Tiger Synergy
BERHAD 199401039944 (325631-V)

THE POWER OF SYNERGY

ANNUAL REPORT **2019**

VISION

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

MISSION

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

CORE VALUES

T — TRUST

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

I — INTEGRITY

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

G — GRATITUDE

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

E — EXCELLENCE

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

R — RESPECT

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

CONTEN

ITS

FINANCIAL STATEMENTS

05

ADDITIONAL INFORMATION

06

Tiger Synergy BERHAD 199401039944 (325631-V)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Tan Wei Lian
Executive Chairman

Tan Lee Chin (F)
Deputy Chairman/Managing Director

Datin Sek Chian Nee (F)
Executive Director

Dato' Khoo Seng Hock
Independent Non-Executive Director

Dato' Lee Yuen Fong
Independent Non-Executive Director

Low Boon Chin
Independent Non-Executive Director

Chua Eng Chin
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Low Boon Chin (Chairman)
(Independent Non-Executive Director)
(Appointed on 7 December 2017)
Dato' Khoo Seng Hock
(Independent Non-Executive Director)
Dato' Lee Yuen Fong
(Independent Non-Executive Director)
Chua Eng Chin
(Non-Independent Non-Executive Director)
(Redesignated on 7 December 2017)

EMPLOYEE SHARE OPTION SCHEME ("ESOS") COMMITTEE

Dato' Lee Yuen Fong (Chairman)
(Independent Non-Executive Director)
Low Boon Chin
(Independent Non-Executive Director)
Tan Lee Chin
(Managing Director)

NOMINATION COMMITTEE

Low Boon Chin (Chairman)
(Independent Non-Executive Director)
Chua Eng Chin
(Non-Independent Non-Executive Director)
Dato' Khoo Seng Hock
(Independent Non-Executive Director)
Dato' Lee Yuen Fong
(Independent Non-Executive Director)

REMUNERATION COMMITTEE

Dato' Lee Yuen Fong (Chairman)
(Independent Non-Executive Director)
(Appointed on 9 October 2018)
Dato' Khoo Seng Hock
(Independent Non-Executive Director)
Chua Eng Chin
(Non-Independent Non-Executive Director)
(Redesignated on 9 October 2018)

WEBSITE

www.tigersynergy.my

SECRETARIES

Lim Seck Wah (F)
(MAICSA 0799845)
M Chandrasegaran A/L S.Murugasu
(MAICSA 0781031)

REGISTRAR

Bina Management (M) Sdn Bhd
(Company No. 197901005880 (50164-V)
Lot 10, The Highway Centre,
Jalan 51/205,
46050 Petaling Jaya, Selangor.
Tel No : 03 7784 3922
Fax No : 03 7784 1988

AUDITORS

Morison AAC PLT
(LLP0022843-LCA & AF 001977)
(formerly known as Messrs. Morison Anuarul Azizan Chew)
18, Jalan Pinggir 1/64,
Jalan Kolam Air Off Jalan Sultan Azlan Shah (Jalan Ipoh)
51200 Kuala Lumpur.
Tel No : 03-4048 2888
Fax No : 03-4048 2999

INVESTOR RELATION

Person to Contact:
Serene Chong
Telephone : 06-767 9353 / 06-767 9418
Email : tsb@tigersynergy.my

PRINCIPAL BANKERS

Malayan Banking Berhad

STOCK EXCHANGE LISTING

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

REGISTERED OFFICE

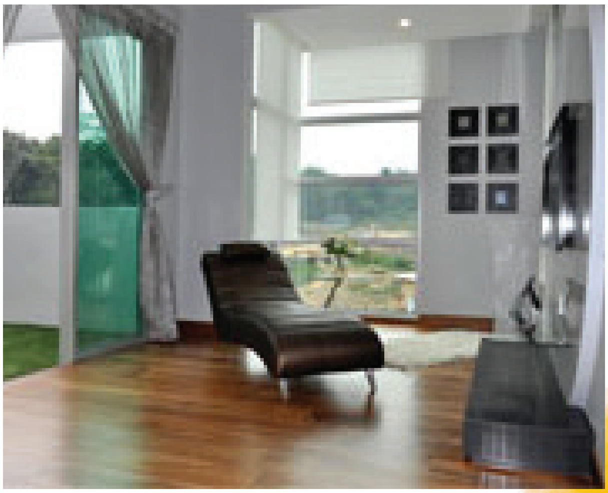
Unit No. T3-13A-20, Level 13A,
Menara 3, 3 Towers, No. 296,
Jalan Ampang,
50450, Kuala Lumpur.
Tel : 03-2733 0038
Fax : 03-2733 0037

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. The project will be launched in first quarter 2021.

AFFORDABLE HOUSING PROJECTS

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

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

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

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

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

FUTURE PROJECT

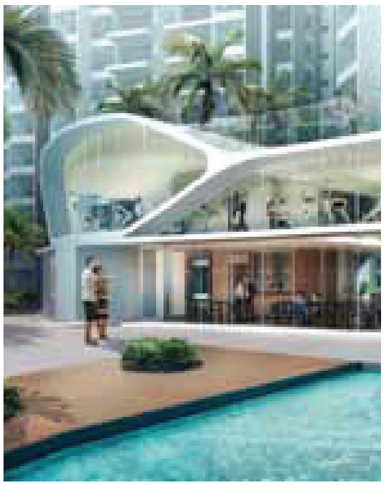
THE ASTER RESIDENCE – CHERAS

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

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

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

The Aster Residence Project is currently under the extension of planning stage and the Group is in the midst of preparing for submission of the building plans to the relevant authorities.



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.

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

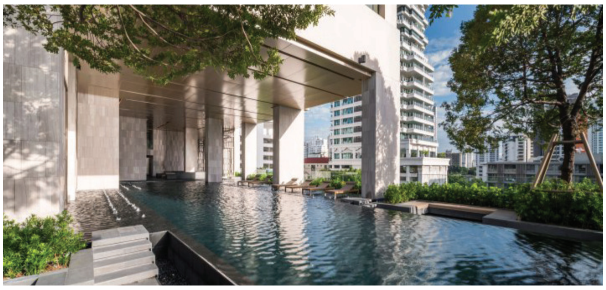
BANGSAR SOUTH LUXURY CONDOMINIUM PROJECT

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 fashionlabels. 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.

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



FUTURE PROJECT

TELARIS - GOMBAK

Telaris Gombak, a first offering of exclusive service apartments targeted at young families and professionals aspiring to a home to longing for a modern residential which able to put your mind at peace. It is strategically positioned on a 1.169 acres freehold land comprising of 180 units of medium range service apartments attached with 8 units of commercial units surrounded by well established neighborhoods.

This project is located on the western flank of Lebuhraya Duta-Ulu Klang that located about 12 kilometers north of Kuala Lumpur City Centre. In addition, it is surrounded by established residential and commercial projects. This comprehensive development is bounded by a long list of exciting amenities and conveniences including public amenities.

SERI KEMBANGAN PROJECT

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

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

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

BATCHING PLANT

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

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

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

CORPORATE STRUCTURE

Property Management Division

Goldenier Property Management Sdn. Bhd.
200501036443 (718591-K)

Alam Kemuning Development Sdn. Bhd.
(formerly known as MHB Property Management Sdn. Bhd.)
200501034278 (716419-K)

Construction Division

Pembinaan Terasia Sdn. Bhd.
201001010618 (895278-H)

Property Development Division

Promosi Juara Sdn. Bhd.
201401023101 (1099188-X)

Tiger Synergy Timber Sdn. Bhd.
198901006161 (183466-T)

Tiger Synergy Housing Development Sdn. Bhd.
200501036787 (718935-D)

Tiger Synergy Development Sdn. Bhd.
200501035846 (717993-V)

Myharmony Developement Sdn. Bhd.
201001037437 (921361-M)

Tiger Synergy Land Sdn. Bhd.
201001010813 (895473-M)

Teladan Bina Sdn. Bhd.
201401017901 (1093988-W)

Tiger Synergy
BERHAD 199401039944 (325631-V)

Plantation and Timber Division

Tiger Synergy Plantation Sdn. Bhd.
199901013846(488746-U)

Financial Services Division

Tiger Synergy Capital Sdn. Bhd.
(formerly known as Ace Décor Sdn. Bhd.)
200501037562 (719710-W)

