



ANNUAL
REPORT
2022





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



TRUST

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



GRATITUDE

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



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.



INTEGRITY

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



EXCELLENCE

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

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman

Dato' Tan Wei Lian

Deputy Chairman/Managing Director

Tan Lee Chin (F)

Executive Director

Datin Sek Chian Nee (F)

Independent Non-Executive Directors

Dato' Khoo Seng Hock
(Resigned on 30.09.2022)

Low Boon Chin

Datin Sulizah Binti A. Salam (F)

S. Nagaraju A/L Sinniah

Non-Independent Non-Executive Directors

Chua Eng Chin

AUDIT COMMITTEE

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

Dato' Khoo Seng Hock
(Independent Non-Executive Director)
(Resigned on 30.09.2022)

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

EMPLOYEE SHARE OPTION SCHEME ("ESOS") COMMITTEE

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

Tan Lee Chin
(Deputy Chairman/Managing Director)

Dato' Khoo Seng Hock
(Independent Non-Executive Director)
(Resigned on 30.09.2022)

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)
(Resigned on 30.09.2022)

REMUNERATION COMMITTEE

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

Dato' Khoo Seng Hock
(Independent Non-Executive Director)
(Resigned on 30.09.2022)

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

RISK MANAGEMENT COMMITTEE

S. Nagaraju A/L Sinniah
(Independent Non-Executive Director)

Tan Lee Chin
(Deputy Chairman/Managing Director)

Low Boon Chin
(Independent Non-Executive Director)

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 : twl@twlholdings.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
Ambank (M) Berhad

STOCK EXCHANGE LISTING

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

REGISTERED OFFICE

Unit No. T3-13A-20,
Level 13A, 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 storey 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 with medium range condominium, 3-storey semi-detached 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 neighborhoods 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.

The unique creation of the Telaris Alam Impian has been honored as the Winner at the Asia Pacific Property Award (APPA) in the Residential Development category in 2017. The APPA is supported by a range of professional bodies worldwide and independently judged by a panel of over 70 experts. A total 224 units of Telaris Alam Impian 2-storey terrace houses Project is currently pending State Authorities’ approval of the building plans.



ON GOING CONSTRUCTION PROJECT

SENTUL PROJECT

The Group has been awarded a Turnkey Contract for the sum of RM235 million for the development located in Sentul. The Sentul Project comprises of 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence with a net floor area of 82,567 sqm and a gross floor area (including car park) of 141,830 sqm.

The Project is located along Jalan Dato Senu 3, Wilayah Persekutuan Kuala Lumpur. It lies approximately 8.60 kilometres and 2.30 kilometres due north-west of Kuala Lumpur city centre and UTC Sentul respectively. The Land is accessible from Kuala Lumpur city centre via Jalan Ampang, Jalan Yap Kwan Seng, Jalan Tun Razak, exit onto Jalan Pahang, thereonto Lebuhraya Kuala Lumpur – Gua Musang, take the exit towards Jalan Sentul / Jalan Ipoh, Jalan Kampung Bandar Dalam and finally onto Jalan Dato Senu 3 to where the Land is located.

Alternatively, the Project is accessible from Titiwangsa via Jalan Temerloh, Jalan Pahang, turning off onto Duta-Ulu Kelang Expressway (DUKE), Jalan Sentul / Jalan Ipoh, Jalan Kampung Bandar Dalam and finally onto Jalan Dato Senu 3 to where the Project is located.

Established housing estates located within a 5-kilometre radius of the Project are Taman Dato' Senu, Taman Kosmo Jaya, Bandar Sentul Utama, One Sentul Condominium, Bayu Sentul Condominium, Sentul Utama Condominium and PPR Sentul Murni. The commercial hub within Sentul is currently concentrated within Sentul Boulevard and some other shop offices along Jalan Sentul and Jalan Sentul Pasar.

Major connecting roads servicing the areas are Jalan Sentul Pasar, Jalan Sentul, and Duta-Ulu Klang Expressway (DUKE) and Middle Ring Road (MRR) II.



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, Sungai Buloh, Taman Pinggiran USJ and Putra Heights.

TWL ALAM IMPIAN, SHAH ALAM



The Shah Alam affordable housing project is the development of 1000 units of affordable housing units on freehold lands with a total area of 11.9 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.

AFFORDABLE HOUSING PROJECTS

TAMAN PINGGIRAN USJ

Taman Pinggiran USJ is another affordable housing project to be undertaken by the Group and is the development of 1,221 units affordable housing units together with 14 units shopoffices on freehold lands with the total area of 11.68 acres in Taman Pinggiran USJ.

Geographically, it is located approximately 9 kilometres to the north-west of MBSJ and about 23 kilometres to the south-west of Kuala Lumpur City Centre with convenience access via KESAS Expressway, ELITE Expressway, Lebuhraya Damansara-Puchong ("LDP") and Federal Highway.

The Taman Pinggiran USJ affordable housing project is strategically located nearby the growth areas of USJ. Developments within the nearby vicinity are residential, commercial and industrial premises. Notable commercial development located within the vicinity include AEON Mall Shah Alam, Giant Hypermarket, Shah Alam Stadium and Hap Seng Business Park. Facilities available within the vicinity include education institution, medical centres, shopping offices, marketing and also other public amenities.



AFFORDABLE HOUSING PROJECTS



PUTRA HEIGHTS

Another affordable housing project to be undertaken by the Group is **Putra Heights** and is the development of 1,139 units affordable housing units on freehold land with the total area of 8.75 acres in Putra Heights, Selangor.

It is located approximately 11 kilometres to the south-west of MBSJ and about 31 kilometres to the south-west of Kuala Lumpur City Centre respectively with road connectivity access via KESAS Expressway, Lebuhraya Damansara-Puchong ("LDP"), ELITE Expressway and New Pantai Expressway ("NPE").

Putra Heights affordable housing project is strategically located nearby the growth areas of Putra Heights with notable commercial development within the vicinity include Giant Hypermarket Putra Heights and Putra Point Commercial Centre. Developments within the nearby vicinity are residential and commercial premises. Facilities available within the vicinity include education institution, LRT station (Putra Heights), medical centres, shopping and also other public amenities.



AFFORDABLE HOUSING PROJECTS



SUNGAI BULOH

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.

FUTURE PROJECTS



The **Aster Residence-Cheras**, sited on approximately 3.126 acres 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 247 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, Lotus and Eonsave.

THE ASTER RESIDENCE - CHERAS



FUTURE PROJECTS

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 neighborhoods 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.



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 centers, 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.



FUTURE PROJECTS

NOBLE GARDENS - TAMAN BUKIT SERDANG

Noble Gardens Project is a stylish living modern concept with low density residential sited on approximately 2.10 acres of prime freehold land in a popular and matured housing development in the township of Seri Kembangan. This comprehensive developments of 180 units modern concept condominium boast a long list of facilities for the enjoyment of its residents with the combination of swimming pool, gymnasium, dedicated drop-off area, sport hall, functions room, playground, herb garden, BBQ pit and full range of security.

It is located 20 kilometres away from Kuala Lumpur city centre with Sri Petaling and Bukit Jalil situated within close proximity and comprehensive network of highways that residents of Taman Bukit Serdang will enjoy for easy access which includes KL-Seremban Highway (PLUS), Besraya Highway, Shah Alam, Expressway (KESAS), North South Highway (PLUS), Maju Expressway (MEX), Kajang Dispersal Link Expressway (SILK) and SMART tunnel. This location attracted many investors due to its strategic location and surroundings which makes it ideal for investment.





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 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 centers, primary and secondary schools and other public amenities.



PLANTATION & TIMBER

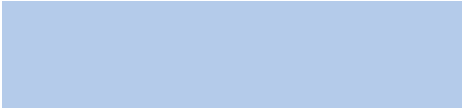
PLANTATION & TIMBER

TWL will continue to seek further enhancements in processes to improve operational efficiency, productivity and product quality with the view to reduce the overall cost and increase the profit margins in the manufacturing section. The Group intends to streamline and reforms on its activities in the timber log trading by looking and seeking for timber concession which will attribute profits to the Group where there are prospects for further growth.

The Group would continue with its rationalization exercise of its manufacturing and its log trading activity to future streamline its operations in managing this challenging operating environment and mitigating any potential adverse effect.



BATCHING PLANT



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.



MEDICARE



As part of our continuous business diversification effort, the Group is consistently looking for new developments that fulfilling the market needs. As a result, the Group has invested in the medicare industry in distributing medical gloves and healthcare products. We aim with our strategic plans and tactics to expand and be one of the medical support pioneers in the region.



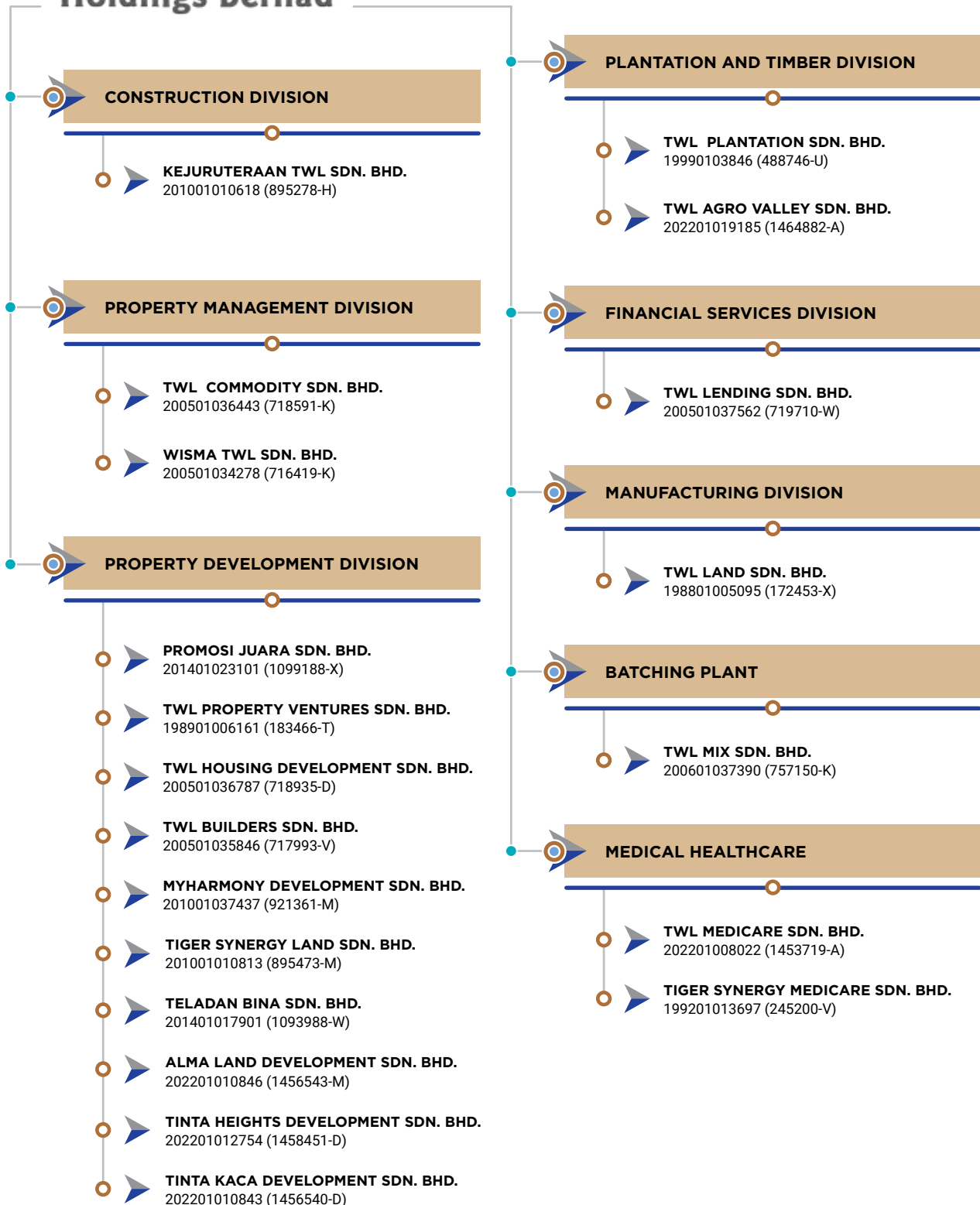
TWL Holdings Berhad is a young and dynamic company in medical devices, consumables and supplies. We are offering our products based on reliability, quality, innovation and excellent service. Our products and concepts are developed in collaboration with highly skilled healthcare professionals who serve as foundation to all the services that we do.

To support public and private clients in addressing the challenges of a complex and everchanging healthcare market, we are able to create and implement innovative operational models which are sustainable and profitable.



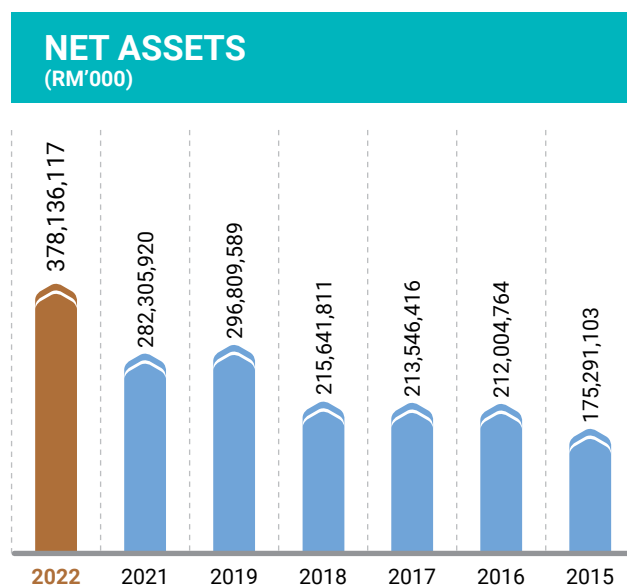
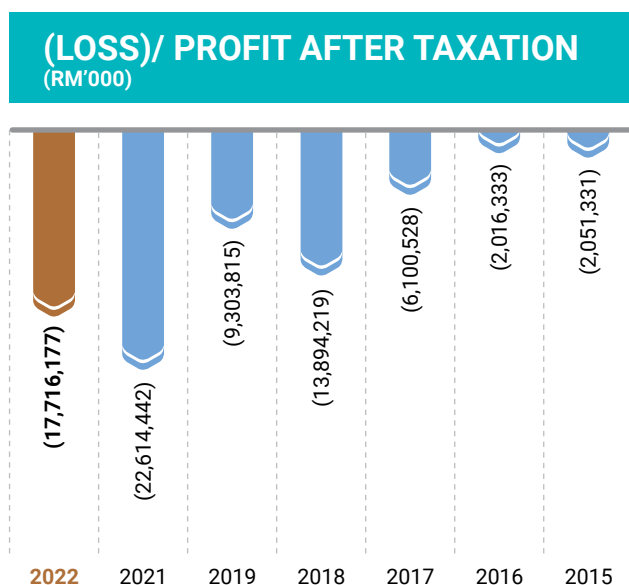
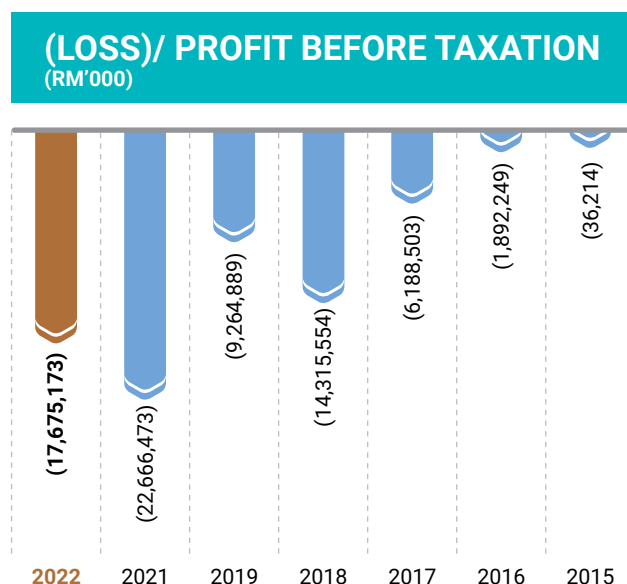
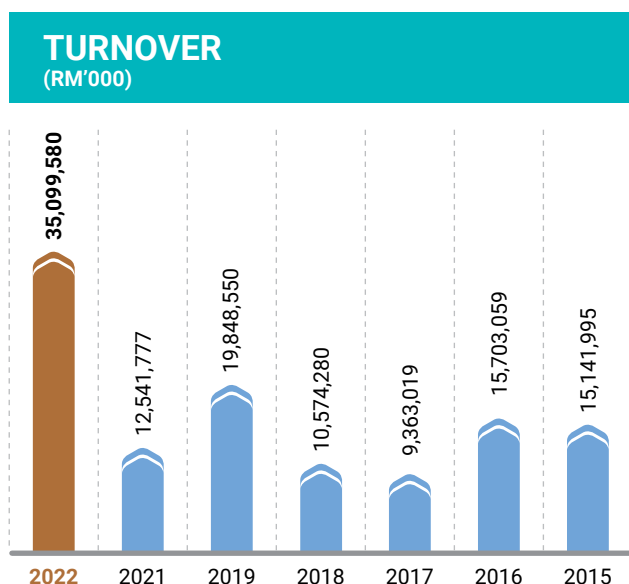
CORPORATE STRUCTURE

TWL Holdings Berhad




FINANCIAL HIGHLIGHTS

RM/Year	2022 (12 months)	2021 (18 months)	2019 (18 months)	2018 (12 months)	2017 (12 months)	2016 (12 months)	2015 (12 months)
Turnover	35,099,580	12,541,777	19,848,550	10,574,280	9,363,019	15,703,059	15,141,995
(Loss) / Profit before taxation	(17,675,173)	(22,666,473)	(9,264,889)	(14,315,554)	(6,188,503)	(1,892,249)	(36,214)
(Loss) / Profit After taxation	(17,716,177)	(22,614,442)	(9,303,815)	(13,894,219)	(6,100,528)	(2,016,333)	(2,051,331)
Net Assets	378,136,117	282,305,920	296,809,589	215,641,811	213,546,416	212,004,764	175,291,103



EXECUTIVE CHAIRMAN'S STATEMENT

DATO' TAN WEI LIAN
Executive Chairman



DEAR SHAREHOLDERS,
On behalf of the Board of Directors,
I am pleased to present to you the Annual Report and
Audited Financial Statement of TWL Holdings Berhad (“Company” or
“Group”) for the 12-month financial year ended 30 June 2022.

EXECUTIVE CHAIRMAN'S STATEMENT

FINANCIAL PERFORMANCE

The Company announced on 30 November 2020 that it had changed its financial year end date from 31 December to 30 June. As a result, the current financial statements of the Group and of the Company are for a period of 12 months from 1 July 2021 to 30 June 2022. The comparative information which was prepared for the 18-month period from 1 January 2020 to 30 June 2021, is therefore, not comparable.

The property industry market has experienced a period of volatility. Various factors such as changing lifestyles and needs of home buyers, as well as challenging economic conditions, are changing the way developers operate, and the negative impact of the COVID-19 pandemic is making it even more challenging.

Inevitably, people are beginning to adapt to the "new normal" under the pandemic. The Group has launched a new business direction by developing affordable housing schemes primarily in the Klang Valley area, a direction that has improved its business operations during the period under review.

The Group will continue to focus on expanding its revenue streams and optimising operational efficiency, at the same time, continued to adopt several cost control measures, such as cash procurement to reduce material costs and operating costs, so that to overcome the challenging operating environment and strengthen its own capabilities.

During the period under review, the Group's business was adversely affected due to the rising number of confirmed cases of Covid-19. Nevertheless, in the current financial year, the Group's business has recovered as the development plans and construction sector has resumed. In the face of these unprecedented challenges, the Group continues to take proactive measures to monitor and evaluate the viability of our business and to optimize the development and sales of various business plans.

Despite all these challenging circumstances, the Group has delivered an encouraging result, with a gross profit of RM6.9 million for the 12-month period from 1 July 2021 to 30 June 2022.

SIGNIFICANT BUSINESS DEVELOPMENTS

For the financial year 2022, the Group actively pursued merger and acquisition and has successfully secured several encouraging housing development projects which are as follow:

- Sentul SPNB Project, undertake the construction work for a total contract sum of RM235.24 million
- Taman Pinggiran USJ affordable housing Project with a total of 1,221 units and a total GDV of RM350.7 million

- Taman Pinggiran USJ Height Shophouses Project with a total of 14 units and a GDV of RM30 million
- Taman Bukit Serdang Condominium Project with a total of 180 units and a GDV of RM97.2 million
- Alam Impian Condominium Project with a total of 1,000 units and a GDV of RM330 million
- Putra Height Condominium Project with a total of 1,139 units and a GDV of RM273.3 million

The above projects are located in strategic and excellent locations and will soon commence construction within 12 months, which is expected to generate significant profits for the Group over the next 36 months.

FUTURE PROSPECT

Despite the ongoing outbreak of Covid-19 cases, the Group remains optimistic about the business prospects of the Malaysian property industries. The Group will continue to strive to build affordable houses to meet the market demand and fully grasp the potential opportunities offered by the affordable housing market. This can be achieved through expanding the construction arm, introducing latest construction technology, implementing cost control management and promoting long-term business sustainability.

In Malaysia, headwinds for the property such as uncertainties arising from adverse developments surrounding Covid-19, high inflation, aggressive interest rate hike, disruption of supply chain and escalating material prices could dampen its recovery. The Group will continue to focus on supplying affordable properties, optimizing quality of works, organising effective promotional activities, conducting cost control management and adhering to the goal of "Home Ownership" scheme and "Everybody Can Own" scheme. By aiming towards these strategic directions, the Group is able to make a positive contribution to the continuous and sustainable business growth.

APPRECIATION

On behalf of the Board, I would like to sincerely thank all our valued shareholders, customers, suppliers, financial institutions, business partners and government agencies for their continued support, cooperation and confidence in the Group during this challenging period.

I would also like to express my sincere gratitude to the Malaysian Government and Health Authorities and all frontliners for their tremendous sacrifice and tireless efforts over the past 2 years to curb the spread of Covid-19 and ensure everyone's safety.

I would also like to sincerely thank the Directors for their invaluable guidance, support and contribution during this period. Finally, I would like to sincerely thank our management and staff for their dedication, commitment and contribution to the Group.

