

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 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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (c) Leases (Cont'd)

##### *Policy applicable from 1 January 2020 (Cont'd)*

##### (a) As lessee (Cont'd)

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 changes its assessment of whether it will exercise an extension 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 RM20,000 each when purchased new.

##### *Policy applicable before 1 January 2020*

##### (i) Finance lease

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as a property, plant and equipment.

##### (ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property and measured using fair value model.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid land lease payments.

#### (d) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount owing by subsidiary companies, fixed deposits with financial institution and cash and bank balances.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (d) Financial assets (Cont'd)

##### (a) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company has not designated any financial assets as fair value through other comprehensive income ("FVOCI") and FVTPL.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

##### (e) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

##### (f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

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



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (g) Offsetting of financial instruments

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

#### (h) Inventories

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

##### (i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value less costs to sale. Fair value is the amount the inventory can be sold in an arm's length transaction.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

##### (ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expense in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

##### (iii) Other inventories

Cost of raw material comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a first-in-first-out basis.

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

#### (i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (j) Impairment of assets

##### (i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

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

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

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

##### (ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (j) Impairment of assets (Cont'd)

##### (ii) Financial assets (Cont'd)

For trade receivables, other receivables, contract assets and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### (k) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

#### (l) Employee benefits

##### (i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

##### (ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Some of the Group's foreign subsidiary companies also make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

##### (iii) Share-based Payment Transactions

###### Equity-settled Share-based Payment Transaction

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (l) Employee benefits (Cont'd)

##### (iii) Share-based Payment Transactions (Cont'd)

##### Equity-settled Share-based Payment Transaction (Cont'd)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

#### (m) Revenue recognition

##### (i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognises revenue from the following major sources:

##### (a) Revenue from property development

Revenue from property development is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

The progress towards complete satisfaction of the performance obligation is measured based on the Group's effort or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract).

The excess of cumulative revenue recognised in profit or loss over the billings to customers is recognised as contract assets.

Incremental costs of obtaining a contract, if recoverable, are capitalised as contract assets and are subsequently amortised consistently with the pattern of revenue for the related contract.

##### (b) Sales of goods

The Group manufacture and trading of concrete mix and gloves. Revenue from sale of goods is recognised at the point in time upon control of the products has transferred, being the products are delivered to the customer.

Following delivery of the goods to the customers, the customers have full discretion over the goods, and bears the risks of obsolescence and loss in relation to the goods.

Revenue is recognised based on the price specified in the contract net of the rebates, discounts and taxes. Under the standard contract terms, customers have a right of return within 30 days. At the point of sale, a refund liability and a corresponding adjustment to revenue are recognised for those product expected to be returned. At the same time, it has a right to recover the product when customers exercise their right of return, so consequently recognises a right to returned goods asset and a corresponding adjustment to the cost of inventories recognised in profit or loss. The Group does not have such contract terms with its customers on right of return.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (m) Revenue recognition (Cont'd)

- (i) Revenue from contracts with customers (Cont'd)
- (c) Rendering of services

Revenue from rendering of services represents timber and plantation related services such as provision of site clearance, earthwork and labour services of land area as well as renovation services provided by the Group. The provision of services are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

- (ii) Interest income

Interest income is recognised on accruals basis using the effective interest method.

- (iii) Management fee

Management fee is recognised on accrual basis when services are rendered.

#### (n) Income taxes

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

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

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

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period, except for investment properties carried at fair value model. Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

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

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

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 3. Significant Accounting Policies (Cont'd)

#### (o) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### 4. Property, Plant and Equipment

Group	Buildings RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovations RM	Total RM
<b>30.06.2021</b>						
<b>Cost</b>						
At 1 January 2020, as previously stated	301,968	171,946	3,211,328	6,604,500	53,031	10,342,773
Effect of adoption MFRS 16	-	-	(3,071,328)	-	-	(3,071,328)
At 1 January 2020, as restated	301,968	171,946	140,000	6,604,500	53,031	7,271,445
Additions	-	41,059	-	31,174	56,971	129,204
Disposal	(100,655)	-	-	-	-	(100,655)
At 30 June 2021	201,313	213,005	140,000	6,635,674	110,002	7,299,994
<b>Accumulated depreciation</b>						
At 1 January 2020, as previously stated	55,907	95,287	2,510,542	3,274,733	32,104	5,968,573
Effect of adoption MFRS 16	-	-	(2,370,543)	-	-	(2,370,543)
At 1 January 2020, as restated	55,907	95,287	139,999	3,274,733	32,104	3,598,030
Charge for the financial period	7,381	29,038	-	859,873	11,007	907,299
Disposal	(19,977)	-	-	-	-	(19,977)
At 30 June 2021	43,311	124,325	139,999	4,134,606	43,111	4,485,352
<b>Carrying amount</b>						
At 30 June 2021	158,002	88,680	1	2,501,068	66,891	2,814,642

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 4. Property, Plant and Equipment (Cont'd)

Group	Buildings RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovations RM	Total RM
<b>31.12.2019</b>						
<b>Cost</b>						
At 1 July 2018, as previously stated	301,968	185,911	3,235,898	6,351,900	53,031	10,128,708
Reclassification	-	(13,965)	(130,570)	2,600	-	(141,935)
At 1 July 2018, as restated	301,968	171,946	3,105,328	6,354,500	53,031	9,986,773
Additions	-	-	133,000	250,000	-	383,000
Disposal	-	-	(27,000)	-	-	(27,000)
At 31 December 2019	301,968	171,946	3,211,328	6,604,500	53,031	10,342,773
<b>Accumulated depreciation</b>						
At 1 July 2018, as previously stated	46,848	74,032	2,025,711	2,417,433	25,476	4,589,500
Reclassification	-	(4,536)	(139,998)	2,599	(1,154)	(143,089)
At 1 July 2018, as restated	46,848	69,496	1,885,713	2,420,032	24,322	4,446,411
Charge for the financial period	9,059	25,791	649,129	854,701	7,782	1,546,462
Disposal	-	-	(24,300)	-	-	(24,300)
At 31 December 2019	55,907	95,287	2,510,542	3,274,733	32,104	5,968,573
<b>Carrying amount</b>						
At 31 December 2019	246,061	76,659	700,786	3,329,767	20,927	4,374,200

Company	Furniture, fittings and equipment RM	Renovations RM	Total RM
<b>30.06.2021</b>			
<b>Cost</b>			
At 1 January 2020	160,341	53,031	213,372
Additions	38,977	56,971	95,948
At 30 June 2021	199,318	110,002	309,320
<b>Accumulated depreciation</b>			
At 1 January 2020	87,888	32,104	119,992
Charge for the financial period	26,945	11,007	37,952
At 30 June 2021	114,833	43,111	157,944
<b>Carrying amount</b>			
At 30 June 2021	84,485	66,891	151,376

**NOTES TO THE FINANCIAL STATEMENTS**

30 JUNE 2021

**4. Property, Plant and Equipment (Cont'd)**

<b>Company</b>	<b>Furniture, fittings and equipment RM</b>	<b>Renovations RM</b>	<b>Total RM</b>
<b>31.12.2019</b>			
<b>Cost</b>			
At 1 July 2018/31 December 2019	160,341	53,031	213,372
<b>Accumulated depreciation</b>			
At 1 July 2018	63,837	24,322	88,159
Charge for the financial period	24,051	7,782	31,833
At 31 December 2019	87,888	32,104	119,992
<b>Carrying amount</b>			
At 31 December 2019	72,453	20,927	93,380

(i) Assets held under finance leases

	<b>30.06.2021 RM</b>	<b>Group 31.12.2019 RM</b>
Motor vehicles	-	296,390
Plant and machinery	-	1,516,799
	-	1,813,189

Following the adoption of MFRS 16 on 1 January 2020, the Group had reclassified the carrying amount of leased assets to ROU assets as disclosed in Note 6 to the financial statements.

(ii) The aggregate costs for the property, plant and equipment of the Group and of the Company acquired under cash payments.

**5. Inventories**

	<b>30.06.2021 RM</b>	<b>Group 31.12.2019 RM</b>
<b>Non-current</b>		
Land held for property development (Note a)	220,759,777	136,595,963
<b>Current</b>		
Property development costs (Note b)	18,342,126	117,307,932
Raw materials	14,260	29,369
Developed properties held for sales	437,222	902,781
	18,793,608	118,240,082
	239,553,385	254,836,045



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 5. Inventories (Cont'd)

(a) Land held for development

Group	Freehold land RM	Development Cost RM	Total RM
<b>30.06.2021</b>			
<b>Cost</b>			
At 1 January 2020	53,482,846	83,888,876	137,371,722
Additions	-	2,637,938	2,637,938
Disposal	(4,700,000)	(12,944,112)	(17,644,112)
Reclassifications	8,540	(8,540)	-
Transfer to property development costs (Note b)	(11,695,670)	(6,646,456)	(18,342,126)
Transfer from property development costs (Note b)	-	117,545,904	117,545,904
At 30 June 2021	37,095,716	184,473,610	221,569,326
<b>Accumulated impairment loss</b>			
At 1 January 2020	-	775,759	775,759
Additions	-	33,790	33,790
At 30 June 2021	-	809,549	809,549
<b>Carrying amount</b>			
At 30 June 2021	37,095,716	183,664,061	220,759,777
<b>31.12.2019</b>			
<b>Cost</b>			
At 1 July 2018	53,532,846	51,987,170	105,520,016
Additions	-	34,620,951	34,620,951
Transfer to property development costs (Note b)	-	(2,303,686)	(2,303,686)
Transfer to developed properties held for sales	(50,000)	(415,559)	(465,559)
At 31 December 2019	53,482,846	83,888,876	137,371,722
<b>Accumulated impairment loss</b>			
At 1 July 2018/ 31 December 2019	-	775,759	775,759
<b>Carrying amount</b>			
At 31 December 2019	53,482,846	83,113,117	136,595,963

- (i) Included in the Group's land held for property development are freehold land of RM20,049,341 (31.12.2019: RM20,054,891) are pledged as securities for borrowings as disclosed in Note 17 to the financial statements.
- (ii) During the financial period, the impairment review has led to the recognition of impairment losses amounting to RM809,549 (31.12.2019: RM775,759) due to decline in recoverable amount as a result of changes in budget of certain projects. The impairment losses were recognised in administrative expenses in the statement of profit or loss and other comprehensive income.
- (iii) Included in land held for property development are entitlement paid to third parties amounting RM105,609,165 (31.12.2019: RM22,000,000) pursuant to the memorandum of understanding and joint venture agreement with respective land owners for the right to jointly develop the land.

**NOTES TO THE FINANCIAL STATEMENTS**

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**5. Inventories (Cont'd)**

(b) Property development costs

<b>Group</b>	<b>Freehold land RM</b>	<b>Development Cost RM</b>	<b>Total RM</b>
<b>30.06.2021</b>			
At 1 January 2020	-	117,307,932	117,307,932
<b>Add:</b>			
Costs incurred during the financial period	-	237,972	237,972
Transfer from land held for property development (Note a)	11,695,670	6,646,456	18,342,126
<b>Less:</b>			
Transfer to land held for property development (Note a)	-	(117,545,904)	(117,545,904)
At 30 June 2021	11,695,670	6,646,456	18,342,126
<b>31.12.2019</b>			
At 1 July 2018	-	118,063,661	118,063,661
<b>Add:</b>			
Costs incurred during the financial period	-	106,814	106,814
Transfer from land held for property development (Note a)	-	2,303,686	2,303,686
<b>Less:</b>			
Transfer to developed properties held for sales	-	(3,166,229)	(3,166,229)
At 31 December 2019	-	117,307,932	117,307,932

Included in properties under development are entitlement paid to third parties amounting to RMNil (31.12.2019: RM86,609,165) pursuant to the memorandum of understanding and joint venture agreement with respective land owners for the right to jointly develop the land.

**NOTES TO THE FINANCIAL STATEMENTS**

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**6. Right-of-Use Assets**

<b>Group</b>	<b>Office buildings RM</b>	<b>Motor vehicles RM</b>	<b>Total RM</b>
<b>30.06.2021</b>			
<b>Cost</b>			
As at 1 January 2020	-	-	-
Effect of adopting MFRS 16	574,972	3,071,328	3,646,300
As at 1 January 2020, as restated	574,972	3,071,328	3,646,300
Written-off	-	(713,250)	(713,250)
At 30 June 2021	574,972	2,358,078	2,933,050
<b>Accumulated amortisation</b>			
As at 1 January 2020	-	-	-
Effect of adopting MFRS 16	172,492	2,370,543	2,543,035
As at 1 January 2021, as restated	172,492	2,370,543	2,543,035
Charge for the financial period	172,491	249,706	422,197
Written-off	-	(389,575)	(389,575)
As at 30 June 2021	344,983	2,230,674	2,575,657
<b>Carrying amount</b>			
As at 30 June 2021	229,989	127,404	357,393

The comparative information for the financial period ended 31 December 2019 is not presented as the Group applied MFRS 16 using the modified retrospective approach.