Manufacturing Division

Tiger Synergy Industries (M) Sdn. Bhd.
199201013697 (245200-V)

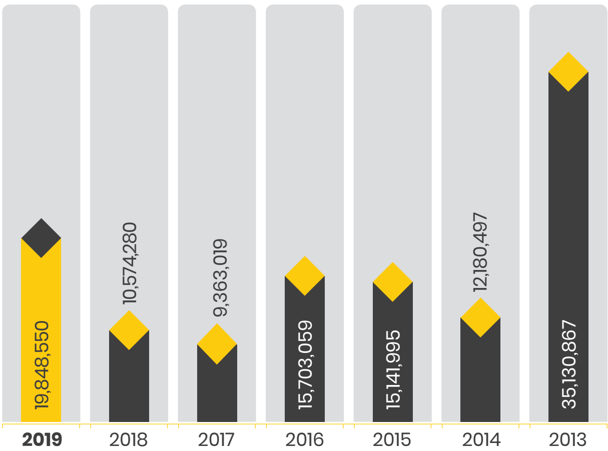
Allfit Furniture Industries Sdn. Bhd.
198801005095 (172453-X)

Batching Plant

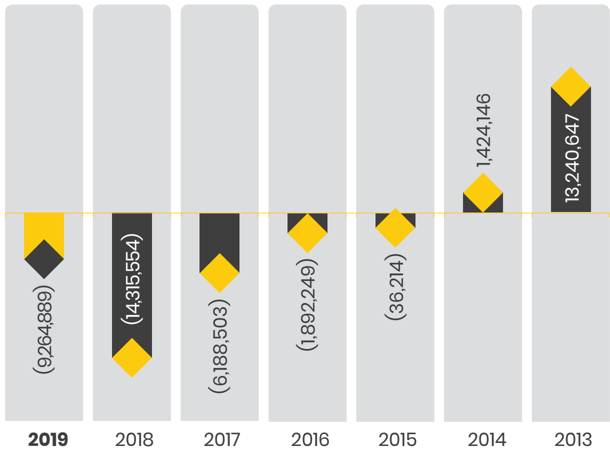
Tiger Synergy Mix Sdn. Bhd.
200601037390 (757150-K)

FINANCIAL HIGHLIGHTS

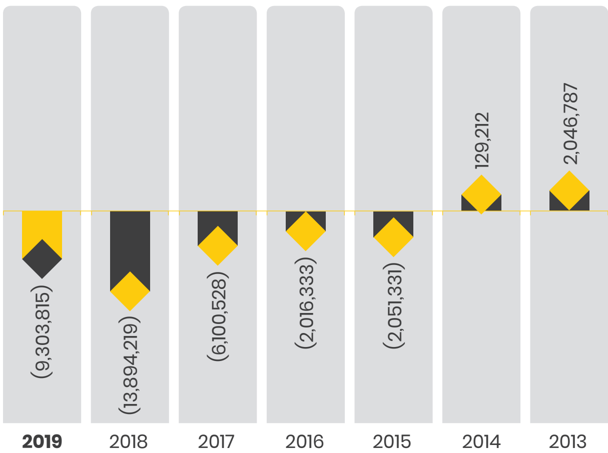
(RM) TURNOVER



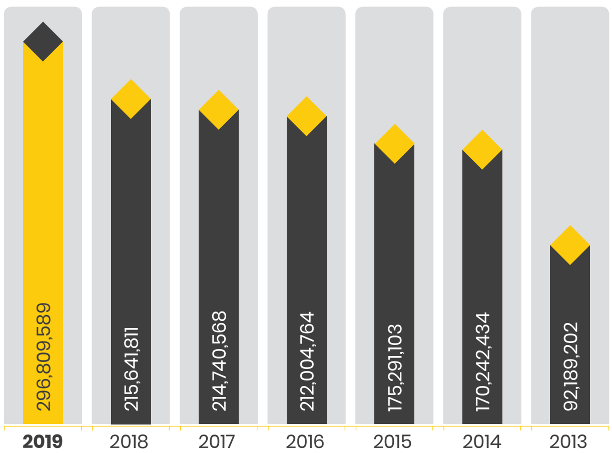
(RM) (LOSS) / PROFIT BEFORE TAXATION



(RM) (LOSS) / PROFIT AFTER TAXATION



(RM) NET ASSETS



RM/Year	2019	2018	2017	2016	2015	2014	2013
Turnover	19,848,550	10,574,280	9,363,019	15,703,059	15,141,995	12,180,497	35,130,867
(Loss) / Profit before taxation	(9,264,889)	(14,315,554)	(6,188,503)	(1,892,249)	(36,214)	1,424,146	13,240,647
(Loss) / Profit After taxation	(9,303,815)	(13,894,219)	(6,100,528)	(2,016,333)	(2,051,331)	129,212	2,046,787
Net Assets	296,809,589	215,641,811	214,740,568	212,004,764	175,291,103	170,242,434	92,189,202

EXECUTIVE CHAIRMAN'S STATEMENT

Dato' Tan Wei Lian

Executive Chairman

"*I am pleased to present the Annual Report of the Group and the Company for the financial period ended 31 December 2019.*"

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Annual Report of the Group and the Company for the financial period ended 31 December 2019.

In the past year, with the trade war between the US and China rumbles on and sharp fall in world oil prices resulting in slower economy growth in Asia region. Apart from the uncertainties in the global environment, the political stalemate, the weaker ringgit, low oil and commodity export prices, and now getting hit by the coronavirus outbreak, have negatively impact Malaysia's growth prospects.

According to statistic released by Bank Negara Malaysia (BNM), Malaysia's gross domestic product (GDP) growth in 2019 had slowed down to 4.3%, the lowest since 2016. Economic growth in the fourth quarter of 2019 was the lowest in ten years, at 3.6%.

Malaysia's slowing economy had an impact on Malaysia property market over the year. Malaysia National Property Information Centre ("NAPIC") reported in its 2019 Property Market Report that the first quarter of 2019, the residential property overhang increased 1.9% to 32,936 units worth about RM20 billion from the previous year with high rise residential houses forming the bulk of the overhang.

SUSTAINABILITY

Despite sub-optimal market conditions, Tiger Synergy Berhad, together with its subsidiaries ("the Group") continues to build on its prime property portfolio, building on its strong relationship with various joint venture partners and leveraging on their skill sets and knowledge to grow its revenue streams to provide greater income stability and visibility for shareholders in the longer term. The strategic plans to diversify the income stream and grow the recurring income for sustainable growth remain on track.

The Group continues to be on the lookout for suitable investment opportunities but remain selective and disciplined. The Group will remain a healthy and balanced pipeline of mixed-use, commercial and residential developments in varying stages of development. These projects will boost the Group's recurrent income and contribute to profitability in future.

STRATEGY

We anticipate the residential property market appears to be bottoming out in the years to come, although it will take some time before the market sees any significant improvement. As there is an increase in foreign buyer interest in Malaysian properties, the Group will actively monitor developments in the property sector and adapt strategies in line with market demand and sentiment. Our business model has the right mix of strategic objectives to create value for our stakeholders. The Group will continue to explore strategic opportunities to deliver long-term growth to stakeholder value and will continue to be on the lookout for more lucrative opportunities. The Group will also take a cautious stance on seeking accretive land banks on the back of increasingly challenging property market conditions.

FUTURE PLAN

In the next financial year, the Group will embark a flagship development project, sited on a freehold land in Alam Impian. It consists of a mixed-residential development with 2-storey terrace houses, medium range condominiums and affordable houses. For the entire project, we expect a gross development value of RM1 billion. For the first phase of this project, we will develop 224 units of landed properties and is expected to be launched in 2021.

Although the residential subsector remains subdued due to unsold properties, we believe that the development project in Alam Impian will somewhat shield from the market conditions in view of it being landed properties and its strategic location.

NEW BUSINESS VENTURE

It appears that 2020 will likely be a boon year for plantation sector with many analysts sees a brighter outlook in this sector. As part of TSB's plans to strengthen its revenue stream with visible and recurring income, the Group has set its plan to venture into agro-food plantations by making productive use of its marginal land banks with the potential of planting the crops.