执行主席献词

我谨代表董事部，提呈TWL控股公司截至2022年6月30日，为期12个月的年度报告和经审核财务报表。

财务表现

本公司在2020年11月30日宣布，已将其财政年结束日从12月31日更改为6月30日。这样一来，本集团和本公司的现行财务报表是为期12个月，从2021年7月1日至2022年6月30日。因此，从2020年1月1日至2021年6月30日的18个月期间编制的比较信息将不具有可比性。

产业市场经历了一段长时间的波动。各种因素，诸如购屋者的生活方式及需求改变，以及挑战性的经济条件，都正在改变发展商的营运方式，而新冠肺炎 Covid-19 流行病肆虐带来不可避免的影响，让业者面对更艰巨挑战。

不可避免的，人们开始适应疫情下的“新常态”。本集团主要在巴生谷地区开发可负担房屋计划，在受检讨期间，业务有所改善，策略性地开发房产计划，将继续致力于扩展收入来源，以及优化营运效率。与此同时，本集团继续采纳几项控制成本措施，诸如现金采购，以降低材料及营运成本，以便度过挑战性的营运环境和强化本身能力。

在受检讨期间，由于Covid-19确诊病例不断攀升，我们的业务受到了银根紧缩和萧条的影响。尽管如此，在本财务报告期的最后一个季度，随着开发计划重新开跑，本集团业务强劲回升。在面对这些前所未有的挑战，本集团继续采取积极进取措施，以监督及评估我们业务的切实可行性，以及优化系列产业开发销售。

在充满挑战的环境下，本集团仍带来令人鼓舞的业绩，从2021年7月1日至2022年6月30日的12个月内，本集团取得690万营运利润。

重大的业务发展

在本集团积极争取和并购下，今年获得数项令人鼓舞的房屋开发计划。

- Sentul SPNB 承建工程，工程总额为2亿3千5百24万令吉
- USJ Height 公寓计划，共计1217单位，GDV为3亿5千零70万令吉
- USJ Height 14间店屋计划，共计14单位，GDV为3千万令吉
- Bukit Serdang公寓计划，共计180单位，GDV为1亿9千7百20万令吉
- Alam Impian 公寓计划，共计1000单位，GDV为3亿3千万令吉
- Putra Height公寓计划，共计1139单位，GDV为2亿7千3百30万令吉

以上计划都位于卓越地点，并即将在12个月内动工，可望在未来36个月为集团带来可观利润。

展望

尽管不断爆发 Covid-19 病例，本集团仍看好大马产业市场业务前景。本集团将继续致力于打造可负担房屋以应对市场需求，充分把握可负担产业市场所提供的潜在机会；与此同时扩大建筑部规模，引入最新建筑科技进而降低建造成本，促进业务长期可持续性发展。

在马来西亚，遏制Covid-19 疫情和通货膨胀压力是令人关注的课题，尽管如此，本集团将继续把焦点集中在供应可负担房产，优化品质，推动策略性促销活动，以及进行成本控制管理，秉承【居者有其屋】和【人人可拥有的前题下，为广大消费群和集团股东作出正面贡献。

鸣谢

我谨代表董事部，真诚感谢所有尊贵的股东，客户，供应商，金融机构，商业伙伴和政府机构，感谢他们在这个充满挑战的时期，继续给予本集团支持，合作及对本集团的信心。

我也要对 大马政府及卫生当局和所有前线人员，在过去2年付出巨大牺牲和不懈努力，以遏制Covid-19传播，确保每个人的安全，表达真诚感谢。

我也要真诚感谢董事们，在这期间，提供非常宝贵的指导，支持与贡献。最后，我要真心感谢我们的管理层与职员，对本集团做出奉献、承诺与贡献。

DIRECTORS' PROFILE



DATO' TAN WEI LIAN ('DTWL')

Executive Chairman

Aged	Gender	Nationality
54	Male	Malaysian

Dato' Tan Wei Lian began his colorful livelihood as a property developer at the age of 21. He has gained over 33 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 and Construction. He has strong communication skills, experience, and in-depth knowledge of the business environment. He was 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 TWL Holdings Berhad ("TWL") 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 four (4) Board of Directors' meeting during the financial period ended 30 June 2022.

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 TWL as well as the spouse of Datin Sek Chian Nee, the Executive Director of the Company. He has direct shareholding of 362,314,203 ordinary shares and indirect shareholding of 689,013,525 ordinary shares as at 12 October 2022.



TAN LEE CHIN, SHIRLEY ('SHIRLEY')

Deputy Chairman/ Managing Director

Aged	Gender	Nationality
53	Female	Malaysian

Tan Lee Chin was appointed to the Board as an Executive Director of TWL in February 2008 and she is the member of Employee Share Option Scheme ("ESOS") Committee of TWL. She graduated with a LLB (Honours) from the University of Northumbria, United Kingdom. She started career in the property development and construction industry in 1987. In 1993, she joined the property development and construction company. During her tenure in the said company, she has pioneered in marketing, financial, business management, capital market and corporate restructuring. Aiming and moving towards the direction of Business Growth Initiatives, Strategies and Innovation. 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.

Shirley has been re-designated as Managing Director on 26 November 2014 and was appointed as a Deputy Chairman in February 2020. She has attended four (4) Board of Directors' meeting during the financial period ended 30 June 2022. She has no conflict of interest with the Company and has not been convicted of any offence in the last five years.

Shirley is the sister of Dato' Tan Wei Lian, the Executive Chairman of TWL. She holds a direct shareholding of 7,431,675 ordinary shares and indirect shareholding of 1,043,896,053 ordinary shares as at 12 October 2022.

DIRECTORS' PROFILE



DATIN SEK CHIAN NEE (‘DSCN’)

Executive Director

Aged	Gender	Nationality
55	Female	Malaysian

Datin Sek Chian Nee was appointed as the Executive Director of TWL 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 TWL 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 TWL. She has attended four (4) Board of Directors’ meeting during the financial period ended 30 June 2022. 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 90,052,450 ordinary shares and indirect shareholding of 961,275,278 ordinary shares as at 12 October 2022.



DATO’ KHOO SENG HOCK (‘DATO KSH’)

Independent Non-Executive Director

Aged	Gender	Nationality
74	Male	Malaysian

Dato’ Khoo Seng Hock was appointed to the Board of TWL on 7 October 2010 as an Independent Non-Executive Director. He is one of the member of Audit Committee, Employee Share Option Scheme (“ESOS”) Committee, Nomination Committee and Remuneration Committee of TWL 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 four (4) Board of Directors’ meeting and four (4) 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 TWL Group. He has not been convicted of any offence over the past five years.

Dato’ Khoo Seng Hock has resigned on 30 September 2022 as he has served the Company for a cumulative term of more than (12) years and as compliance to Bursa Malaysia Securities Berhad’s letter dated 19 January 2022.

DIRECTORS' PROFILE



CHUA ENG CHIN (‘CEC’)

Non-Independent Non-Executive Director

Aged	Gender	Nationality
63	Male	Malaysian

Chua Eng Chin was appointed as the Independent Non-Executive Director of TWL 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 Audit Committee, Remuneration Committee as well as Nomination Committee of TWL 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 four (4) Board of Directors' meeting and four (4) Audit Committee meeting during the financial period ended 30 June 2022. He does not have any family relationship with any director and/or major shareholder nor any conflict of interest with the TWL Group. He also has not been convicted of any offence over the past five years.



LOW BOON CHIN (‘LBC’)

Independent Non-Executive Director

Aged	Gender	Nationality
74	Male	Malaysian

Low Boon Chin was appointed on 12 September 2014 as the Independent Non-Executive Director at TWL. Mr. Low is the Chairman of Audit Committee, Employee Share Option Scheme (“ESOS”) Committee, Nomination Committee and Remuneration Committee of TWL Group. During the financial period ended 30 June 2022, Mr Low has attended four (4) Board of Directors' meeting and four (4) 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 TWL Group. He has not been convicted of any offence over the past five years.

DIRECTORS' PROFILE



S. NAGARAJU A/L SINNIAH (‘S. NAGARAJU’)

Independent Non-Executive Director

Aged	Gender	Nationality
53	Male	Malaysian

S. Nagaraju A/L Sinniah was appointed to the Board of the Company on 08 December 2021 as the Independent Non-Executive Director of TWL. He has attended two (2) Board of Directors' meeting during the financial period ended 30 June 2022.

Mr S. Nagaraju holds a Bachelor Economics from Universiti Utara Malaysia (UUM). He has extensive experience in developing derivative products such as Interest Rate Future, Commodity Future (Palm Oil), Bond Future and Currency Future.

From the year 1994 to 1999, he served as a Senior Executive in Research Analyst and Product Development with Malaysian Derivative Exchanged (formerly known as Malaysian Monetary Exchange and Commodity & Monetary Exchange). In year 1999 to 2014, he was a Licensed Capital Markets Services Representative and served as Dealer Representative at Hong Leong Investment Bank Berhad.

Mr S. Nagaraju 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 TWL Group. He has not been convicted of any offence over the past five years.



DATIN SULIZAH BINTI A.SALIM (‘DATIN SULIZAH’)

Independent Non-Executive Director

Aged	Gender	Nationality
57	Female	Malaysian

Datin Sulizah Binti A.Salim was appointed to the Board of TWL on 14 June 2021 as an Independent and Non-Executive Director. She graduated from Institut Teknologi Mara (ITM) majoring in Chartered Insurance Course. She has attended four (4) Board of Directors' meeting during the financial period ended 30 June 2022.

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 TWL, Datin Sulizah is also holding the directorship in Rasta Pelangi Sdn Bhd and serves as Chairman in PDSB Consultant but she does not hold directorship in other public companies. She does not have any family relationship with any director and/or major shareholder nor any conflict of interest with TWL Group. She has not been convicted of any offence over the past five years.

KEY PERSONNEL MANAGEMENT TEAM

KELVIN CHIA CHIN LIANG

Senior Finance Manager

Aged	Gender	Nationality
50	Male	Malaysian

Mr. Kelvin Chia obtained his Bachelor Degree in Accounting from Bolton University, United Kingdom. He had over 23 years of experience in finance and accountancy.

He had been with TWL 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 TWL 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

Aged	Gender	Nationality
31	Male	Malaysian

Mr. Bak joined TWL Holdings 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 AND ANALYSIS

Dear Valued Shareholders,

2021 was the extension of the previous year's unprecedented COVID-19 crisis that has caused severe disruption to global health, economic and social impact. Beyond the health and human tragedy of COVID-19, the pandemic is now widely recognised as the most serious economic crisis since World War II. While we breathed a sigh of relief towards the end of 2021 with the vaccination drive that has helped us to move towards the endemic phase of the prolonged COVID-19 pandemic in April 2022, the business landscape remains challenging due to the ongoing Russia-Ukraine war and the prolonged COVID-19 restrictions in China.

In Malaysia, businesses are gradually returning to normal, but the pandemic's effects lingered. While we have moved to the endemic phase of the prolonged COVID-19 pandemic, the business landscape is facing new challenges with the onset of global inflation. This was mainly due to Russia's invasion of Ukraine, which has led to a surge in commodity prices, while the logistic bottlenecks and supply chain shortages were made worse with the lockdowns in parts of China. The increase in raw prices and commodity prices has led to a surge in inflation, including the rising building and construction costs.

The transition to normal and low base effect has helped the Malaysia's Gross Domestic Product ("GDP") growth to rebound to 3.6% in the 4Q 2021, translating into a full year growth of 3.1% in 2021. It is a sharp recovery from the contraction of 5.6% in 2020, but the economic activities remained subdued and below the pre-COVID level. In fact, the recovery in Malaysia for 2021 lagged behind the global expansion of 5.7%. This is as the effect of the COVID-19 pandemic has been far-reaching in Malaysia, and some of these challenges remain even as we move towards the endemic phase.

The prolonged COVID-19 pandemic challenges, external factors such as the Russia-Ukraine war and increasing inflation rate, as well as internal factors such as mismatch in demand, oversupply of residential properties and affordability issues have created sluggishness in the property sector outlook in Malaysia.

This extraordinary challenging environment has an impact on TWL Holdings Berhad ("TWL" or "Group")'s financial performance in the financial year ended 30 June 2022 ("FY2022") as the new property development launch was delayed pending approval from the relevant authorities. Without any new property development launch, the Group had to rely on other revenue: the trading of pharmaceutical and construction sector.

However, we have continued to show our commitment to adding value to our shareholders by taking initiatives to acquire prime and strategic land in Klang Valley that could put us in a position to tap into the recovery in the property development sector. We are also focusing on development that could meet the demand of savvy millennium purchasers who demand prime location, the right products and attractive prices.

BUSINESS OVERVIEW

TWL Holdings Berhad has changed its name from Tiger Synergy Berhad in December 2021.

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.

The Group is confident that the transition towards the endemic phase of COVID-19 will help the property sector to recover in FY2023. With our strategic initiatives to roll out our new property launch, TWL confident that the Group will return to profitability in the near-term.

During the financial year, the Group has undertaken the following Proposed Acquisitions :-

- (a) Acquisition of 100% equity interest in Pembinaan Qaisar Sdn Bhd ("Qaisar") for the construction of a high-rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works on a piece of freehold land held under Geran Mukim 2449, Lot 30195 (previously known as Geran Mukim 809, Lot 1132), Tempat Gombak Malay Reservation, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL measuring 12,080 square meters ("sqm") and gazetted as a Malay reserve land ("Land") for a total contract sum of RM235.24 million ("Turnkey Contract");

MANAGEMENT DISCUSSION AND STATEMENT

- (b) Acquisition of a piece of vacant freehold land held under G.M. 1243, Lot 117025, Tempat Kuyow, Mukim Petaling, Daerah Petaling, Negeri Selangor measuring 8,479 square metres (“sqm”) (“Land”) for a purchase consideration of RM13.90 million (“Purchase Consideration”) to be satisfied partly via cash payment of RM0.50 million (“Cash Consideration”) and partly via issuance of 166,047,088 new ordinary shares in the Company (“TWL Shares” or “Shares”) at an issue price of RM0.0807 per Share ;
- (c)(i) Tinta Kaca Development Sdn Bhd (“Tinta Kaca”), an 80%-subsidiary of TWL Commodity Sdn Bhd (“TWL Commodity”) which in turn is a wholly-owned subsidiary of the Company, has entered into a novation cum supplemental sale and purchase agreement dated 4 August 2022 with INTA Development Sdn Bhd (“INTA”) and Sime Darby Property (Bukit Raja) Sdn Bhd (“SDP Bukit Raja”) to acquire a piece of vacant freehold land measuring 22,234 square metres (“sqm”) held under Geran 318160, Lot 77716, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan (“EN10 Land”) for a cash consideration of RM10.00 million (“EN10 Acquisition”);
- (ii) Tinta Heights Development Sdn Bhd (“Tinta Heights”), an 80%-subsidiary of TWL Commodity which in turn is a wholly-owned subsidiary of the Company, has entered into a novation cum supplemental sale and purchase agreement dated 4 August 2022 with INTA and SDP Bukit Raja to acquire a parcel of freehold land measuring 23,237 sqm held under Geran 120326, Lot 66668, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan (“EN11 Land”) for a cash consideration of RM12.00 million (“EN11 Acquisition”); and
- (iii) Alma Land Development Sdn Bhd (“Alma Land”), a 70%-subsidiary of TWL Commodity which in turn is a wholly-owned subsidiary of the Company, has entered into a novation cum supplemental sale and purchase agreement dated 4 August 2022 with INTA and SDP Bukit Raja to acquire a parcel of freehold land measuring 35,440 sqm held under H.S.(D) 315441, PT No. 35811, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan (“HT4 Land”) for a cash consideration of RM23.00 million (“HT4 Acquisition”).

The Group is targeting to launch its affordable project development and kick-start the construction contract by 1st quarter 2023 with an estimated gross development value (“GDV”) of approximately RM0.8 billion. The Group is optimistic about the prospect of the new property development launches given its strategic location, attractive pricing, with good products and features that are targeted at the mass market.

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.

MANAGEMENT DISCUSSION AND STATEMENT

PERFORMANCE REVIEW

Revenue

For the FY 2022, the Group recorded a higher revenue of RM35.01 million for the twelve (12) months period compared to eighteen (18) months period of RM12.54 million in FY 2021 with a gross profit of RM6.89 million. The increase in revenue was mainly derived from the timber and construction contract works and trading of gloves.

The Group adopted a prudent approach to the property development activities during the year. The Group delay in launching of new development projects amidst the headwinds brought by the COVID-19 pandemic and on a broader scale, the political conflict in Ukraine.

The Group recorded a loss of RM17.72 million. The loss was mainly attributed to the administration expenses arising from the depreciation of PPE and the corporate proposal expenses and the recognition of share based payment of RM18.92 million from the Employees' Share Option Scheme (ESOS).

Total Assets

TWL's balance sheet remains healthy. Total assets increased by RM94.85 million to RM395.39 million from RM300.54 million in the last financial year. Total cash, fixed deposit cumulated to RM72.95 million at balance sheet date.

Share Capital

During the financial period, the Company increased its issued and paid-up share capital from RM233.13 million in FY2021 to RM319.81 million in FY2022 through the issuance of new shares pursuant to the rights issue with warrants, 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 total liabilities decreased from RM18.23 million to RM17.25 million during the financial year. 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.

Corporate Proposal

a) On 10 January 2022, TWL entered into a shares sale agreement with Afandi Bin Amir, Mohammad Ramadhan Bin Othman and Rising Applause Sdn Bhd (collectively referred to as the "Vendors") for the proposed acquisition of 100% equity in Pembinaan Kaiser Sdn Bhd ("Kaiser") for a total purchase consideration of RM35.0 million to be satisfy partly via cash and partly issuance of new ordinary shares in TWL.

On 27 January 2022, TWL announced that the Company proposed to undertake the following proposal:-

- i) Issuance of 555,555,556 Consideration Shares to the Vendors to satisfy part of the Purchase Consideration for the Acquisition ("Proposed Issuance") and
- ii) Private placement of up to 771,036,000 new TWL Shares ("Placement Shares"), representing 30% of the existing total number of issued Shares, to independent third-party investor to be identified later and at an issue price to be determined later ("Proposed Private Placement") to raise funds mainly to fund the construction of a high rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works. ("Project").

Bursa Securities had vide its letter dated 18 February approved the listing and quotation of:

- i) Up to 555,555,556 Consideration Shares to be issued pursuant to the Proposed Issuance as part of the Purchase Consideration for the Acquisition
- ii) Up to 771,036,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

The listing and quotation of 771,036,000 Placement Shares had been completed on 15 April 2022. Bursa Securities had vide its letter dated 11 August 2022 approved the Company's application for an extension of time of 6 months until 18 February 2023 for the Company to complete the implementation of the issuance.

- b) On 25 April 2022, TWL announced that TWL Land Sdn Bhd (formerly known as Allfit Furniture Industries Sdn Bhd (a wholly-owned subsidiary of TWL) had even date entered a conditional sale and purchase agreement with Stellar Vantage Sdn Bhd for the proposed acquisition of a piece of vacant freehold land held under G.M 1243, Lot 117025, Tempat Kuyow, Mukim Petaling, Daerah Petaling, Negeri Selangor measuring 8,479 square meters for a purchase consideration of RM13.90 million ("Purchase Consideration") and partly satisfied partly via cash payment of RM0.50 million ("Cash Consideration") and partly via issuance of 166,047,088 new ordinary shares in the Company at an issue price of RM0.0807 per share ("Proposed Acquisition").

MANAGEMENT DISCUSSION AND STATEMENT

PERFORMANCE REVIEW (CONT'D)

- c) On 16 August 2022, TWL announced that the Company proposes to undertake a renounceable rights issue of up to RM120.199 million nominal value of 4,006,633,348 5 year redeemable convertible unsecured loan stocks in the Company ("RCULS" at 100% of its nominal value of RM0.03 each together with up to 1,144,752,385 free detachable warrants in the Company ("Warrant E") on the basis of 7 RCULS together with 2 Warrants E for every 10 existing ordinary shares in the Company held by the entitled shareholders of the Company on an entitlement date to be determined and announced later.

DEVELOPMENT PROJECTS

The current environment is still clouded with uncertainties, and we will stay cautious for our near-term outlook. The pandemic is better managed, but there is still a risk of infection cases flaring up again. The conflict in Ukraine has also brought about displacement in the global supply chain, leading to concerns over higher construction material costs. Labour constraints will also continue to plague the industry.

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 medium priced properties as the Group strives to tailor its products to meet the changing customer demands due to the existing economic sentiment.

The efforts undertaken by the Group throughout the FY2022 to build up its land bank as well as its strong financial position put TWL in a good position to ride on the recovery of the property market, especially for the affordable and mid-market segment in good locations.

During FY2022, the Group has the following on-going projects ;-

Telaris Alam Impian

Telaris Alam Impian is the Group's flagship development of a mixed-residential development with medium range condominium, 3-storey semi-detached houses and 2-storey terrace houses.

It is situated approximately 42 kilometres 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 neighborhoods 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.

The unique creation of the Telaris Alam Impian has been honored as the Winner at the Asia Pacific Property Award (APPA) in the Residential Development category in 2017. The APPA is supported by a range of professional bodies worldwide and independently judged by a panel of over 70 experts. A total 224 units of Telaris Alam Impian 2-storey terrace houses Project is currently pending State Authorities' approval of the building plans.

Affordable Housing Project

TWL Alam Impian, Shah Alam

The Shah Alam affordable housing project is the development of 1000 units of affordable housing units on freehold lands with a total area of 11.9 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.

Taman Pinggiran USJ

Taman Pinggiran USJ is another affordable housing project to be undertaken by the Group and is the development of 1,221 units affordable housing units together with 14 units shop-offices on freehold lands with the total area of 11.68 acres in Taman Pinggiran USJ.

Geographically, it is located approximately 9 kilometres to the north-west of MBSJ and about 23 kilometres to the south-west of Kuala Lumpur City Centre with convenience access via KESAS Expressway, ELITE Expressway, Lebuhraya Damansara-Puchong ("LDP") and Federal Highway.

The Taman Pinggiran USJ affordable housing project is strategically located nearby the growth areas of USJ. Developments within the nearby vicinity are residential, commercial and industrial premises. Notable commercial development located within the vicinity include AEON Mall Shah Alam, Giant Hypermarket, Shah Alam Stadium and Hap Seng Business Park. Facilities available within the vicinity include education institution, medical centres, shopping offices, marketing and also other public amenities.

MANAGEMENT DISCUSSION AND STATEMENT

Putra Heights

Another affordable housing project to be undertaken by the Group is Putra Heights and is the development of 1,139 units affordable housing units on freehold land with the total area of 8.75 acres in Putra Heights, Selangor.

It is located approximately 11 kilometres to the south-west of MBSJ and about 31 kilometres to the south-west of Kuala Lumpur City Centre respectively with road connectivity access via KESAS Expressway, Lebuhraya Damansara-Puchong ("LDP"), ELITE Expressway and New Pantai Expressway ("NPE").

Putra Heights affordable housing project is strategically located nearby the growth areas of Putra Heights with notable commercial development within the vicinity include Giant Hypermarket Putra Heights and Putra Point Commercial Centre. Developments within the nearby vicinity are residential and commercial premises. Facilities available within the vicinity include education institution, LRT station (Putra Heights), medical centres, shopping and also other public amenities

Sungai Buloh

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 Aster Residence-Cheras

The **Aster Residence-Cheras**, sited on approximately 3.126 acres 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 247 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, Lotus and Econsave

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 neighborhoods 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.

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.

MANAGEMENT DISCUSSION AND STATEMENT

DEVELOPMENT PROJECTS (CONT'D)

Noble Gardens - Taman Bukit Serdang

Noble Gardens Project is a stylish living modern concept with low density residential sited on approximately 2.10 acres of prime freehold land in a popular and matured housing development in the township of Seri Kembangan. This comprehensive developments of 180 units modern concept condominium boast a long list of facilities for the enjoyment of its residents with the combination of swimming pool, gymnasium, dedicated drop-off area, sport hall, functions room, playground, herb garden, BBQ pit and full range of security.

It is located 20 kilometres away from Kuala Lumpur city centre with Sri Petaling and Bukit Jalil situated within close proximity and comprehensive network of highways that residents of Taman Bukit Serdang will enjoy for easy access which includes KL-Seremban Highway (PLUS), Besraya Highway, Shah Alam, Expressway (KESAS), North South Highway (PLUS), Maju Expressway (MEX), Kajang Dispersal Link Expressway (SILK) and SMART tunnel. This location attracted many investors due to its strategic location and surroundings which makes it ideal for investment

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 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 centers, primary and secondary schools and other public amenities.