The net carrying amount of right-of-use assets of the Group acquired under lease arrangement are as follows:

	<b>30.06.2021 RM</b>	<b>Group 31.12.2019 RM</b>
Motor vehicles	127,404	-

Leased assets of the Group are pledged as securities for the related financing facilities as disclosed in Note 16 to the financial statements.

**7. Investments in Subsidiary Companies**

	<b>30.06.2021 RM</b>	<b>Company 31.12.2019 RM</b>
Unquoted shares at cost	27,933,927	27,933,927
Less: Accumulated impairment losses	(12,493,320)	(10,451,350)
	15,440,607	17,482,577

## NOTES TO THE FINANCIAL STATEMENTS

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### 7. Investments in Subsidiary Companies (Cont'd)

Details of the subsidiary companies are as follows:

Name of company	Place of business/ country of incorporation	Equity Interest		Principal Activities
		30.06.2021 %	31.12.2019 %	
<b>Direct holding:</b>				
Tiger Synergy Timber Sdn. Bhd.* ("TST")	Malaysia	100	100	Property development and construction.
Tiger Synergy Medicare Sdn. Bhd. (TSMMSB) (F.K.A. Tiger Synergy Industries (M) Sdn. Bhd. ("TSI"))	Malaysia	100	100	Trading of gloves.
Allfit Furniture Industries Sdn. Bhd. ("AFI")	Malaysia	100	100	Manufacturing, trading of wood-based products, property development, construction and project consultancy.
Tiger Synergy Plantation Sdn. Bhd. ("TSP")	Malaysia	100	100	Trading in plywood, building materials and its related services and investment holding.
Goldenier Property Management Sdn. Bhd.* ("GPM")	Malaysia	100	100	Property investment, investment holding, property development and construction.
Tiger Synergy Capital Sdn. Bhd.* ("TSC")	Malaysia	100	100	Licensed money lending.
Alam Kemuning Development Sdn. Bhd.* ("AKD")	Malaysia	100	100	Investment holding and property investment.
Tiger Synergy Development Sdn. Bhd.* ("TSD")	Malaysia	100	100	Property development.
Tiger Synergy Mix Sdn. Bhd.* ("TSM")	Malaysia	100	100	Timber concession and batching plant.
Tiger Synergy Housing Development Sdn. Bhd.* ("TSHD")	Malaysia	100	100	Property development and construction.
Myharmony Development Sdn. Bhd. ("MHD")	Malaysia	100	100	Investment holding, property developer and construction.
Teladan Bina Sdn. Bhd. ("TBSB")	Malaysia	100	100	Property development.
Pembinaan Terasia Sdn. Bhd.* ("PTSB")	Malaysia	100	100	Property development and construction.
Promosi Juara Sdn. Bhd. ("PJSB")	Malaysia	100	100	Property development.
<b>Indirect holding</b>				
Tiger Synergy Land Sdn. Bhd.* ("TSL")	Malaysia	100	100	Property development and construction.

\* Subsidiary companies not audited by UHY

## NOTES TO THE FINANCIAL STATEMENTS

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### 8. Goodwill on Consolidation

	30.06.2021 RM	Group 31.12.2019 RM
<b>Cost</b>		
At beginning/end of the financial period	2,498	2,498
<b>Accumulated impairment</b>		
At beginning/end of the financial period	2,498	2,498
<b>Carrying amount</b>		
At end of the financial period	-	-

### 9. Amount Due from/(to) Subsidiary Companies

	30.06.2021 RM	Company 31.12.2019 RM
Amount due from subsidiary companies:		
- Non-current	305,101,313	300,152,829
Amount due to subsidiary companies:		
- Current	7,626,006	7,493,830

The amount due from/(to) subsidiary companies are non-trade in nature, unsecured, interest free and is repayable on demand.

### 10. Trade Receivables

	30.06.2021 RM	Group 31.12.2019 RM
Trade receivables	13,251,182	10,761,981
Less: Accumulated impairment losses	(9,323,972)	(9,778,107)
	3,927,210	983,874

Trade receivables are non-interest bearing and are generally on cash term to 90 days (31.12.2019: 30 to 180 days) term. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

**NOTES TO THE FINANCIAL STATEMENTS**

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**11. Other Receivables**

	30.06.2021 RM	Group 31.12.2019 RM	30.06.2021 RM	Company 31.12.2019 RM
Other receivables				
- Third parties	3,515,600	8,328,702	-	-
- A Company in which a Director of the Company has substantial financial interest	2,343	-	-	-
	3,517,943	8,328,702	-	-
Less: Accumulated impairment losses	(107,950)	-	-	-
	3,409,993	8,328,702	-	-
Deposits	232,550	109,048	-	100,948
Prepayments	39,301,374	39,301,374	-	-
	42,943,917	47,739,124	-	100,948

A Company in which certain Director of the Company has substantial financial interests represent unsecured, non-interest bearing and repayable on demand.

- (a) Included in prepayments of the Group are turnkey advances amounted to RM39,301,374 (31.12.2019: RM39,301,374) paid to a contractor for construction projects pursuant to the turnkey agreements. The prepayments are to be recouped through the interim payment certificate in which the cumulative total certified value of the contractor's work executed (including the amount certified for materials on site) reaches 75% of the total contract value of the contract work.
- (b) Included in other receivables is a stakeholder sum of RM1,312,000 (31.12.2019: RM2,972,000) in relation to acquisition of land which the Group has taken legal action against a solicitor as disclosed in Note 39 to the financial statements.
- (c) Included in other receivables of the Group is an amount of RMNil (31.12.2019: RM922,025) represents the purchase price paid for the acquisition of freehold land according to Sale and Purchase Agreement ("SPA") dated 30 October 2017 that was executed between Allfit Furniture Industries Sdn. Bhd. ("AFI") and MHB Property Development Sdn. Bhd. ("the Vendor").

Subsequently, on 25 June 2020, AFI Group and the Vendor had entered into Deed of Revocation of SPA for the revocation of the SPA dated 30 October 2017 and the vendor had fully refunded the purchase paid.

- (d) Included in other receivables of the Group is an amount of RM2,200,000 (31.12.2019: RM4,400,000) represents the purchase price paid for the acquisition of freehold land according to SPA dated 18 December 2017 that was execute between Goldenier Property Management Sdn. Bhd. ("GPM") and MHB Property Development Sdn. Bhd. ("the Vendor").

Subsequently, on 25 June 2020, GPM and the Vendor had entered into Deed of Revocation of SPA for the revocation of SPA dated 18 December 2017.

## NOTES TO THE FINANCIAL STATEMENTS

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### 12. Fixed Deposits Placed with Financial Institution

	Group		Company	
	30.06.2021 RM	31.12.2019 RM	30.06.2021 RM	31.12.2019 RM
Short-term deposits placed with financial institution	29,000	29,000	29,000	29,000
Fixed deposits pledged with licensed bank	296,601	296,601	-	-
	325,601	325,601	29,000	29,000

The interest rates of fixed deposits of the Group and of the Company is 3.25% (31.12.2019: 2.85% to 2.95%) per annum and 3.25% (31.12.2019: 2.85%) per annum respectively. Deposits of the Group and of the Company have an average maturity period of 30 days (31.12.2019: 30 days).

The fixed deposits with licensed banks of the Group amounted to RM296,601 (31.12.2019: RM296,601) are pledged to licensed banks as securities for credit facilities granted to subsidiary company as disclosed in Note 17 to the financial statements.

### 13. Share Capital

	Group/Company		Amount	
	30.06.2021 Units	31.12.2019 Units	30.06.2021 RM	31.12.2019 RM
<b>Issued and fully paid:</b>				
At beginning of financial period	1,398,460,584	441,844,537	225,004,757	134,533,164
Issuance of shares				
- Conversion of RCN	40,000,000	710,000,000	4,000,000	71,000,000
- Exercise of ESOS	30,180,000	130,077,929	4,290,897	14,082,879
- Private placement	-	116,537,918	-	8,887,789
- Exercise of Warrants	-	200	-	136
Share issuance expenses:				
- Conversion of RCN	-	-	(167,940)	(3,430,639)
- Exercise of ESOS	-	-	-	(68,572)
At end of financial period	1,468,640,584	1,398,460,584	233,127,714	225,004,757

During the financial period, the Company increased its issued and paid-up share capital from RM225,004,757 comprising 1,398,460,584 ordinary shares to RM233,127,714 comprising 1,468,640,584 ordinary shares through the following:

- Issuance of 40,000,000 new ordinary shares pursuant to the conversion of Redeemable Convertible Notes ("RCN") at an exercise price of RM0.10 per share;
- Issuance of 26,250,000 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price of RM0.083 per share.
- Issuance of 2,750,000 new ordinary shares pursuant to the exercise of ESOS at an exercise price of RM0.078 per share; and
- Issuance of 1,180,000 new ordinary shares pursuant to the exercise of ESOS at an exercise price of RM0.073 per share.

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

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

**NOTES TO THE FINANCIAL STATEMENTS**

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**14. Reserves**

	Note	30.06.2021 RM	Group 31.12.2019 RM	30.06.2021 RM	Company 31.12.2019 RM
<b>Non-distributable</b>					
Warrant reserve	(a)	-	5,809,499	-	5,809,499
<b>Distributable</b>					
Retained earnings		49,178,206	65,995,333	79,223,169	78,434,041
		49,178,206	71,804,832	79,223,169	84,243,540

(a) Warrant reserve

	Group and Company	
	30.06.2021 RM	31.12.2019 RM
At beginning of financial period	5,809,499	40,645,808
Less: Expiry of exercised Warrants	(5,809,499)	(34,836,309)
At the end of financial period	-	5,809,499

The warrants reserve arose from the proceeds from issuance of warrants. Warrant reserve is transferred to share capital upon the exercise of warrants and the warrant reserve in relation to the unexercised warrants at the expiry date of the warrants period will be transferred to retained earnings.

Warrants 2016/2021

On 12 February 2016, the Company allotted and issued 193,649,972 new Warrants 2016/2021 pursuant to the renounceable rights issue of 484,124,930 new ordinary shares of RM0.08 each ("Rights Shares") on the basis of 2 Rights Shares for every 1 existing ordinary share held at an issue price of RM0.08 per Rights Share, together with 193,649,672 free detachable Warrants and an attached bonus issue of 96,824,986 new ordinary shares ("Bonus Shares") on the basis of 2 Warrants and 1 Bonus Share for every 5 Rights Shares subscribed for ("Rights Issue of Shares with Warrants and Bonus Shares")

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 11 February 2021. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 12 February 2016 to 11 February 2021, at an exercise price of RM0.08 per Warrant in accordance with the Deed Poll dated 31 December 2015. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purpose.

During the financial period ended 30 June 2021, 48,412,493 Warrants were not exercised by its expiry date and ceased to be valid for all purpose.



**NOTES TO THE FINANCIAL STATEMENTS**

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**15. Finance Lease Liabilities**

	30.06.2021 RM	Group 31.12.2019 RM
<b>Minimum lease payments</b>		
Within one year	-	433,029
Between one and five years	-	1,015,727
After five years	-	67,939
	-	1,516,695
Less: Future finance charges	-	(137,302)
Present value of minimum lease payments	-	1,379,393
<b>Present value of finance lease liabilities</b>		
Within one year	-	376,490
Between one and five years	-	936,671
After five years	-	66,232
	-	1,379,393
<b>Analysed as:</b>		
Repayable within twelve months	-	376,490
Repayable after twelve months	-	1,002,903
	-	1,379,393

Following the adoption of MFRS 16 on 1 January 2019, the Group had reclassified the carrying amount of finance leases to lease liabilities as disclosed in Note 16 to the financial statements.

The finance lease liabilities of the Group bear interest at rate of Nil% (31.12.2019: 2.36% - 5.89%)

**16. Lease Liabilities**

	30.06.2021 RM	Group 31.12.2019 RM
At 1 January/1 July	-	-
Effect of adoption MFRS 16	1,794,057	-
At 1 January/1 July, restated	1,794,057	-
Payments	(849,728)	-
At 30 June/31 December	944,329	-
<b>Presented as:</b>		
Non-current	537,024	-
Current	407,305	-
	944,329	-

**NOTES TO THE FINANCIAL STATEMENTS**

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**16. Lease Liabilities (Cont'd)**

The maturity analysis of lease liabilities of the Group at the end of the reporting period:

	<b>30.06.2021</b>	<b>Group</b>
	<b>RM</b>	<b>31.12.2019</b>
		<b>RM</b>
Within one year	450,714	-
Later than one year and not later than five years	549,728	-
Later than five year	10,341	-
	1,010,783	-
Less: Future finance charges	(66,454)	-
Present value of lease liabilities	944,329	-

The Group leases various office buildings and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

As at 30 June 2021, the Group carrying amount of RM700,128 (31.12.2019: RMNil) is under hire purchase arrangement and is secured by a charge over the leased assets as disclosed in Note 6 to the financial statements. The interest rate of the Group for the lease liability if the reporting date is ranging 2.36% to 5.89% (31.12.2019: Nil%) per annum.