EXECUTIVE CHAIRMAN'S STATEMENT

PROSPECT

Supportive measures and initiatives had been announced by the Malaysian Government with aim to stimulate interests in home ownership whilst offering an opportunity for property developers to address the property overhang situation. Among other initiatives, the government will extend Youth Housing Scheme from 1 Jan 2020 to 31 Dec 2021 to assist youths and young married couple to own their first homes; to lower the threshold on high-rise property prices in urban areas for foreign ownership from RM1 million to RM600.000; provide full exemption of stamp duty on property Sales and Purchase Agreements (SPA) and loan agreement, and BNM's RM1 billion Fund for Affordable Homes to assist first-time home ownership for the lower income group.

The government's initiatives and support is a great help to rejuvenate the property industry's performance and bring the property market to a more stable condition. The demand for residential properties is expected to remain resilient in the long term, particularly for projects in good locations with good transportation, infrastructure and close proximity to amenities and facilities.

Going forward in 2020, the property market is expected to regain its momentum. Recalibration of fiscal policies and structural reforms by the Malaysian Government will continue to put pressure on the nation's economic performance, however, the Group is confident of the prospect of the Group moving forward and that it will be able to improve its performance for the forthcoming year.

A WORD OF THANKS

On behalf of the Board of Directors, I wish to thank all our stakeholders, including valued customers, shareholders, business associates and financial institutions for their continued trust and support for the Group. I would like to extend my appreciation to my fellow Board members for their continued guidance, and the management team and employees for their commitment and hard work to excellence. I am confident that with everyone's support, we are able to tackle new challenges and embarking on new opportunities for the Group in the next financial year.

BOARD OF DIRECTORS

Chua Eng Chin
Non-Independent Non-Executive Director

Dato' Lee Yuen Fong
Independent Non-Executive Director

Dato' Khoo Seng Hock
Independent Non-Executive Director

Datin Sek Chian Nee
Executive Director

BOARD OF DIRECTORS

Tan Lee Chin

Deputy Chairman/ Managing Director

Low Boon Chin

Independent Non-Executive Director

Dato' Tan Wei Lian

Executive Chairman

PROFILE OF DIRECTORS

Dato' Tan Wei Lian ("DTWL")
Executive Chairman

Dato' Tan Wei Lian, Malaysian, aged 51, male, he began his colorful livelihood as a property developer at the age of 21. He has gained over 29 years of experience in the property development and construction industry. Therefore, DTWL has played a major role in leading the Group to diversify its business into Property Development. He has strong communication skills, experience, and in-depth knowledge of the business environment. He is also the former President of the Negeri Sembilan Chinese Chamber of Commerce and Industry, former Vice President of The Associated Chinese Chambers of Commerce and Industry of Malaysia.

On 28th November 2006, he was appointed to the Board of Tiger Synergy Berhad ("Tiger") as Managing Director in order to assist the company to diversify into property development. However, he has been re-designated as the Executive Chairman of the Group on 26th November 2014. He has attended seven (7) Board of Directors' meeting during the financial period ended 31 December 2019.

DTWL does not have any conflict of interest with the Company and has not been convicted of any offence over the past five years. DTWL is the brother of Ms Tan Lee Chin, the Deputy Chairman/ Managing Director of Tiger as well as the spouse of Datin Sek Chian Nee, the Executive Director of the Company. He has direct shareholding of 60,508,759 ordinary shares and indirect shareholding of 29,667,375 ordinary shares as at 5th May, 2020.

Tan Lee Chin ("TLC")
Deputy Chairman/ Managing Director

Tan Lee Chin, Malaysian, aged 50, female, was appointed to the Board as an Executive Director of Tiger in February 2008 and she is the member of Employee Share Option Scheme ("ESOS") Committee of Tiger. She graduated with a LLB (Honours) from the University of Northumbria, United Kingdom. In 1993, she joined the property development and construction company. During her tenure in the said company, she has pioneered to develop the marketing, finance and administrative division of the company. Since then, she has gained substantial experience in the property development, financial, marketing, business management and corporate restructuring. In recognition of her outstanding entrepreneurial achievements, she has received an Outstanding Entrepreneur Award at the Golden Bull Award.

TLC has been re-designated as Managing Director on 26th November 2014 and was appointed as a Deputy Chairman in February 2020. She has attended seven (7) Board of Directors' meeting during the financial period ended 31 December 2019. She has no conflict of interest with the Company and has not been convicted of any offence in the last five years.

TLC is the sister of Dato' Tan Wei Lian, the Executive Chairman of Tiger. She holds a direct shareholding of 9,934,175 ordinary shares and indirect shareholding of 80,241,959 ordinary shares as at 5th May, 2020.

PROFILE OF DIRECTORS

Datin Sek Chian Nee, Malaysian, aged 52, female, was appointed as the Executive Director of Tiger on 29th May 2015. She completed her Diploma in Perguruan Kementerian Pelajaran Malaysia in 1993. Upon graduation, she joined the education industry in Bahau, Negeri Sembilan Darul Khusus as a teacher. She joined Tiger as the Group Human Resource and Admin General Manager since 2006. Currently, she oversees the entire organisation's human resources by planning, implementing, and evaluating employee relations and human resources policies, programmme, and practices.

DSCN is the spouse of Dato' Tan Wei Lian, the Executive Chairman of Tiger. She has attended seven (7) Board of Directors' meeting during the financial period ended 31 December 2019. 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 19,733,200 ordinary shares and indirect shareholding of 70,442,934 ordinary shares as at 5th May, 2020.

Datin Sek Chian Nee ("DSCN")
Executive Director

Dato' Khoo Seng Hock
Independent Non-Executive Director

Dato' Khoo Seng Hock, Malaysian, aged 71, male, was appointed to the Board of Tiger on 7th October 2010 as an Independent Non- Executive Director. He is one of the member of Audit Committee, Nomination Committee and Remuneration Committee of Tiger group. From 1986 to 1995, he was elected and served as the State Assemblyman for Lobak Constituency, Negeri Sembilan after completed his upper secondary education from Chung Hwa High School, Seremban. Subsequently in 1987, he served as the Chief of Negeri Sembilan MCA Public Services and Complaints Bureau; and the Vice President of MCA Branch Taman Permata.

During the financial period ended 31 December 2019, Dato' Khoo has attended seven (7) Board of Directors' meeting and seven (7) Audit Committee meeting. He does not hold directorship in other public companies. He also does not have any family relationship with any director and/or major shareholder, nor any conflict of interest with the Tiger Group. He has not been convicted of any offence over the past five years.

PROFILE OF DIRECTORS

Chua Eng Chin, Malaysian, aged 60, male, was appointed as the Independent Non-Executive Director of Tiger on 15th December 2006. However, on 7th December 2017, he has been re-designated as the Non-Independent Non-Executive Director. Currently, Mr. Chua is the member of the Remuneration Committee. Audit Committee as well as Nomination Committee of Tiger group.

Mr. Chua is a qualified Chartered Accountant since 1984. He is a registered Fellow Member of the Association of Chartered Accountants (United Kingdom) and Malaysian Institute of Accountants (MIA). He has extensive experience in auditing and consultancy. He held various key positions with some established companies, i.e. as an internal auditor of Lion Group and Berjaya Group. He also has served as Senior Accountant in Berjaya Textiles Berhad and Senior Manager in Malpac Holdings Berhad. Currently, he is a Commissioned Dealer Representative with PM Securities Sdn. Bhd.

Mr Chua has attended six (6) Board of Directors' meeting and seven (7) Audit Committee meeting during the financial period ended 31 December 2019. He does not have any family relationship with any director and/or major shareholder nor any conflict of interest with the Tiger Group. He also has not been convicted of any offence over the past five years.

Chua Eng Chin
Non-Independent Non-Executive Director

Dato' Lee Yuen Fong
Independent Non-Executive Director

Dato' Lee Yuen Fong, Malaysian, aged 69, male, was appointed to the Board of the Company on 30th July 2014 as the Independent Non-Executive Director of Tiger. He is the Chairman of the ESOS Committee and the member of Audit Committee and Nomination Committee of Tiger Group. He has been appointed as the Chairman of Remuneration Committee on 9th October 2018. He has attended four (4) Board of Directors' meeting and four (4) Audit Committee meeting during the financial period ended 31 December 2019.