CONSTRUCTION

Sentul Project

The Group has been awarded a Turnkey Contract for the sum of RM235 million for the development located in Sentul. The Sentul Project comprises of 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence with a net floor area of 82,567 sqm and a gross floor area (including car park) of 141,830 sqm.

The Project is located along Jalan Dato Senu 3, Wilayah Persekutuan Kuala Lumpur. It lies approximately 8.60 kilometres and 2.30 kilometres due north-west of Kuala Lumpur city centre and UTC Sentul respectively. The Land is accessible from Kuala Lumpur city centre via Jalan Ampang, Jalan Yap Kwan Seng, Jalan Tun Razak, exit onto Jalan Pahang, thereonto Lebuhraya Kuala Lumpur – Gua Musang, take the exit towards Jalan Sentul / Jalan Ipoh, Jalan Kampung Bandar Dalam and finally onto Jalan Dato Senu 3 to where the Land is located.

Alternatively, the Project is accessible from Titiwangsa via Jalan Temerloh, Jalan Pahang, turning off onto Duta-Ulu Kelang Expressway (DUKE), Jalan Sentul / Jalan Ipoh, Jalan Kampung Bandar Dalam and finally onto Jalan Dato Senu 3 to where the Project is located.

Established housing estates located within a 5-kilometre radius of the Project are Taman Dato' Senu, Taman Kosmo Jaya, Bandar Sentul Utama, One Sentul Condominium, Bayu Sentul Condominium, Sentul Utama Condominium and PPR Sentul Murni. The commercial hub within Sentul is currently concentrated within Sentul Boulevard and some other shop offices along Jalan Sentul and Jalan Sentul Pasar.

Major connecting roads servicing the areas are Jalan Sentul Pasar, Jalan Sentul, and Duta-Ulu Klang Expressway (DUKE) and Middle Ring Road (MRR) II.

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.

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.

MANAGEMENT DISCUSSION AND STATEMENT

CUSTOMER SERVICE STRATEGIES (CONT'D)

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.

CHALLENGES AND KEY RISKS

The COVID-19 pandemic has posed an unprecedented challenge and risks to the economy, and the property sector is among the worst-hit industry. While the reopening of the economy provided an upside recovery for the property development players, most businesses have remained cautious amidst the rising inflationary pressure and uncertainty in the economic recovery.

The prolonged Russia-Ukraine war and the zero-COVID strategy in China have led to a surge in inflation with shortages in commodities and disruption of the global supply chain. The logistics bottlenecks have also led to a rise in transportation and freight costs. These have led to an increase in building and construction costs.

As a Group, we have responded swiftly to these downside risks by being vigilant and continuing to monitor any emerging risks. With this in mind, we would like to share some of the challenges and key risks in the near-term:

Key Risks	Description	Mitigations
(1) Prolonged COVID-19 Pandemic	A prolonged COVID-19 pandemic could lead to lockdowns that severely impact the economy and property market	The Group remained disciplined in the management of our capital to ensure the sustainability of our business going forward.
(2) Inflationary Pressure	The ongoing Russia-Ukraine war and recent COVID-19 lockdowns in some major cities in China have led to rising commodity prices and raw material prices, resulting in rising building and construction costs.	TWL has taken proactive measures by continuously and closely monitoring budgeted project costs with actual project costs. On top of that, the design of the building during the property planning stage is reviewed to optimise the cost of the type and usage of building materials.
(3) Global Economic Slowdown	World Bank has revised its global growth forecast downwards to 2.9% in 2022 as compared to its forecast of 4.1% in January this year. This was a deceleration from the 5.7% growth recorded in 2021.	TWL has addressed this issue by focusing on affordable housing and a wider range of innovative residential products that are targeted at the mass market. The Group is also engaging closely with end financiers to facilitate loan financing for homebuyers.
(4) Affordability	Malaysia was already affected by the issues of affordability in terms of homeownership. Houses in Malaysia were labelled as "seriously unaffordable" by international standards in 2019 by BNM.	To mitigate this impact, TWL has prioritised the development of property, for the affordable and midmarket segment to meet the needs of the mass market.
(5) High Inventory Level	According to the Property Market Report 2021 issued by Jabatan Penilaian Dan Perkhidmatan Harta (JPPH), the residential overhang situation was less encouraging, as the volume of overhang units worth RM22.79 billion had increased to 37,000 as at year-end 2021, by 24.7% and 20.5% in volume and value, respectively as compared with the year 2020.	The Group addresses this risk by constantly enhancing its marketing strategies and sales promotional packages, being more innovative in its product development, and conducting comprehensive market surveys on prospective buyers' key decision factors before its project launches. The Group will continuously monitor and adapt to the changing market dynamics.

MANAGEMENT DISCUSSION AND STATEMENT

CHALLENGES AND KEY RISKS (CONT'D)

Key Risks	Description	Mitigations
(6) Political & Regulatory Risk	As we have seen over the last few years, the Malaysia's political environment has changed, and we have witnessed changes in Government and cabinet ministers in the country over the last three years. This could lead to policy changes according to the economic and political environment.	TWL closely tracks and monitors the changes in policy and regulations while continuing to engage with relevant stakeholders to mitigate these risks.

GROWTH PROSPECTS

The reopening of the economy and international border will help Malaysia gradually transition into the new normal. BNM has maintained its GDP growth projection at 5.3% to 6.3% for this year, even after taking into account of the slower global growth in the second half of this year. This is following a strong economic recovery in the 2Q 2022 which saw GDP increased by 8.9% year-on-year ("yoy"), beating the 7% median estimate in a Bloomberg survey

By taking a balanced view of the recovery ahead as well as the potential challenges ahead, TWL will launch its affordable project by first quarter 2023 with an estimated gross development value ("GDV") of approximately RM0.8 billion.

The Group is confident that the strategic location of its affordable project coupled with the attractive products and pricing, will meet the demand of homebuyers in Malaysia. With a focus on affordable housing that offers appealing values, TWL is confident that the take-up rate of its property project will gain momentum and benefit from the reopening of the economy.

The Management also applauds the initiatives that the government has rolled out to enable Malaysians to own homes, such as providing stamp duty exemption for property ownership transfers and loan agreements. In July this year, the government has announced a 100% stamp duty exemption for first time homeowners of properties priced RM500,000 and below through the Keluarga Malaysia Home Ownership Initiative (i-MILIKI) initiative from June 1, 2022, until December 2023.

Aside from that, a stamp duty exemption incentive of 75% will be given for homes priced above RM500,000 to RM1 million. The incentives under the Housing and Local Government Ministry's new Home Ownership Programme (HOPE) were created to assist the B40 and M40 to own affordable and decent first homes, in line with the government's One Family One Home vision.

We believe that these initiatives will help with the financing for first-time homebuyers, which will boost the recovery of the property sector in Malaysia.

We are also confident that the right product, pricing and location will be the main consideration for good investment choices, and we firmly believe we are on track to achieving another success with the right product to reach out to property buyers and investors. The launching of its new property development projects in FY2023 is expected to gain momentum with a focus on affordable housing.

While the challenges ahead are real, we will continue to leverage our past decade of transformation, guided by our prudent, practical and effective approach to achieving growth. With your support, we are confident of transforming into a reputable boutique property developer offering affordable housing projects at prime locations with unique features targeted at the mass market.

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.

AWARDS & ACCOLADES

LE FONTI AWARDS 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, TWL Holdings Berhad has won the Excellence of the Year for Innovation & Leadership Real Estate, Malaysia.



TWL Holdings Berhad has been awarded "2022 Malaysia Outstanding ESG Impact Corporate Excellence Award" recognizing the industry leadership successful implementation of ESG (Environment, Social and Governance) which is growing in greater importance worldwide. Companies whom have advanced and accelerated the adoption of the ESG were recognized for their corporate efforts in diversity and inclusion.

ASIA PACIFIC PROPERTY AWARDS 2017



TWL Holdings 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. Integrating sustainability into TWL's investment decision-making and business operations is congruent with the Group's responsibility to its stakeholders and critical to achieving its long-term commercial goals.

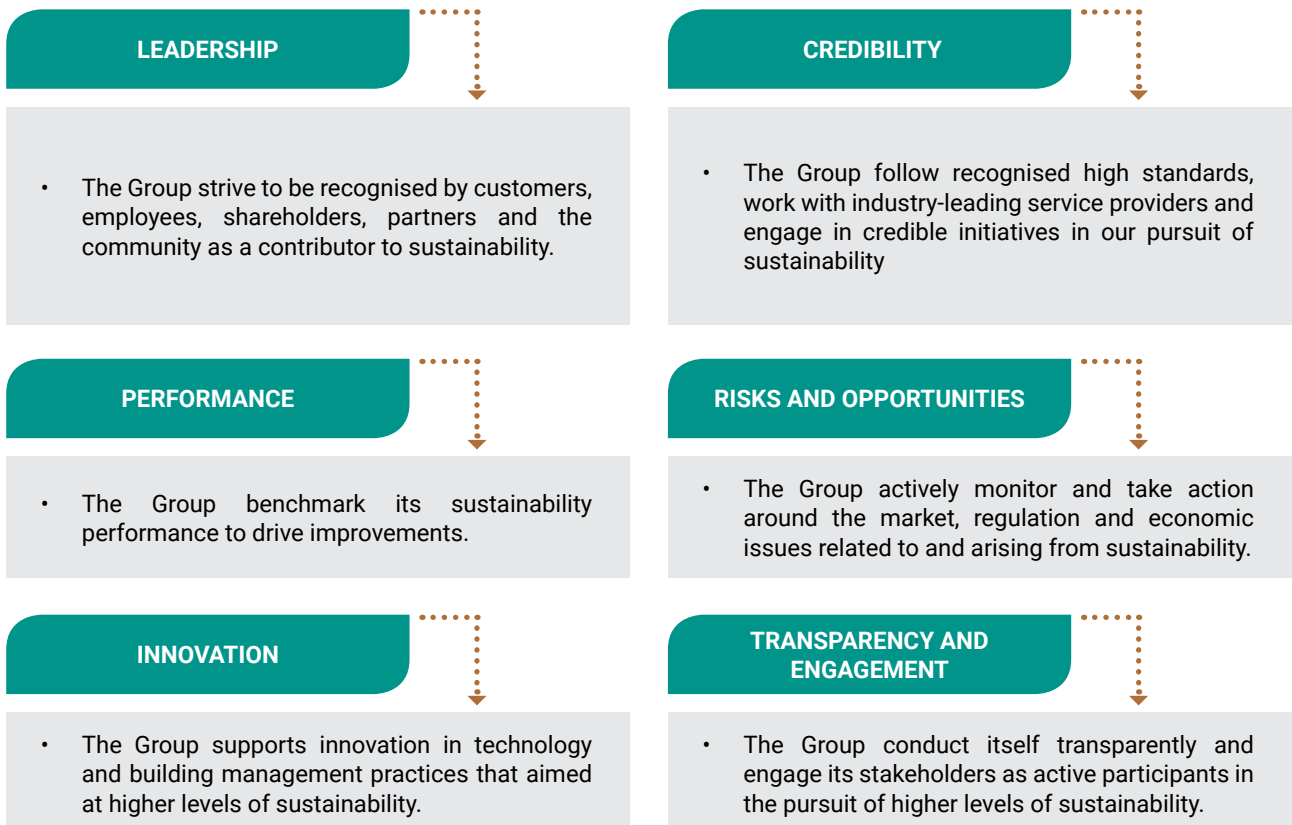
In TWL, we've always taken a sustainable approach that leads to positive economic, environmental and social outcomes for our business and our stakeholder. We understand the world is constantly changing and to be part of the future we must remain agile and open to new ways of working.

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 PRINCIPLES

The Group's sustainability programmes are rooted in a set of guiding principles that drive all actions and decisions in sustainability.

The principles are as follows:



SUSTAINABILITY GOALS

The Board's leadership position on sustainability supports the following goals:

- To incorporate sustainability practices into all three (3) economic, environmental and social aspects to establish ourselves as a sustainable Group;
- To achieve long-term corporate sustainability by identifying aspects that are material to the Group; and
- To create an environment that can enhance the quality of life while ensuring our business success as a visionary property developer.

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

Following the economic disruption caused by the pandemic and the extreme weather events that continue to take a toll on communities globally throughout the financial year, the Board commits to take more ambitious actions in applying sustainable and resilient operating practices to address on the contemporary environmental and social challenges. It is the Board's vision to build leading real estate businesses that create meaningful economic and social value for its buyers, tenants and communities.

The Board is supported by senior management personnel and a cross-functional team to provide a framework for effective action and drive sustainability performance across the Group.

The Board uphold the belief that commitment to high standards of corporate governance is essential in ensuring the sustainability of the Group, 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 the Group's business.

CORPORATE GOVERNANCE AND INTEGRITY

Integrity is a fundamental business philosophy deeply rooted in the corporate culture. Good corporate governance is the foundation of building trust among the stakeholders.

The Group is committed to upholding the highest standards 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 Group can have confidence in the decision-making and management processes of the Group.

The Group establishes policies and internal processes with specific guidance areas to ensure compliance at the workplace.

Amongst the critical policies established by the Group to instill integrity are as follows :

POLICIES	GUIDANCE AREA
Anti-Corruption Policy	Prevention and management of bribery and corruption
Whistle-blowing Policy	Channel for reporting concerns, including financial or professional misconduct, irregularities or non-compliance with laws and regulations, and corruption or bribery

The Board and Senior Management of TWL 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 the business.

The Group believes that making good governance practices as an ingrained corporate culture would ease the Management's effort in achieving the financial goals of the Group. Having good governance would therefore reduce the risk of the Group and minimize the chance of a failure.

Together with transparency, it could also enhance the image and standing of the Group in the eyes of the suppliers, customers and business partners. Consequently, with better performance, the value of the Group will increase and with more potential investors.

SUSTAINABILITY STATEMENT

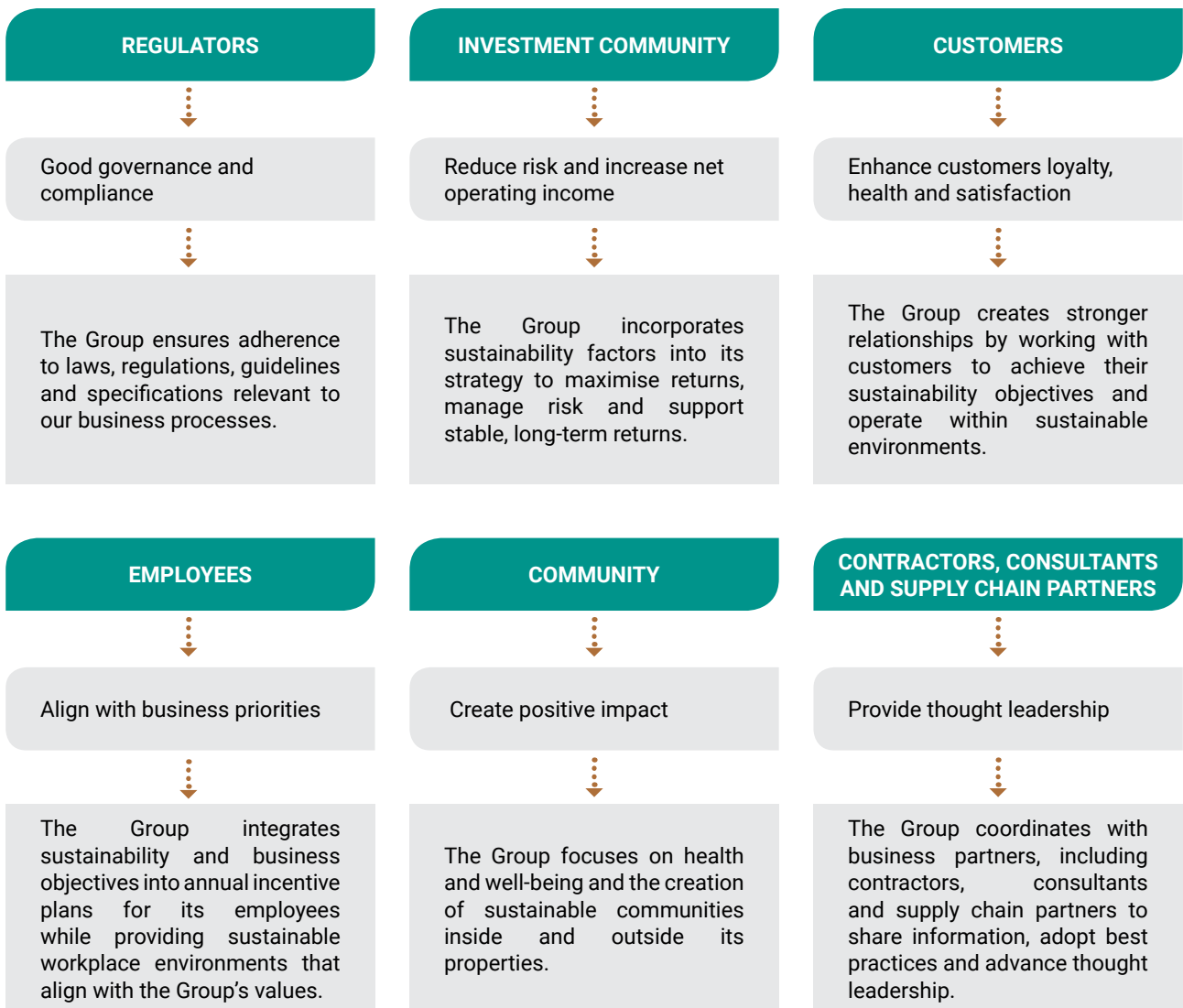
SUSTAINABILITY RISKS AND OPPORTUNITIES

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.

As such, TWL 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.

Further to the above, TWL manages sustainability risks as part of the day-to-day company management and organisational operations, and the Group approaches them holistically. The Senior Management personnel plays a critical role by setting a clear tone at the top and developing a code of conduct that creates the right environment for mitigating risk.

The aspects of the holistic approach taken by the Group are as follows:



SUSTAINABILITY STATEMENT

TWL'S ENGAGEMENT WITH STAKEHOLDERS

TWL defines its stakeholders as groups whom its business has a significant impact on, and those with a vested interest in its operations. Delivering stakeholder value starts by making their diverse needs central to operations and building stakeholders' confidence through timely and accurate disclosure and regular communication is the key focus of TWL's Investor Relations function.

TWL is committed to maintaining an open dialogue with its stakeholders and the Board recognizes the importance of that relationship in the governance process. The Board has overall responsibility for ensuring that the Group listens to and effectively communicate with its stakeholders.

TWL engages contractors, customers, employees, investors and other stakeholders through various channels to understand what matters most and build the trust essential to implementing the Group's sustainability strategy and achieving its objectives.

The sustainability-related communications conducted by TWL with its key stakeholders are as follows:

Key Stakeholders	Method of Engagement	Key Sustainability Topics
Contractors/Consultants/ Supply Chain Partners	<ul style="list-style-type: none"> • Safety briefing • On-site audits • Compliance and declarations • Training Sessions • Video Conferencing 	<ul style="list-style-type: none"> • Performance • Occupational safety and health • Key Performance Indicators ("KPIs")
Customers	<ul style="list-style-type: none"> • Customer service channels • Surveys and feedback channels • Website and other online/offline publications 	<ul style="list-style-type: none"> • Satisfaction and expectations • Quality of services and facilities
Employees	<ul style="list-style-type: none"> • Training programmes • Well-being programmes • Other communications such as email blasts 	<ul style="list-style-type: none"> • Staff bonding • Career development • Safety and health at work • Work satisfaction
Investment community	<ul style="list-style-type: none"> • Results briefings • Annual General Meeting • Public announcement/Website 	<ul style="list-style-type: none"> • Financial results • Business performance and outlook • Sustainability
Local community	<ul style="list-style-type: none"> • Various feedback channels • Sponsorships, donations and other philanthropic contributions 	<ul style="list-style-type: none"> • Community needs • Social and environmental impact from TWL's operations • Placemaking
Regulators	<ul style="list-style-type: none"> • Licenses, certifications, reports and compliance 	<ul style="list-style-type: none"> • Industry trends and standards • Compliance • Regulatory expectations and challenges

SUSTAINABILITY STATEMENT

SUPPORT SUSTAINABLE PROCUREMENT

TWL recognises that its suppliers can affect the achievement of its sustainability goals. Integrating sustainability into its procurement processes supports positive contributions to worker rights and legal and environmental obligations and promotes economic equity throughout the supply chain.

TWL has a diverse supply chain, including builders, contractors and managing agents:

- Builders and contractors on development projects;
- Managing agents and operational contractors on the property portfolio; and
- Third-party contractors.

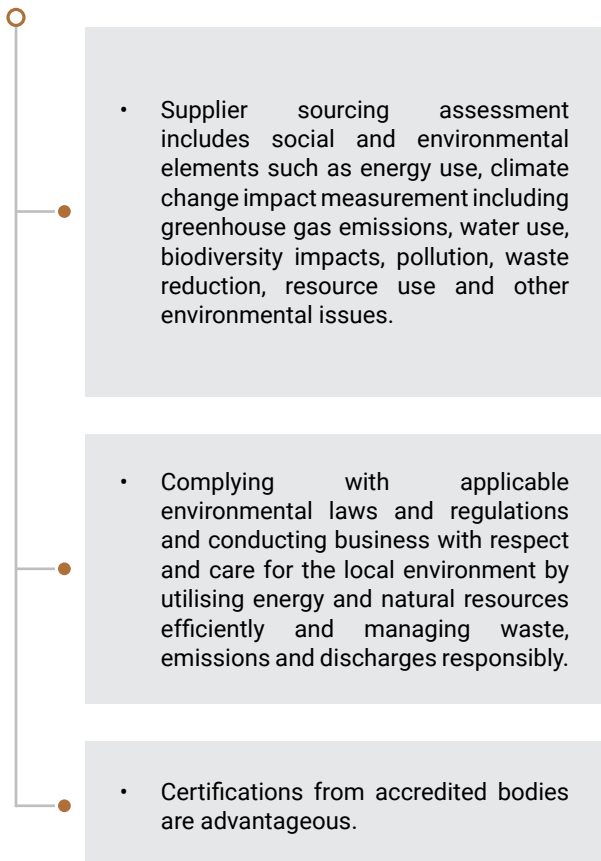
The Group practices fair and transparent procurement. TWL does not tolerate any discrimination in hiring and purchasing. Suppliers, vendors, contractors and other supply chain partners are evaluated based on their credentials, experience, cost and prospects. Experience and certification from accredited bodies are advantageous.