**17. Borrowings**

	<b>30.06.2021</b>	<b>Group</b>
	<b>RM</b>	<b>31.12.2019</b>
		<b>RM</b>
<b>Secured</b>		
Term loans	10,464,668	7,676,136
Bank overdrafts	3,829	-
	10,468,497	7,676,136
<b>Non-current</b>		
Term loans	9,621,005	-
<b>Current</b>		
Term loans	843,663	7,676,136
Bank overdrafts	3,829	-
	847,492	7,676,136
	10,468,497	7,676,136

The term loans and overdraft of the Group are secured by the following:

- (i) legal charge over the Group's freehold land held for property development as disclosed in Note 5(a) and 5(b) to the financial statements;
- (ii) charge on fixed deposits with licensed bank of the Group as disclosed in Note 12 to the financial statements;
- (iii) jointly and severally guaranteed by certain Directors of the Company, and
- (iv) corporate guarantee by the Company

## NOTES TO THE FINANCIAL STATEMENTS

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### 17. Borrowings (Cont'd)

The interest rates of the Group for the above facilities as at reporting date are as follows:

	30.06.2021	Group 31.12.2019
	%	%
Term loans	4.90 - 7.67	6.10 - 8.35
Bank overdrafts	6.96	-

Maturity of bank borrowings is as follows:

	30.06.2021	Group 31.12.2019
	RM	RM
Within one year	847,492	7,676,136
Later than one year and not later than five years	3,875,379	-
Later than five years	5,745,626	-
	10,468,497	7,676,136

In previous financial period, the subsidiary companies, Tiger Synergy Land Sdn. Bhd. ("TSL") and Pembinaan Terasia Sdn. Bhd. ("PTSB") had delayed the payment of their borrowing instalment obligations. Accordingly, the total outstanding term loans amounting RM7,676,136 have been classified as current liability. The subsidiary companies had repaid the delayed borrowing instalment obligations accordingly and the licensed banks had not issued any demand letter against the subsidiary companies nor have the licensed banks called upon the loan to be fully repaid.

### 18. Trade Payables

The normal trade credit terms granted to the Group range from 60 to 180 days (31.12.2019: 60 to 180 days)

### 19. Other Payables

	30.06.2021	Group 31.12.2019	30.06.2021	Company 31.12.2019
	RM	RM	RM	RM
Other payables				
- Third parties	2,119,888	1,374,895	427,843	272,982
- A Company in which a Director of the Company has substantial financial interest	178,828	191,079	-	-
Accruals	692,757	369,623	298,700	56,500
	2,991,473	1,935,597	726,543	329,482

A Company in which a Director of the Company have substantial financial interests represents unsecured, non-interest bearing and repayable on demand.

### 20. Amount Due to Directors

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The amount due to Directors are non-trade in nature, unsecured, non-interest bearing and is repayable on demand.

**21. Redeemable Convertible Notes (“RCN”)**

	<b>Group/Company</b>	
	<b>30.06.2021</b>	<b>31.12.2019</b>
	<b>RM</b>	<b>RM</b>
At 1 January/1 July	1,000,000	3,955,420
Issued during the financial period	3,000,000	64,613,941
Converted to ordinary shares during the financial period	(4,000,000)	(67,569,361)
	<hr/>	<hr/>
At 30 June/31 December	-	1,000,000

RCN issued during the financial period are analysed as:

	<b>Group/Company</b>	
	<b>30.06.2021</b>	<b>31.12.2019</b>
	<b>RM</b>	<b>RM</b>
Proceeds from issuance of RCN	3,000,000	68,000,000
Share issuance expenses	(167,940)	(3,386,059)
	<hr/>	<hr/>
	2,832,060	64,613,941

On 18 May 2018, the shareholders of the Company at the Extraordinary General Meeting approved the issuance of RCN with an aggregate principal amount of up to RM75million under a RCN programme convertible into a maximum of 750,000,000 new TSB ordinary shares of minimum conversion price at RM0.10 each in the Company. The RCN which are not redeemed or purchased, converted or cancelled by the Company, subject to there being no Event of Default, at 100% of their principle amount on the date falling 60 months from the Closing Date (“Maturity Date”).

The salient features of the RCN are as follows:

- (i) The RCN bear interest from the respective dates on which they are issued and registered at the rate of 1.0% per annum, payable semi-annually in arrears on 30 June and 31 December in each year with the last semi-annual payment of interest being made on the Maturity Date;
- (ii) The price at which each Conversion Share shall be issued upon conversion of the Notes be:
  - In respect of Tranche 1 Notes, 80% of the average closing price per share on any three (3) consecutive business days as selected by the Noteholder(s) during the forty-five (45) business days immediately preceding the relevant conversion date on which shares were traded on the Main Market of Bursa Securities;
  - In respect of Tranche 2 Notes, 80% of the average closing price per share on any three (3) consecutive business days as selected by the Noteholder(s) during the forty-five (45) business days immediately preceding the relevant conversion date on which shares were traded on the Main Market of Bursa Securities;
  - In respect of Tranche 3 Notes, 80% of the average closing price per share on any three (3) consecutive business days as selected by the Noteholder(s) during the forty-five (45) business days immediately preceding the relevant conversion date on which shares were traded on the Main Market of Bursa Securities.

Provided always that the Conversion Price for each Share shall not less than the Minimum Conversion Price.

## NOTES TO THE FINANCIAL STATEMENTS

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### 21. Redeemable Convertible Notes ("RCN") (Cont'd)

The salient features of the RCN are as follows: (Cont'd)

- (iii) The RCN are convertible at the option of the RCN holders into ordinary shares of the Company, subject to the terms of the Redemption Option at any time after the issue date of the Notes and up to the day falling seven (7) days prior to the Maturity Date;
- (iv) If the conversion price is less than or equal to 65% of the average of the daily traded volume weighted average price per new share for the forty-five (45) market days prior to the relevant closing date in respect of each first sub-tranche of the respective tranches of the Notes ("Conversion Downside Price"), the Company may redeem the Notes presented for conversion in cash at an amount calculated in accordance with the fixed formula; and
- (v) Any RCN not converted at maturity date may be redeemed by the Company at 100% of their principal amount.

### 22. Revenue

	Group	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Revenue from contracts with customers:		
- Sale of goods	8,041,777	3,249,712
- Property development	4,500,000	3,200,000
- Rendering of services		
Timber and plantation services	-	13,398,838
	12,541,777	19,848,550
<b>Geographical market:</b>		
Malaysia	12,541,777	19,848,550
<b>Timing of revenue recognition:</b>		
At a point in time	12,541,777	6,449,712
Over time	-	13,398,838
Total revenue from contracts with customers	12,541,777	19,848,550

### 23. Finance Costs

	Group	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Interest expenses on:</b>		
Bank overdraft	197,752	304,942
Finance lease liabilities	-	192,753
Lease liabilities	75,943	-
Term loans	779,090	870,927
	1,052,785	1,368,622

**NOTES TO THE FINANCIAL STATEMENTS**

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**24. Loss Before Taxation**

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Auditors remuneration				
- current year	233,300	147,000	130,000	55,000
- under/(over) provision in prior year	44,354	(7,068)	29,000	-
Amortisation of right-of-use assets	422,197	-	-	-
Bad debts written off	12,506	-	-	-
Depreciation of property, plant and equipment	907,299	1,546,462	37,952	31,833
Lease expenses relating to short-term leases	70,500	-	48,000	-
Net gain on impairment of financial instruments:				
- Impairment loss on:				
- Trade receivables	45,865	-	-	-
- Other receivables	107,950	-	-	-
- Reversal of impairment loss on:				
- Trade receivables	(500,000)	-	-	-
	(346,185)	-	-	-
Gain on disposal of				
- property, plant and equipment	(82,930)	(8,300)	-	-
Non-executive Directors remuneration				
- Fees	144,000	224,000	144,000	224,000
Rental expenses	-	416,079	-	144,000
Right-of-use assets written off	323,675	-	-	-
Waiver of Directors remuneration	-	(663,103)	-	-
Impairment loss on non-financial assets				
- Investment in subsidiary companies	-	-	2,041,970	-
- Inventories	33,790	-	-	-
Interest income	(42,106)	(66,986)	(987)	(1,191)
Management fees	-	-	(770,000)	(1,860,000)

## NOTES TO THE FINANCIAL STATEMENTS

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### 25. Taxation

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Tax (credit)/expenses recognised in profit or loss</b>				
Current tax provision	-	3,316	-	-
(Over)/Under provision in prior periods	(52,031)	47,510	-	-
	(52,031)	50,826	-	-
<b>Deferred tax</b>				
Origination and reversal of temporary differences	-	(11,900)	-	(11,900)
	(52,031)	38,926	-	(11,900)

Malaysian income tax is calculated at the statutory tax rate of 24% (31.12.2019: 24%) of the estimated assessable profits for the financial period. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax (credit)/expenses applicable to loss before tax at the statutory tax rate to income tax (credit)/expenses at the effective income tax of the Group and the Company are as follows:

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Loss before taxation	(22,666,473)	(9,264,889)	(5,020,371)	(3,785,877)
At Malaysian statutory tax rate of 24% (2019: 24%)	(5,439,954)	(2,223,573)	(1,204,889)	(908,610)
Expenses not deductible for tax purposes	518,621	683,707	361,270	420,895
Income not subject to tax	(66,694)	-	-	-
Deferred tax assets not recognised	4,988,027	1,531,282	843,619	475,815
(Over)/Under provision in prior years	(52,031)	47,510	-	-
	(52,031)	38,926	-	(11,900)

**NOTES TO THE FINANCIAL STATEMENTS**

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**25. Taxation (Cont'd)**

The Group and the Company have the following estimated unutilised capital allowances and unused tax losses available for carry forward to offset against future taxable profits. The said amounts are subject to approval by the tax authorities.

	<b>Group</b>		<b>Company</b>	
	<b>30.06.2021</b>	<b>31.12.2019</b>	<b>30.06.2021</b>	<b>31.12.2019</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Unutilised tax losses	36,187,444	16,508,383	8,847,181	5,332,255
Unabsorbed capital allowances	6,672,306	5,567,925	257	103
	<b>42,859,750</b>	<b>22,076,308</b>	<b>8,847,438</b>	<b>5,332,358</b>

With effect from year of assessment 2019, the unused tax losses are allowed to be carried forward up to a maximum seven consecutive years of assessment under the current tax legislation. The other temporary differences do not expire under current tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	<b>Group</b>		<b>Company</b>	
	<b>30.06.2021</b>	<b>31.12.2019</b>	<b>30.06.2021</b>	<b>31.12.2019</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Unutilised tax losses to be carried forward until:				
- Year of assessment 2026	16,508,383	16,508,383	5,332,255	5,332,255
- Year of assessment 2028	19,679,061	-	3,514,926	-
	<b>36,187,444</b>	<b>16,508,383</b>	<b>8,847,181</b>	<b>5,332,255</b>

**26. Loss Per Share**

## (a) Basic loss per share

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

	<b>Group</b>	
	<b>01.01.2020</b>	<b>01.07.2018</b>
	<b>to</b>	<b>to</b>
	<b>30.06.2021</b>	<b>31.12.2019</b>
	<b>RM</b>	<b>RM</b>
Loss attributable to owners of the parent for basic earnings	(22,614,442)	(9,303,815)
Weighted average number of ordinary shares in issue		
Issued ordinary shares at 1 January/1 July	1,398,460,584	441,844,537
Effect of ordinary shares issued during the financial period	65,872,084	581,637,980
Weighted average number of ordinary shares at 30 June/31 December	1,464,332,668	1,023,482,517
Basic loss per share (in sen)	(1.54)	(0.91)



## NOTES TO THE FINANCIAL STATEMENTS

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### 26. Loss per share (Cont'd)

#### (b) Diluted losses per share

Diluted losses per share are calculated based on the adjusted consolidated loss for the financial period attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	01.01.2020 to 30.06.2021 RM	Group 01.07.2018 to 31.12.2019 RM
Loss attributable to owners of the parent for basic earnings	(22,614,442)	(9,303,815)
Adjustment in respect of RCN	-	10,000
Loss attributable to owners of the parent (diluted)	(22,614,442)	(9,293,815)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	1,464,332,668	1,023,482,517
Adjusted for assumed conversion of RCN	-	10,000,000
Weighted average number of ordinary shares at 30 June/31 December (diluted)	1,464,332,668	1,033,482,517
Diluted loss per ordinary share (in sen)	(1.54)	(0.90)

### 27. Deferred tax assets

	30.06.2021 RM	Group 31.12.2019 RM	30.06.2021 RM	Company 31.12.2019 RM
At 1 January/1 July	-	11,900	-	11,900
Recognised in profit or loss	-	(11,900)	-	(11,900)
At 30 June/31 December	-	-	-	-

The components and movements of deferred tax liabilities are as follows:

	30.06.2021 RM	Group 31.12.2019 RM	30.06.2021 RM	Company 31.12.2019 RM
<b>Deferred tax liabilities</b>				
<b>Accelerated capital allowances</b>				
At 1 January/1 July	-	11,900	-	11,900
Recognised in profit or loss	-	(11,900)	-	(11,900)
At 30 June/31 December	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS**

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**27. Deferred tax assets (Cont'd)**

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

	Group		Company	
	30.06.2021 RM	31.12.2019 RM	30.06.2021 RM	31.12.2019 RM
Unutilised tax losses	36,228,849	16,549,711	8,847,179	5,332,179
Unutilised capital allowances	6,672,128	5,567,822	79	-
	42,900,977	22,117,533	8,847,258	5,332,179

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset.