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

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

PROFILE OF DIRECTORS

Low Boon Chin, Malaysian, aged 71, male, was appointed on 12th September 2014 as the Independent Non-Executive Director at Tiger. He is the Chairman of Nomination Committee and Audit Committee as well as the member of ESOS Committee of Tiger group. During the financial period ended 31 December 2019, Mr Low has attended five (5) Board of Directors' meeting and six (6) Audit Committee meeting.

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

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

Low Boon Chin
Independent Non-Executive Director

KEY PERSONNEL MANAGEMENT

KELVIN CHIA CHIN LIANG

(SENIOR FINANCE MANAGER)
Male, Malaysian

Mr. Kelvin Chia, aged 47, obtained his Bachelor Degree in Accounting from Bolton University, United Kingdom. Prior joining to Tiger Group, he had worked at Ho Hup Construction Company Berhad, TSI Holdings Sdn Bhd, Talam Corporation Berhad, Oxford Fajar Sdn Bhd as Accountant, Muhibbah Engineering (M) Berhad and Hibiscus Petroleum Berhad as Senior Finance Manager. He had over 22 years of experience in finance and accountancy.

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

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

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

CHAN YIN NIE

(LEGAL MANAGER)
Female, Malaysian

Ms. Chan, aged 30, graduated with a Degree of Bachelor of Law (Honours) from the University of Liverpool, United Kingdom. She was admitted as Barrister-at-Law of Middle Temple, England & Wales and as an Advocate and Solicitor of High Court of Malaya subsequently.

She was appointed as the Legal Manager of Tiger Synergy Berhad on 2nd October 2017. In this role, she oversees the corporate exercise and corporate secretarial matters of the Company. She also liaises closely with the external counsels and oversees the litigation matters for the Company.

Prior to joining Tiger Group, she practiced in Messrs. Shook Lin & Bok, Malaysia, where she has extensive experience in General Litigation, Competition Law and Corporate Law. During her tenure with Messrs. Shook Lin & Bok, she also provided legal advice to statutory bodies on matters relating to their statutory functions and daily administration.

Ms. Chan does not hold any directorship in any public companies and listed issuers.

She also does not have any family relationship with any Director and/or is not a major shareholder of the Company. She has not entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company and has never been convicted to any offence within the past five (5) years.

MANAGEMENT DISCUSSION & ANALYSIS

Dear Valued Shareholders,

This Management's Discussion and Analysis elaborates on the financial and operational performance of Tiger Synergy Berhad and its Group ("The Group") over the 18-month period ended 31 December 2019 ("FY2019"). Tiger Group changed its financial end from 30 June 2019 to 31 December 2019 during the current financial period. Given the change, the Company's financial information presented covers a 18-month period from 1 July 2018 to 31 December 2019 for the current financial period. Accordingly, the financial performance for the current financial period ended 31 December 2019 is not comparable with the previous financial year ended 30 June 2018.The Group remain steadfast in pursuing our long-term vision in commitment to Excellence and Innovation to achieve consistent delivery of quality to customers and to share best possible returns with our investors and partners and to deliver value to its shareholders and stakeholders, to strengthen the balance sheet and conducting successful activities to further enhance its value.

Uncertainty caused by the Covid-19 pandemic has weighed global economic growth prospects, with no exemption on Malaysia. Given the unprecedented Covid-19 pandemic that has halted worldwide, it is no great surprise that economists are expecting Malaysia to experience economic contraction for the first time in decade.

The Covid-19 outbreak has triggered the Movement Control Order (MCO) which has partially locked down the nation. To strengthen household incomes and bolster cash flow of business amidst the virus outbreak, the government had announced the stimulus package worth RM230 billion. The country's economic situation post-MCO will depend on the effectiveness of the economic stimulus packages which will only become more visible once the virus spread is under manageable situations as well as how the world economy could get back to normal.

The current economic downturn will pose a serious challenge to Malaysia's financial resilience. The 2020 Economic Stimulus Package has been formulated to stimulate economic growth by driving higher private consumption, increase import substitution with local products, assistance to help industries to weather the COVID-19 outbreak and safeguard the wellbeing of the "rakyat". Measures in the stimulus package would not have been possible without the joint efforts by private sectors and other government institutions to strategically play their role in this nation building campaign during this period of overwhelming challenge cause by the virus outbreak and volatile global trade outlook.

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.

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 & ANALYSIS

PERFORMANCE REVIEW

Revenue

For the FPE2019, the Group recorded a revenue of RM19.85 million for the eighteen (18) months period. The Group recorded a gross profit of RM3.70 million and a loss after taxation of RM9.30 million. The loss was mainly attributed to the higher administration expenses arising from the depreciation of PPE of RM1.5 million, RM1.65 million from the corporate exercise expenses and the recognition of share based payment of RM6.08 million from the Employees' Share Option Scheme (ESOS). Revenue for the FPE2019 was mainly derived from the timber contract works and sales of concrete mix.

Total Assets

Total assets increased by RM68.84 million to RM310.11 million from RM241.27 million in the last financial year. The increase was mainly attributable to the increase of other receivable and inventories (land held for property development).

RECORDED A REVENUE OF
RM19.85MILLION

TOTAL ASSETS INCREASED BY RM68.84 MILLION TO
RM310.11 MILLION

SHARE CAPITAL INCREASED FROM RM134.53 MILLION
RM225.00 MILLION

THE GROUP'S BANK BORROWINGS DECREASED FROM RM11.06 MILLION TO
RM7.68 MILLION

Share Capital

During the financial period, the Company increased its issued and paid-up share capital from RM134.53 million in FY2018 to RM225.00 million in FPE2019, largely due to the issuance of new shares pursuant to the conversion of Redeemable Convertible Notes, issuance of new shares pursuant to the private placement and the exercise of Employee Shares Option Scheme ("ESOS") during the year.

Total Liabilities

The Group's bank borrowings decreased from RM11.06 million to RM7.68 million during the financial period. The Group's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. On a net basis, the Group's gearing ratio set at 0.03 times.

DEVELOPMENT PROJECTS

The Malaysian property market remain challenging, the economy was confronted with several external and domestic challenges. Major policy ad political shifts, arising partly from global trade tensions and the historic change of government in Malaysia, became sources of uncertainty for the economy. In addition, the global COVD-19 pandemic may have negative impact on the economy not just in the country but globally.

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

DEVELOPMENT PROJECTS (CONT'D)

During FY2019, the Group has the following on-going projects;-

Telaris Alam Impian

This is a joint-development project to be undertaken by the Group. Approvals for the development of 224 units link houses on freehold lands with a total area of approximately 13.586 acres in Shah Alam, Selangor Darul Ehsan has been obtained with an estimated GDV of approximately RM196.80 million.

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

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

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

Affordable Housing Project

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

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

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

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

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

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

Telaris Gombak

Telaris Gombak, with a GDV of approximately RM150 million, is the first commercial high-rise development of the Group, comprising of 180 units of medium range serviced apartment and 8 units of retail/commercial properties on a freehold land with area of 1.169 acres in Gombak, Kuala Lumpur.

Telaris Gombak is strategically located in the midst of many other residential areas, surrounded by many amenities and has a direct access to major townships in Klang Valley area. The project is easily accessible via DUKE Highway, MRR2 and Jalan Gombak.

DEVELOPMENT PROJECTS (CONT'D)

The Aster Residence-Cheras

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

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

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

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

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

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

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

Bangsar South Development

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

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

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

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

CONSTRUCTION

The Construction division was still remains the key contributor to the Group's revenue for the FY2019 pending launching of the major new development projects. The division registered a higher revenue of RM13.40 million. The increase of revenue in FY2019 was mainly attributable to the timber contract works.

The Construction division also manage and execute the construction activities of the Group development projects to ensure our ability to deliver and produce quality products with optimal cost efficiency to enable the Group to maintain its advantaged position as a full-fledged, integrated developer. The Construction division keeps track of new developments in the construction industry whilst complying with regulatory requirements for an effective quality and costs saving system.

MANUFACTURING AND TRADING

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

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

In the current financial period, the production and sales of ready mixed concrete recorded an increase in revenue to RM3.25 million.

The Group will be more vigorous in carrying out its cost down initiatives to reduce costs further and continued its expansion programme in order to boost higher revenue and profits.