TWL conducts performance evaluations on all of its contractors based on the following criterias:

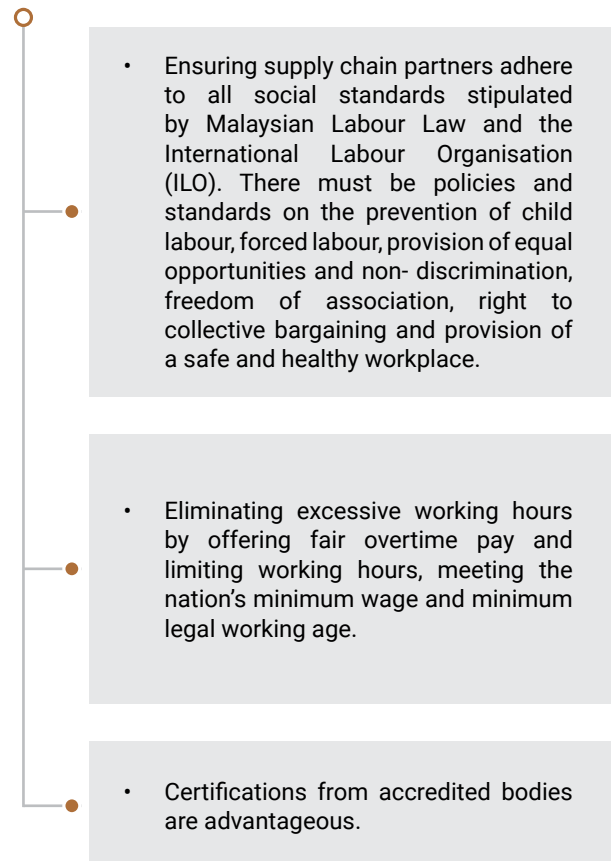
- Site Organisation
- Work Progress/Efficiency
- Financial Capability
- Job Knowledge
- Quality Compliance
- Safety & Health Compliance
- Level of cooperation

Further to the above, TWL is also committed to creating jobs for the local community through its sustainable supply chain commitment. The Group’s hiring and sourcing processes prioritise the local community, such as its contractors, security providers and waste management contractors.

ENVIRONMENTAL SUPPLY CHAIN



SOCIAL SUPPLY CHAIN



SUSTAINABILITY STATEMENT

ENVIRONMENT

At TWL, the Group views its role as a developer of living spaces, lives, and communities. TWL is 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.

The Group 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. The Group endeavors 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.

The Group is guided by its philosophy to care for and contribute to the economic, environmental, and social development of the communities. In conceptualising its developments, the Group create value by balancing economic objectives with the needs for environmental sustainability, and universal design considerations.

TWL's environmental practices demonstrate the Group's ambition to create vibrant and sustainable places for tenants, residents and visitors. The Group's environmental initiatives are as follows:

- Taking a precautionary approach to environmental challenges;
- Promote greater environmental responsibility; and
- Encourage the development and diffusion of technologies with better environmental performance.

Water Management and Efficiency

TWL's developments are designed with a strong focus on water sustainability throughout the lifecycle of the asset. The Group 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

TWL's 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

TWL adapts best practices 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 TWL's firm commitment to EHS (Environment, Health and Safety) through TWL's EHS Management that clearly state the requirement for the selection of products through sustainable sourcing. Their support has helped TWL 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. Its employees and contractors also have an integral role to play in the Group's efforts to be 'green'. A culture is embedded among its employees and contractors for the conservation of electricity, water and paper during the day to day operations. Employees at TWL are also encouraged to share ideas and suggestions on ways to save energy and safeguard our environment. Furthermore, TWL seeks to reduce the impact on the environment by monitoring and reducing carbon footprint, waste, emissions and environment risks.

SUSTAINABILITY STATEMENT

PRIORITISING SUSTAINABILITY AND LIVEABILITY

According to the World Bank, 4.2 billion inhabitants live in cities or 55% of the global population. The World Bank projects that about 70% of the world's population will live in urban centres by 2050. With the increasing population and severe effects of climate change, the call for action is urgent.

TWL is rising to the challenge as it develops liveable and sustainable spaces and homes. Embedding sustainable design and installing green features can reduce the buildings' environmental impact. The Group's building designs consider elements such as building orientation, window design and roofing in optimising the natural ventilation and lighting in homes. Other green features include energy and water-efficiency fixtures, amenities that reduce the community's carbon footprint, and green environments that promote biodiversity in its townships.

As developer, TWL is mindful of delivering quality sustainable homes to its customers. Careful planning of development projects help creates an eco-friendly environment that promotes healthy living for residents and tenants, with green landscaped spaces and environment-friendly features. Energy consumption, waste management and water consumption are critical aspects of sustainability. The Group ensures that it strictly adheres to the Environmental Quality Act 1974 and its subsidiary regulations.

MINIMISING ENVIRONMENTAL IMPACT

TWL conducts a monitoring programme during the earthworks, construction and operational phases. Quarterly environmental monitoring on all construction projects minimises noise and water and air quality deterioration. TWL carries out all recommended mitigation measures responsibly. Each development adheres strictly to every requirement stated in the Environmental Management Plan.

TWL works with tenants to minimise their environmental impact and reduce operational costs. The Group conducts performance tests on its tenants' units to ensure the equipment functions optimally whenever necessary. TWL will continue to work with its tenants and include them on the journey to becoming a green property manager.

ENERGY AND EMISSIONS

The rising energy costs associated with urban planning and building operation, both in terms of environmental impact and monetary expenses, naturally affect the sustainability of buildings and projects through energy-saving features, renewable energy sources and smart home applications. Although these may come with green premiums, green design can offset them long-term.

In design, construction, operation and maintenance, TWL examines the function of the building (architectural requirements) and aesthetic value (beauty and harmony between the building structure and natural environment).

Some key focus areas include energy efficiency features such as solar panels or photovoltaic cells, LED lighting, daylight auto and motion sensors and building management systems, especially in high-rise commercial buildings.

DIVERSITY, EQUITY AND INCLUSION

The TWL team rallies around a single purpose: to help all families discover the joy at home. That purpose, and the Group's inclusion, directly connect to its inclusivity value as a company.

TWL recognises its shared responsibility to foster a more inclusive society. All employees have the right to equal opportunity and treatment. All suppliers are encouraged to cultivate an inclusive work environment that respects and protects human rights, free from discrimination, harassment, intimidation, or abuse. TWL also encourages its suppliers and contractors to provide equal access and empower women in the workforce.

TWL'S SOCIETAL IMPACT

As a socially responsible developer, TWL is in constant pursuit of building sustainable communities in places it operates. Through active communication and engagement, TWL fully comprehends communities' needs and strengthens relationships with its partners. The Group leverages its network and resources to create multifaceted, positive impacts through volunteer work, community services, donations and sponsorships.

TWL's primary vehicle for engaging with the communities is through charitable organisations that help those in need throughout the communities. Within a broad range of TWL's community engagements, the Group 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.

SUSTAINABILITY STATEMENT

Through our philanthropic contributions, TWL continue to champion various efforts deserving support. This involved various organizations and charitable bodies that truly deserve it. The Group believes that in giving back is when we truly received. During the financial year, 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; and
- 7) Persatuan Hokkien Negeri Sembilan.

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

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

OCCUPATIONAL SAFETY AND HEALTH

Safety and health on TWL's premises are a top priority. The Group places paramount importance on protecting employees and contractors in the workplace from accidents, injuries and exposure to a harmful environment. TWL took all necessary steps, including:

- Minimising the risks of incidents and injuries by identifying, mitigating and managing hazards;
- Working closely with contractors in introducing an occupational health and safety management system at sites; and
- Enhancing employee relations and morale with a safer and less stressful work environment.

TWL adopts strict policy and procedures by adopting industry best practices for managing and mitigating risks ranging from construction to operational phases. These policies and procedures focus on continuous improvement covering all employees, tenants, customers, suppliers and visitors. The Group requires its properties to fulfil the requirements of recognised health and safety management systems and standards, including BOMBA fire certification.

Each contractor must protect the security, safety and health of workers and the public at the place of work. Every Permit to Work stipulates those contractors must comply with all relevant laws and regulations, including the following:

- Occupational Safety and Health Act 1994;
- Factories and Machinery Act 1967;
- Uniform Building By-Law 1984;
- Safe operating procedures in the installation of scaffolds; and
- All other related government agencies' regulations.

No major accidents or safety incidents occurred in FYE2022.

EMPLOYEES

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

TECHNOLOGY

TWL actively seeks ways to stay ahead of the digitalisation curve to maximise the value it delivers to its customers. Digitalisation allows TWL to connect with its buyers and tenants and respond to their requests without needing physical interaction, improving the Group's service levels and quality. Adapting to the current environment, TWL initiated a digital marketing campaign including virtual apps and show units to complement conventional sales strategies.

SUSTAINABILITY STATEMENT

HUMAN CAPITAL

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

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

The Group also advocates lifelong learning and seek to develop its 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

The Group places 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.

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. TWL is committed to provide 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

With COVID-19 cases surging worldwide as more virulent strains emerge, it is apparent that the coronavirus has become a fact of life in the future. Property developers, urban planners, architects and policymakers are rethinking the design and planning of developments, land use and public spaces towards balancing safety, suitability and sustainability in the new normal.

The new norm requires products to be more accommodative; the home and workplaces are more fluid than ever. Residential home designs will change as the pattern of working from home or hybrid working arrangements will be assimilated with the new living conditions.

Green development will continue to be the future of sustainable townships, including prioritising sustainable modes of transport and energy-efficient standards in master planning and emphasising design and planning, circular construction, community building, digitalisation and environmental stewardship.

The Group recognises the importance of business sustainability and will continue to re-assess its current operations and continue taking firm steps toward creating a more sustainable future for its stakeholders.

The Group will continue to refine its 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 its organisation as an important corporate.

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 year and of the results and cash flow of the Group and of the Company for the financial year then ended.

In preparing the financial statements for the financial year ended 30th June 2022, the Directors have:

- Adopted the suitable and appropriate accounting policies and applied them consistently;
- Made reasonable and prudent judgements and estimates;
- Ensured strict adherence of all applicable accounting standards, subject to any material departures disclosed and explained in the financial statement; and
- 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 of TWL have the general responsibility for taking reasonable steps to safeguard the assets of the Group and of the Company; and to prevent and detect frauds and other irregularities.

STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors of TWL Holdings Berhad (“TWL” 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 2021 (“MCCG 2021” 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 year ended 30th June 2022 (“FYE 2022”).

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 2021 throughout the FYE 2022: -

- (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 2022 (“CG Report”) of the Company which is available on the website of Bursa at 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 FYE 2022. The Board is satisfied that the Company has substantially complied with the MCCG 2021 throughout the FYE 2022 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 OF CORPORATE GOVERNANCE

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (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;
- (e) Risk Management 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 FYE 2022, four (4) meetings were held and the attendances of the Directors at Board Meeting as follows:-

	No. of Meetings Attended
Dato' Tan Wei Lian	4/4 meetings
Tan Lee Chin	4/4 meetings
Datin Sek Chian Nee	4/4 meetings
Low Boon Chin	4/4 meetings
Dato' Khoo Seng Hock (resigned on 30.09.2022)	4/4 meetings
Dato' Lee Yuen Fong (retired on 06/12/2021)	2/2 meetings
Chua Eng Chin	4/4 meetings
Datin Sulizah binti A. Salam	4/4 meetings
S. Nagaraju A/L Sinniah	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.

STATEMENT OF CORPORATE GOVERNANCE

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

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.

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 A 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 <https://twlholdings.com.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; and
- 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.

STATEMENT OF CORPORATE GOVERNANCE

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

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 whistleblowing 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.

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 of 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 four (4) Independent Non-Executive Directors. The presence of the four (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.

STATEMENT OF CORPORATE GOVERNANCE

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

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 3) Advocacy Sessions For Directors and Senior Management of Main Market Listed Issuer
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
Datin Sulizah binti A. Salam	1) Overview of Directors' Duties
S. Nagaraju A/L Sinniah	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.

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.

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 5.9 & 5.10 of the MCCG 2021 in relation to gender diversity.

STATEMENT OF CORPORATE GOVERNANCE

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

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 two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The members of the Nomination Committee are as follows:-

Chairman	:	Low Boon Chin <i>(Independent Non-Executive Director)</i>
Members	:	Dato' Khoo Seng Hock <i>(Independent Non-Executive Director)</i> <i>(resigned on 30.09.2022)</i>
		Chua Eng Chin <i>(Non-Independent Non-Executive Director)</i>

As per Practice 5.8 of the MCGG 2021, the Nomination Committee is chaired by an Independent Director.

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 year ended 30 June 2022 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 year ended 30 June 2022, 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.

STATEMENT OF CORPORATE GOVERNANCE

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

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	:	Low Boon Chin <i>(Independent Non-Executive Director)</i>
Members	:	Dato' Khoo Seng Hock <i>(Independent Non-Executive Director)</i> <i>(resigned on 30.09.2022)</i>
		Chua Eng Chin <i>(Non-Independent Non-Executive Director)</i>

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.

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 FYE 2022 are as follows:

	Salary, Fee & Allowance (RM)	Other Emoluments (RM)	Bonus (RM)	Benefit in kind (RM)	Total (RM)
Company					
Executive Directors					
Dato Tan Wei Lian	-	-	-	-	-
Datin Sek Chian Nee	-	-	-	-	-
Tan Lee Chin	-	-	-	-	-
Independent Directors					
Dato' Khoo Seng Hock	24,000	-	-	-	24,000
Low Boon Chin	24,000	-	-	-	24,000
Datin Sulizah Binti A Salam	24,000	-	-	-	24,000
S Nagaraju A/L Sinniah	12,000	-	-	-	12,000
Non-Independent Directors					
Chua Eng Chin	24,000	-	-	-	24,000

STATEMENT OF CORPORATE GOVERNANCE

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

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 FYE 2022 are as follows:

	Salary Fee & Allowance (RM)	Other Emoluments (RM)	Bonus (RM)	Benefit in kind (RM)	Total (RM)
Group					
Executive Directors					
Dato Tan Wei Lian	–	–	–	–	–
Datin Sek Chian Nee	420,000	–	–	–	420,000
Tan Lee Chin	405,600	–	–	–	405,600
Independent Directors					
Dato' Khoo Seng Hock	24,000	–	–	–	24,000
Low Boon Chin	24,000	–	–	–	24,000
Datin Sulizah Binti A Salam	24,000	–	–	–	24,000
S Nagaraju A/L Sinniah	12,000	–	–	–	12,000
Non-Independent Directors					
Chua Eng Chin	24,000	–	–	–	24,000
Other key management Personnel					
Salaries, wages and others	299,335	–	–	–	299,335
Defined contribution plan	–	32,519	–	–	32,519

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 Independent Non-Executive Directors except Chua Eng Chin is non-independent non-executive director. The Audit Committee is chaired by Mr. Low Boon Chin, the Independent Non-Executive Director of the Company.

The Audit Committee held four (4) meetings during the financial year ended 30 June 2022. The members of the Audit Committee and their attendance are as follows:

(i) Low Boon Chin (Chairman/Independent Non-Executive Director)	4 of 4 meetings
(ii) Dato' Khoo Seng Hock (Independent Non-Executive Director) (resigned on 30.09.2022)	4 of 4 Meetings
(iii) Dato' Lee Yuen Fong (Independent Non-Executive Director) (retired on 06.12.2021)	2 of 2 Meetings
(iv) Chua Eng Chin (Non-Independent Non-Executive Director)	4 of 4 Meetings

STATEMENT OF CORPORATE GOVERNANCE

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

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 FYE 2022 is set out in pages 61 to 63 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 year ended 30 June 2022, 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 OF 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

Risk Management Committee

The Risk Management Committee ("RMC") of the Company comprises three (3) members, majority of which are Independent Non-Executive Directors. The RMC is chaired by Mr. S.Nagaraju A/L Sinniah, the Independent Non-Executive Director of the Company.

The members of the RMC as of the date of this Report are as follows:

Name	Designation	Status Of Directorship
S. Nagaraju A/L Sinniah	Chairman	Independent Non-Executive Director
Tan Lee Chin	Member	Deputy Chairman/Managing Director
Low Boon Chin	Member	Independent Non-Executive Director

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

The RMC was established to act as a committee of the Board of Directors ("Board") with the primary objective of assisting the Board in fulfilling its fiduciary duties in relation to:

- assessing the internal control and risk management processes in relation to the risk and control environment.; and
- overseeing the Group's risk management framework and policies and its implementation.

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 30 June 2022.

The Boards 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: -

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

STATEMENT OF 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)

In line with the Main LR and the MCCG 2021, the Board has established an internal audit function, which reports directly to the RMC 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 RMC and relevant recommendations are made to the RMC 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.

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 30 June 2022 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.

STATEMENT OF 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 Board and the RMC 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 and RMC 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.

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 <https://twlholdings.com.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.

STATEMENT OF **CORPORATE GOVERNANCE**

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

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 Managing 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 06th December 2021 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, Messrs Shareworks Sdn Bhd to conduct the polling process and Mr Leonard Lim Weng Leong as Independent 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 TWL Holdings Berhad ("TWL") is pleased to present the report of the Audit Committee Report and its work for the financial year ended 30 June 2022.

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 four (4) meetings during the financial year ended 30 June 2022. The members of the Audit Committee and their attendance are as follows:

(i) Low Boon Chin (Chairman/Independent Non-Executive Director)	4 of 4 Meetings
(ii) Dato' Khoo Seng Hock (Independent Non-Executive Director) (resigned on 30/9/22)	4 of 4 Meetings
(iii) Dato' Lee Yuen Fong (Independent Non-Executive Director) (retired on 6/12/21)	2 of 4 Meetings
(iv) Chua Eng Chin (Non-Independent Non-Executive Director)	4 of 4 Meetings

SUMMARY OF WORK DURING THE FINANCIAL YEAR

For the financial year ended 30 June 2022, 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 year ended 30 June 2022; and significant issues and concerns arising from the audit.
- Reviewed the annual report and audited financial statements for the financial year ended 30 June 2022 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 year ended 30 June 2022.
- 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 policies and procedures.
- Review on other data processed.
- Identify various type of transactions against the set of policies and procedure.
- Risk involved in accounting.

(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)

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

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 year 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 year ended 30 June 2022 amounted to RM4,600.

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, TWL Holdings Berhad (“TWL”) announced to undertake the renounceable rights issue of up to 1,137,789,807 new ordinary shares in the Company (“TWL 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”)

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. The details of utilisation of proceeds from the Right Issue were as follows:-

Purpose	Proposed Utilisation RM’000	Actual Utilisation RM’000	Balance Unutilised RM’000	Intended Time frame for Utilisation
Funding for existing property development projects	30,000	948	29,052	Within 36 months
Repayment of borrowings	11,171	615	10,556	Within 6 months
Working capital	2,067	2,067	–	Within 24 months
Expenses for the Rights Issue with Warrants	821	774	47	Immediate
Total	44,059	4,404	39,655	

Proposed Private Placement

On 10 January, the Board of Directors of TWL announced that TWL had entered into a shares sale agreement with Afandi Bin Amir (“Afandi”), Mohammad Ramadhan Bin Othman (“Ramadhan”) and Rising Applause Sdn Bhd (“Rising Applause”) (collectively referred to as the “Vendors”) for the proposed acquisition of 100% equity in Pembinaan Qaiser Sdn Bhd (“Qaiser”) for a total purchase consideration of RM35.0 million (“Purchase Consideration”) to be satisfy partly via cash and partly issuance of new ordinary shares in TWL. On 27 January 2022, the Board of Directors of TWL announced that the Company proposed to undertake the following proposal:-

- a) Issuance of 555,555,556 Consideration Shares to the Vendors to satisfy part of the Purchase Consideration for the Acquisition (“Proposed Issuance”) and
- b) Private placement of up to 771,036,000 new TWL Shares (“Placement Shares”), representing 30% of the existing total number of issued Shares, to independent third-party investor to be identified later and at an issue price to be determined later (“Proposed Private Placement”) to raise funds mainly to fund the construction of a high rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works. (“Project”).

ADDITIONAL COMPLIANCE INFORMATION

STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS (CONT'D)

Proposed Private Placement (Cont'd)

The listing and quotation of 771,036,000 Placement Shares had been completed on 15 April 2022. The details of utilisation of proceeds from the Private Placement were as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended Time frame for Utilisation
Funding for construction of the Project	39,519	410	39,109	Within 24 months
Expenses for the Acquisition and the proposals	940	730	210	Immediate
Total	40,459	1,140	39,319	

Proposed Redeemable Convertible Unsecured Loan Stocks ("RCULS") with Warrants.

On 16 August 2022, TWL Holdings Berhad ("TWL") announced to undertake a renounceable rights issue of up to RM120.199 million nominal value of 4,006,633,348 5-year 5% redeemable convertible unsecured loan stocks in the Company ("RCULS") at 100% of its nominal value of RM0.03 each together with up to 1,144,752,385 free detachable warrants in the Company ("Warrants E") on the basis of 7 RCULS together with 2 Warrants E for every 10 existing ordinary shares in the Company held by the entitled shareholders of the Company on an entitlement date to be determined and announced later.

OPTIONS OVER ORDINARY SHARES

Employees' Share Option Scheme ("ESOS")

At an Extraordinary General Meeting held on 6 December 2021, 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 5 January 2022.

- (a) The total number of options granted, and outstanding options under the ESOS as at 30 June 2022 are set out in the table below:

Description	Number of Options as at 30 June 2022 Total
(a) Granted during the financial year	531,000,000
(b) Exercised during the financial year	209,000,000
(c) Cancelled during the financial year	142,000,000
(d) Outstanding options exercisable during the financial year	180,000,000

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 2022 are set out in the table below:

Description	Number of Options as at 30 June 2022	
	Directors	Senior Management
(a) Granted during the financial year	372,000,000	–
(b) Exercised during the financial year	159,000,000	–
(c) Cancelled during the financial year	75,000,000	–
(d) Outstanding options exercisable during the financial year	138,000,000	–

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

	Since commencement up to 30 June 2022
(a) Aggregate maximum allocation applicable to directors and senior management	70%
(b) Actual percentage granted	51.50%

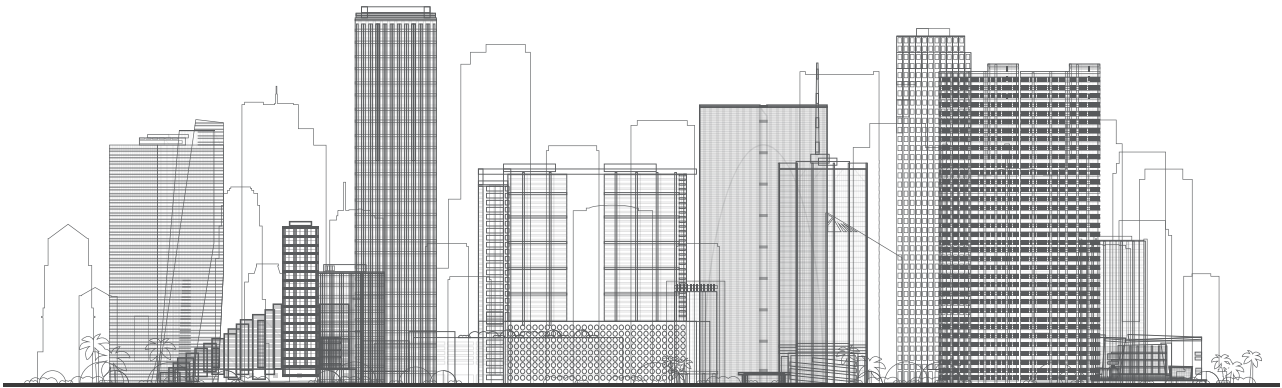
AUDIT AND NON-AUDIT FEES

During the financial year ended 30 June 2022, the total audit and non-audit fees incurred for services rendered to the Company and the Group by the external auditors are as follows:

	The Group	Company
Audit fees	RM215,000	RM110,000

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

During the financial year ended 30 June 2022, there is no material contracts entered into by the Company and/or its subsidiaries involving directors and major shareholders.



FINANCIAL STATEMENTS

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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 year ended 30 June 2022.

PRINCIPAL ACTIVITIES

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

FINANCIAL RESULTS

	Group RM	Company RM
Loss for the financial year attributable to owners of the Company	17,716,177	20,574,979

CHANGE OF NAME

On 10 December 2021, the Company changed its name from Tiger Synergy Berhad to TWL Holdings Berhad.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year 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 year.