**28. Employees Share Option Scheme ("ESOS")**

At extraordinary general meeting held on 29 May 2014, the Company's shareholders approved the establishment of an ESOS of not more than 15% of the issued share capital of the Company at any point of time throughout the duration of the ESOS to eligible Directors and employees of the Group.

The salient features of the ESOS are, inter alia, as follows:

- (i) Any employee or any Executive Director or any Non-Executive Director of the Group shall be eligible to participate in the ESOS if, as at the date of offer ("Offer Date"), the person:
  - (a) is a Malaysian citizen;
  - (b) has attained the age of eighteen (18) years;
  - (c) in the case of an employee or an Executive Director, is employed by and on the payroll of any company within the Group (save for companies which are dormant) and whose employment on a full-time basis with any company within the Group (save for companies which are dormant) has been confirmed in writing for a period of at least thirty-six (36) full months (or such shorter period as determined by the ESOS Committee at its discretion) of continuous service, or has been in employment of any company within the Group (save for companies which are dormant) on a full time basis for a period of at least thirty-six (36) full months (or such shorter period as determined by the ESOS Committee at its discretion) of continuous service where the employee is employed by any company within the Group (save for companies which are dormant) on a contract basis;
  - (d) in the case of a Non-Executive Director, must be an existing non-executive director of the Company.
- (ii) The total number of new shares to be allotted under the ESOS shall not exceed 15% of the issued share capital of the Company at any point of time during the duration of the ESOS.
- (iii) The ESOS shall be in force for a period of 5 years from 2 October 2014 provided that before the final year of the ESOS, the Board of Directors may extend for up to another 5 years on the duration of ESOS commencing from the expiration of the original 5 years. The duration of the ESOS shall not be more than 10 years from its effective date. On 25 July 2019 the Company has extend its existing ESOS which is expiring on 1 October 2019 for another 5 years until 1 October 2024.
- (iv) The price at which the grantee is entitled to subscribe for shares under the ESOS shall be the weighted average market price of the shares for the five (5) market days immediately preceding the Date of Offer, subject to a discount of not more than ten percent (10%) which the Company may at its discretion decide to give.
- (v) The option granted to a grantee under the ESOS is exercisable only by that grantee, in the case where that grantee is an employee, during his employment with the Group and within the option period subject to the By-laws, and in the case where that grantee is an Executive Director or Non-Executive Director, during his services as a Director with the Group or the Company (as the case may be) and within the option period subject to By-laws.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 28. Employees Share Option Scheme (“ESOS”) (Cont’d)

Movement in the number of share options and the weighted average exercise prices are as follows:

Date of Offer	Exercise Price RM	Number of options over ordinary shares			
		At 01.01.2020	Granted	Exercised	At 30.06.2021
31.01.2020	RM0.083	-	26,250,000	(26,250,000)	-
03.06.2020	RM0.078	-	2,750,000	(2,750,000)	-
03.06.2020	RM0.073	-	1,180,000	(1,180,000)	-

The fair value of services received in return for share options granted during the financial period is based on the fair value of share options granted, estimated by the management using Black-Scholes-Merton model, taking into account the terms and conditions upon which the options were granted. The weighted average fair value of share options measured at grant date and the assumptions are as follows:

	30.06.2021	31.12.2019
Fair value at grant date (RM)	0.06	0.038 - 0.057
Weighted average share price at grant date (RM)	0.073	0.070
Weighted average volatility (%)	100.00	146.28
Expected weighted average option life (years)	5.0	0.1 - 5.0
Risk-free interest rate (%)	3.29	3.32
Expected dividends yield (%)	Nil	Nil

The expected life of the share options is based on historical data, has been adjusted according to management’s best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting the market conditions attached to the option), and behavioural considerations. The expected volatility is based on the historical share price volatility over the past 3 years, adjusted for unusual or extraordinary volatility arising from certain economic or business occurrences which is not reflective of its long-term average level. While the expected volatility is assumed to be indicative of future trends, it may not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

### 29. Staff Costs

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Salaries, wages and others	2,994,326	1,676,343	144,000	224,000
Defined contribution plan	170,630	70,417	-	-
Share-based payment	1,810,800	6,077,669	1,810,800	3,858,869
Other benefits	230	207	-	-
	4,975,986	7,824,636	1,954,800	4,082,869

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 29. Staff Costs (Cont'd)

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiary companies during the financial period as below:

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Executive Directors</b>				
Salaries and other emoluments	1,918,400	683,628	-	-
Defined contribution plan	55,885	9,000	-	-
Share-based payment	1,236,000	3,858,869	1,236,000	3,858,869
Other benefits	-	207	-	-
	3,210,285	4,551,704	1,236,000	3,858,869

### 30. Reconciliation of Liabilities Arising from Financing Activities

	At 1 January RM	Adjustment on adopting MFRS 16 RM	Financing cash flows (i) RM	Converted to ordinary shares RM	Other changes (ii) RM	At 30 June RM
<b>30.06.2021</b>						
<b>Group</b>						
<b>Financial liabilities</b>						
Amount due to Directors	236,945	-	13,468	-	-	250,413
RCN	1,000,000	-	3,000,000	(4,000,000)	-	-
Finance lease liabilities	1,379,393	(1,379,393)	-	-	-	-
Lease liabilities	-	1,794,057	(849,728)	-	-	944,329
Term loans	7,676,136	-	2,196,611	-	591,921	10,464,668
	10,292,474	414,664	4,360,351	(4,000,000)	591,921	11,659,410
<b>Company</b>						
<b>Financial liabilities</b>						
Amount due to Directors	29,002	-	(2,330)	-	-	26,672
RCN	1,000,000	-	3,000,000	(4,000,000)	-	-
	1,029,002	-	2,997,670	(4,000,000)	-	26,672

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 30. Reconciliation of Liabilities Arising from Financing Activities (Cont'd)

31.12.2019 Group	At 1 July RM	Financing cash flows (i) RM	Converted to ordinary shares RM	New finance leases RM	At 31 December RM
<b>Financial liabilities</b>					
Amount due to Directors	236,945	-	-	-	236,945
RCN	3,955,420	64,613,941	(67,569,361)	-	1,000,000
Finance lease liabilities	1,824,644	(545,251)	-	100,000	1,379,393
Term loans	8,544,824	(868,688)	-	-	7,676,136
	14,561,833	63,200,002	(67,569,361)	100,000	10,292,474
<b>Company</b>					
<b>Financial liabilities</b>					
Amount due to Directors	29,002	-	-	-	29,002
RCN	3,955,420	64,613,941	(67,569,361)	-	1,000,000
	3,984,422	64,613,941	(67,569,361)	-	1,029,002

(i) The financing cash flows include the net amount of proceeds from or repayments of amount due to Directors, redeemable convertible notes, finance lease liabilities, lease liabilities, and term loans in the statements of cash flows.

(ii) Other changes include capitalisation of borrowing costs, interest accruals and payments.

### 31. Financial Guarantees

	30.06.2021 RM	Company 31.12.2019 RM
<b>Unsecured</b>		
Corporate guarantees given to the licensed banks for credit facility granted to subsidiary companies	10,468,497	7,676,136

### 32. Related Party Disclosures

#### (a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

**NOTES TO THE FINANCIAL STATEMENTS**

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**32. Related Party Disclosures (Cont'd)**

## (b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere to the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	<b>Group</b>	
	<b>01.01.2020 to 30.06.2021 RM</b>	<b>01.07.2018 to 31.12.2019 RM</b>
<b>Transactions with companies in which Directors of the Company have substantial financial interest</b>		
- Rental expenses on premises	121,338	121,338
<hr/>		
<b>Group</b>		
<b>Transactions with Directors and their close family members</b>		
- Sales of land	500,000	-
- Sales of apartment	180,000	-
- Rental expenses on premises	69,741	69,741
	<hr/>	<hr/>
	749,741	69,741
<hr/>		
<b>Company</b>		
<b>Transactions with subsidiary companies</b>		
- Management fee income	770,000	1,860,000
	<hr/>	<hr/>

## (c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>01.01.2020 to 30.06.2021 RM</b>	<b>01.07.2018 to 31.12.2019 RM</b>	<b>01.01.2020 to 30.06.2021 RM</b>	<b>01.07.2018 to 31.12.2019 RM</b>
<b>Executive Directors</b>				
Salaries and other emoluments	1,918,400	683,628	-	-
Defined contribution plan	55,885	9,000	-	-
Share-based payment	1,236,000	3,858,869	1,236,000	3,858,869
Other benefits	-	207	-	-
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	3,210,285	4,551,704	1,236,000	3,858,869
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## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 32. Related Party Disclosures (Cont'd)

(c) Compensation of key management personnel (Cont'd)

	Group		Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
<b>Non-Executive Directors</b>				
Director fee	144,000	224,000	144,000	224,000
<b>Other key management personnel</b>				
Salaries and other emoluments	542,761	396,886	-	-
Defined contribution plan	59,470	40,315	-	-
	602,231	437,201	-	-

### 33. Operating Segments

Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure.

Trading	: Trading of gloves
Property development	: Development of residential and commercial properties
Batching plant	: Production and sale of concrete mix and other concrete
Plantation and timber services	: Provision of site clearance, earthwork, and labour services of land area
Others	: Property investment, trading of plywood, building materials and general trading, money landing services and investment holding

Segment revenue, results and assets include items directly attributable to a segment and those where a reasonable basis of allocation exists. Inter-segment revenues are eliminated on consolidation.

Segment profit is used to measure performances as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities operate within these industries.

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group's Executive Chairman. Segment total assets are used to measure the return of assets of each segment.

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group's Executive Chairman.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

## 33. Operating Segments (Cont'd)

(a) Business segment

	Trading RM	Property Development RM	Batching Plant RM	Others RM	Elimination RM	Consolidated RM
<b>30.06.2021</b>						
<b>REVENUE</b>						
Total revenue	7,048,800	4,500,000	992,977	-	-	12,541,777
<b>RESULTS</b>						
Loss from operations	(19,038)	(15,898,177)	(2,198,204)	(5,541,640)	2,043,371	(21,613,688)
Finance costs						(1,052,785)
Taxation						52,031
Loss for the financial period						(22,614,442)
<b>OTHER INFORMATION</b>						
Segment assets	3,389,392	288,611,080	2,738,378	331,989,411	(326,187,535)	300,540,726
Segment liabilities	4,640,728	302,424,544	8,267,914	15,677,845	(312,776,225)	18,234,806
Capital expenditure	-	2,082	31,174	95,948	-	129,204
Depreciation and amortisation	-	211,899	899,773	217,824	-	1,329,496
<b>31.12.2019</b>						
<b>REVENUE</b>						
Sales	13,398,838	3,200,000	3,249,712	-	-	19,848,550
Intersegment revenue	-	-	275,000	-	(275,000)	
Total revenue	13,398,838	3,200,000	3,524,712	-	(275,000)	19,848,550
<b>RESULTS</b>						
Loss from operations	50,360	(3,414,539)	(914,733)	(3,867,335)	250,000	(7,896,267)
Finance costs						(1,368,622)
Taxation						(38,926)
Loss for the financial period						(9,303,815)
<b>OTHER INFORMATION</b>						
Segment assets	22,487,071	278,155,301	3,855,184	328,928,168	(323,313,856)	310,111,868
Segment liabilities	29,922,803	268,669,193	7,234,702	15,333,756	(307,858,175)	13,302,279
Capital expenditure	-	-	3,838,000	-	-	3,838,000
Depreciation of property, plant and equipment	150,975	477,727	876,868	40,892	-	1,546,462



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 33. Operating Segments (Cont'd)

#### (b) Information about major customers

The following are the major customers individually accounting for 10% or more of the Group's revenue for current financial period and prior financial period:

	Company	
	01.01.2020 to 30.06.2021 RM	01.07.2018 to 31.12.2019 RM
Customer A	-	3,769,858
Customer B	-	2,197,570
Customer C	-	2,431,410
Customer D	-	2,600,000
Customer E	-	5,000,000
Customer F	4,000,000	-
Customer G	7,048,800	-
	11,048,800	15,998,838

### 34. Financial Instruments

#### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	Group		Company	
	30.06.2021 RM	31.12.2019 RM	30.06.2021 RM	31.12.2019 RM
<b>At Amortised Cost</b>				
<b>Financial Assets</b>				
Trade receivables	3,927,210	983,874	-	-
Other receivables	3,642,543	8,437,750	-	100,948
Amount owing from subsidiary companies	-	-	305,101,313	300,152,829
Fixed deposits with financial institutions	325,601	325,601	29,000	29,000
Cash and bank balances	10,618,578	1,853,024	7,808	241,877
	18,513,932	11,600,249	305,138,121	300,524,654
<b>Financial Liabilities</b>				
Trade payables	3,038,291	480,374	-	-
Other payables	2,991,473	1,935,597	726,543	329,482
Amount due to directors	250,413	236,945	26,672	29,002
Amounts due to subsidiary companies	-	-	7,626,006	7,493,830
Redeemable convertible notes	-	1,000,000	-	1,000,000
Finance lease liabilities	-	1,379,393	-	-
Lease liabilities	944,329	-	-	-
Borrowings	10,468,497	7,676,136	-	-
	17,693,003	12,708,445	8,379,221	8,852,314

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity and interest rate and market price risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

##### (i) Credit risk

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

##### Trade receivables

###### *Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis via the Group's management reporting procedures and action will be taken for long overdue debts. Majority of the trade receivables are from trading activities.