MONEY LENDING BUSINESS

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

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

STRATEGIC AND DIVERSIFICATION

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

During the financial year, the Group continues to identify suitable land bank for future developments via a joint-venture. Focus was on land bank in good locations within Klang Valley, which are suitable for transit-oriented developments.

Moving forward, the Group intends to diversify to other business activities such as timber logging and plantation. This proposed diversification will provide for greater business expansion and sound financial growth for the Group as the additional revenue and income streams will enhance the profitability and prospects of the Group.

CUSTOMER SERVICE STRATEGIES

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

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

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

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

RISK MANAGEMENT

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

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

(i) **Liquidity risks**

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

(ii) **Market risk**

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

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

RISK MANAGEMENT (CONT'D)

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

(iii) High customer concentration risks

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

(iv) Acquisition and investments risks

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

(v) Financing risks

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

PROSPECTS

The Group acknowledges that the property market scene is facing challenges currently due to the increase in strict lending policy, increased property overhang and lukewarm buying sentiments. In addition, the global COVID-19 pandemic may have a negative impact on the Malaysian and global economy. The Group has also taken cognisance of the recent movement control order imposed by the Government of Malaysia in order to curb the spread of COVID-19 and to safeguard the wellbeing of the people. Despite the Government of Malaysia's announcement of the 2020 Economic Stimulus Package, the Malaysian economy will very likely pose a contraction in year 2020 as the global economy will be slow to recover from the negative economic impact arising from the pandemic.

The Group expects the property market to remain challenging and foresees a slow-down in take-up rates particularly in the high-rise and high-end segment in year 2020. Nevertheless, despite these challenges, the Group will continue to be resilient by adopting a cautious approach towards new project launches. Presently, the Group intends on prioritizing the development of affordable properties and landed properties within self-sustaining and matured townships, with good designs, amenities and easy accessibility. The Group strives to tailor its products to meet changing customer demands due to the existing economic sentiment.

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 AWARD 2018

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

ASIA PACIFIC PROPERTY AWARD 2017

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

SUSTAINABILITY STATEMENT

- Sustainability Management
- Corporate Governance and Integrity
- Tiger's Stakeholders
- Risk and Opportunity Management
- Environment
- Human Capital
- Sustainable Future

SUSTAINABILITY MANAGEMENT

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

Sustainability Governance

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

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

CORPORATE GOVERNANCE AND INTEGRITY

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

RISK AND OPPORTUNITY MANAGEMENT

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

TIGER'S STAKEHOLDERS

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

1 Investor Relations

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

2 Customers

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

3 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.

TIGER'S STAKEHOLDERS (CONT'D)

4 Business Partners

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

5 Employees

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

6 Community

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

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

ENVIRONMENT

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

ENVIRONMENT (CONT'D)

Water Management and Efficiency

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

Energy

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

Materials supply

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

Environmental Awareness Activities

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

HUMAN CAPITAL

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

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

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

HUMAN CAPITAL (CONT'D)

Remuneration

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

Harmony Work Place

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

Safety and Health ("SH")

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

SUSTAINABLE FUTURE

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which has been made in accordance with applicable financial reporting standards and applicable approved accounting standards in Malaysia. The Directors take responsibility in ensuring the financial statements to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial 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 period ended 31 December 2019, the Directors have:

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

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

STATEMENT ON CORPORATE GOVERNANCE

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

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

In its application of pertinent governance practices, the Board has taken into consideration the enumerations of the Malaysian Code on Corporate Governance 2017 ("MCCG 2017" or "Code") and the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa") wherever applicable in the best interest of the shareholders of the Group for the financial period ended 31st December 2019 ("FPE 2019").

The Board is pleased to provide an overview of the corporate governance ("CG") practices, which made reference to the following three (3) key CG principles as set out in the MCCG 2017 throughout the FPE 2019: -

(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 2019 ("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 FPE 2019. The Board is satisfied that the Company has substantially complied with the MCCG 2017 throughout the FPE 2019 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;

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

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

(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

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

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

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

(a) Audit Committee;

(b) Nomination Committee;

(c) Remuneration Committee; and

(d) Employee Share Option Scheme ("ESOS") Committee

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

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

The Board meets at least once every financial quarter with urgent and important matters resolved by way of circular resolutions and convening of additional meetings as and when the need arises. All proceedings of the Board and Committee meetings are recorded and the minutes thereof signed by the Chairman of the respective meetings. During the FPE 2019, 7 meetings were held and the attendances of the Directors at Board Meeting as follows:-

	No. of Meetings Attended
Dato' Tan Wei Lian	7/7 meetings
Tan Lee Chin	7/7 meetings
Datin Sek Chian Nee	7/7 meetings
Dato' Khoo Seng Hock	7/7 meetings
Chua Eng Chin	6/7 meetings
Dato' Lee Yuen Fong	4/7 meetings
Low Boon Chin	5/7 meetings

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

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

In order to advice 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.

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

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

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

The Board Charter is published on the Company's website at www.tigersynergy.my. In short, the Board Charter includes the following:-

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

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

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

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

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

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

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

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

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

The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The current Board recently comprises seven (7) Directors, out of which, one (1) Executive Chairman, one (1) Managing Director, one (1) Executive Director, one (1) Non-Independent Non- Executive Director and three (3) 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 3 Independent Non-Executive Directors. The presence of 3 Independent Non-Executive Directors also able to provide an unfettered and unbiased independent judgment to promote good corporate governance in their roles as Independent Directors. The view and deliberations of these Independent Directors usually aligned to safeguard public interest and to bring independence and objectivity to the Board's deliberations.

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

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

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

Director	Seminars/Briefing/Workshop attended
Dato' Tan Wei Lian	1) Overview of Directors' Duties
Datin Sek Chian Nee	1) Overview of Directors' Duties
Tan Lee Chin	1) Green Financing : Funding Green Projects Through the Islamic Capital Market
Dato' Khoo Seng Hock	1) Overview of Directors' Duties
Chua Eng Chin	1) Identifying Growth Companies 2) Anti Money Laundering & Anti-Terrorism Financing - A relationship & Client Based Approach

STATEMENT ON
CORPORATE GOVERNANCE

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

INTENDED OUTCOME 4: BOARD DECISIONS ARE MADE OBJECTIVELY IN THE BEST INTERESTS OF THE COMPANY TAKING INTO ACCOUNT DIVERSE PERSPECTIVES AND INSIGHTS (CONT'D)

During the financial period under review, the Directors attended the following training, briefing and workshop programmes (cont'd):-

Director	Seminars/Briefing/Workshop attended
Dato' Lee Yuen Fong	1) Overview of Directors' Duties
Low Boon Chin	1) Focus Group Discussion to Review Order of the minimum wage 2) Entrepreneurs' Action Committee meeting for Negeri Sembilan

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

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

Based on the current composition of the Board, as of financial year 31 December 2019, Dato' Khoo Seng Hock has served the Board as an Independent Non-Executive Director for a cumulative term of more than nine (9) years. Following the assessment and recommendation by the Nomination Committee, the Board will seek approval from shareholders of the Company at the forthcoming Annual General Meeting to support the Board's decision to retain Dato' Khoo Seng Hock as Independent Non-Executive Director of the Company.

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

The Board values the contributions and insights that women can bring to the Board and the Group and will strive to maintain the female composition of the Board. The Board currently has two (2) female directors which constitute almost one third (1/3) of the Board and is in line with Practice 4.5 of the MCCG 2017 in relation to gender diversity.

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 three (3) 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** *(Independent Non-Executive Director)*
Members	:	**Dato' Khoo Seng Hock** *(Independent Non-Executive Director)*
		Dato' Lee Yuen Fong *(Independent Non-Executive Director)*
		Chua Eng Chin *(Non-Independent Non-Executive Director)*

As per Practice 4.7 of the MCCG 2017, 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 period ended 31st December 2019 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.

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 (CONT'D)

Nomination Committee (cont'd)

During the financial period ended 31st December 2019, the main activities carried by the Nomination Committee include the following:-

a. Assessed the performance of the Board, Board Committees and individual Director;

b. Reviewed the independence of Independent Non-Executive Director in relation to the 9-years tenure limit and reported the outcome to the Board for decision; and

c. Reviewed the re-election of Directors at the Annual General Meeting.