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up share capital from RM233,127,714 comprising 1,468,640,584 ordinary shares to RM319,808,393 comprising 3,550,156,218 ordinary shares through the following:

- (a) Issuance of 209,000,000 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price of RM0.0486 per share.
- (b) Issuance of 771,036,000 new ordinary shares pursuant to the private placement of at an exercise price of RM0.0436 to RM0.0608 per share; and
- (c) Issuance of 1,101,479,634 new ordinary shares pursuant to the rights issue with warrants at an exercise price of RM0.04 per share.

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

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. On 29 September 2021, TWL's existing ESOS is terminated in accordance to the By-Laws governing the ESOS in view that the Board of Directors does not intend to grant any further options under the existing ESOS.

At the Extraordinary General Meeting held on 6 December 2021, 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 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 5 January 2022.

The salient features and other terms of the ESOS are disclosed in the Note 27 to the financial statements.

As at 30 June 2022, the options offered to take up unissued ordinary shares and the exercise prices are as follows:

Date of offer	Exercise price	At 01.07.2021	Number of options over ordinary shares			At 30.06.2022
			Granted	Exercised	Cancelled	
06.01.2022	RM0.049	–	384,000,000	(209,000,000)	(133,000,000)	42,000,000
29.04.2022	RM0.084	–	147,000,000	–	(9,000,000)	138,000,000

1% RCN

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

As at 30 June 2022, the RCN in issue is RMNil.

WARRANTS

Warrants D

The warrants were constituted under the Deed Poll dated 29 July 2021 as disclosed in Note 15(a).

As at 30 June 2022, the total number of Warrants D that remain unexercised were 1,101,480,437.

DIRECTORS

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

Chua Eng Chin	
Datin Sek Chian Nee*	
Dato' Tan Wei Lian*	
Low Boon Chin	
Tan Lee Chin*	
Datin Sulizah Binti A.Salam	(appointed on 8 December 2021)
S. Nagaraju A/L Sinniah	(resigned on 6 December 2021)
Dato' Lee Yuen Fong	(resigned on 30 September 2022)
Dato' Khoo Seng Hock	

DIRECTORS' REPORT

DIRECTORS (CONT'D)

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

Tan Kah Hong (appointed on 3 January 2022)

* *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' 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 year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares				
	At 01.07.2021	Bought	Sold	At 30.06.2022	
Interests in the Company:					
Direct Interests					
Dato' Tan Wei Lian	176,761,959	205,030,544	(33,937,500)	347,855,003	
Datin Sek Chian Nee	34,342,800	89,622,650	(14,913,000)	109,052,450	
Tan Lee Chin	10,331,675	20,000,000	(2,900,000)	27,431,675	
Indirect interest					
Dato' Tan Wei Lian [#]	44,674,475	313,842,750	(17,813,000)	340,704,225	
Datin Sek Chian Nee [#]	187,093,634	429,250,644	(36,837,500)	579,506,778	
Tan Lee Chin [#]	211,104,759	498,873,294	(48,850,500)	661,127,553	
Number of options over ordinary shares					
	At 01.07.2021	Granted	Exercised	Cancelled	At 30.06.2022
Interests in the Company					
Direct Interests					
Datin Sek Chian Nee	–	302,000,000	(139,000,000)	(25,000,000)	138,000,000
Tan Lee Chin	–	70,000,000	(20,000,000)	(50,000,000)	–
Indirect Interests					
Datin Sek Chian Nee [#]	–	70,000,000	(20,000,000)	(50,000,000)	–
Tan Lee Chin [#]	–	302,000,000	(139,000,000)	(25,000,000)	138,000,000

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES (CONT'D)

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 year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows: (Cont'd)

	At 01.07.2021	Number of warrants D		At 30.06.2022
		Granted	Exercised	
Interests in the Company:				
Direct Interests				
Dato' Tan Wei Lian	–	199,304,044	–	199,304,044
Datin Sek Chian Nee	–	24,622,650	–	24,622,650
Indirect Interests				
Dato' Tan Wei Lian [#]	–	24,622,650	–	24,622,650
Datin Sek Chian Nee [#]	–	199,304,044	–	199,304,044

[#] 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 year had any interest in shares in the Company or its related corporations during the financial year.

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 the directors as shown below) 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).

The details of the directors' remuneration for the financial year ended 30 June 2022 are set out below:

	Group RM	Company RM
Directors' remuneration		
Fees and allowance	108,000	108,000
Remuneration	825,600	–
Share-based payment	15,112,200	15,112,200
	16,045,800	15,220,200

Neither during nor at the end of the financial year, 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 year, the total amount of indemnity coverage and insurance premium paid for the Directors of the Company were RM10,000,000 and RM15,419 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 bad debts had been written off and no allowance for doubtful debts was required; 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 it necessary to make any allowance for doubtful debts in the financial statements of the Group and of the Company or the amount written off for bad debts 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 year 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 year.
- (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 year 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 year 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 year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

SUBSIDIARY COMPANIES

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

SIGNIFICANT EVENTS

The details of the significant events are disclosed in Note 36.

SUBSEQUENT EVENTS

The details of the subsequent events are disclosed in Note 37.

AUDITORS

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

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2022 are as follow:

	Group RM	Company RM
Auditor's remuneration:		
UHY	170,000	110,000
Other auditor	45,000	-
	215,000	110,000

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 October 2022.

DATO' TAN WEI LIAN

TAN LEE CHIN

KUALA LUMPUR

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 79 to 148 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 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 October 2022.

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 TWL Holdings Berhad (formerly known as Tiger Synergy Berhad), do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 79 to 148 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 17 October 2022)

DATO' TAN WEI LIAN

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TWL HOLDINGS BERHAD

(Formerly known as 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 TWL Holdings Berhad (formerly known as Tiger Synergy Berhad), which comprise the statements of financial position as at 30 June 2022 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 79 to 148.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the 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 year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How we addressed the key audit matters
<p>Existence and valuation of inventories</p> <p>As at 30 June 2022, the Group recognised land held for property development and property development costs amounting to RM225,212,749 and RM18,342,126 respectively, in which represented 62% 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.</p> <p>We focused on this area mainly due to following:</p> <p>(a) material account balances and large number of individual parcels of land and their related development expenditure incurred; and</p> <p>(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 realisable value.</p>	<p>(a) Existence of inventories Our audit procedures include the following:</p> <ul style="list-style-type: none"> 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 and agreed development expenditures incurred during the financial year to the relevant supporting documents; evaluated joint venture agreements and entitlement paid to land owners; and

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TWL HOLDINGS BERHAD

(Formerly known as Tiger Synergy Berhad) [Registration No.: 199401039944 (325631-V)] (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key Audit Matters

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

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 TWL HOLDINGS BERHAD

(Formerly known as 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 year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TWL HOLDINGS BERHAD

(Formerly known as 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.

OTHER MATTERS

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

UHY

Firm Number: AF 1411
Chartered Accountants

ANG KAI SING

Approved Number: 03605/10/2023 J
Chartered Accountant

KUALA LUMPUR

17 October 2022

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	2022 RM	Group 2021 RM	2022 RM	Company 2021 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	2,605,733	2,814,642	124,166	151,376
Inventories	5	225,212,749	220,759,777	–	–
Right-of-use assets	6	114,999	357,393	–	–
Investments in subsidiary companies	7	–	–	15,445,807	15,440,607
Goodwill on consolidation	8	–	–	–	–
Amount due from subsidiary companies	9	–	–	344,586,376	305,101,313
Other investments	10	6,770,496	–	6,770,496	–
		234,703,977	223,931,812	366,926,845	320,693,296
Current Assets					
Inventories	5	18,785,593	18,793,608	–	–
Trade receivables	11	13,965,024	3,927,210	–	–
Other receivables	12	54,986,525	42,943,917	15,000	–
Fixed deposits with financial institutions	13	32,306,166	325,601	27,029,000	29,000
Cash and bank balances		40,642,377	10,618,578	18,645,242	7,808
		160,685,685	76,608,914	45,689,242	36,808
Total Assets		395,389,662	300,540,726	412,616,087	320,730,104
EQUITY					
Share capital	14	319,808,393	233,127,714	319,808,393	233,127,714
Reserves	15	58,322,824	49,178,206	85,508,985	79,223,169
Equity attributable to owners of the parent		378,131,217	282,305,920	405,317,378	312,350,883
Non-controlling interests		4,900	–	–	–
Total Equity		378,136,117	282,305,920	405,317,378	312,350,883

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	16	183,382	537,024	-	-
Borrowings	17	9,524,472	9,621,005	-	-
		9,707,854	10,158,029	-	-
Current Liabilities					
Lease liabilities	16	326,296	407,305	-	-
Borrowings	17	1,421,303	847,492	-	-
Trade payables	18	2,640,712	3,038,291	-	-
Other payables	19	2,187,010	2,991,473	445,492	726,543
Amount due to Directors	20	389,773	250,413	146,712	26,672
Amounts due to subsidiary companies	9	-	-	6,706,505	7,626,006
Redeemable Convertible Notes ("RCN")	21	-	-	-	-
Tax payable		580,597	541,803	-	-
		7,545,691	8,076,777	7,298,709	8,379,221
Total Liabilities		17,253,545	18,234,806	7,298,709	8,379,221
Total Equity and Liabilities		395,389,662	300,540,726	412,615,087	320,730,104

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

		Group		Company	
	Note	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Revenue	22	35,099,580	12,541,777	-	-
Cost of sales		(28,211,308)	(26,225,376)	-	-
Gross profit/(loss)		6,888,272	(13,683,599)	-	-
Other income		965,491	733,989	1,131,059	771,834
Net gain on impairment of financial instruments	24	453,815	346,185	-	-
Administrative expenses		(6,348,918)	(7,199,463)	(2,790,238)	(3,981,405)
ESOS expenses		(18,915,800)	(1,810,800)	(18,915,800)	(1,810,800)
Finance costs	23	(718,033)	(1,052,785)	-	-
Loss before taxation	24	(17,675,173)	(22,666,473)	(20,574,979)	(5,020,371)
Taxation	25	(41,004)	52,031	-	-
Net loss for the financial year/period, representing total comprehensive loss for the financial year/period		(17,716,177)	(22,614,442)	(20,574,979)	(5,020,371)
Loss attributable to:					
Owners of the parent		(17,716,177)	(22,614,442)	(20,574,979)	(5,020,371)
Total comprehensive loss attributable to:					
Owners of the parent		(17,716,177)	(22,614,442)	(20,574,979)	(5,020,371)
Loss per share	26				
- Basic (sen)		(0.70)	(1.54)		
- Diluted (sen)		(0.60)	(1.54)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Attributable to Owners of the Parent		Non-Distributable		Distributable		Non-Controlling Interests		Total Equity
	Share Capital	Warrant Reserve	ESOS Reserve	Retained Earnings	Share Capital	Warrant Reserve	ESOS Reserve	Retained Earnings	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group									
At 1 July 2021	233,127,714	-	-	49,178,206	282,305,920	-	-	-	282,305,920
Net loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(17,716,177)	(17,716,177)	-	-	-	(17,716,177)
Transactions with owners:									
Issuance of shares pursuant to:									
- Rights issue	27,536,991	16,522,195	-	-	44,059,186	-	-	-	44,059,186
- Private placement	40,459,088	-	-	-	40,459,088	-	-	-	40,459,088
- Exercise of ESOS	18,684,600	-	(8,527,200)	-	10,157,400	-	-	-	10,157,400
Issuance of ESOS	-	-	18,865,800	-	18,865,800	-	-	-	18,865,800
Acquisition of subsidiary company	-	-	-	-	-	-	-	4,900	4,900
Total transactions with owners	86,680,679	16,522,195	10,338,600	-	113,541,474	4,900	-	-	113,546,374
At 30 June 2022	319,808,393	16,522,195	10,338,600	31,462,029	378,131,217	4,900	-	-	378,136,117

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	< ----- Attributable to Owners of the Parent ----- >				Total Equity RM
	Share Capital RM	Warrant Reserve RM	ESOS Reserve RM	Retained Earnings RM	
Group					
At 1 January 2020, as previously stated	225,004,757	5,809,499	-	65,995,333	296,809,589
Effect of adopting MFRS 16	-	-	-	(12,184)	(12,184)
At 1 January 2020, as restated	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)
Transactions with owners:					
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)
Total transactions with owners	8,122,957	(5,809,499)	-	5,809,499	8,122,957
At 30 June 2021	233,127,714	-	-	49,178,206	282,305,920
Company					
At 1 July 2021	233,127,714	-	-	79,223,169	312,350,883
Net loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(20,574,979)	(20,574,979)
Transactions with owners:					
Issuance of shares pursuant to:					
- Rights issue	27,536,991	16,522,195	-	-	44,059,186
- Private placement	40,459,088	-	-	-	40,459,088
- Exercise of ESOS	18,684,600	-	(8,527,200)	-	10,157,400
Issuance of ESOS	-	-	18,865,800	-	18,865,800
Total transactions with owners	86,680,679	16,522,195	10,338,600	-	113,541,474
At 30 June 2022	319,808,393	16,522,195	10,338,600	58,648,190	405,317,378

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	< ----- Attributable to Owners of the Parent ----- >				
	< ----- Non-Distributable ----- >		Distributable		
	Share Capital RM	Warrant Reserve RM	ESOS Reserve RM	Retained Earnings RM	Total Equity RM
Company					
At 1 January 2020	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)
Transactions with owners:					
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)
Total transactions with owners	8,122,957	(5,809,499)	-	5,809,499	8,122,957
At 30 June 2021	233,127,714	-	-	79,223,169	312,350,883

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

Note	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Cash Flows From Operating Activities				
Loss before taxation	(17,675,173)	(22,666,473)	(20,574,979)	(5,020,371)
Adjustments for:				
Amortisation of right-of-use assets	193,627	422,197	-	-
Receivables written off	19,381	12,506	-	-
Depreciation of property, plant and equipment	638,058	907,299	27,210	37,952
Share-based payments	18,865,800	1,810,800	18,865,800	1,810,800
Gain on disposal of property, plant and equipment	-	(82,930)	-	-
Gain on disposal of right-of-use assets	(49,233)	-	-	-
Impairment loss on:				
- Investment in subsidiary	-	-	-	2,041,970
- Inventories	-	33,790	-	-
- Trade receivables	-	45,865	-	-
- Other receivables	-	107,950	-	-
Interest expenses	718,033	1,052,785	-	-
Interest income	(218,768)	(42,106)	(205,200)	(987)
Reversal of impairment loss on:				
- Trade receivables	(345,865)	(500,000)	-	-
- Other receivables	(107,950)	-	-	-
Right-of-use assets written off	-	323,675	-	-
Operating profit/(loss) before working capital changes	2,037,910	(18,574,642)	(1,887,169)	(1,130,636)
Changes in working capital:				
Inventories	(4,444,957)	15,248,870	-	-
Trade receivables	(9,711,330)	(2,501,707)	-	-
Other receivables	(11,934,658)	4,687,257	(15,000)	100,948
Trade payables	(397,579)	2,557,917	-	-
Other payables	(804,463)	1,055,876	(281,051)	397,061
Amount due (to)/from subsidiary companies	-	-	(40,404,564)	(4,816,308)
	(27,292,987)	21,048,213	(40,700,615)	(4,318,299)
Cash (used in)/generated from operations	(25,255,077)	2,473,571	(42,587,784)	(5,448,935)
Interest received	218,768	42,106	205,200	987
Interest paid	(153,969)	(460,864)	-	-
Tax paid	(2,210)	-	-	-
	62,589	(418,758)	205,200	987
Net cash (used in)/from operating activities	(25,192,488)	2,054,813	(42,382,584)	(5,447,948)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	Group		Company	
		01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Cash Flows From Investing Activities					
Acquisition of subsidiary companies, net of cash acquired		4,900	–	(5,200)	–
Purchases of property, plant and equipment	4	(429,149)	(129,204)	–	(95,948)
Acquisition of other investments		(6,770,496)	–	(6,770,496)	–
Proceeds from disposal of property, plant and equipment		–	163,608	–	–
Proceeds from disposal of right-of-use assets		98,000	–	–	–
Placement of fixed deposits		(31,980,565)	–	(27,000,000)	–
Net cash (used in)/from investing activities		(39,077,310)	34,404	(33,775,696)	(95,948)
Cash Flows From Financing Activities					
Net changes in amount due to Directors	29	139,360	13,468	120,040	(2,330)
Repayment of lease liabilities	29	(434,651)	(849,728)	–	–
Repayment of term loans	29	(82,957)	(343,389)	–	–
Proceeds from term loans	29	–	2,540,000	–	–
Proceeds from exercises of ESOS		10,157,400	2,480,097	10,157,400	2,480,097
Proceed from rights issue		44,059,186	–	44,059,186	–
Proceed from private placement		40,459,088	–	40,459,088	–
Proceed from issuance of RCN		–	3,000,000	–	3,000,000
Share issuance expenses: - Issuance of RCN		–	(167,940)	–	(167,940)
Net cash from financing activities		94,297,426	6,672,508	94,795,714	5,309,827
Net increase/(decrease) in cash and cash equivalents		30,027,628	8,761,725	18,637,434	(234,069)
Cash and cash equivalents at the beginning of the financial year/period		10,643,749	1,882,024	36,808	270,877
Cash and cash equivalents at the end of the financial year/period		40,671,377	10,643,749	18,674,242	36,808

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	Group		Company	
		01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Cash and cash equivalents at the end of the financial year/period comprise:					
Fixed deposits with financial institutions		32,306,166	325,601	27,029,000	29,000
Cash and bank balances		40,642,377	10,618,578	18,645,242	7,808
Bank overdraft	17	–	(3,829)	–	–
		72,948,543	10,940,350	45,674,242	36,808
Less : Fixed deposits pledged with licensed banks	13	(277,166)	(296,601)	–	–
Less : Fixed deposit with licensed banks with maturity more than three months	13	(32,000,000)	–	(27,000,000)	–
		40,671,377	10,643,749	18,674,242	36,808

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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 and the principal place of business 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 activity of the Company is investment holding. The principal activities of its subsidiary companies are disclosed in Note 7.

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.

Adoption of new and amended standards

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

Amendments to MFRS 16	Covid-19-Related Rent Concessions
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4, and MFRS 16	Interest Rate Benchmark Reform - Phase 2
Amendment to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new MFRSs 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 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company: (Cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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

The initial application of the above-mentioned new MFRSs and amendments to MFRSs are not expected to have any significant impacts on 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

2. BASIS OF PREPARATION (CONT'D)

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

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.

Determining the lease term of contracts with renewal option - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group includes the renewal period as part of the lease term for leases of office buildings with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

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") assets

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.

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 recent transacted sales of the similar or comparable properties within the vicinity. 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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

2. BASIS OF PREPARATION (CONT'D)

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

Key sources of estimation uncertainty (Cont'd)

Provision for expected credit loss of financial assets at amortised cost

The Group reviews the recoverability of its 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 a provision matrix to calculate expected credit loss for trade and other receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. Information about the expected credit loss is disclosed in Note 34.

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 27.

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 2022, the Group has tax payable of RM580,597 (2021: RM541,803).

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

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) on impairment of non-financial assets.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

- (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.

- (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) 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).

- (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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(i) Recognition and measurement (Cont'd)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Leases

(i) As lessee

The Group 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).

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.

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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(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 amount due from subsidiary companies, other investments, trade and other receivables, fixed deposits with financial institution and cash and bank balances.

(i) 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.

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

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income ("FVOCI"), as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVOCI, are subject to impairment.

The Company has not designated any financial assets as FVOCI.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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*.

(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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(h) Inventories (Cont'd)****(i) Land held for property development (Cont'd)**

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 2022

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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(j) Impairment of assets (Cont'd)****(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").

For trade receivables, other receivables 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) Warrants

Warrants are classified as equity instruments and its value is allocated based on the Trinomial option pricing model upon issuance. The issuance of the ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants. The proceeds received net of any directly attributable transaction costs are credited to share capital when the warrants are exercised.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Borrowing costs (Cont'd)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(n) 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.

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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(o) Revenue recognition***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:

(i) 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.

(ii) 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 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Revenue recognition (Cont'd)

Revenue from contracts with customers (Cont'd)

(iii) Rendering of services

Revenue from rendering of services represents 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.

Revenue from other sources

(i) Interest income

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

(ii) Management fee

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

(p) 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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(p) Income taxes (Cont'd)**

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.

(q) 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT

	Buildings RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovations RM	Total RM
Group 2022						
Cost						
At 1 July 2021	201,313	213,005	140,000	6,635,674	110,002	7,299,994
Additions	–	2,630	426,519	–	–	429,149
At 30 June 2022	201,313	215,635	566,519	6,635,674	110,002	7,729,143
Accumulated depreciation						
At 1 July 2021	43,311	124,325	139,999	4,134,606	43,111	4,485,352
Charge for the financial year	4,026	20,793	30,657	574,808	7,774	638,058
At 30 June 2022	47,337	145,118	170,656	4,709,414	50,885	5,123,410
Carrying amount						
At 30 June 2022	153,976	70,517	395,863	1,926,260	59,117	2,605,733
2021						
Cost						
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
Accumulated depreciation						
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
Carrying amount						
At 30 June 2021	158,002	88,680	1	2,501,068	66,891	2,814,642

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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

Company	Furniture, fittings and equipment RM	Renovations RM	Total RM
2022			
Cost			
At 1 July 2021/30 June 2022	199,318	110,002	309,320
Accumulated depreciation			
At 1 July 2021	114,833	43,111	157,944
Charge for the financial year	19,436	7,774	27,210
At 30 June 2022	134,269	50,885	185,154
Carrying amount			
At 30 June 2022	65,049	59,117	124,166
2021			
Cost			
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
Accumulated depreciation			
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
Carrying amount			
At 30 June 2021	84,485	66,891	151,376

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

5. INVENTORIES

	Note	2022 RM	Group 2021 RM
Non-current			
Land held for property development	(a)	225,212,749	220,759,777
Current			
Property development costs	(b)	18,342,126	18,342,126
Raw materials		6,245	14,260
Developed properties held for sales		437,222	437,222
		18,785,593	18,793,608
		243,998,342	239,553,385

(a) Land held for property development

Group 2022 Cost	Note	Freehold land RM	Development cost RM	Total RM
At 1 July 2021		37,095,716	184,473,610	221,569,326
Additions		46,599	4,406,373	4,452,972
At 30 June 2022		37,142,315	188,879,983	226,022,298
Accumulated impairment loss				
At 1 July 2021/30 June 2022		-	809,549	809,549
Carrying amount				
At 30 June 2022		37,142,315	188,070,434	225,212,749
2021				
Cost				
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	5(b)	(11,695,670)	(6,646,456)	(18,342,126)
Transfer from property development costs	5(b)	-	117,545,904	117,545,904
At 30 June 2021		37,095,716	184,473,610	221,569,326
Accumulated impairment loss				
At 1 January 2020		-	775,759	775,759
Additions		-	33,790	33,790
At 30 June 2021		-	809,549	809,549
Carrying amount				
At 30 June 2021		37,095,716	183,664,061	220,759,777

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

5. INVENTORIES

(a) Land held for property development (Cont'd)

- (i) Included in the Group's land held for property development are freehold land of RM8,353,671 (2021: RM8,353,671) are pledged as securities for borrowings as disclosed in Note 17.
- (ii) In previous financial period, the impairment review has led to the recognition of impairment losses amounting to RM33,790 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 (2021: RM105,609,165) pursuant to the memorandum of understanding and joint venture agreement with respective land owners for the right to jointly develop the land.