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

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

There are no significant changes as compared to previous financial period.

###### *Exposure to credit risk, credit quality and collateral*

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

###### *Concentration of credit risk*

As at the end of the financial period, the Group has 1 (31.12.2019: 1) major customers and accounted for approximately 70% (31.12.2019: 71%) of the trade receivables outstanding.

###### *Recognition and measurement of impairment loss*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within credit terms. The Group's debt recovery process is that when invoices exceeded the credit terms, the Group will start to initiate a structured debt recovery process which is monitored by sales team.

The Group uses an allowance matrix to measure ECLs for trade receivables. Consistent with the debt recovery process, invoices which are more than credit terms may be considered as credit impaired.

Loss rates are based on actual credit loss experience over the past three years. Nevertheless, the Group believes that the forward-looking factors are immaterial for the purpose of impairment calculation for the financial period.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

##### Trade receivables (Cont'd)

##### Recognition and measurement of impairment loss (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at reporting period of the Group.

	Gross amount RM	Loss allowance RM	Net amount RM
<b>Group</b>			
<b>30.06.2021</b>			
Neither past due nor impaired	3,168,000	-	3,168,000
<i>Past due not impaired:</i>			
31 to 60 days	109,621	-	109,621
More than 90 days	695,454	(45,865)	649,589
	3,973,075	(45,865)	3,927,210
<b>Credit impaired:</b>			
More than 90 days past due			
Individual impaired	9,278,107	(9,278,107)	-
	13,251,182	(9,323,972)	3,927,210
<b>Group</b>			
<b>31.12.2019</b>			
<i>Past due not impaired:</i>			
31 to 60 days	204,152	-	204,152
61 to 90 days	779,722	-	779,722
	983,874	-	983,874
<b>Credit impaired:</b>			
More than 90 days past due			
Individual impaired	9,778,107	(9,778,107)	-
	10,761,981	(9,778,107)	983,874

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

	Lifetime ECL RM	Credit impaired RM	Total RM
<b>Group</b>			
<b>30.06.2021</b>			
At beginning of financial period	-	9,778,107	9,778,107
Impairment losses recognised	45,865	-	45,865
Impairment losses reversed	-	(500,000)	(500,000)
At end of financial period	45,865	9,278,107	9,323,972
<b>31.12.2019</b>			
At 1 July 2018/ 31 December 2019	-	9,778,107	9,778,107

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

###### Cash and cash equivalents

*Risk management objectives, policies and processes for managing the risk*

The cash and cash equivalents are held with banks and financial institutions. The Group and the Company have a credit policy in place to control credit risk by deposit with banks and financial institutions with good credit rating.

*Exposure to credit risk, credit quality and collateral*

At the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amount in the statements of financial position.

*Recognition and measurement of impairment loss*

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

###### Other receivables

*Risk management objectives, policies and processes for managing the risk*

Credit risks on other receivables are mainly arising from receivables from third parties. The Group and the Company manage the credit risk on an ongoing basis via the Group and the Company's management reporting procedures and action will be taken for long outstanding debts.

*Exposure to credit risk, credit quality and collateral*

At the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amount in the statement of financial position.

*Recognition and measurement of impairment loss*

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

	30.06.2021 RM	Group 31.12.2019 RM
<b>Lifetime ECL</b>		
As at 1 January/1 July	-	-
Impairment losses recognised	107,950	-
As at 30 June/31 December	107,950	-

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

###### Financial guarantees

*Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to subsidiary companies. The Company monitors the ability of the subsidiary companies to service its loans on an individual basis.

*Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk for the financial guarantees of the Group and of the Company as disclosed in Note 31 to the financial statements.

*Recognition and measurement of impairment loss*

There is no history of default from subsidiary company and there are no indicators that any going concern from them. The Company is of the view that loss allowance is not material and hence, it is not provided for.

###### Inter-company loans and advances

*Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors the ability of the subsidiary companies to repay the loans and advances on an individual basis.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

*Recognition and measurement of impairment loss*

Generally, the Company considers loans and advances to subsidiary companies have low credit risk because there is no indicator that any going concern from subsidiary companies, except as follows. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

##### (ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. 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's and the Company's funding requirements and liquidity risk is managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

## 34. Financial Instruments (Cont'd)

## (b) Financial risk management (Cont'd)

## (ii) Liquidity risk (Cont'd)

Group	On demand or within 1 year RM	1 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
<b>30.06.2021</b>					
<u>Non-derivative financial liabilities</u>					
Trade payables	3,038,291	-	-	3,038,291	3,038,291
Other payables	2,991,473	-	-	2,991,473	2,991,473
Amount due to directors	250,413	-	-	250,413	250,413
Lease liabilities	450,714	549,728	10,341	1,010,783	944,329
Borrowings	1,436,911	5,892,372	7,973,628	15,302,911	10,468,497
	8,167,802	6,442,100	7,983,969	22,593,871	17,693,003
<b>31.12.2019</b>					
<u>Non-derivative financial liabilities</u>					
Trade payables	480,374	-	-	480,374	480,374
Other payables	1,935,597	-	-	1,935,597	1,935,597
Finance lease liabilities	433,029	1,015,727	67,939	1,516,695	1,379,393
Redeemable convertible notes	1,000,000	-	-	1,000,000	1,000,000
Borrowings	10,321,699	-	-	10,321,699	7,676,136
	14,170,699	1,015,727	67,939	15,254,365	12,471,500
<b>Company</b>					
<b>30.06.2021</b>					
<u>Non-derivative financial liabilities</u>					
Other payables		726,543		726,543	726,543
Amount due to directors		26,672		26,672	26,672
Amounts due to subsidiary companies		7,626,006		7,626,006	7,626,006
Financial guarantee*		10,468,497		10,468,497	-
		18,847,718		18,847,718	8,379,221
<b>31.12.2019</b>					
<u>Non-derivative financial liabilities</u>					
Other payables		329,482		329,482	329,482
Amount due to directors		29,002		29,002	29,002
Amounts due to subsidiary companies		7,493,830		7,493,830	7,493,830
Redeemable convertible notes		1,000,000		1,000,000	1,000,000
Financial guarantee*		7,676,136		7,676,136	-
		16,528,450		16,528,450	8,852,314

\* Based on the maximum amount that can be called for under the financial guarantee contract.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management (Cont'd)

##### (iii) Market risk

##### (a) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	30.06.2021	Group 31.12.2019	30.06.2021	Company 31.12.2019
	RM	RM	RM	RM
<b>Fixed rate instruments</b>				
<b>Financial assets</b>				
Fixed deposits with financial institutions	325,601	325,601	29,000	29,000
<b>Financial liabilities</b>				
Redeemable convertible notes	-	1,000,000	-	1,000,000
Finance lease liabilities	-	1,379,393	-	-
	-	2,379,393	-	1,000,000
<b>Floating rate instruments</b>				
<b>Financial liabilities</b>				
Term loans	10,464,668	7,676,136	-	-
Bank overdrafts	3,829	-	-	-
	10,468,497	7,676,136	-	-

#### Interest rate risk sensitivity analysis

##### Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in market interest rates at the end of the reporting period would not affect profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 34. Financial Instruments (Cont'd)

#### (b) Financial risk management (Cont'd)

##### (iii) Market risk (Cont'd)

##### (a) Interest rate risk (Cont'd)

##### Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased / (decreased) the Group loss before tax by RM104,685 (31.12.2019: RM76,761) respectively, arising mainly as a result of lower / higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

#### (c) Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term loans borrowings approximate their fair value due to the relatively short term nature of these financial instruments and/or insignificant impact of discounting.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value			Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	
<b>31.12.2019</b>				
<b>Financial liability</b>				
Finance lease liabilities	-	1,234,686	-	1,379,393

##### (i) Policy on transfer between levels

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

There were no transfers between levels during current and previous financial periods.

##### (ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

##### (iii) 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

##### Non-derivative financial instruments

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

##### (iv) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.



## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 35. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a gearing ratio. The Group's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	Group		Company	
	30.06.2021 RM	31.12.2019 RM	30.06.2021 RM	31.12.2019 RM
Total loans and borrowings	11,412,826	10,055,529	-	1,000,000
Less: Deposits, bank and cash balances	(10,944,179)	(2,178,625)	(36,808)	(270,877)
Net debt	468,647	7,876,904	(36,808)	729,123
Total equity	282,305,920	296,809,589	312,350,883	309,248,297
Gearing ratio	0.0017	0.0265	#	0.0024

# The gearing ratio is not applicable as the Company does not has any loan and borrowings as at 30 June 2021.

There were no changes in the Group's approach to capital management during the financial periods.

### 36. Significant Event

#### Outbreak of Coronavirus Pandemic ("Covid-19")

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic in recognition of its rapid spread across the globe. The COVID-19 outbreak has resulted in travel restrictions, quarantines, lockdowns and other precautionary measures imposed by various countries. The emergence of the COVID-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia.

The Group's operations have been disrupted by a series of precautionary and control measures taken by the government and private corporations in response to the emergency of the pandemic. However, the management has assessed the overall impact and of the opinion that there were no any major adverse impacts arising from the pandemic for the financial period ended 30 June 2021.

At the date of the approval of financial statements, given the widespread nature of the outbreak and the unpredictability of future development of COVID-19, the Group is unable to reasonably estimate the potential financial impact of COVID-19 outbreak on the Group's 2022 financial statement reliably at this juncture. Nevertheless, the Group will continue to monitor the situation surrounding the pandemic and will be taking appropriate and timely measures to minimise the potential adverse impact arising from the pandemic in the Group's operations.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 37. Subsequent event

On 13 January 2021, the Company had proposed to undertake a renounceable rights issue with warrants entails a provisional allotment of up to 1,101,480,437 Rights Shares together with up to 1,101,480,437 free Warrants D on a renounceable basis of 3 Rights Shares together with 3 free Warrants D for every 4 existing Shares held by the Entitled Shareholders on the Entitlement Date, at an issue price of RM0.04 per Rights Share.

On 29 July 2021, the Shareholders had approved the Rights Issue with Warrants at the EGM of the Company.

On 11 October 2021, the right issue with warrants has been completed following the listing and quotation on the Main Market of Bursa Securities.

### 38. Comparative information

The financial statements of the Company as at 31 December 2019 were audited by another firm of chartered accountant.

Certain comparatives were restated to conform with current financial period's presentation. There was no significant impact to the financial performance in relation to the financial period ended 30 June 2021.

### 39. Material litigation

Kuala Lumpur High Court Originating Summons No. WA-24NCC-229-06/2020 ("OS 229")

Safari Alliance Sdn Bhd ("Plaintiff")

vs

Tan Lee Chin (1st Defendant), Dato Tan Wei Lian (2nd Defendant), Chua Eng Chin (3rd Defendant), Dato Khoo Seng Hock (4th Defendant), Low Boon Chin (5th Defendant), Datin Sek Chian Nee (6th Defendant), Dato Lee Yuen Fong (7th Defendant) and Tiger Synergy Berhad (8th Defendant)

Safari Alliance Sdn Bhd ("Safari"), a shareholder of Tiger Synergy Berhad ("TSB"), claimed against TSB and its Directors for, amongst others, a declaration that the affairs of TSB had been conducted in a manner oppressive to TSB's members pursuant to Section 346 of the Companies Act 2016

Safari had also made several applications:

- an injunction application to restrain TSB from issuing or allotting shares pursuant to Resolution No.4 passed at TSB's 24th Annual General Meeting convened on 9.6.2020 ("AGM") pending the disposal of OS 229 ("1st Injunction Application");
- an injunction application to restrain Dato' Tan Wei Lian ("TWL") and Dato' Chua Eng Chin from acting as Directors of TSB pending the disposal of OS 229 ("2nd Injunction Application"); and
- an injunction application to restrain TSB from proceeding with its Proposed Rights Issue with Warrants ("Proposed Rights Issue"), as announced by TSB on Bursa on 13.1.2021, pending the disposal of OS 229 ("3rd Injunction Application");

On 7 July 2020 the High Court had granted an *ad interim injunction* on 7 July 2020 to restrain TSB from allotting new shares pursuant to the said Resolution No.4 passed at the AGM;

On 9 June 2021, the High Court had dismissed OS 229 without any costs being awarded to TSB, dismissed the 1st, 2nd and 3rd Injunction Application with no order as to costs.