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

Remuneration Committee

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

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

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

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

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

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

The remuneration of the key Senior Management of the Company disclosed below is on an aggregate basis as the Board is of the view that it is not in the best interest to disclose the Senior Management's various remunerations on name basis due to the confidentiality and sensitivity concerns. Details of Directors' remuneration paid or payable to all Directors of the Company and the Group and categorized into appropriate components for FPE 2019 are as follows: -

Directors' Remunerations

Company	Fees RM	Salary & Other Emoluments RM	Bonus RM	Share-based payment RM	Benefit in kind RM	Total RM
Executive Directors						
Dato' Tan Wei Lian	-	-	-	3,526,549	-	3,526,549
Datin Sek Chian Nee	-	-	-	-	-	-
Tan Lee Chin	-	-	-	332,320	-	332,320
Independent Directors						
Dato' Khoo Seng Hock	56,000	-	-	-	-	56,000
Dato' Lee Yuen Fong	56,000	-	-	-	-	56,000
Low Boon Chin	56,000	-	-	-	-	56,000
Chua Eng Chin	56,000	-	-	-	-	56,000
Group						
Executive Directors						
Dato' Tan Wei Lian	-	-	-	3,526,549	-	3,526,549
Datin Sek Chian Nee	-	318,635	-	-	-	318,635
Tan Lee Chin	-	374,200	-	332,320	-	706,520
Independent Directors						
Dato' Khoo Seng Hock	56,000	-	-	-	-	56,000
Dato' Lee Yuen Fong	56,000	-	-	-	-	56,000
Low Boon Chin	56,000	-	-	-	-	56,000
Chua Eng Chin	56,000	-	-	-	-	56,000

Other key management Personnel	
Salaries, wages and others	396,886
Defined contribution plan	40,315
Share-based payments	–
Other benefits	-
	437,201

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

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

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

(i)	Low Boon Chin (Chairman/Independent Non-Executive Director)	6 of 7 Meetings
(ii)	Dato' Khoo Seng Hock (Independent Non-Executive Director)	7 of 7 Meetings
(iii)	Dato' Lee Yuen Fong (Independent Non-Executive Director)	4 of 7 Meetings
(iv)	Chua Eng Chin (Non-Independent Non-Executive Director)	7 of 7 Meetings

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

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

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

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

Besides overseeing the Group's accounting and financial reporting process, the AC is also responsible to assist the Board to review the nature, scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors, to oversee and monitor the Group internal audit functions, reviews any related party transactions, oversees recurrent related party transactions, risk management activities and other activities such as governance matters. A full AC Report detailing its composition and a summary of activities during the FPE 2019 is set out in pages 55 to 57 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.

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

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 (CONT'D)

The Board via the AC has always maintained a cordial and transparent relationship with its auditors in seeking their professional advice towards ensuring compliance with the relevant accounting standards. The AC will continue to review and monitor the suitability and independence of the External Auditors. The External Auditors had confirmed that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of the relevant professional and regulatory requirements. During the financial period ended 31st December 2019, 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.

BOARD'S STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

AND

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

The Board is responsible for the Group's system of risk management and internal controls and their effectiveness to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following statement on Risk Management and Internal Control of the Company pursuant to Para 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Statement on Risk Management and Internal Control: Guidelines for Directors' of Listed Issuers ("the Guidance"), which outlines the nature and scope of risk management and internal control of the Group for the financial period ended 31 December 2019.

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 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: -

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

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

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

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

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

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

AND

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

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

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

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

The external auditors have reviewed this Statement for inclusion in the financial period ended 31st December 2019 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; nor is the statement factually inaccurate.

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

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

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

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

All the resolutions passed by the shareholders at the previous AGM held on 26 December 2018 were voted by way of electronic polling (e-polling) in accordance with the Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities. The shareholders were briefed on the e-polling voting procedures by the appointed Poll Administrator, Mega Corporate Services Sdn Bhd to conduct the polling process and Mega Business Consultancyas Scrutineers as the Scrutineers to verify the poll results.

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

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

AUDIT COMMITTEE REPORT

The Audit Committee with delegated oversight responsibilities assists the Board in ensuring that the paramount interest of the shareholders and other stakeholders of the Group are well protected. With this, the Board of Directors of Tiger Synergy Berhad ("Tiger") is pleased to present the report of the Audit Committee Report and its work for the financial period ended 31 December 2019.

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 seven (7) meetings during the financial period ended 31 December 2019. The members of the Audit Committee and their attendance are as follows:

(i)	Low Boon Chin (Chairman/Independent Non-Executive Director)	6 of 7 Meetings
(ii)	Dato' Khoo Seng Hock (Independent Non-Executive Director)	7 of 7 Meetings
(iii)	Dato' Lee Yuen Fong (Independent Non-Executive Director)	4 of 7 Meetings
(iv)	Chua Eng Chin (Non-Independent Non-Executive Director)	7 of 7 Meetings

SUMMARY OF WORK DURING THE FINANCIAL PERIOD

For the financial period ended 31 December 2019, the Audit Committee members had worked closely with the external auditors, internal auditors and management to monitor, oversee, review and evaluate the effectiveness and adequacy of the Group's risk management and internal control, financial management and reporting.

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

- Reviewed with the external auditors on the scope of work and audit plan of the Company and of the Group for the financial period ended 31 December 2019; and significant issues and concerns arising from the audit.

- Reviewed the annual report and audited financial statements for the financial period ended 31 December 2019 prior to tabling to the Board for approval.

- Reviewed the unaudited quarterly financial results of the Group prior to the Board of Directors' approval with particular focus on the compliance with accounting standards and regulatory requirements; and the Group's accounting policies and practices.

- Reviewed the Audit Planning Memorandum of the external auditors in respect of the audit for the financial statements of the Company and the Group for the financial period ended 31 December 2019.

- 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.

SUMMARY OF WORK DURING THE FINANCIAL PERIOD (CONT'D)

The Committee had in the discharge of its duties, carried out the following (cont'd):-

- 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.

INTERNAL AUDIT FUNCTION

The Group has recognised 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, 4 reports were presented to the Audit Committee focusing on and others activities as below:

(i) Secretary Department

   - Procedures and guidelines on secretarial duties

   - Procedures followed to ensure compliance with relevant act, guide line and requirement

   - Document/Record management system.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION (CONT'D)

During the financial period, 4 reports were presented to the Audit Committee focusing on and others activities as below (cont'd):

(ii) Purchasing Department

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

(iii) Project Department

- Rules, policies, procedure and guidelines on management of project
- Financing of project
- Existing framework and available documentations to assess its organizational governance, adequacy and comparability with project management .
- Resource management
- Personnel management
- Information management
- Document/Record management system
- Integration and management risk
- Effectiveness of monitoring and reporting mechanism setup within the project management framework
- Project and quality assurance

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

The total cost incurred for the internal audit function of the Group in respect of the financial period ended 31 December 2019 amounted to RM6,800.

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 Private Placement

On 13 March 2018, Tiger Synergy Berhad ("Tiger") announced to undertake a private placement of up to 10% of the total number of issued shares of Tiger based on the mandate procured from the shareholders of Tiger pursuant to Sections 75 and 76 of the Companies Act, 2016 (previously Section 132D of the Companies Act, 1965) ("Proposed Private Placement").

The Proposed Private Placement will strengthen the capital position of Tiger and provide Tiger with the necessary funds for development cost of the Group. The Board is of the view that the Proposed Private Placement is the most appropriate avenue of fund raising as the Proposed Private Placement will enable the Group to raise the requisite funds without incurring additional interest expenses, thereby minimizing any potential cash outflow in respect of interest savings. Aside to that, it is an expeditious way of raising funds from the capital market as compared to other forms of fund raising.

Tiger had issued a total of 116,537,918 Placement Shares via the Proposed Private Placement exercise. The proceeds raised from the Proposed Private Placement were utilized for development cost and the expenses of the Proposed Private Placement.

Proposed Consolidation and Proposed Issuance of Redeemable Convertible Notes

On 10 January 2018, the group had announced to undertake the following:-

1. Proposed consolidation of every 4 existing ordinary shares in TSB ("TSB Shares" or "Shares") into 1 new TSB Share ("Consolidated Share")("Proposed Share Consolidation").