(b) Property development costs

Group	Note	Freehold land RM	Development Cost RM	Total RM
2022				
At 1 July 2021/30 June 2022		11,695,670	6,646,456	18,342,126
<hr/>				
2021				
At 1 January 2020		-	117,307,932	117,307,932
Add:				
Costs incurred during the financial period		-	237,972	237,972
Transfer from land held for property development	5(a)	11,695,670	6,646,456	18,342,126
Less:				
Transfer to land held for property development	5(a)	-	(117,545,904)	(117,545,904)
<hr/>				
At 30 June 2021		11,695,670	6,646,456	18,342,126

- (i) Included in the Group's land held for property development are freehold land of RM11,695,670 (2021: RM11,695,670) are pledged as securities for borrowings as disclosed in Note 17.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

6. RIGHT-OF-USE ASSETS

	Office buildings RM	Motor vehicles RM	Total RM
Group 2022 Cost			
As at 1 July 2021	574,972	2,358,078	2,933,050
Disposal	-	(133,000)	(133,000)
At 30 June 2022	574,972	2,225,078	2,800,050
Accumulated amortisation			
As at 1 July 2021	344,983	2,230,674	2,575,657
Charge for the financial year	114,994	78,633	193,627
Disposal	-	(84,233)	(84,233)
As at 30 June 2022	459,977	2,225,074	2,685,051
Carrying amount			
As at 30 June 2022	114,995	4	114,999
2021 Cost			
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)
As at 30 June 2021	574,972	2,358,078	2,933,050
Accumulated amortisation			
As at 1 January 2020	-	-	-
Effect of adopting MFRS 16	172,492	2,370,543	2,543,035
As at 1 January 2020, 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
Carrying amount			
As at 30 June 2021	229,989	127,404	357,393

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

	2022 RM	Group 2021 RM
Motor vehicles	4	127,404

Leased motor vehicles of the Group are pledged as securities for the related lease liabilities as disclosed in Note 16.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

7. INVESTMENTS IN SUBSIDIARY COMPANIES

	Company	
	2022 RM	2021 RM
Unquoted shares at cost	27,939,127	27,933,927
Less: Accumulated impairment losses	(12,493,320)	(12,493,320)
	15,445,807	15,440,607

Details of the subsidiary companies are as follows:

Name of company	Place of business/ country of incorporation	Equity Interest		Principal Activities
		2022 %	2021 %	
Direct holding:				
TWL Property Ventures Sdn. Bhd. ("TPV") (F.K.A. Tiger Synergy Timber Sdn. Bhd. ("TST")) *	Malaysia	100	100	Plantation and general trading.
Tiger Synergy Medicare Sdn. Bhd. ("TSMBS")	Malaysia	100	100	Wholesale of pharmaceutical and medical goods.
TWL Land Sdn. Bhd. ("TL") (F.K.A. Allfit Furniture Industries Sdn. Bhd. ("AFI"))	Malaysia	100	100	Manufacturing, trading of wood-based products, property development, construction and project consultancy.
TWL Plantation Sdn. Bhd. ("TP") (F.K.A. Tiger Synergy Plantation Sdn. Bhd. ("TSP"))	Malaysia	100	100	Business of manufacturing, sales, buy, packing or repacking, trading, purchase, take on lease otherwise acquire, hold and work any lands and plantations producing oil palm, cocoa, coconut and rubber trees.
TWL Commodity Sdn. Bhd. ("TC") (F.K.A. Goldenier Property Management Sdn. Bhd. ("GPM")) *	Malaysia	100	100	Property investment, investment holding, property development and construction.
TWL Lending Sdn. Bhd. ("TLSB") (F.K.A. Tiger Synergy Capital Sdn. Bhd. ("TSC")) *	Malaysia	100	100	Licensed money lending.
Wisma TWL Sdn. Bhd. ("WT") (F.K.A. Alam Kemuning Development Sdn. Bhd. ("AKD")) *	Malaysia	100	100	Investment holding and property investment.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

7. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ country of incorporation	Equity Interest		Principal Activities
		2022 %	2021 %	
Direct holding: (Cont'd)				
TWL Builders Sdn. Bhd. ("TB") (F.K.A. Tiger Synergy Development Sdn. Bhd. ("TSD")) *	Malaysia	100	100	Property development.
TWL Mix Sdn. Bhd. ("TM") (F.K.A. Tiger Synergy Mix Sdn. Bhd. ("TSM")) *	Malaysia	100	100	Timber concession and batching plant.
TWL Housing Development Sdn. Bhd. ("THD") (F.K.A. 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 and housing developers, property investment and investment shares.
Kejuruteraan TWL Sdn. Bhd. ("KT") (F.K.A. Pembinaan Terasia Sdn. Bhd. ("PTSB")) *	Malaysia	100	100	Property development and construction.
Promosi Juara Sdn. Bhd. ("PJSB")	Malaysia	100	100	Property and housing developers, property investment and investment shares.
TWL Medicare Sdn. Bhd. ("TMSB") *	Malaysia	51	–	Investment holding.
TWL Agro Valley Sdn. Bhd. ("TAV") *	Malaysia	100	–	Manufacturing, trading of wood-based products and carry out agricultural activities.
Indirect holding				
Tiger Synergy Land Sdn. Bhd. ("TSL")	Malaysia	100	100	Property development and construction.

* Subsidiary companies not audited by UHY

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

7. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

(a) Acquisition of subsidiary company

On 18 May 2022, the Company subscribed 5,100 ordinary shares in total cash consideration of RM5,100 representing 51% of the total issued and paid-up capital of in TWL Medicare Sdn. Bhd.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	2022 RM
<u>Fair value of identifiable assets acquired</u>	
Amount due from holding company	5,100
Cash in hand	4,900
	10,000
 <u>Net cash outflows arising from acquisition of subsidiary company</u>	
Purchase consideration settled in cash	–
Less: Cash in hand of subsidiary acquired	(4,900)
	(4,900)
 <u>Business combination</u>	
Fair value of consideration transferred	5,100
Non-controlling interest, based on their proportionate interest in the recognised amounts of the assets of the acquiree	4,900
Fair value of identifiable assets acquired	(10,000)
	–

(b) Incorporation of subsidiary company

On 30 May 2022, TWL Holdings Berhad incorporated a wholly-owned subsidiary company, TWL Agro Valley Sdn. Bhd., with total cash consideration of RM100.

8. GOODWILL ON CONSOLIDATION

	Group	
	2022 RM	2021 RM
Cost		
At 1 July/30 June and 1 January/30 June	2,498	2,498
Accumulated impairment		
At 1 July/30 June and 1 January/30 June	2,498	2,498
Carrying amount		
At 30 June	–	–

NOTES TO THE FINANCIAL STATEMENTS

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9. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

		Company	
	Note	2022 RM	2021 RM
Amount due from subsidiary companies:			
- Non-current	(a)	344,586,376	305,101,313
<hr/>			
Amount due to subsidiary companies:			
- Current	(b)	6,706,405	7,626,006
<hr/>			

(a) The amount due from subsidiary companies are non-trade in nature, unsecured, interest free and are unlikely to be realised within twelve months after the end of the reporting period.

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

10. OTHER INVESTMENTS

	Group and Company	
	2022 RM	2021 RM
Financial assets at fair value through profit or loss		
Quoted shares in Malaysia	6,770,496	-
<hr/>		

The other investments measured at fair value recurring basis and classified as Level 1 of the fair value hierarchy by reference to quoted price at active market.

11. TRADE RECEIVABLES

	Group	
	2022 RM	2021 RM
Trade receivables	22,943,131	13,251,182
Less: Accumulated impairment losses	(8,978,107)	(9,323,972)
<hr/>		
	13,965,024	3,927,210
<hr/>		

Trade receivables are non-interest bearing and are generally on 60 to 90 days (2021: 90 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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12. OTHER RECEIVABLES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Other receivables				
- Third parties	915,002	3,515,600	15,000	-
- A Company in which a Director of the Company has substantial financial interest	-	2,343	-	-
	915,002	3,517,943	15,000	-
Less: Accumulated impairment losses	-	(107,950)	-	-
	915,002	3,409,993	15,000	-
Deposits	506,450	232,550	-	-
Prepayments	53,565,073	39,301,374	-	-
	54,986,525	42,943,917	15,000	-

- (a) The amount due from a Company in which certain Director of the Company has substantial financial interests represent unsecured, non-interest bearing and repayable on demand.
- (b) Included in prepayments of the Group are turnkey advances amounted to RM35,265,073 (2021: 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.
- (c) Included in other receivables is a stakeholder sum of RMNil (2021: RM1,312,000) in relation to acquisition of land for the Group and the payment has been received on 8 January 2022.
- (d) Included in other receivables of the Group is an amount of RMNil (2021: RM2,200,000) represents the purchase price paid for the acquisition of freehold land according to SPA dated 18 December 2017 that was executed between TWL Commodity Sdn. Bhd. and MHB Property Development Sdn. Bhd. ("the Vendor").
- (e) Included in the prepayment amounting to RM18,300,000 (2021: RMNil) in relation to the assignment of the legal rights to extract timber and logs from Timber Concession Area with Farmetrix Sdn. Bhd. and Hatta Mineral Sdn. Bhd. to the Company. The prepayments shall contra against the timbers and logs extracted from the said Timber Concession Area.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

13. FIXED DEPOSITS PLACED WITH FINANCIAL INSTITUTION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed deposits placed with financial institution:				
- Due within 3 months	29,000	29,000	29,000	29,000
- Due more than 3 months	32,000,000	-	27,000,000	-
- Pledged with licensed bank	277,166	296,601	-	-
	32,306,166	325,601	27,029,000	29,000

Fixed deposits of the Group and of the Company earn interest at rates ranging from 1.49% to 2.40% (2021: 3.25%) per annum and 1.75% to 2.10% (2021: 3.25%) per annum respectively, with maturity period ranging from 3 to 12 months (2021:1 month).

The fixed deposits with licensed banks of the Group amounted to RM277,166 (2021: RM296,601) are pledged as security for bank borrowings granted to subsidiary company as disclosed in Note 17.

14. SHARE CAPITAL

	Group and Company			
	Number of Shares		Amount	
	2022 Units	2021 Units	2022 RM	2021 RM
Issued and fully paid:				
At 1 July/1 January	1,468,640,584	1,398,460,584	233,127,714	225,004,757
Issuance of shares				
- Rights issue	1,101,479,634	40,000,000	27,536,991	4,000,000
- Conversion RCN	-	30,180,000	-	4,290,897
- Exercise of ESOS	209,000,000	-	18,684,600	-
- Private placement	771,036,000	-	40,459,088	-
- Exercise of Warrants	-	-	-	-
Share issuance expenses:	-	-	-	(167,940)
- Conversion of RCN	-	-	-	-
At 30 June	3,550,156,218	1,468,640,584	319,808,393	233,127,714

During the financial year, the Company increased its issued and paid-up share capital from RM233,127,714 comprising 1,468,640,584 ordinary shares to RM319,808,393 comprising 3,550,156,218 ordinary shares through the following:

- Issuance of 209,000,000 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price of RM0.0486 per share.
- Issuance of 771,036,000 new ordinary shares pursuant to the private placement of at an exercise price of RM0.0436 to RM0.0608 per share; and
- Issuance of 1,101,479,634 new ordinary shares pursuant to the rights issue with warrants at an exercise price of RM0.04 per share.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

14. SHARE CAPITAL (CONT'D)

The new ordinary shares issued during the financial year 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.

15. RESERVES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Non-distributable					
Warrant reserve	(a)	16,522,195	–	16,522,195	–
ESOS reserve	(b)	10,338,600	–	10,338,600	–
Distributable					
Retained earnings		31,462,029	49,178,206	58,648,190	79,223,169
		58,322,824	49,178,206	85,508,985	79,223,169

(a) Warrant reserve

	Group and Company	
	2022 RM	2021 RM
At 1 July/1 January	–	5,809,499
Add: Rights issue with Warrants	16,522,195	–
Less: Expiry of exercised Warrants	–	(5,809,499)
At 30 June	16,522,195	–

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 D

On 25 August 2021, the Company allotted and issued 1,101,479,634 new Warrants D pursuant to the renounceable rights issue of up to 1,101,479,634 new ordinary shares in TWL Holdings Berhad ("TWL Shares" or "Shares") ("Rights Shares") at an issue price of RM0.04 per Rights Share together with up to 1,101,479,634 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 the entitled shareholders of the Company.

The Warrants are valid for exercise for a period of 3 years from its issue date and will expire on 24 August 2024. 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 25 August 2021 to 24 August 2024, at an exercise price of RM0.04 per Warrant. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purpose.

As at 30 June 2022, the total number of Warrants D that remain unexercised were 1,101,479,634.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

15. RESERVES (CONT'D)

(a) Warrant reserve (Cont'd)

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 previous financial period, 48,412,493 Warrants were not exercised by its expiry date and ceased to be valid for all purpose.

(b) ESOS reserve

The ESOS reserve relates to share options granted by the Company to employees of the Group under the ESOS. Further information about share-based payments to employees is set out in Note 27.

16. LEASE LIABILITIES

	2022 RM	Group 2021 RM
At 1 July/1 January	944,329	-
Effect of adoption MFRS 16	-	1,794,057
At 1 July/1 January, as restated	944,329	1,794,057
Accretion of interests (Note 23)	38,025	75,943
Payments of interest expense	(38,025)	(75,943)
Payments of principal	(434,651)	(849,728)
At 30 June	509,678	944,329
Presented as:		
Non-current	183,382	537,024
Current	326,296	407,305
	509,678	944,329

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

16. LEASE LIABILITIES (CONT'D)

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

	2022 RM	Group 2021 RM
Within one year	342,318	450,714
Later than one year and not later than five years	203,523	549,728
Later than five year	–	10,341
	545,841	1,010,783
Less: Future finance charges	(36,163)	(66,454)
Present value of lease liabilities	509,678	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 2022, the Group carrying amount of RM385,077 (2021: RM700,128) is under hire purchase arrangement and is secured by a charge over the leased assets as disclosed in Note 6. The interest rate of the Group for the lease liability of the reporting date ranging from 2.34% to 4.10% (2021: 2.36% to 5.89%) per annum.

17. BORROWINGS

	2022 RM	Group 2021 RM
Secured		
Term loans	10,945,775	10,464,668
Bank overdrafts	–	3,829
	10,945,775	10,468,497
Non-current		
Term loans	9,524,472	9,621,005
Current		
Term loans	1,421,303	843,663
Bank overdrafts	–	3,829
	1,421,303	847,492
	10,945,775	10,468,497

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

17. BORROWINGS (CONT'D)

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);
- (ii) charge on fixed deposits with licensed bank of the Group as disclosed in Note 13;
- (iii) jointly and severally guaranteed by certain Directors of the Company, and
- (iv) corporate guarantee by the Company

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

	2022 %	Group 2021 %
Term loans	5.76 - 7.67	4.90 - 7.67
Bank overdrafts	-	6.96

Maturity of bank borrowings is as follows:

	2022 RM	Group 2021 RM
Within one year	1,421,303	847,492
Later than one year and not later than five years	5,099,000	3,875,379
Later than five years	4,425,472	5,745,626
	10,945,775	10,468,497

18. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 60 to 90 days (2021: 60 to 180 days)

19. OTHER PAYABLES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Other payables				
- Third parties	1,093,664	2,119,888	127,792	427,843
- A Company in which a Director of the Company has substantial financial interest	274,368	178,828	-	-
Accruals	818,978	692,757	317,700	298,700
	2,187,010	2,991,473	445,492	726,543

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

NOTES TO THE FINANCIAL STATEMENTS

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20. AMOUNT DUE TO DIRECTORS

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

21. REDEEMABLE CONVERTIBLE NOTES ("RCN")

	Group and Company	
	2022	2021
	RM	RM
At 1 July/1 January	–	1,000,000
Issued during the financial period	–	3,000,000
Converted to ordinary shares during the financial period	–	(4,000,000)
At 30 June	–	–

RCN issued during the financial year/period are analysed as:

	Group and Company	
	2022	2021
	RM	RM
Proceeds from issuance of RCN	–	3,000,000
Share issuance expenses	–	(167,940)
	–	2,832,060

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 TWL 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;

NOTES TO THE FINANCIAL STATEMENTS

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21. REDEEMABLE CONVERTIBLE NOTES ("RCN")

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

- (ii) The price at which each Conversion Share shall be issued upon conversion of the Notes be: (Cont'd)
- 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.
- (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

	01.07.2021 to 30.06.2022 RM	Group 01.01.2020 to 30.06.2021 RM
Revenue from contracts with customers:		
- Sale of goods	12,358,094	8,041,777
- Property development	17,444,333	4,500,000
- Rendering of services	5,297,153	-
	35,099,580	12,541,777
Geographical market:		
Malaysia	35,099,580	12,541,777
Timing of revenue recognition:		
At a point in time	12,358,094	12,541,777
Over time	22,741,486	-
Total revenue from contracts with customers	35,099,580	12,541,777

NOTES TO THE **FINANCIAL STATEMENTS**

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23. FINANCE COSTS

	01.07.2021 to 30.06.2022 RM	Group 01.01.2020 to 30.06.2021 RM
Interest expenses on:		
Bank overdraft	–	197,752
Lease liabilities	38,025	75,943
Term loans	680,008	779,090
	718,033	1,052,785

24. LOSS BEFORE TAXATION

	01.07.2021 to 30.06.2022 RM	Group 01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	Company 01.01.2020 to 30.06.2021 RM
Auditors remuneration				
- current year	215,000	233,300	110,000	130,000
- (over)/under provision in prior year	(5,000)	44,354	(5,000)	29,000
Amortisation of right-of-use assets	193,627	422,197	–	–
Receivables written off	19,381	12,506	–	–
Depreciation of property, plant and equipment	638,058	907,299	27,210	37,952
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	(345,865)	(500,000)	–	–
- Other receivables	(107,950)	–	–	–
	(453,815)	(346,185)	–	–
Gain on disposal of property, plant and equipment	–	(82,930)	–	–
Gain on disposal of right-of-use assets	(49,233)	–	–	–
Non-executive Directors remuneration				
- Fees	108,000	144,000	108,000	144,000
Right-of-use assets written off	–	323,675	–	–
Impairment loss on non-financial assets:				
- Investment in subsidiary companies	–	–	–	2,041,970
- Inventories	–	33,790	–	–
Interest income	(218,768)	(42,106)	(205,200)	(987)
Management fees	–	–	(700,000)	(770,000)

NOTES TO THE FINANCIAL STATEMENTS

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25. TAXATION

	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Tax expenses/(credit) recognised in profit or loss				
Current tax provision	46,655	–	–	–
Overprovision in prior periods	(5,651)	(52,031)	–	–
	41,004	(52,031)	–	–

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year/period.

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

	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Loss before taxation	(17,675,173)	(22,666,473)	(20,574,979)	(5,020,371)
At Malaysian statutory tax rate of 24%	(4,242,041)	(5,439,954)	(4,937,995)	(1,204,889)
Expenses not deductible for tax purposes	203,750	518,621	8,452	361,270
Income not subject to tax	(292,814)	(66,694)	(271,454)	–
Utilisation of previously unrecognised deferred tax assets	(1,236,722)	–	–	–
Deferred tax assets not recognised	5,614,482	4,988,027	5,200,997	843,619
Overprovision in prior years	(5,651)	(52,031)	–	–
	41,004	(52,031)	–	–

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.

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Unutilised tax losses	56,515,179	37,591,801	29,910,476	8,243,658
Unabsorbed capital allowances	7,346,235	8,028,946	16,003	12,002
	63,861,414	45,620,747	29,926,479	8,255,660

NOTES TO THE **FINANCIAL STATEMENTS**

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25. TAXATION (CONT'D)

Pursuant to an amendment to Section 44(5F) of the Income Tax Act 1967, effective from year of assessment 2019 onwards, the unused tax losses can be carried forward for a maximum period of ten consecutive years of assessment. The unused tax losses accumulated up to year of assessment 2018 can be carried forward for another ten consecutive years of assessment until year of assessment 2028. The other temporary differences do not expire under current tax legislation.

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Unutilised tax losses to be carried forward until:				
- Year of assessment 2028	4,676,888	7,232,876	1,683,127	1,683,127
- Year of assessment 2029	7,553,857	9,316,909	3,649,128	3,649,128
- Year of assessment 2031	10,111,496	10,501,104	2,062,613	2,062,613
- Year of assessment 2031	10,462,903	10,540,912	848,790	848,790
- Year of assessment 2032	23,710,035	-	21,666,818	-
	56,515,179	37,591,801	29,910,476	8,243,658

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Unutilised tax losses	13,563,643	9,022,032	7,178,514	1,978,478
Unabsorbed capital allowances	1,763,096	1,926,947	3,841	2,880
	15,326,739	10,948,979	7,182,355	1,981,358

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 or they have arisen in subsidiary companies that have a recent history losses.

NOTES TO THE FINANCIAL STATEMENTS

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26. LOSS PER SHARE

(a) Basic loss per share

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

	01.07.2021	Group
	to	01.01.2020
	30.06.2022	to
	RM	30.06.2021
		RM
Loss attributable to owners of the parent for basic earnings	(17,716,177)	(22,614,442)
Weighted average number of ordinary shares in issue		
Issued ordinary shares at 1 July/1 January	1,468,640,584	1,398,460,584
Effect of ordinary shares issued during the financial year/period	1,066,434,802	65,872,084
Weighted average number of ordinary shares at 30 June	2,535,075,386	1,464,332,668
Basic loss per share (in sen)	(0.70)	(1.54)

(b) Diluted loss per share

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

	01.07.2021	Group
	to	01.01.2020
	30.06.2022	to
	RM	30.06.2021
		RM
Loss attributable to owners of the parent (diluted)	(17,716,177)	(22,614,442)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	2,535,075,386	1,464,332,668
Effect of share options on issue	68,579,155	-
Effect of warrants D on issue	356,817,346	-
Weighted average number of ordinary shares at 30 June (diluted)	2,960,471,887	1,464,332,668
Diluted loss per ordinary share (in sen)	(0.60)	(1.54)

NOTES TO THE **FINANCIAL STATEMENTS**

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27. EMPLOYEES SHARE OPTION SCHEME (“ESOS”)

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. On 29 September 2021, TWL’s existing ESOS is terminated in accordance to the By-Laws governing the ESOS in view that the Board of Directors does not intend to grant any further options under the existing ESOS.

At the Extraordinary General Meeting held on 6 December 2021, 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 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 5 January 2022.