As a result of the dismissal of OS 229, the *ad interim injunction* on 7 July 2020 is no longer in effect.

Safari has since filed several appeals with regards to the decision of the High Court on an appeal against the dismissal of OS 229 vide the Court of Appeal Civil Appeal No. W-02(NCC)(A)-1180-06/2021, appeal against the dismissal of the 1st Injunction Application vide the Court of Appeal Civil Appeal No. W-02(IM)(NCC)-1185-06/2021 and appeal against the dismissal of the 2nd Injunction Application vide the Court of Appeal Civil Appeal No. W-02(IM)(NCC)-1186-06/2021.

The Appeals are pending before the Court of Appeal

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

### 39. Material litigation (Cont'd)

Kuala Lumpur High Court Originating Summons No. WA-24NCC-366-08/2020 ("OS 366")

Dato Tan Wei Lian ("Plaintiff")

vs

Goh Ching Mun, Andy (1st Defendant), Safari Alliance Sdn Bhd (2nd Defendant), Wong Guang Seng (3rd Defendant), Tan Say Cheong (4th Defendant), Leong Keng Wai (5th Defendant), Nutri Pharmax Sdn Bhd (6th Defendant), Lau Teng Fun & Sons Sdn Bhd (7th Defendant) and Tiger Synergy Berhad ("8th Defendant")

TWL claimed against TSB and several of its shareholders for, amongst others:

- a declaration that he is a "person aggrieved" under Section 360(1)(d) of the Capital Markets and Services Act 2007; and
- that pending any ruling by the Securities Commission of Malaysia on his complaint dated 5th September 2019, the shareholders named as Defendants be restrained from inter alia exercising their rights as shareholders of TSB;

All the shareholders applied to strike out TWL's claim and on 31 May 2021, the High Court had struck out TWL's claim in OS 336 and had awarded costs of RM3,000.00 to be paid by TWL to TSB.

Kuala Lumpur High Court Writ of Summons No. WA-22NCC-316-07/2021 ("Suit 316")

Safari Alliance Sdn Bhd ("Plaintiff")

vs

Dato Tan Wei Lian (1st Defendant), Tan Lee Chin (2nd Defendant), Datin Sek Chian Nee (3rd Defendant), Dato Khoo Seng Hock (4th Defendant), Dato Lee Yuen Fong (5th Defendant), Low Boon Chin (6th Defendant), Chua Eng Chin (7th Defendant), Datin Sulizah Binti A. Salam (8th Defendant) and Tiger Synergy Berhad (9th Defendant)

Safari claims against TSB and its Directors for, amongst others:

- a declaration that the Directors of TSB have acted in excess of their powers in seeking to raise funds via the Proposed Rights Issue;
- a declaration that the Proposed Rights Issue is a related party transaction within Chapter 10 of Bursa's Main Market Listing Requirements;
- a declaration that TSB's circular in relation to the Proposed Rights Issue dated 14 July 2021 ("Circular") contains insufficient disclosure to allow the shareholders of TSB to make an informed decision;
- an order that the TSB's Notice of Meeting dated 13 July 2021 in respect of TSB's Extraordinary General Meeting on 29 July 2021 ("EGM") and the Circular are invalid, void and of no effect;
- an order that any resolution passed at the EGM is invalid, void and of effect

On 26 July 2021, the High Court had granted an order upon the consent of all parties wherein, amongst others, a Monitoring Accountant is to be appointed in TSB to monitor the funds raised pursuant to the Proposed Rights Issue and provide prior written consent for any utilisation of such funds by TSB; and

The Defendants had on 18 August 2021 filed the striking out applications against the Writ of Summons. The High Court has fixed the hearing of the striking out applications on 7 October 2021.

The Court has fixed the continued Hearing date on 26 October 2021.

**NOTES TO THE FINANCIAL STATEMENTS**

30 JUNE 2021

**39. Material litigation (Cont'd)**

Shah Alam High Court, Suit No.: BA-22NCVC-324-07/2019

Tiger Synergy Plantation Sdn Bhd (“Tiger Plantation”) (“Plaintiff”)

vs

Mohan S/O Ramakrishnan (Trading as Ramakrishnan & Associates) (“Mohan Ramakrishnan”) (“Defendant”)

Tiger Synergy Plantation Sdn Bhd (“Tiger Plantation”), a wholly subsidiary of the Company, had commenced a civil suit at the Shah Alam High Court against Mohan S/O Ramakrishnan (Trading as Ramakrishnan & Associates) (“Mohan Ramakrishnan”) whereby Tiger Plantation claims against Mohan Ramakrishnan for the following:-

- (i) the sum of RM2,972,000.00, being the stakeholder sum, which Mohan Ramakrishnan refused to refund / return to Tiger Plantation;
- (ii) interest thereon at the rate of 5% per annum from 4 July 2018 to date of realisation;
- (iii) an injunction restraining Mohan Ramakrishnan and/or his agents or servants from disposing or transferring any of his assets or properties in whatsoever manner up to the sum of RM2,972,000.00;
- (iv) costs of the action; and
- (v) such further and other relief which the High Court may deem fit and proper.

During the hearing held on 8 July 2020, the High Court has decided the following:-

- (i) the application of Summary Judgment by Tiger Plantation is allowed with costs of RM15,000.00 awarded in favour of Tiger Plantation;
- (ii) the application for Inter-Parte Mareva Injunction is dismissed with costs of RM10,000.00 awarded in favour of Mohan Ramakrishnan.

Mohan Ramakrishnan has filed an appeal to the Court of Appeal against the High Court’s decision which allowed Tiger Plantation’s Summary Judgment application with costs of RM15,000.00.

Tiger Plantation has also filed an appeal to the Court of Appeal against the High Court’s decision which dismissed Tiger Plantation’s Inter-Parte Mareva Injunction application with costs of RM10,000.00.

During the hearing on 11 August 2021, the Court of Appeal dismissed the appeal by Mohan Ramakrishnan against the High Court’s decision which allowed application of Summary Judgment by Tiger Plantation with cost amounting to RM5,000 awarded to Tiger Plantation subject to the allocator fee. The Court of Appeal further allowed Tiger Plantation’s appeal against dismissal of the application for Inter-Parte Mareva Injunction with cost of RM2,000 awarded to Tiger Plantation subject to the allocator fee.

The Directors are of the view that the Group has valid grounds and a good chance to recover the stakeholder sum from Defendant which amounting to RM1,312,000 (31.12.2019: RM2,972,000).

As at 30 June 2021, the Company recorded the stakeholder sum as Other Receivable as disclosed in Note 11 to the financial statements.

**40. Date of Authorisation for Issue**

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 October 2021.

## LIST OF PROPERTIES OF THE GROUP

Location	Description of Property	Tenure	Approximate Age of Building	Land/Build Up Area	Net Book Value (RM)	Date of Acquisition ("A")/ Revaluation ("R")
Geran 179321 (Lot6247), Pekan Rasah Jaya Seremban, Negeri Sembilan	Freehold Land & Semi Detached House	N/A	8 years	443sq/m	437,222	22 October 2010 (A)
Lot 2136 GM 645 & Lot 2135 GM 439 Mukim Petaling, Daerah Petaling, Selangor	Vacant Development Land	Freehold	N/A	2.97 acres	11,695,636	31 January 2011 (A)
PT 1336-PT 1362, Pekan Kuang, Mukim Rawang Selangor	Vacant Development Land	Freehold	NA	5.5 acres	28,742,045	17 April 2015 (A)
GM 267 Lot 562, Mukim Petaling, Daerah Petaling Selangor	Vacant Development Land	Freehold	N/A	1.875 acres	7,160,659	22 March 2011 (A)
Lot 738 GM 549, Geran Mukim Cheras Batu 2 1/2, Jalan Cheras, K. Lumpur	Vacant Development Land	Freehold	NA	0.8094 hectare	18,342,126	06 April 2016 (A)

## SHAREHOLDINGS ANALYSIS

BY SIZE OF SHAREHOLDINGS AS AT 21 OCT 2021

Issued Share Capital	:	2,570,120,217
Ordinary Shares Class of shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

### DISTRIBUTIONS OF SHAREHOLDINGS

Size of shareholdings	No. of Holders		No. of Shares		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less Than 100	448	8	19,674	274	0.00	0.00
100-1,000	960	6	420,706	3,200	0.02	0.00
1,001 - 10,000	1,792	21	9,143,682	84,900	0.36	0.00
10,001 - 100,000	2,693	21	111,682,414	804,660	4.35	0.03
100,001 - < 5% issued shares	1,016	14	1,957,689,282	5,496,000	76.17	0.21
5% and above of issued shares	3	0	484,775,425	0	18.86	0.00
<b>Total</b>	<b>6,912</b>	<b>70</b>	<b>2,563,731,183</b>	<b>6,389,034</b>	<b>99.75</b>	<b>0.25</b>

### SUBSTANTIAL SHAREHOLDERS

Name of shareholdings	Nationality/ Incorporated in	Direct Interest	%	Indirect Interest	%
Dato' Tan Wei Lian	Malaysian	302,832,503	11.78	69,297,125	2.69
Safari Alliance Sdn Bhd	Malaysia	159,973,400	6.22	-	-
Goh Ching Mun	Malaysian	143,750,000	5.59	159,973,400	6.22
Datin Sek Chian Nee	Malaysian	58,965,450	2.29	313,164,178	12.18
Tan Lee Chin	Malaysian	10,331,675	0.40	361,797,953	14.07

### DIRECTORS' SHAREHOLDINGS

Name of shareholdings	Nationality/ Incorporated in	Direct Interest	%	Indirect Interest	%
Dato' Tan Wei Lian	Malaysian	302,832,503	11.78	69,297,125	2.69
Datin Sek Chian Nee	Malaysian	58,965,450	2.29	313,164,178	12.18
Tan Lee Chin	Malaysian	10,331,675	0.40	361,797,953	14.07

## SHAREHOLDINGS ANALYSIS

BY SIZE OF SHAREHOLDINGS AS AT 21 OCT 2021

### LIST OF TOP 30 LARGEST SHAREHOLDERS

No	Shareholders	Shareholdings	%
1	JF APEX NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN (MARGIN)	181,052,025	7.04
2	SAFARI ALLIANCE SDN BHD	159,973,400	6.22
3	GOH CHING MUN	143,750,000	5.59
4	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WAI CHOO (T.MUTIARA-CL)	121,000,000	4.71
5	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR KOK CHEE YUN @ KOK CHEE YAN (MY0971)	120,000,000	4.67
6	AMSEC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT-AMBANK (M) BERHAD FOR TAN WEI LIAN (SMART)	118,247,978	4.60
7	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR NG WAI YUAN (MY0867)	107,999,925	4.20
8	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOK TUCK SENG (T CHERAS-CL)	99,657,600	3.88
9	TAN SAY CHEONG	94,063,550	3.66
10	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LOW SWEE FOONG (SMART)	72,946,259	2.84
11	GOH BOON SOO @ GOH YANG ENG	66,000,000	2.57
12	S.MANIARASAN A/L SINNI AH	55,000,000	2.14
13	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP (MY0502)	40,000,000	1.56
14	RAS NIAGA SETIA SDN BHD	35,794,100	1.39
15	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	35,000,000	1.36
16	KOH KIN LIP	30,000,000	1.17
17	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TU CHIA EE	30,000,000	1.17
18	YAYASAN KELANTAN DARULNAIM	26,631,350	1.04
19	M & A NOMINEE (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE HONG (M&A)	26,000,000	1.01
20	LOW HON LAI	25,000,000	0.97
21	MUHAMMAD ADAM @ EDWARD BIN ABDULLAH	25,000,000	0.97
22	ONG KHIAM CHEANG	25,000,000	0.97
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LAI CHENG KUAN (8058893)	24,000,000	0.93
24	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	22,452,850	0.87
25	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	21,396,600	0.83
26	LAU TENG FUN & SONS SDN BHD	20,000,000	0.78
27	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR NG WAI YUAN (T CHERAS-CL)	18,495,788	0.72
28	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH CHEN FOONG (MY1718)	17,500,000	0.68
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SUN PING	17,000,000	0.66
30	SENTARAN SDN. BHD.	16,500,000	0.64
	<b>TOTAL</b>	<b>1,795,461,425</b>	<b>69.86</b>

**ANALYSIS OF WARRANT HOLDINGS**

AS AT 21 OCTOBER 2021

**ANALYSIS BY SIZE OF WARRANT HOLDINGS 2021/2024 (“WARRANT D”) AS AT 21 OCTOBER 2021 AS PER THE RECORDS OF DEPOSITORS**

Total number of issued warrants	: 1,101,479,634
Exercise Price of Warrants	: RM0.04
Expiry Date of Warrants	: 04 October 2024
No. of Warrant Holders	: 753