2. Proposed issuance of redeemable convertible notes ("Notes") with an aggregate amount of up to RM75.0 million ("Proposed Notes Issue")

The proposals have been submitted to Bursa Malaysia Securities Berhad on 23 January 2018 and revised application on 04 April 2018. Bursa Malaysia Securities Berhad had vide its letter dated 23 April 2018 had approved the application.

On 6 June 2018, the Share Consolidation has been completed following the listing of and quotation for the 431,419,536 Consolidated Shares, 115,249,165 Consolidated Warrants 2013/2018 and 48,412,493 Consolidated Warrants 2016/2021 on the Main Market of Bursa Malaysia Securities Berhad.

During the previous financial period ended 30 June 2018, the Notes Issue has been implemented following the fulfillment of all conditions precedent of the Subscription Agreement. Pursuant thereto, TSB had issued 8 equal sub-tranches of Tranche 1 Notes amounting to RM4.0 million.

During the financial period ended 31 December 2019, TSB had issued 22 equal sub-tranches of Tranche 1 Notes amounting to RM11.0 million, issued 40 equal sub-tranches of Tranche 2 Notes amounting to RM30.0 million and issued 28 equal sub-tranches of Tranche 3 Notes amounting to RM28.0 million.

The proceeds raised from the proposals were utilized for development cost, working capital and the expenses in relation to the proposals.

ADDITIONAL COMPLIANCE INFORMATION

OPTIONS OVER ORDINARY SHARES

Employees' Share Option Scheme ("ESOS")

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

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

(a) The total number of options granted, and outstanding options under the ESOS as at 31 December 2019 are set out in the table below:-

Description		Number of Options as at 31 December 2019 Total
(a)	Granted during the financial year	130,077,929
(b)	Exercised during the financial year	130,077,929
(c)	Outstanding options exercisable during the financial year	0

(b) The total number of options granted to the Directors and Senior Management, and outstanding options under the ESOS as at 31 December 2019 are set out in the table below:-

Description		Number of Options as at 31 December 2019	
		Directors	Senior Management
(a)	Granted during the financial year	88,077,929	0
(b)	Exercised during the financial year	88,077,929	0
(c)	Outstanding options exercisable during the financial year	0	0

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

		Since commencement up to 31 December 2019
(a)	Aggregate maximum allocation applicable to directors and senior management	70%
(b)	Actual percentage granted	63.85%

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES

During the financial period ended 31 December 2019, the total audit and non-audit fees incurred for services rendered to the Company and the Group by the external auditors are as follows:-

	Group	The Company
Audit fees	RM139,932	RM55,000
Non-Audit fees	RM3,000	RM3,000

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

During the FPE 31 December 2019, there is no material contracts entered into by the Company and/or its subsidiaries involving directors and major shareholders.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period ended 31 December 2019.

Principal Activities

The principal activity of the Company is investment holding.

The principal activities of the subsidiary companies are stated in Note 5 to the financial statements.

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

Financial Results

	Group RM	Company RM
Loss for the financial period attributable to owners of the Company	9,303,815	3,773,977

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend to be paid for the financial period under review.

Reserves and Provisions

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

Issue of Shares and Debentures

During the financial period, the Company increased its issued and paid-up ordinary share capital from RM134,533,164 comprising 441,844,537 ordinary shares to RM225,004,757 comprising 1,398,460,584 ordinary shares through the following:

(a) Issuance of 710,000,000 new ordinary shares pursuant to the conversion of Redeemable Convertible Notes ("RCN") at an exercise price of RM0.100 per share;

(b) Issuance of 130,077,929 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price ranging from RM0.050 to RM0.083 per share;

(c) Issuance of 82,534,453 new ordinary shares pursuant to private placement at an exercise price of RM0.080 per share on 20 December 2018;

(d) Issuance of 34,003,465 new ordinary shares pursuant to private placement at an exercise price of RM0.0672 per share on 2 April 2019; and

(e) Issuance of 200 new ordinary shares pursuant to exercise of Warrant 2013/2018 at an exercise price of RM0.680 per share.

The newly issued ordinary shares ranked pari passu in all respect with the existing shares.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial period apart from the issuance of options pursuant to the 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.

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

(i) Any employee or any Executive Director or any Non-Executive Director of the Group shall be eligible to participate in the ESOS if, as at the date of offer ("Offer Date"), the person:

    (a) Is a Malaysian citizen;

    (b) Has attained the age of eighteen (18) years;

    (c) In the case of an employee or an Executive Director, is employed by and on the payroll of any company within the Group (save for companies which are dormant) and whose employment on a full-time basis with any company within the Group (save for companies which are dormant) has been confirmed in writing for a period of at least thirty-six (36) full months (or such shorter period as determined by the ESOS Committee at its discretion) of continuous service, or has been in employment of any company within the Group (save for companies which are dormant) on a full time basis for a period of at least thirty-six (36) full months (or such shorter period as determined by the ESOS Committee at its discretion) of continuous service where the employee is employed by any company within the Group (save for companies which are dormant) on a contract basis; and

    (d) In the case of a Non-Executive Director, must be an existing non-executive director of the Company.

(ii) The total number of new shares to be allotted under the ESOS shall not exceed 15% of the issued share capital of the Company at any point of time during the duration of the ESOS.

(iii) The ESOS shall be in force for a period of 5 years from 2 October 2014 provided that before the final year of the ESOS commencing from the expiration of the original 5 years. The duration of the ESOS shall not be more than 10 years from its effective date.

(iv) The price at which the grantee is entitled to subscribe for shares under the ESOS shall be the weighted average market price of the shares for the five (5) market days immediately preceding the Date of Offer, subject to a discount of not more than ten percent (10%) which the Company may at its discretion decide to give.

(v) The option granted to a grantee under the ESOS is exercisable only by that grantee, in the case where that grantee is an employee, during his employment with the Group and within the option period subject to the By-Laws, and in the case where that grantee is an Executive Director or Non-Executive Director, during his services as a Director with the Group or the Company (as the case may be) and within the option period subject to By-laws.

Options Granted Over Unissued Shares (cont'd)

The options offered to take up unissued ordinary shares and the exercise price are as follows:

		Number of ordinary shares				
Grant Date	Exercise Price RM	At 1.7.2018	Granted	Exercised	Cancelled	At 31.12.19
15.03.2017	0.041*	5,000,000	-	-	(5,000,000)	-
09.11.2018	0.065	-	22,000,000	(22,000,000)	-	-
16.11.2018	0.083	-	9,000,000	(9,000,000)	-	-
05.04.2019	0.063	-	59,877,929	(59,877,929)	-	-
20.09.2019	0.050	-	6,200,000	(6,200,000)	-	-
08.10.2019	0.053	-	16,800,000	(16,800,000)	-	-
14.10.2019	0.053	-	16,200,000	(16,200,000)	-	-
		5,000,000	130,077,929	(130,077,929)	(5,000,000)	-

* The exercise price of ESOS was adjusted to RM0.164 per share after share consolidation.

Details of options granted to Directors are disclosed in the section of the Directors' Interests in Shares or Debentures.

Warrants

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 purposes.

As at 31 December 2019, the unexercised warrants of the Company are as follows:

Warrants	Date issued	Exercise Price	Number of Warrants over ordinary shares	Warrants Expiry date
2016/2021	12.02.2016	RM0.32*	48,412,493	11.02.2021

* The exercise price of Warrant 2016/2021 was adjusted after share consolidation

1% Redeemable Convertible Notes ("RCN")

The terms of the conversion of the RCN are disclosed in Note 18 to the financial statements.

As at 31 December 2019, the RCN in issue is RM1,000,000 (30.6.2018: RM4,000,000).