The salient features of the ESOS are, inter alia, as follows:

- (i) In respect of an Employee, the Employee must fulfil the following criteria as at the Date of Offer:
 - (a) He/she is at least eighteen (18) years of age and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings;
 - (b) He/she is employed on the Date of Offer:
 - (i) On a full-time basis and is on the payroll of any company in the Group and his/her employment has been confirmed by any company in the Group on the Date of Offer; or
 - (ii) Under an employment contract for a fixed duration and has been in the employment of any company in the Group for such period as may be determined by the ESOS Committee; and
 - (c) Such Employee falls within any other eligibility criteria that may be determined by the ESOS Committee from time to time at its sole discretion, whose decision shall be final and binding.
- (ii) in respect of an Eligible Director, the Eligible Director must fulfil the following criteria as at the Date of Offer:
 - (a) He/she is at least eighteen (18) years of age and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings;
 - (b) He/she has been appointed as a Director of any company within the Group which is not dormant; and
 - (c) Such Director fulfils any other criteria as may be determined by the ESOS Committee from time to time at its sole discretion, whose decision shall be final and binding.
- (iii) The maximum number of new Shares to be allotted and issued pursuant to the exercise of the Options that may be granted under the Scheme shall not, in aggregate, exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) of the Company at any one time throughout the duration of the ESOS.
- (iv) The ESOS shall be in force for a period of 5 years from 5 January 2022 provided always that on or before the expiry thereof, the Board shall have the absolute discretion, without the approval of the Company’s shareholders in a general meeting, to extend the duration of the Scheme (as the Board may deem fit) for up to a further 5 years provided that the Company shall serve appropriate notices on each Grantee and/or make the necessary announcements to Bursa Securities.
- (v) The Option Price of each new Share comprised in any Option shall be determined by the Board upon recommendation of the ESOS Committee and fixed based on the 5-day volume weighted average market price of the Shares immediately preceding the Date of Offer, with a discount of not more than ten percent (10%).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

27. EMPLOYEES SHARE OPTION SCHEME (“ESOS”)

The salient features of the ESOS are, inter alia, as follows: (Cont’d)

- (vi) An Option granted to an Eligible Person under the Scheme is exercisable by the Eligible Person in full or in part as the Eligible Person may be entitled under the Option at any time during the Option Period. There will be no restriction to the Eligible Person on the percentage of Options exercisable during the Option Period. Any partial exercise of an Option shall not preclude the Eligible Person from exercising the Option in respect of the balance of the Shares comprised in the Option.

Movement in the number of share options and the weighted average exercise prices are as follows:

Date of Offer	Exercise Price RM	At 01.07.2021	Number of options over ordinary shares			At 30.06.2022
			Granted	Exercised	Cancelled	
06.01.2022	RM0.049	-	384,000,000	(209,000,000)	(133,000,000)	42,000,000
29.04.2022	RM0.084	-	147,000,000	-	(9,000,000)	138,000,000

The fair value of services received in return for share options granted during the financial year 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:

	2022	2021
Fair value at grant date (RM)	0.041 - 0.063	0.06
Weighted average share price at grant date (RM)	0.070	0.073
Weighted average volatility (%)	95.98	100.00
Expected weighted average option life (years)	5.0	5.0
Risk-free interest rate (%)	3.49	3.29
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.

NOTES TO THE **FINANCIAL STATEMENTS**

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28. STAFF COSTS

	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Salaries, wages and others	1,491,522	2,994,326	152,000	144,000
Defined contribution plan	61,874	170,630	–	–
Share-based payment	18,865,800	1,810,800	18,865,800	1,810,800
Other benefits	–	230	–	–
	20,419,196	4,975,986	19,017,800	1,954,800

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 year as below:

	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Executive Directors				
Salaries and other emoluments	825,600	1,918,400	–	–
Defined contribution plan	–	55,885	–	–
Share-based payment	15,112,200	1,236,000	15,112,200	1,236,000
	15,937,800	3,210,285	15,112,200	1,236,000

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	At 1 July RM	Financing cash flows (i) RM	Interest payable RM	At 30 June RM
2022				
Group				
Financial liabilities				
Lease liabilities	944,329	(434,651)	–	509,678
Term loans	10,464,668	(82,957)	564,064	10,945,775
Amount due to Directors	250,413	139,360	–	389,773
	11,659,410	(378,248)	564,064	11,845,226
Company				
Financial liabilities				
Amount due to Directors	26,672	120,040	–	146,712

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

	At 1 January RM	Adjustment on adopting MFRS 16 RM	Financing cash flows (i) RM	Converted to ordinary shares RM	Interest payable RM	At 30 June RM
2021 Group						
Financial liabilities						
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
Amount due to Directors	236,945	-	13,468	-	-	250,413
RCN	1,000,000	-	3,000,000	(4,000,000)	-	-
	10,292,474	414,664	4,360,351	(4,000,000)	591,921	11,659,410
Company						
Financial liabilities						
Amount due to Directors	29,002	-	(2,330)	-	-	26,672
RCN	1,000,000	-	3,000,000	(4,000,000)	-	-
	1,029,002	-	3,997,670	(4,000,000)	-	26,672

(i) The financing cash flows include the net amount of proceeds from or repayments of lease liabilities, term loans, amount due to Directors, amount due to subsidiary companies, redeemable convertible notes in the statements of cash flows.

30. CAPITAL COMMITMENTS

	2022 RM	Group 2021 RM
Authorised and contracted for:		
- Freehold land	13,400,000	-

31. FINANCIAL GUARANTEES

	2022 RM	Company 2021 RM
Unsecured		
Corporate guarantees given to the licensed banks for credit facility granted to subsidiary companies	8,264,316	10,468,497

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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.

(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:

	01.07.2021 to 30.06.2022 RM	Group 01.01.2020 to 30.06.2021 RM
Transactions with companies in which Directors of the Company have substantial financial interest		
- Lease expenses on office	80,892	121,338
<hr/>		
Group		
Transactions with Directors and their close family members		
- Sales of land	-	500,000
- Sales of apartment	-	180,000
- Lease expenses on office	46,494	69,741
	46,494	749,741
<hr/>		
Company		
Transactions with subsidiary companies		
- Management fee income	700,000	770,000
<hr/>		

Transaction with Director completed subsequent to the financial year end

During the financial year, a wholly-owned subsidiary company, TWL Land Sdn. Bhd. entered into sales and purchase agreement with a Director to dispose off the land held for property development under GRN 179321 Lot 6247 Mukim Pekan Rasah Jaya, Daerah Seremban, Negeri Sembilan with a consideration of RM450,000.

TWL Land Sdn. Bhd. on 28 June 2022 had issued a letter to grant a further extension of time until 29 September 2022 as the result of the balance of the purchase price is yet to be settled.

On 29 July 2022, the Director had settled the balance of the purchase price. TWL Land Sdn. Bhd. is in the process of executing transfer of land title to the Director.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

32. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM	01.07.2021 to 30.06.2022 RM	01.01.2020 to 30.06.2021 RM
Executive Directors				
Salaries and other emoluments	825,600	1,918,400	–	–
Defined contribution plan	–	55,885	–	–
Share-based payment	15,112,200	1,236,000	15,112,200	1,236,000
	15,937,800	3,210,285	15,112,200	1,236,000
Non-Executive Directors				
Director fees and allowance	108,000	144,000	108,000	144,000
Other key management personnel				
Salaries and other emoluments	299,335	542,761	–	–
Defined contribution plan	32,519	59,470	–	–
	331,854	602,231	–	–

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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	:	Wholesale of pharmaceutical and medical goods
Property development and construction	:	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 2022

32. OPERATING SEGMENTS (CONT'D)

(a) Business segment

2022	Trading RM	Property Development and Construction RM	Batching Plant RM	Plantation and Timber RM	Others RM	Elimination RM	Consolidated RM
REVENUE							
Total revenue	12,249,600	17,444,333	108,494	5,297,153	-	-	35,099,580
RESULTS							
Profit/(Loss) from operations	394,258	4,164,318	(1,444,222)	536,285	(20,607,779)	-	(16,957,140)
Finance costs							(718,033)
Taxation							(41,004)
Loss for the financial year							(17,716,177)
OTHER INFORMATION							
Segment assets	2,780,488	316,938,847	2,221,340	18,972,641	419,180,292	(364,703,946)	395,389,662
Segment liabilities	3,637,566	306,065,027	9,196,057	40,063,672	9,583,859	(351,292,636)	17,253,545
Capital expenditure	-	-	429,149	-	-	-	429,149
Depreciation and amortisation	-	84,394	600,701	115,354	31,236	-	831,685

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

33. OPERATING SEGMENTS (CONT'D)**(a) Business segment (Cont'd)**

	Trading RM	Property Development and Construction RM	Batching Plant RM	Others RM	Elimination RM	Consolidated RM
2021						
REVENUE						
Total revenue	7,048,800	4,500,000	992,977	-	-	12,541,777
RESULTS						
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)
OTHER INFORMATION						
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) Information about major customers

The following are the major customers individually accounting for 10% or more of the Group's revenue for current financial year and prior financial period:

	01.07.2021 to 30.06.2022 RM	Group 01.01.2020 to 30.06.2021 RM
Customer A	-	4,000,000
Customer B	8,646,000	7,048,800
Customer C	13,000,000	-
Customer D	4,444,333	-
Customer E	5,297,153	-
Customer F	3,603,600	-
	34,991,086	11,048,800

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

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	
	2022 RM	2021 RM	2022 RM	2021 RM
At Amortised Cost				
Financial Assets				
Trade receivables	13,965,024	3,927,210	–	–
Other receivables (excluded prepayments)	1,421,452	3,642,543	15,000	–
Amount due from subsidiary companies	–	–	344,586,376	305,101,313
Fixed deposits with financial institutions	32,306,166	325,601	27,029,000	29,000
Cash and bank balances	40,642,377	10,618,578	18,645,242	7,808
	88,335,019	18,513,932	390,275,618	305,138,121
Financial Liabilities				
Trade payables	2,640,712	3,038,291	–	–
Other payables	2,187,010	2,991,473	445,492	726,543
Amount due to directors	389,773	250,413	146,712	26,672
Amounts due to subsidiary companies	–	–	6,706,505	7,626,006
Lease liabilities	509,678	944,329	–	–
Borrowings	10,945,775	10,468,497	–	–
	16,672,948	17,693,003	7,298,709	8,379,221
At FVTPL				
Financial Asset				
Other investments	6,770,496	–	6,770,496	–

(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. 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 its receivables from customers, 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.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

34. FINANCIAL INSTRUMENTS (CONT'D)**(b) Financial risk management (Cont'd)****(i) Credit risk (Cont'd)****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 year, the Group has 5 (2021: 1) major customers and accounted for approximately 100% (2021: 70%) 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 a provision 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.

Expected 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 year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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 year/period of the Group.

Group	Gross amount RM	Loss allowance RM	Net amount RM
2022			
Neither past due nor impaired	10,164,584	–	10,164,584
<i>Past due not impaired:</i>			
Less than 30 days	2,928,014	–	2,928,014
31 to 60 days	548,484	–	548,484
61 to 90 days	264,000	–	264,000
More than 90 days	59,942	–	59,942
	13,965,024	–	13,965,024
Credit impaired:			
More than 90 days past due Individual impaired	8,978,107	(8,978,107)	–
	22,943,131	(8,978,107)	13,965,024
2021			
Neither past due nor impaired	3,168,000	–	3,168,000
<i>Past due not impaired:</i>			
Less than 30 days	–	–	–
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
Credit impaired:			
More than 90 days past due Individual impaired	9,278,107	(9,278,107)	–
	13,251,182	(9,323,972)	3,927,210

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

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

Group	Lifetime ECL RM	Credit impaired RM	Total RM
2022			
At 1 July	45,865	9,278,107	9,323,972
Impairment losses reversed	(45,865)	(300,000)	(345,865)
At 30 June	–	8,978,107	8,978,107
2021			
At 1 January	–	9,778,107	9,778,107
Impairment losses recognised	45,865	–	45,865
Impairment losses reversed	–	(500,000)	(500,000)
At 30 June	45,865	9,278,107	9,323,972

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

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 year/period are as follows:

	2022 RM	Group 2021 RM
Lifetime ECL		
At 1 July/1 January	107,950	–
Impairment losses recognised	–	107,950
Impairment losses reversed	(107,950)	–
At 30 June	–	107,950

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.

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 are of the view that loss allowance is not material and hence, it is not provided for.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

34. FINANCIAL INSTRUMENTS (CONT'D)**(b) Financial risk management (Cont'd)****(i) Credit risk (Cont'd)****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 indicators that any going concern from subsidiary companies. 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.

	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
Group 2022					
<u>Non-derivative financial liabilities</u>					
Trade payables	2,640,712	–	–	2,640,712	2,640,712
Other payables	2,187,010	–	–	2,187,010	2,187,010
Amount due to directors	389,773	–	–	389,773	389,773
Lease liabilities	342,318	203,523	–	545,841	509,678
Borrowings	1,639,234	6,342,248	7,266,098	15,247,580	10,945,775
	7,199,047	6,545,771	7,266,098	21,010,916	16,672,948

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

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
2021					
<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
Company					
2022					
<u>Non-derivative financial liabilities</u>					
Other payables			445,492	445,492	445,492
Amount due to directors			146,712	146,712	146,712
Amounts due to subsidiary companies			6,706,505	6,706,505	6,706,505
Financial guarantee*			8,264,316	8,264,316	–
			15,563,025	15,563,025	7,298,709
2021					
<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

* Based on the maximum amount that can be called for under the financial guarantee contract.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

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:

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
<u>Fixed rate instruments</u>				
Financial assets				
Fixed deposits with financial institutions	32,306,166	325,601	27,029,000	29,000
Financial liabilities				
Lease liabilities	509,678	944,329	-	-
<u>Floating rate instruments</u>				
Financial liabilities				
Term loans	10,945,775	10,464,668	-	-
Bank overdrafts	-	3,829	-	-
	10,945,775	10,468,497	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Market risk (Cont'd)

(a) Interest rate risk (Cont'd)

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. Therefore, a change in market interest rates at the end of the reporting period would not affect profit or loss.

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 RM109,458 (2021: RM104,685) 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 receivables and payables, cash and cash equivalents and borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and 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.

	Fair value of financial instruments Level 1 RM	Total fair value RM	Carrying amount RM
2022			
Group and Company			
Financial asset			
Other investments	6,770,496	6,770,496	6,770,496

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

34. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value of financial instruments (Cont'd)

(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.

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	
	2022 RM	2021 RM	2022 RM	2021 RM
Total loans and borrowings	11,455,453	11,412,826	–	–
Less: Deposits, bank and cash balances	(72,948,543)	(10,944,179)	(45,674,242)	(36,808)
Net debt	(61,493,090)	468,647	(45,674,242)	(36,808)
Total equity	378,131,217	282,305,920	405,317,378	312,350,883
Gearing ratio	N/A	0.0017	N/A	N/A

N/A - Gearing ratio not applicable as the cash and cash equivalent of the Group and of the Company is sufficient to settle the outstanding debt.

There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

36. SIGNIFICANT EVENTS

- (a) On 10 January 2022, the Company entered into a shares sale agreement with Afandi Bin Amir, Mohammad Ramadhan Bin Othman and Rising Applause Sdn. Bhd. for the proposed acquisition of 100% equity in Pembinaan Qaiser Sdn. Bhd. for a total purchase consideration of RM35.0 million to be satisfy partly via cash consideration of RM10.00 million through private placement exercise and partly via issuance of 555,555,556 consideration shares on the issue price of RM0.045 each.

The listing and quotation of Placement Shares had been completed on 15 April 2022. Bursa Securities had vide its letter dated 11 August 2022 approved the Company's application for an extension of time of 6 months until 18 February 2023 for the Company to complete the implementation of the issuance.

- (b) On 25 April 2022, a wholly-owned subsidiary company, TWL Land Sdn. Bhd. (formerly known as Allfit Furniture Industries Sdn. Bhd.) entered into a conditional sale and purchase agreement ("SPA") with Stellar Vantage Sdn. Bhd. for the proposed acquisition of a piece of vacant freehold land held under G.M 1243, Lot 117025, Tempat Kuyow, Mukim Petaling, Daerah Petaling, Negeri Selangor measuring 8,479 square meters for a purchase consideration of RM13.90 million and partly satisfied partly via cash payment of RM0.50 million and partly via issuance of 166,047,088 new ordinary shares in the Company at an issue price of RM0.0807 per share which approved by Bursa vide its letter dated 10 May 2022. The Company has paid RM0.50 million deposit for the acquisition of land in advance on 13 April 2022. As at the financial year end, the consideration shares still yet to be issued.

37. SUBSEQUENT EVENTS

- (a) Acquisition of subsidiary companies
- (i) On 27 July 2022, TWL Commodity Sdn. Bhd. subscribed 2,000 units shares in Tinta Kaca Development Sdn. Bhd. ("TKDSB") for a cash consideration of RM2,000, representing 80% equity interest in TKDSB.
- (ii) On 5 September 2022, TWL Commodity Sdn. Bhd. subscribed 68,250 units shares in Alma Land Development Sdn. Bhd. ("ALDSB") for a cash consideration of RM68,250, representing 68.25% equity interest in ALDSB.
- (iii) On 27 July 2022, TWL Commodity Sdn. Bhd. subscribed 2,000 units shares in Tinta Heights Development Sdn. Bhd. ("THDSB") for a cash consideration of RM2,000, representing 80% equity interest in THDSB.
- (b) On 16 August 2022, the Board of Directors of TWL, announced that the Company proposes to undertake a renounceable rights issue of up to RM120.199 million nominal value of 4,006,633,348 5 year redeemable convertible unsecured loan stocks in the Company ("RCULS") at 100% of its nominal value of RM0.03 each together with up to 1,144,752,385 free detachable warrants in the Company ("Warrant E") on the basis of 7 RCULS together with 2 Warrants E for every 10 existing ordinary shares in the Company held by the entitled shareholders of the Company on an entitlement date to be determined and announced later.

On 26 August 2022, application for the issuance of the RCULS pursuant to the Proposed Rights Issue had been submitted to the Securities Commission Malaysia.

NOTES TO THE **FINANCIAL STATEMENTS**

30 JUNE 2022

38. 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 TWL Holdings Berhad (8th Defendant)

Safari Alliance Sdn Bhd ("Safari"), a shareholder of TWL Holdings Berhad ("TWL"), claimed against TWL and its Directors for, amongst others, a declaration that the affairs of TWL had been conducted in a manner oppressive to TWL's members pursuant to Section 346 of the Companies Act 2016

Safari had also made several applications:

- an injunction application to restrain TWL from issuing or allotting shares pursuant to Resolution No.4 passed at TWL'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 TWL pending the disposal of OS 229 ("2nd Injunction Application"); and
- an injunction application to restrain TWL from proceeding with its Proposed Rights Issue with Warrants ("Proposed Rights Issue"), as announced by TWL 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 TWL 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 TWL, 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.

On 13 January 2022, Appeal 1186 was withdrawn by Safari.

On 20 June 2022, Appeal 1180 and 1185 was withdrawn by Safari.

Consequent to the dismissal of the 1st Injunction Application, TWL had filed an application to obtain directions for the assessment of damages to be paid by Safari to TWL.

On 20 June 2022, the assessment of damages proceedings was withdrawn by TWL.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

38. MATERIAL LITIGATION (CONT'D)

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 TWL and its Directors for, amongst others:

- a declaration that the Directors of TWL 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 TWL's circular in relation to the Proposed Rights Issue dated 14 July 2021 ("Circular") contains insufficient disclosure to allow the shareholders of TWL to make an informed decision;
- an order that the TWL's Notice of Meeting dated 13 July 2021 in respect of TWL'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 TWL to monitor the funds raised pursuant to the Proposed Rights Issue and provide prior written consent for any utilisation of such funds by TWL.

On 28 October 2021, the High Court granted an order upon the consent of all parties wherein, amongst others, a majority of Safari's claim against TWL was struck out while the terms of the 1st Consent Order is to continue until the full utilization of the funds raised pursuant to the Proposed Rights Issue and had awarded costs of RM30,000.00 to TWL and several of its Directors collectively.

On 1 July 2022, the High Court granted an order upon the consent of all parties for, amongst others, the cessation of the appointment of the Monitoring Accountant for TWL Holdings Berhad on 17 June 2022.

39. 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 17 October 2022.

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	N/A	5.5 acres	28,788,644	17 April 2015 (A)
GM 267 Lot 562, Mukim Petaling, Daerah Petaling Selangor	Vacant Development Land	Freehold	N/A	1.875 acres	7,163,763	22 March 2011 (A)
Lot 738 GM 549, Geran Mukim Cheras Batu 2 1/2, Jalan Cheras, K. Lumpur	Vacant Development Land	Freehold	N/A	0.8094 hectare	18,348,576	06 April 2016 (A)

SHAREHOLDINGS ANALYSIS

BY SIZE OF SHAREHOLDINGS AS AT 12 OCT 2022

Issued Share Capital	:	3,730,156,217
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	481	8	21,341	274	0.00	0.00
100-1,000	1,102	9	530,132	5,300	0.01	0.00
1,001-10,000	1,720	15	8,657,232	64,650	0.23	0.00
10,001-100,000	2,556	21	108,215,827	850,360	2.90	0.02
100,001-< 5% issued shares	1,016	12	3,003,166,626	5,297,450	80.51	0.14
5% and above of issued share	2	0	603,347,025	0	16.17	0.00
Total	6,877	65	3,723,938,183	6,218,034	99.83	0.17

SUBSTANTIAL SHAREHOLDERS

Name of shareholdings	Nationality /Incorporated in	Direct Interest	%	Indirect Interest	%
TWL Capital Berhad	MALAYSIA	591,529,400	15.86	459,798,328	12.33
Dato' Tan Wei Lian	MALAYSIAN	362,314,203	9.71	689,013,525	18.47
Datin Sek Chian Nee	MALAYSIAN	90,052,450	2.41	961,275,278	25.77
Tan Lee Chin	MALAYSIAN	7,431,675	0.20	1,043,896,053	27.99

DIRECTORS' SHAREHOLDINGS

Name of shareholdings	Nationality /Incorporated in	Direct Interest	%	Indirect Interest	%
Dato' Tan Wei Lian	Malaysian	362,314,203	9.71	689,013,525	18.47
Tan Lee Chin	Malaysian	7,431,675	0.20	1,043,896,053	27.99
Datin Sek Chian Nee	Malaysian	90,052,450	2.41	961,275,278	25.77

SHAREHOLDINGS ANALYSIS

BY SIZE OF SHAREHOLDINGS AS AT 12 OCT 2022

LIST OF TOP 30 LARGEST SHAREHOLDERS

NO	SHAREHOLDERS	SHAREHOLDINGS	%
1	RHB NOMINEES (TEMPATAN) SDN BHD - OSK CAPITAL SDN BHD FOR TWL CAPITAL BERHAD	410,000,000	10.99
2	APEX NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN (MARGIN)	193,347,025	5.18
3	TWL CAPITAL BERHAD	174,329,400	4.67
4	SAFARI ALLIANCE SDN BHD	130,976,300	3.51
5	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT-AMBANK (M) BERHAD FOR TAN WEI LIAN (SMART)	126,807,678	3.40
6	KOK CHEE HONG	126,495,713	3.39
7	LOW HON LAI	125,000,000	3.35
8	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WAI CHOO (T.MUTIARA-CL)	121,000,000	3.24
9	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOK CHEE YUN @ KOK CHEE YAN (MY0971)	120,000,000	3.22
10	GOH BOON SOO @ GOH YANG ENG	115,000,000	3.08
11	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TOH HONG CHYE (7004332)	100,000,000	2.68
12	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOK TUCK SENG (T CHERAS-CL)	99,670,100	2.67
13	TAN SAY CHEONG	94,063,550	2.52
14	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	80,885,000	2.17
15	S.MANIARASAN A/L SINNI AH	75,000,000	2.01
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP (8058900)	60,000,000	1.61
17	KOH KIN LIP	60,000,000	1.61
18	GOH CHING MUN	58,000,000	1.55
19	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	57,996,600	1.55
20	MAK HON LEONG	52,300,000	1.40
21	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH CHEN FOONG (MY1718)	51,723,300	1.39
22	PUBLIC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHANG SENG KOOI (KPG/KAF)	50,000,000	1.34
23	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LOW SWEE FOONG (SMART)	45,000,000	1.21
24	GOH BOON SOO @ GOH YANG ENG	42,000,000	1.13
25	RAS NIAGA SETIA SDN BHD	35,294,100	0.95
26	MUHAMMAD ADAM @ EDWARD BIN ABDULLAH	35,000,000	0.94
27	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN	33,600,000	0.90
28	M & A NOMINEE (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE HONG (M&A)	33,345,600	0.89
29	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	28,952,850	0.78
30	YAYASAN KELANTAN DARULNAIM	26,631,350	0.71
TOTAL		2,762,418,566	74.06