**DISTRIBUTION OF WARRANT HOLDINGS AS AT 21 OCTOBER 2021**

Size of Warrant D Holdings	No. of Warrant D Holders		Warrant Holdings		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less Than 100	21	0	1,165	0	0.00	0.00
100-1,000	39	0	20,700	0	0.00	0.00
1,001 - 10,000	137	0	785,855	0	0.07	0.00
10,001 - 100,000	337	2	13,495,075	73,800	1.23	0.01
100,001 - <5% issued shares	209	2	536,675,382	369,975	48.72	0.03
5% and above of issued shares	6	0	550,057,682	0	49.94	0.00
	749	4	1,101,035,859	443,775	99.96	0.04

**DIRECTORS' INTEREST IN WARRANTS AS AT 21 OCTOBER 2021**

No.	Name of Directors	Direct Interest		Indirect Interest	
			%		%
1	Dato' Tan Wei Lian	208,686,144	18.94	9,709,650	0.88
2	Datin Sek Chian Nee	9,709,650	0.88	208,686,144	18.94
3	Tan Lee Chin	-	-	218,395,794	19.82
4	Dato' Lee Yuen Fong	-	-	-	-
5	Dato' Khoo Seng Hock	-	-	-	-
6	Low Boon Chin	-	-	-	-
7	Chua Eng Chin	-	-	-	-
8	Datin Sulizah Binti A. Salam	-	-	-	-



## ANALYSIS OF WARRANT HOLDINGS

AS AT 21 OCTOBER 2021

### ANALYSIS BY SIZE OF WARRANT HOLDINGS 2021/2024 ("WARRANT D") AS AT 21 OCTOBER 2021 AS PER THE RECORDS OF DEPOSITORS

#### LIST OF TOP 30 LARGEST WARRANTHOLDERS

No.	Warrant Holders	Warrant Holdings	%
1	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WAI CHOO (T.MUTIARA-CL)	145,000,000	13.16
2	JF APEX NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN (MARGIN)	106,916,625	9.71
3	AMSEC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT-AMBANK (M) BERHAD FOR TAN WEI LIAN (SMART)	100,142,019	9.09
4	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR NG WAI YUAN (MY0867)	82,454,938	7.49
5	GOH CHING MUN	59,750,000	5.42
6	RAS NIAGA SETIA SDN BHD	55,794,100	5.07
7	S.MANIARASAN A/L SINNIAH	45,500,000	4.13
8	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LOW SWEE FOONG (SMART)	40,993,625	3.72
9	TAN SAY CHEONG	40,312,950	3.66
10	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOK TUCK SENG (T CHERAS-CL)	40,010,000	3.63
11	TAMILSELVI A/P SUPPIAH	32,360,000	2.94
12	KOH KIN LIP	30,000,000	2.72
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LAI CHENG KUAN (8058893)	27,500,000	2.50
14	MUHAMMAD ADAM @ EDWARD BIN ABDULLAH	25,000,000	2.27
15	MOHD BILAL BIN ABDULLAH	18,900,000	1.72
16	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WOON JING YU	15,000,000	1.36
17	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	15,000,000	1.36
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SUN PING	15,000,000	1.36
19	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LIEW AH ONN	10,300,000	0.94
20	MOHAMED YABUDEEN BIN MOHAMED SALAHUDEEN	10,000,000	0.91
21	LOW HON LAI	9,750,000	0.89
22	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	9,622,650	0.87
23	LIEW AH ONN	8,500,000	0.77
24	AFFIN HWANG INVESTMENT BANK BERHAD IVT (LEJ)	7,500,400	0.68
25	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH CHEN FOONG (MY1718)	7,500,000	0.68
26	BERMONT DEVELOPMENT SDN. BHD.	6,292,000	0.57
27	VIVEKANANDA A/L SUBRAMANIAM	5,321,000	0.48
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN ING KIONG	5,000,000	0.45
29	TEOH SIEW GIN	5,000,000	0.45
30	POSPAVADE A/P S SUPPIAH	4,125,000	0.37
<b>TOTAL</b>		<b>984,545,307</b>	<b>89.38</b>

## NOTICE OF 25TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 25th Annual General Meeting (“**AGM**”) of Tiger Synergy Berhad (“**Tiger**” or the “**Company**”) will be conducted on a fully virtual basis via ShareWorks Sdn Bhd Online Meeting Platform hosted virtually at [www.swsb.com.my](http://www.swsb.com.my) on Monday, 6th December 2021 at 11:00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions.

### AGENDA

#### ORDINARY BUSINESS

1. Laying of the audited financial statements and the reports of the directors and auditors  
To consider the Audited Financial Statements for the financial period ended 30th June 2021 together with the Reports of the Directors and Auditors thereon. **For compliance only, no voting required.**
2. **Election of Director**  
THAT re-election of the Independent Non-Executive Director, Dato’ Lee Yuen Fong who retires in accordance with Article 71 of the Company’s Constitution, be hereby approved. **Ordinary Resolution 1**
3. **Election of Director**  
THAT re-election of the Executive Director, Datin Sek Chian Nee who retires in accordance with Article 71 of the Company’s Constitution, be hereby approved. **Ordinary Resolution 2**
4. **Election of Director**  
THAT re-election of the Independent Non-Executive Director, Datin Sulizah binti A. Salam, who retires in accordance with Article 77 of the Company’s Constitution, be hereby approved. **Ordinary Resolution 3**
5. **Appointment of auditors**  
**THAT** the appointment of Messrs UHY, Chartered Accountants, as the auditors in accordance with Article 121 of the Company’s Constitution and pursuant to Section 271(4)(a) of the Companies Act 2016 for the ensuing financial year ending 30 June 2022 be confirmed and that the directors be authorised to fix the remuneration of the auditors pursuant to Section 274(1)(a) of the Companies Act 2016 be hereby approved. **Ordinary Resolution 4**

#### SPECIAL BUSINESS

6. **Approval for directors’ meeting allowance in accordance with Article 78(a) of the Constitution and pursuant to Section 230(1)(a) of the Companies Act 2016**  
THAT approve be given for the payment of Directors’ meeting allowance of up to RM100,000.00 (2020 : RM100,000.00) for the period from this AGM until the next AGM to be held in year 2022 and be payable after the meeting in arrears. **Ordinary Resolution 5**
7. **Allotment of shares or grant of rights with the Company approval pursuant to Sections 75 and 76 of the Companies Act 2016**  
**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the directors be empowered for the purposes of Sections 75 and 76 of the Companies Act 2016 to issue shares in the Company at any time 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 issued pursuant to this resolution does not exceed 10% of the issued and paid up capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next annual general meeting be hereby approved. **Ordinary Resolution 6**
8. Retention of director as Independent Director Non-Executive Director of the Company  
**THAT** approval be and is hereby given to Dato’ Khoo Seng Hock who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company. **Ordinary Resolution 7**

## NOTICE OF 25TH ANNUAL GENERAL MEETING

### SPECIAL RESOLUTIONS

9. **Proposed adoption of a new constitution of the Company in place of the existing Memorandum and Articles of Association (“proposed new Constitution”)**

**THAT** approval be and is hereby given to replace the existing Memorandum of Association and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Appendix 1 as annexed herewith, be and is hereby adopted as the Constitution of the Company AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing. **Special Resolution 1**

10. **Proposed change of name of the Company**

“**THAT** approval be and is hereby given for the name of the Company to be changed from TIGER SYNERGY BERHAD to TWL HOLDINGS BERHAD with effect from the date of Notice of Registration of New Name to be issued by the Companies Commission of Malaysia (“CCM”) to the Company **AND THAT** the Constitution of the Company be amended accordingly, wherever the name of the Company appears.

**AND THAT** the Directors and the Secretary of the Company be and hereby authorised to take such necessary steps to give effect to the Proposed Change of Name and to carry out all the necessary formalities to effect the Proposed Change of Name of the Company.” **Special Resolution 2**

By Order of the Board  
**TIGER SYNERGY BERHAD**

Company Secretary  
**HENG CHIANG POOH FCIS (CS) (CGP)**  
**MAICSA 7009923**

Kuala Lumpur

29.10.2021

### Notes

1. The AGM of the Company will be held as a fully virtual meeting through live streaming and online remote voting using facilities provided by the Company's Poll Administrator, namely ShareWorks Sdn. Bhd. via [www.swsb.com.my](http://www.swsb.com.my). Please refer to the Administrative Guide for AGM for the procedures to register, participate and vote remotely through the facilities.
2. An online meeting platform can be recognised as the main venue of the meeting pursuant to Section 327 of Companies Act 2016 and in line with the Securities Commission Malaysia's Guidance Note if the online platform is located in Malaysia. As such, the convening of the AGM will be joined by members, the Chairman of the meeting, Board of Directors and other relevant parties via [www.swsb.com.my](http://www.swsb.com.my).
3. Pursuant to the Guidance on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and authorised representatives (“Participants”) shall communicate via real time submission of typed text through submit questions by clicking on “Ask Question” on the facilities while participating the virtual meeting.
4. In respect of deposited securities, only members whose names appear in the Record of Depositors on 29 November 2021 (“General Meeting Record of Depositors”) shall be entitled to attend, speak (in the form of real time submission of typed texts) and vote via the facilities.
5. A member entitled to attend and vote via the facilities is entitled to appoint any person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote via the facilities shall have the same rights as the member to speak at the meeting.
6. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

## NOTICE OF 25TH ANNUAL GENERAL MEETING

7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“Omnibus Account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds with ordinary shares of the Company standing to the credit of the said securities account.
8. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
9. If a corporation is a member of the Company, it may vote by any person authorised by resolution of its directors or other governing body to act as its representative at any meeting in accordance with Article 68 of the Company’s Constitution.
10. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised and shall be deposited with the power of attorney or other authority (if any) at the registered office of the Company situated at T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur or such other place as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time appointed for holding this meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.

## STATEMENT ACCOMPANYING NOTICE OF 25TH ANNUAL GENERAL MEETING

### 1. VOTING BY WAY OF POLL

Pursuant to paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this notice shall be put to vote by way of poll.

### 2. ORDINARY BUSINESS – Agenda 1

Agenda 1 is meant for compliance purposes only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the members for the audited financial statements and reports thereon. Hence, Agenda 1 is just for the Directors to lay the audited financial statements and reports thereon before the members at the annual general meeting and not put forward for voting.

### 3. ORDINARY BUSINESS – ORDINARY RESOLUTION 1, 2 & 3 RESPECTIVELY

The particulars of the retiring directors who are standing for re-election are set out in the relevant pages of the Annual Report.

Details of directors' attendance at Board Meetings are set out in the Statement of Overview on Corporate Governance of the Annual Report.

### 4. ORDINARY BUSINESS – ORDINARY RESOLUTION 4

Pursuant to Section 273(b) of the Companies Act 2016, an auditor shall cease to hold office at the conclusion of the annual general meeting next following his appointment, unless the auditor is re-appointed.

### 5. SPECIAL BUSINESS – ORDINARY RESOLUTION 5

This authorisation by the general meeting would enable the payment of directors' remuneration in accordance with Article 78(a) of the Company's Constitution as follows.

#### Article 78(a) – Remuneration of Directors

The remuneration of the Directors shall from time to time be determined by the Company in general meeting. That remuneration shall be deemed to accrue from day to day. Remuneration paid by the Company to the alternate shall be deducted from the Director nominating him. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of Directors or general meetings of the Company or in connection with the business of the Company.

### 6. SPECIAL BUSINESS – ORDINARY RESOLUTION 6

The proposed Ordinary Resolution 6 is to seek a new general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the above Meeting, to issue and allot ordinary shares of not more than ten per centum (10%) for such purposes as the Directors of the Company consider would be in the interest of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company.

This Proposed Resolution 6 which is an Ordinary Resolution, if passed, will grant a renewed general mandate which will provide flexibility for the Company and will empower the directors to issue new shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the purpose of funding current and/or future investment projects, working capital, and/or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied at a general meeting, will be valid until the conclusion of the next annual general meeting.

## STATEMENT ACCOMPANYING NOTICE OF 25TH ANNUAL GENERAL MEETING

### 7. SPECIAL BUSINESS – ORDINARY RESOLUTION 7

With reference to our Corporate Governance Report on disclosures made pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements and in compliance with the Malaysian Code on Corporate Governance 2017, the next Resolution 7 is with respect to approval sought for an independent director who had served since 7 October 2010.

As stated under Practice 4.2 in the Corporate Governance Report, the Board had in reviewing the independent status, considered that it is necessary to focus not only on whether a director's background and current activities qualify him as being independent but also whether the director can act independently of management.

The Board of Directors has via the Nomination Committee assessed the independence of Dato' Khoo Seng Hock as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years and recommended him to continue to act as Independent Non-Executive Directors of the Company based on the following justifications.

- (i) He fulfils the criteria of an Independent Non-Executive Director in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- (ii) He is familiar with the Company's business operations as he has been with the Company for more than nine (9) years;
- (iii) He has devoted sufficient time and attention to his responsibilities as an Independent Non-Executive Director of the Company; and
- (iv) He has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his duty in the interest of the Company and shareholders.