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	:	RM 0.04
Expiry Date of Warrants	:	04 October 2024
No. of Warrant Holders	:	961

DISTRIBUTION OF WARRANT HOLDINGS AS AT 12 OCTOBER 2022

Size of shareholdings	No. of Warrant D Holders		Warrant Holdings		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less Than 100	51	1	2,580	75	0.00	0.00
100-1,000	48	0	24,488	0	0.00	0.00
1,001-10,000	125	0	702,819	0	0.06	0.00
10,001-100,000	325	2	14,795,590	143,800	1.34	0.01
100,001-< 5% issued shares	407	1	1,011,612,882	975,000	91.84	0.09
5% and above of issued share	1	0	73,222,400	0	6.65	0.00
Total	957	4	1,100,360,759	1,118,875	99.90	0.10

DIRECTORS' INTEREST IN WARRANTS AS AT 12 OCTOBER 2022

No	Name of Directors	Direct Interest		Indirect Interest	
			%		%
1	Dato' Tan Wei Lian	22,096,144	2.01	27,696,100	2.52
2	Tan Lee Chin	-	-	49,792,244	4.52
3	Datin Sek Chian Nee	87,000	0.01	49,705,244	4.52
4	Low Boon Chin	-	-	-	-
5	Datin Sulizah Binti A.Salam	-	-	-	-
6	S.Nagaraju A/L Sinniah	-	-	-	-
7	Chua Eng Chin	-	-	-	-

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 (CONT'D)

LIST OF TOP 30 LARGEST WARRANTHOLDERS

NO	SHAREHOLDERS	SHAREHOLDINGS	%
1	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WAI CHOO (T.MUTIARA-CL)	73,222,400	6.65
2	S.MANIARASAN A/L SINNIAH	52,300,000	4.75
3	CGS-CIMB NOMINEES (TEMPATAN)SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOK TUCK SENG (T CHERAS-CL)	40,010,000	3.63
4	FRANCIS SEAW NGIM YEN	32,000,000	2.91
5	TAN SAY CHEONG	31,812,950	2.89
6	RAS NIAGA SETIA SDN BHD	31,445,200	2.85
7	KOH KIN LIP	30,000,000	2.72
8	ONG KHIAM CHEANG	30,000,000	2.72
9	TWL CAPITAL BERHAD	27,609,100	2.51
10	TA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LIEW AH ONN	25,278,000	2.29
11	MUHAMMAD ADAM @ EDWARD BIN ABDULLAH	25,000,000	2.27
12	OW CHEE CHEOON	25,000,000	2.27
13	NG WAI KIAN	21,600,000	1.96
14	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR PING HIOW YEW	21,000,000	1.91
15	KENANGA NOMINEES (TEMPATAN) SDN BHD - TAN MAO LING	18,135,600	1.65
16	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT-AMBANK (M) BERHAD FOR TAN WEI LIAN (SMART)	16,574,419	1.50
17	YONG MUN TONG	16,000,000	1.45
18	GOH BOON SOO @ GOH YANG ENG	15,750,000	1.43
19	CGS-CIMB NOMINEES (TEMPATAN)SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	15,000,000	1.36
20	SAKUNTALA A/P S SUPPIAH	14,100,000	1.28
21	NOR HAIZAR AZRAH BINTI MOHD YUSOF	13,295,000	1.21
22	TONG TIN HENG	13,000,000	1.18
23	VIVEKANANDA A/L SUBRAMANIAM	12,269,000	1.11
24	LOW LI CHIEH	11,832,500	1.07
25	ONG WEE SHYONG	11,800,000	1.07
26	KENANGA NOMINEES (TEMPATAN) SDN BHD - EDWARD CHIN KIM HON	11,400,000	1.03
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR YAP CHIN HOCK (7003122)	10,650,000	0.97
28	M & A NOMINEE (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE HONG (M&A)	10,000,000	0.91
29	LIM SENG KOON	9,500,000	0.86
30	NG HOONG RU	8,500,000	0.77
	TOTAL	674,084,169	61.20

NOTICE OF 26TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 26th Annual General Meeting (“AGM”) of TWL Holdings Berhad (“**TWL**” 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 on Friday, 9th December 2022 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 lay and receive the Audited Financial Statements for the financial year ended 30th June 2022 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 Deputy Chairman / Managing Director, Tan Lee Chin who retires in accordance with Article 95 of the Company’s Constitution, be hereby approved. **Ordinary Resolution 1**
- 3. Election of Director**
THAT re-election of the Independent Non-Executive Director, Low Boon Chin who retires in accordance with Article 95 of the Company’s Constitution, be hereby approved. **Ordinary Resolution 2**
- 4. Election of Director**
THAT re-election of the Independent Non-Executive Director, S Nagaraju a/l Sinniah, who retires in accordance with Article 101 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 146 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 2023 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 103 and 104 respectively of the Constitution and pursuant to Section 230(1)(a) of the Companies Act 2016**
THAT approval be given for the payment of Directors’ meeting allowance of up to RM150,000.00 (2021 : RM100,000.00) for the period from this AGM until the next AGM to be held in year 2023 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 respectively**
THAT pursuant to Section 75 and 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the directors be and are hereby empowered 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 total number of issued shares of the Company (excluding treasury shares, if any) for the time being and that such authority shall continue in force until the conclusion of the next annual general meeting (“**General Allotment**”). **Ordinary Resolution 6**

NOTICE OF 26TH ANNUAL GENERAL MEETING

THAT approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company under Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company arising from any issuance of new shares pursuant to the General Allotment.

8. **Proposed waiver of statutory pre-emptive rights of the shareholders over the new ordinary shares in the Company to be issued for the Serdang Acquisition (as defined below)**

THAT subject to the approval of the shareholders of the Company on Ordinary Resolution 6 above on the authority to allot and issue shares of the Company pursuant to Sections 75 and 76 of the Companies Act, 2016 and in relation to the proposed issuance of 166,047,088 new ordinary shares in TWL ("**Serdang Consideration Shares**") to Stellar Vantage Sdn Bhd to satisfy part of the purchase consideration of RM13.90 million for the acquisition by TWL Land Sdn Bhd (formerly known as Allfit Furniture Industries Sdn Bhd), a wholly-owned subsidiary of TWL, of a piece of vacant freehold land in Serdang ("**Serdang Acquisition**"), approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company arising from the issuance of the Serdang Consideration Shares ("**Proposed Waiver for Serdang Acquisition**").

Ordinary Resolution 7

THAT the Directors and/or the Company Secretaries be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver for Serdang Acquisition for and on behalf of the Company.

9. **Proposed waiver of statutory pre-emptive rights of the shareholders over the new ordinary shares in the Company to be issued for the Qaisar Acquisition (as defined below)**

THAT further to the approval of the shareholders of the Company obtained at the extraordinary general meeting of the Company convened on 16 March 2022 on the authority to allot and issue up to 555,555,556 new ordinary shares in TWL ("**Qaisar Consideration Shares**") to Muhammad Afandi bin Amir, Mohammad Ramadhan bin Othman and Rising Applause Sdn Bhd (collectively referred to as the "Vendors") to satisfy part of the purchase consideration of RM35.00 million for the acquisition by TWL of 100% equity interest in Pembinaan Qaisar Sdn Bhd ("**Qaisar**"), in accordance with the terms and conditions of the Share Sale Agreement dated 10 January 2022 entered into between TWL and the Vendors ("**Qaisar SSA**") ("**Qaisar Acquisition**"), approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company arising from the issuance of Qaisar Consideration Shares ("**Proposed Waiver for Qaisar Acquisition**").

Ordinary Resolution 8

THAT the Directors and/or the Company Secretaries be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver for Qaisar Acquisition for and on behalf of the Company.

NOTICE OF 26TH ANNUAL GENERAL MEETING

10. **Proposed waiver of statutory pre-emptive rights of the shareholders over the new ordinary shares in the Company to be issued in accordance with the proposed establishment of an Employees Share Option Scheme (ESOS or Scheme) (as defined below)**

Ordinary Resolution 9

THAT further to the approval of the shareholders of the Company obtained at the extraordinary general meeting of the Company convened on 6 December 2021 on the proposed establishment of an Employees Share Option Scheme (ESOS or Scheme) involving up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) for eligible Directors and employees of the Company and its subsidiaries (Group) (Proposed ESOS), approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act, 2016 read together with Article 10 and 60 respectively of the Constitution of the Company arising from any allotment and issuance of new Shares to the Eligible Participants in accordance with the Proposed ESOS.

THAT the Directors and/or the Company Secretaries be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed ESOS for and on behalf of the Company.

By Order of the Board
TWL HOLDINGS BERHAD

Company Secretary
HENG CHIANG POOH FCIS (CS) (CGP)
MAICSA 7009923

Kuala Lumpur
Dated : 28.10.2022

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 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 2 December 2022 ("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.*

NOTICE OF 26TH ANNUAL GENERAL MEETING

Notes (Cont'd)

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 86 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, as authorised by its Board or 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, 296, 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.*

STATEMENT ACCOMPANYING NOTICE OF 26TH 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 as follows.

Name of Directors	Director's profile
Tan Lee Chin (Deputy Chairman / Managing Director)	Page 24
Low Boon Chin (Independent Non-Executive Director)	Page 26
S Nagaraju a/I Sinniah (Independent Non-Executive Director)	Page 27

Details of directors' attendance at Board Meetings are set out in the Statement of Overview on Corporate Governance on Page 49 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 103 and 104 respectively of the Company's Constitution as follows.

Remuneration of Directors - Article 103 –

103. The fees of the Directors and any benefits payable to the Directors shall be subject to annual approval of the Members at a general meeting. Unless otherwise directed by the resolution by which it is voted, any such fees shall be divided among the Directors in such proportions and manner as the Directors may agree or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office PROVIDED ALWAYS that:

- (I) Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (II) Salaries payable to executive Directors may not include a commission on or percentage of turnover;
- (III) any fee paid to an alternate Director shall be as such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

STATEMENT ACCOMPANYING NOTICE OF **26TH ANNUAL GENERAL MEETING**
5. SPECIAL BUSINESS – ORDINARY RESOLUTION 5 (CONT'D)

Remuneration of Directors - Article 103 – (Cont'd)

104. The Directors shall also be reimbursed such travelling, hotel and other expenses properly and reasonably incurred by them in the execution of their duties including any such expenses incurred in connection with their attendance at meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company as the Directors may determine.

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 allot and issue 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.

The Company had been granted a general mandate by its shareholders at the 25th Annual General Meeting of the Company held on 6 December 2021 (hereinafter referred to as the "Previous Mandate").

The Company also seeks for waiver of the pre-emptive rights pursuant to Section 85(1) of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company.

Pursuant to Section 85(1) of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

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

Section 85. Pre-emptive rights to new shares

85(1) "Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Article 60 of the Constitution of the Company provides as follows:-

Article 60. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities as aforesaid which (by reason of the ratio which the new shares or securities bear to share or securities held by person entitled to an offer of new shares or securities), cannot, in the opinion of the Directors, be conveniently offered in the manner herein provided.

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.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed ordinary resolution, if passed, will further exclude your pre-emptive rights over all new shares in the Company to be issued pursuant to Proposed Resolution 6.

STATEMENT ACCOMPANYING NOTICE OF 26TH ANNUAL GENERAL MEETING

6. SPECIAL BUSINESS – ORDINARY RESOLUTION 6 (CONT'D)

This authority, unless revoked or varied at a general meeting, will be valid until the conclusion of the next annual general meeting.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company shall make an announcement in respect thereof.

7. SPECIAL BUSINESS – ORDINARY RESOLUTION 7

On 25 April 2022, the Company announced to undertake an acquisition of a piece of vacant freehold land held under G.M. 1243, Lot 117025, Tempat Kuyow, Mukim Petaling, Daerah Petaling, Negeri Selangor measuring 8,479 square metres for a purchase consideration of RM13.90 million to be satisfied partly via cash payment of RM0.50 million and partly via issuance of 166,047,088 new ordinary shares in the Company at an issue price of RM0.0807 per Share.

The Company had vide its last annual general meeting held on 6 December 2021 obtained approval from the shareholders of the Company on the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 up to a maximum of ten percent (10%) of the total number of the issued shares of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company ("General Mandate").

Based on the total number of 3,448,156,217 issued Shares as at 15 April 2022, being the latest practicable date prior to the date of the announcement on 25 April 2022 ("LPD"), the issuance of 166,047,088 Serdang Consideration Shares pursuant to the Serdang Acquisition would represent 4.82% of such total number of issued shares in the Company.

The Serdang Acquisition is currently pending completion. The indicative timeline for issuance of the Serdang Consideration Shares would be by end of 1st quarter 2023.

Accordingly, the Company now seeks for waiver of the pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company.

Pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

Section 85 of the Companies Act, 2016 provides as follows:

85. Pre-emptive rights to new shares

85(1) "Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Article 60 of the Constitution of the Company provides as follows:-

Article 60. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities as aforesaid which (by reason of the ratio which the new shares or securities bear to share or securities held by person entitled to an offer of new shares or securities), cannot, in the opinion of the Directors, be conveniently offered in the manner herein provided.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed ordinary resolution, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the Serdang Acquisition.

STATEMENT ACCOMPANYING NOTICE OF **26TH ANNUAL GENERAL MEETING****8. SPECIAL BUSINESS – ORDINARY RESOLUTION 8**

On 10 January 2022, the Board of the Company announced to undertake an acquisition by TWL of 100% equity interest in Qaisar from the Vendors for the purchase consideration of RM35.00 million to be satisfied partly via cash and partly via the proposed issuance of 555,555,556 new ordinary shares in TWL (“**Qaisar Consideration Shares**”) (“**Proposed Issuance**”).

The Company had vide its extraordinary general meeting held on 16 March 2022 obtained approval from the shareholders of the Company on the authority to allot and issue up to 555,555,556 Qaisar Consideration Shares to the Vendors, subject to the terms and conditions of the Qaisar SSA.

The Qaisar SSA has become unconditional and the transfer of the sale shares will be effected in due course in accordance with the relevant terms therein.

The Qaisar Consideration Shares are to be issued upon completion of certain stages of the construction of a high-rise apartment complex building comprising 1,066 units of 3-bedroom apartments, multi-level car park podium and a podium floor of residence facilities as well as other ancillary works on the piece of freehold land held under Geran Mukim 2449, Lot 30195 (previously known as Geran Mukim 809, Lot 1132), Tempat Gombak Malay Reservation, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring 12,080 sqm and gazette as Malay reserve land, in accordance with the schedule of payment stipulated in the Qaisar SSA.

The Company now seeks for waiver of the pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company.

Pursuant to Section 85 of the Companies Act, 2016 read together with Article 60 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

Section 85 of the Companies Act, 2016 provides as follows:

85. Pre-emptive rights to new shares

85(1) “Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.”

Article 60 of the Constitution of the Company provides as follows:-

Article 60. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities as aforesaid which (by reason of the ratio which the new shares or securities bear to share or securities held by person entitled to an offer of new shares or securities), cannot, in the opinion of the Directors, be conveniently offered in the manner herein provided.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed ordinary resolution, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the Qaisar Acquisition.

STATEMENT ACCOMPANYING NOTICE OF **26TH ANNUAL GENERAL MEETING**

9. **SPECIAL BUSINESS – ORDINARY RESOLUTION 9**

At the extraordinary general meeting of the Company held on 6 December 2021, the Company had obtained approval on the proposed establishment of an Employees Share Option Scheme (ESOS or Scheme) involving up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) for eligible Directors and employees of the Company and its subsidiaries (Group) (Proposed ESOS).

The Company now seeks for waiver of the pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 read together with Article 10 and 60 respectively of the Constitution of the Company.

Pursuant to Section 85 of the Companies Act, 2016 read together with Article 10 and 60 respectively of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

Section 85 of the Companies Act, 2016 provides as follows:

85. Pre-emptive rights to new shares

85(1) "Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Article 10 and 60 respectively of the Constitution of the Company provides as follows:-

Article 10. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of the Constitution, the Act, the Central Depositories Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot or otherwise dispose of such shares to such persons on such terms and conditions with such (whether in regard to dividend, voting or return of capital) preferred, deferred or other special rights, and subject to such restrictions and at such time as the Directors may determine provided always that:-

- (I) the rights attaching to shares of a class other than ordinary shares shall be expressed in the Constitution or in the resolution creating the same;
- (II) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members in general meeting; and
- (III) Every issuance of shares or options for employees and/or Directors shall be approved by the Members in general meeting and:-
 - a. such approval shall specifically detail the amount of shares or options to be issued to such employees and/or Director; and
 - b. a Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a share option scheme.

The Company must allot and issue Securities, despatch notices of allotment to the allottees and make an application for the quotation of such Securities within such periods as may be prescribed by the Exchange.

STATEMENT ACCOMPANYING NOTICE OF **26TH ANNUAL GENERAL MEETING****9. SPECIAL BUSINESS – ORDINARY RESOLUTION 9 (CONT'D)****85. Pre-emptive rights to new shares (Cont'd)**

Article 10 and 60 respectively of the Constitution of the Company provides as follows:- (Cont'd)

Article 60. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities as aforesaid which (by reason of the ratio which the new shares or securities bear to share or securities held by person entitled to an offer of new shares or securities), cannot, in the opinion of the Directors, be conveniently offered in the manner herein provided.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed ordinary resolution, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the approved Proposed ESOS.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE 26TH ANNUAL GENERAL MEETING (“AGM”) OF TWL HOLDINGS BERHAD

Meeting Day & Date	:	Friday, 9th December 2022
Time	:	11:00 a.m.
Meeting Platform	:	www.swsb.com.my
Platform for Communication	:	Shareholders may submit questions to the Board of Directors (“ Board ”) prior to the AGM to twl@twlholdings.com.my not less than forty-eight (48) hours before the time set for holding the meeting or to use the Question and Answer (“ Q&A ”) Platform to transmit questions to the Board via Remote Participation and Voting (“ RPV ”) Platform during live streaming.
Online Meeting Platform	:	Fully virtual basis through live streaming and online remote voting by using Remote Participation and Voting (“ RPV ”) facilities via www.swsb.com.my hosted by ShareWorks Sdn. Bhd. in Malaysia (Domain registration number with MYNIC : D1A403841)

Virtual Meeting

In view of the evolution of the coronavirus disease 2019 (“**COVID-19**”) endemic and as part of safety measures against COVID-19, the 26th 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, Authorised Representatives, Corporate Representatives, 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 Corporate Representatives) 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 2022 at 11:00 a.m.:
 - a. Certificate of appointment of its Authorised / Corporate Representative or Form of Proxy under the seal of the corporation;
 - b. Copy of the Authorised / Corporate Representative’s or proxy’s identity card (MyKad) (front and back) / Passport; and
 - c. Authorised / Corporate Representative’s or proxy’s email address and mobile phone numbers.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE **26TH ANNUAL GENERAL MEETING (“AGM”) OF TWL HOLDINGS BERHAD**

RPV Facility (Cont'd)

3. Upon receipt of such documents, ShareWorks will respond to the Authorised / Corporate Shareholders' remote participation request.

If a Corporate Member (through Authorised / Corporate 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 7th December 2022 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
Before the AGM	
(i) Register as a user	<ul style="list-style-type: none"> • If you have already registered an account at the website, you are not required to register again. • Access website www.swsb.com.my • Click "Login" and click "Register" to sign up as a user. The registration will be open from 11:00 a.m. on 29 October 2022 and closes at 11:00 a.m. on 8th December 2022. • Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders. • Read and agree to the terms & condition and thereafter submit your request. • Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour. • Upon verification of the user ID, ShareWorks will send an email notification to approve you as a user. • After verification of your registration against the General Meeting Record of Depositors of the Company as at 2 December 2022, the system will send you an email to notify you if your registration is approved or rejected after 5 December 2022. • If your registration is rejected, you can contact ShareWorks or the Company for clarifications or to appeal.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE **26TH ANNUAL GENERAL MEETING (“AGM”) OF TWL HOLDINGS BERHAD**

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
On the day of EGM		
(ii)	Login to www.swsb.com.my	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the AGM at any time from 10:30 a.m. i.e. 30 minutes before the commencement of the AGM on 9th December 2022 at 11:00 a.m.
(iii)	Participate through Live Streaming	<ul style="list-style-type: none"> Select the “Virtual Meeting” from main menu. Click the “Join Meeting” located next to the event. You are required to provide your full name as per CDS account and your user registered email address. Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming. If you have any question for the Chairperson/ Board, you may use the Q&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. 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.
(iv)	Online remote voting	<ul style="list-style-type: none"> Select “Voting” located next to the “Join Meeting” and indicate your votes for the resolutions that are tabled for voting. 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. 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.
(v)	End of RPV Facility	<ul style="list-style-type: none"> 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.

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 7 December **2022 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.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE **26TH ANNUAL GENERAL MEETING (“AGM”) OF TWL HOLDINGS BERHAD**

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 twl@twlholdings.com.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.twlholdings.com.my/>

1. Annual Report 2022
2. Proxy Form
3. Administrative Guide

Enquiry

If you have any enquiry prior to the virtual meeting, please contact Mr. Kou Si Qiang and Ms. Stacy Goh 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
Fax Number : 03-6201 3121
Email : ir@shareworks.com.my

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TWL HOLDINGS BERHAD
(formerly known as Tiger Synergy Berhad)
[Registration No. 199401039944 (325631-V)]
(Incorporated in Malaysia)

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 TWL Holdings 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 Friday, 9 December 2022 at 11:00 a.m. or any adjournment thereof, and to vote as indicated below:-

No	Resolutions	Agenda	For	Against
1.	To re-elect Tan Lee Chin, Deputy Chairman / Managing Director.	(Resolution 1)		
2.	To re-elect Low Boon Chin, Independent Non-Executive Director.	(Resolution 2)		
3.	To re-elect S Nagaraju a/l Sinniah, Independent Non-Executive Director.	(Resolution 3)		
4.	To appoint Messrs UHY as the auditors.	(Resolution 4)		
	Special Business			
5.	To approve the payment of Directors' meeting allowance.	(Resolution 5)		
6.	Authority to allot shares.	(Resolution 6)		
7.	Waiver of statutory pre-emptive rights over Serdang Acquisition.	(Resolution 7)		
8.	Waiver of statutory pre-emptive rights over Qaisar Acquisition.	(Resolution 8)		
9.	Waiver of statutory pre-emptive rights over ESOS.	(Resolution 9)		

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:-

- (a) If you are an individual member, please sign where indicated.
- (b) 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.
- (c) 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:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) 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 2 December 2022 ("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.

Notes: (Cont'd)

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, 296, 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.*
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

TWL HOLDINGS BERHAD
(formerly known as Tiger Synergy Berhad)

T3-13A-20, Level 13A
Menara 3, 3 Towers
No. 296 Jalan Ampang
50450 Kuala Lumpur

2nd Fold Here

Fold This Flap For Sealing



Holdings Berhad

T3-13A-20, Level 13A,
Menara 3, 3 Towers,
No. 296, Jalan Ampang,
50450 Kuala Lumpur.

Tel : 03-2733 0038

Fax: 03-2733 0037

Email: twl@twlholdings.com.my