The proposed Ordinary Resolution 7, if passed, will enable Dato' Khoo Seng Hock to continue in office as Independent Non-Executive Director.

### 8. SPECIAL BUSINESS – SPECIAL RESOLUTION 1

The proposed Special Resolution 1, if passed, shall streamline provisions of the Constitution with the Companies Act 2016 which came into enforcement on 31 January 2017.

### 9. SPECIAL BUSINESS – SPECIAL RESOLUTION 2

The proposed Special Resolution 2, if passed, shall reflect the corporate identity based on the Group's existing core business and future business undertakings.

The word "TWL" stands for "Tiger Worldwide Leadership" and the proposed name "TWL HOLDINGS BERHAD" was approved for use by CCM and our Board recommends that the name of the Company be changed from "TIGER SYNERGY BERHAD" to "TWL HOLDINGS BERHAD" accordingly.

## 25TH ANNUAL GENERAL MEETING ADMINISTRATIVE DETAILS

Meeting Day & Date	: Monday, 6 December 2021
Time	: 11:00 a.m.
Meeting Platform	: <a href="http://www.swsb.com.my">www.swsb.com.my</a>
Platform for Communication	: Shareholders may submit questions to the Board of Directors (" <b>Board</b> ") prior to the AGM to <a href="mailto:tsb@tigersynergy.my">tsb@tigersynergy.my</a> not less than forty-eight (48) hours before the time set for holding the meeting or to use the Question and Answer (" <b>Q&amp;A</b> ") Platform to transmit questions to the Board via Remote Participation and Voting (" <b>RPV</b> ") Platform during live streaming.
Online Meeting Platform	: Fully virtual basis through live streaming and online remote voting by using Remote Participation and Voting (" <b>RPV</b> ") facilities via <a href="http://www.swsb.com.my">www.swsb.com.my</a> hosted by ShareWorks Sdn Bhd in Malaysia (Domain registration number with MYNIC : D1A403841)

### Virtual Meeting

In view of the coronavirus disease 2019 ("**COVID-19**") pandemic and as part of safety measures against COVID-19, the 25th Annual General Meeting ("**AGM**") will be held on a fully virtual basis through live streaming and online remote voting by using RPV facilities.

Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the Meeting as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.

All Shareholders of the Company, whether Individual Shareholders, Corporate Shareholders, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the AGM will have to register to attend remotely by using the RPV Facility, the details of which is set out below.

### RPV Facility

1. The AGM will be conducted on a fully virtual basis through live streaming and online remote voting. Should you wish to attend the AGM, you are required to register yourself using the RPV Facility in accordance with the instructions as set out under paragraph 3 below.

With the RPV Facility, you may exercise your rights as a Shareholder to participate including to pose questions (in the form of real-time submission of typed texts) to the Board of the Company and vote remotely at the AGM.

2. **Individual Members** are strongly encouraged to take advantage of the RPV Facility to participate and vote remotely at the AGM. Please refer to the details as set out under RPV Facility for information. If an Individual Shareholder is unable to participate in the online AGM, he/she is encouraged to appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.
3. **Corporate Shareholders** (through Authorised Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Platform. Corporate Members who wish to participate and vote remotely at the AGM must contact the poll administrator, ShareWorks Sdn. Bhd. ("**ShareWorks**") with the details set out below for assistance and will be required to provide the following documents to the Company no later than 4 December 2021 at 11:00 a.m.:
  - a. Certificate of appointment of its Authorised Representative or Form of Proxy under the seal of the corporation;
  - b. Copy of the Authorised Representative's or proxy's identity card (MyKad) (front and back) / Passport; and
  - c. Authorised Representative's or proxy's email address and mobile phone numbers.

Upon receipt of such documents, ShareWorks will respond to the Authorised Shareholders' remote participation request.

## 25TH ANNUAL GENERAL MEETING ADMINISTRATIVE DETAILS

If a Corporate Member (through Authorised Representative(s) or appointed proxy(ies)) is unable to attend the AGM, the Corporate Member is encouraged to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

4. In respect of **Nominee Company Members**, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the AGM using RPV Facility. Nominee Company Members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no later than 4 December 2021 at 11:00 a.m.:
- a. Form of Proxy under the seal of the Nominee Company;
  - b. Copy of the proxy's identity card (MyKad) (front and back) / Passport; and
  - c. Proxy's email address and mobile phone numbers.

Upon receipt of such documents, ShareWorks will respond to the Nominee Company Members' remote participation request.

If a Nominee Company Member is unable to attend the AGM, he/she is encouraged to request its Nominee Company to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

5. The procedures for the RPV in respect of the live streaming and remote voting at the AGM is as follows:

Procedures	Action
<b>Before the AGM</b>	
(i) Register as a user	<ul style="list-style-type: none"> <li>• If you have already registered an account at the website, you are not required to register again.</li> <li>• Access website <b>www.swsb.com.my</b></li> <li>• Click "<b>Login</b>" and click "<b>Register</b>" to sign up as a user. The registration will be open from <b>11:00 a.m.</b> on 12 November 2021 and closes at <b>11:00 a.m.</b> on 5 December 2021.</li> <li>• Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders.</li> <li>• Read and agree to the terms &amp; condition and thereafter submit your request.</li> <li>• Upon submission, kindly login to the valid email address and verify your user ID within <b>one (1) hour</b>.</li> <li>• Upon verification of the user ID, <b>ShareWorks</b> will send an email notification to approve you as a user.</li> <li>• After verification of your registration against the General Meeting Record of Depositors of the Company as at 29 November 2021, the system will send you an email to notify you if your registration is approved or rejected after <b>30 November 2021</b>.</li> <li>• If your registration is rejected, you can contact <b>ShareWorks</b> or the Company for clarifications or to appeal.</li> </ul>



## 25TH ANNUAL GENERAL MEETING ADMINISTRATIVE DETAILS

5. The procedures for the RPV in respect of the live streaming and remote voting at the AGM is as follows: (Cont'd)

Procedures	Action
<b>On the day of AGM</b>	
(ii) Login to www.swsb.com.my	<ul style="list-style-type: none"> <li>Login with your user ID and password for remote participation at the AGM at any time from <b>10:30 a.m.</b> i.e. <b>30 minutes</b> before the commencement of the AGM on <b>6 December 2021</b></li> </ul>
(iii) Participate through	<ul style="list-style-type: none"> <li>Select the <b>“Virtual Meeting”</b> from main menu.</li> <li>Click the <b>“Join Meeting”</b> located next to the event. You are required to provide your full name as per CDS account and your user registered email address.</li> <li>Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming.</li> <li>If you have any question for the Chairperson/ Board, you may use the Q&amp;A platform to transmit your question. The Chairperson/Board will try to respond to all questions submitted by remote participants during the AGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the meeting ended.</li> <li>Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.</li> </ul>
(iv) Online remote voting	<ul style="list-style-type: none"> <li>Select <b>“Voting”</b> located next to the <b>“Join Meeting”</b> and indicate your votes for the resolutions that are tabled for voting.</li> <li>Voting session will commence once the Chairperson of the Meeting declare that the voting platform is activated and will announce the completion of the voting session of the AGM.</li> <li>Cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.</li> </ul>
(v) End of RPV Facility	<ul style="list-style-type: none"> <li>The RPV Facility will end and the Messaging window will be disabled the moment the Chairperson of the Meeting announces the closure of the AGM.</li> </ul>

### Proxy

If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairperson of the meeting as his/ her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Please note that if an individual member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM via RPV Facility, the individual member shall proceed to contact ShareWorks or the Company with the details set out below to revoke the appointment of his/her proxy no later than **4 December 2021 at 11:00 a.m.**

### Poll Voting

The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks as Poll Administrator to conduct the poll by way of electronic means and Leonard Lim Weng Leong as Scrutineers to verify the poll results.

The Scrutineers will verify and announce the poll results followed by the Chairperson's declaration whether the resolution is duly passed.

## 25TH ANNUAL GENERAL MEETING ADMINISTRATIVE DETAILS

### Pre-Meeting submission of question to the Board

To administer the proceedings of the AGM in orderly manner, shareholders may before the AGM, submit questions to the Board to [tsb@tigersynergy.my](mailto:tsb@tigersynergy.my) not less than forty-eight (48) hours before the time set for holding the meeting. The Board will endeavour to address the questions received at the AGM.

### No Recording or Photography

Strictly **NO recording** or **photography** of the proceedings of the AGM is allowed.

### No Door Gifts or e-Vouchers

There will be **NO DISTRIBUTION** of door gifts or e-vouchers.

### Digital Copies of AGM Documents

We further inform that the following items are now available at <http://www.tigersynergy.my/>

1. Annual Report 2021
2. Proxy Form
3. Administrative Guide

### Enquiry

If you have any enquiry prior to the virtual meeting, please contact Mr. Kou Si Qiang and Mr. Fong Wee Liam during office hours from 9:00 a.m. to 5:00 p.m. on Mondays to Fridays:

### ShareWorks Sdn Bhd

No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur  
Wilayah Persekutuan (KL)

Telephone Number : 03-6201 1120  
Email : [ir@shareworks.com.my](mailto:ir@shareworks.com.my)

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CDS Account No.	
No. of Shares held	

I/We, .....  
(Full name in block.)

NRIC No. / Registration No. ....

Tel. No.: ..... Email address .....

of .....  
(Address)

being a member of Tiger Synergy Berhad, hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
HP & email address			

and / or\* (\*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
HP & email address			

or failing him, the Chairperson of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting ("AGM") of the Company to be conducted on a fully virtual basis via ShareWorks Sdn Bhd Online Meeting Platform hosted virtually at www.swsb.com.my on Monday, 6 December 2021 at 11.00 a.m. or any adjournment thereof, and to vote as indicated below:-

No	Ordinary Business	Resolutions	For	Against
1.	To re-elect Dato' Lee Yuen Fong as Independent Non-Executive Director.	<b>(Resolution 1)</b>		
2.	To re-elect Datin Sek Chian Nee as the Executive Director.	<b>(Resolution 2)</b>		
3.	To re-elect Datin Sulizah binti A. Salam as Independent Non-Executive Director.	<b>(Resolution 3)</b>		
4.	To appoint Messrs UHY as the auditors.	<b>(Resolution 4)</b>		
	<b>Special Business</b>			
5.	To approve the payment of Directors' meeting allowance.	<b>(Resolution 5)</b>		
6.	Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016	<b>(Resolution 6)</b>		
7.	Retention of Dato' Khoo Seng Hock as Independent Director Non-Executive Director.	<b>(Resolution 7)</b>		
8.	Proposed adoption of a new constitution.	<b>(Special Resolution 1)</b>		
9.	Proposed change of name of the Company.	<b>(Special Resolution 2)</b>		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this.....

Signature\*  
Member

\* Manner of execution:-

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
  - at least two (2) authorised officers, of whom one shall be a director; or
  - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

1. The AGM of the Company will be held as a fully virtual meeting through live streaming and online remote voting using facilities provided by the Company's Poll Administrator, namely ShareWorks Sdn. Bhd via www.swsb.com.my. Please refer to the Administrative guide for AGM for the procedures to register, participate and vote remotely through the facilities.
2. An online meeting platform can be recognised as the main venue of the meeting pursuant to Section 327 of Companies Act 2016 and in line with the Securities Commission Malaysia's Guidance Note if the online platform is located in Malaysia. As such, the convening of the AGM will be joined by members, the Chairman of the meeting, Board of Directors and other relevant parties via www.swsb.com.my.
3. Pursuant to the Guidance on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and corporate representatives ("Participants") shall communicate via real time submission of typed text through submit questions by clicking on "Ask Question" on the facilities while participating the virtual meeting.
4. In respect of deposited securities, only members whose names appear in the Record of Depositors on 29 November 2021 ("General Meeting Record of Depositors") shall be entitled to attend, speak (in the form of real time submission of typed texts) and vote via the facilities.
5. A member entitled to attend and vote via the facilities is entitled to appoint any person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote via the facilities shall have the same rights as the member to speak at the meeting.
6. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds with ordinary shares of the Company standing to the credit of the said securities account.
8. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
9. If a corporation is a member of the Company, it may vote by any person authorised by resolution of its directors or other governing body to act as its representative at any meeting in accordance with Article 68 of the Company's Article of Association.
10. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised and shall be deposited with the power of attorney or other authority (if any) at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur or such other place as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time appointed for holding this meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.
11. All resolutions are to be voted by way of poll pursuant to Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

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Affix Stamp

**TIGER SYNERGY BERHAD**

[Registration No. 199401039944 (325631-V)]

T3-13A-20, Level13A,  
Menara 3,3 Towers,  
No.296, Jalan Ampang,  
50450, Kuala Lumpur.

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**TIGER SYNERGY BERHAD**  
[Registration Number: 199401039944 (325631-V)]

**KL OFFICE**

T3-13A-20, Level 13A,  
Menara 3, 3 Towers, Jalan Ampang,  
50450 Kuala Lumpur.  
Tel: +603 2733 0038  
Fax: +603 2733 0037