Directors

The Directors in office during the financial period and from the end of the financial period to the date of this report are:

- Chua Eng Chin
- Datin Sek Chian Nee
- Dato' Khoo Seng Hock
- Dato' Lee Yuen Fong
- Dato' Tan Wei Lian
- Low Boon Chin
- Tan Lee Chin

Directors' Interests in Shares or Debentures

According to the register of Directors' shareholdings required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial period held any shares or debentures in the Company or its subsidiaries or its holding company or subsidiaries of the holding company during the financial period except as follows:

		Number of ordinary shares		
	At 1.7.2018	**Acquired**	**Disposed**	**At 31.12.2019**
Interests in the Company:				
Tiger Synergy Berhad				
Direct interest				
Dato' Tan Wei Lian	3,427,228	435,623,529	(310,608,598)	128,442,159
Datin Sek Chian Nee	1,234,500	191,979,600	(164,499,700)	28,714,400
Tan Lee Chin	646,975	10,773,700	(238,500)	11,182,175
Indirect interest				
Dato' Tan Wei Lian [1]	1,881,475	202,753,300	(164,738,200)	39,896,575
Datin' Sek Chian Nee [1]	4,074,203	446,397,229	(310,847,098)	139,624,334
Tan Lee Chin [1]	4,661,728	627,603,129	(475,108,298)	157,156,559

Directors' Interests in Shares or Debentures (cont'd)

	Number of ESOS options over ordinary shares				
	At 1.7.2018	Granted	Exercised	Cancelled	At 31.12.2019
Interests in the Company: Tiger Synergy Berhad Direct Interests					
Dato' Khoo Seng Hock	1,250,000	-	-	(1,250,000)	-
Chua Eng Chin	3,750,000	-	-	(3,750,000)	-
Dato' Tan Wei Lian	-	81,877,929	(81,877,929)	-	-
Tan Lee Chin	-	6,200,000	(6,200,000)	-	-

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

By virtue of their interests in the shares of the Company, Dato' Tan Wei Lian, Datin Sek Chian Nee and Tan Lee Chin are deemed to have interest in the shares of all its subsidiary companies to the extent the Company has an interest.

Other than as disclosed above, according to the register of Directors' shareholdings, the Directors in office at the end of the financial period did not hold any interest in shares or debentures in the Company or its subsidiaries during the financial period.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial period which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Remuneration

Details of Directors' remuneration are disclosed in Note 29 to the financial statements.

Subsidiary Companies

Details of the subsidiary companies are disclosed in Note 5 to the financial statements.

Auditors' Remuneration

Details of auditors' remuneration are disclosed in Note 24 to the financial statements.

Other Statutory Information

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

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to 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.

At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) any amount stated in the financial statements of the Group and of the Company misleading.

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

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

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company for the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial period in which the report is made.

Subsequent Events

Details of the subsequent events are disclosed in Note 34 to the financial statements.

Auditors

The auditors, Messrs. Morison AAC PLT (LLP0022843-LCA & AF001977), have indicated that they do not wish to seek for re-appointment.

Morison AAC PLT (LLP0022843-LCA & AF001977) was registered on 8 January 2020 and with effect from that date, Morison AAC (AF001977) which was formerly known as Morison Anuarul Azizan Chew (AF001977), a conventional partnership was converted to a limited liability partnership.

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

DATO' TAN WEI LIAN	**TAN LEE CHIN**

SEREMBAN
14 May 2020

STATEMENT BY DIRECTORS

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

We, DATO' TAN WEI LIAN and TAN LEE CHIN, being two of the Directors of TIGER SYNERGY BERHAD, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 75 to 153 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 of 31 December 2019 and of their financial performance and cash flows for the financial period then ended.

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

DATO' TAN WEI LIAN **TAN LEE CHIN**

SEREMBAN
14 May 2020

STATUTORY DECLARATION

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

I, DATO' TAN WEI LIAN, being the Director primarily responsible for the financial management of TIGER SYNERGY BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 75 to 153 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed DATO' TAN WEI LIAN)
at SEREMBAN)
on this date of 14 May 2020)

DATO' TAN WEI LIAN

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TIGER SYNERGY BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TIGER SYNERGY BERHAD, which comprise the statements of financial position as at 31 December 2019 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 75 to 153.

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 31 December 2019, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 to the financial statements, the financial statements of the Group and of the Company have been prepared on a going concern basis notwithstanding that:

(a) the Group and the Company incurred a net loss of RM9,303,815 and RM3,773,977 respectively for the financial period ended 31 December 2019;
(b) the Group and the Company reported a negative operating cash flows amounted RM78,713,270 and RM80,114,061 for the financial period ended 31 December 2019; and
(c) the subsidiary companies delayed the payment of its borrowing obligations during the financial period as disclosed in Note 15 to the financial statements.

These conditions indicate the existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGER SYNERGY BERHAD

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the key audit matter
Existence and valuation of inventories (Refer to Note 2.2(a), Note 2.4 (i) and Note 4 to the financial statements) As at 31 December 2019, the Group recognised land held for property development and properties under development costs amounting to RM136,595,963 and RM117,307,932 respectively. The cost of inventories mainly comprising of land costs, development expenditure capitalised and entitlement to land owners pursuant to joint venture agreements to jointly develop land. We focused on this area mainly due to following: (a) material account balances and large number of individual parcels of land and their related development expenditure incurred; and (b) high dependency on a range of estimates which are based on current and future market or economic conditions which determine the recoverable amount or net realisable value.	(a) Existence of inventories Our audit procedures include the following: • discussed with management to obtain understanding on control and monitoring over inventories; • obtained list of inventories to identify the locations of land held by the Group and conducted site visit on sampling basis; • inspected land titles for land held by the Group; • traced development expenditures incurred during the financial period to the relevant supporting documents; • reviewed joint venture agreements and entitlement paid to land owners; and • circulated written confirmations to joint venture parties on the joint venture entitlements paid as at financial period end. (b) Valuation of inventories Our audit procedures focused on the following: <u>Recoverable amount</u> • Assessed the appropriateness of the independent professional valuer's scope of work and evaluated whether they possess sufficient expertise, capability and objectivity to competently perform the valuation of the land held by the Group; • Obtained the valuation report and evaluated the valuation methodology, data relating to comparisons of the recent transactions involving similar assets and estimates used by the independent professional valuer; and • Assessed the inputs used by the professional valuer to arrive at an valuation. <u>Net realisable value</u> • 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 • Performed sensitivity analysis on the assumptions used by management.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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, related safeguards.

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

INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

Other Matters

1. As stated in Note 2.1 to the financial statements, TIGER SYNERGY BERHAD adopted Malaysian Financial Reporting Standards on 1 July 2018 with a transition date of 1 July 2017. These standards were applied retrospectively by the Directors to the comparative information in these financial statements, including the statements of financial position of the Group and the Company as at 30 June 2018 and 1 July 2017, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the year ended 30 June 2018 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and the Company for the period ended 31 December 2019, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 July 2018 do not contain misstatements that materially affect the financial position as at 31 December 2019 and the financial performance and cash flows for the period then ended.

2. The financial statements of the Company for the financial year ended 30 June 2018 were audited by another firm of chartered accountants whose report dated 10 October 2018 expressed an unqualified opinion on those statements.

3. 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.

MORISON AAC PLT
(LLP0022843-LCA & AF001977)
Chartered Accountants

SATHIEA SEELEAN A/L MANICKAM
Approved Number: 01729/05/2020 J
Chartered Accountant

KUALA LUMPUR
14 May 2020

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31.12.2019 RM	Group 30.6.2018 RM Restated	1.7.2017 RM Restated
ASSETS				
Non-Current Assets				
Property, plant and equipment	3	4,374,200	5,540,362	7,181,463
Inventories	4	136,595,963	104,744,257	89,167,844
Goodwill on consolidation	6	-	-	-
Other investment	7	-	1,613	1,559
		140,970,163	110,286,232	96,350,866
Current Assets				
Inventories	4	118,240,082	118,568,559	118,068,915
Trade receivables	8	983,874	597,565	3,291,719
Other receivables	9	47,739,124	8,112,810	4,243,266
Fixed deposits placed with financial institutions	11	325,601	911,553	1,038,375
Cash and bank balances		1,853,024	2,789,677	4,179,658
		169,141,705	130,980,164	130,821,933
Assets classified as held for sale	12	-	-	4,400,000
		169,141,705	130,980,164	135,221,933
TOTAL ASSETS		310,111,868	241,266,396	231,572,799
EQUITY AND LIABILITIES				
Equity				
Share capital	13	225,004,757	134,533,164	118,710,162
Reserves	14	71,804,832	81,108,647	96,030,406
Total Equity		296,809,589	215,641,811	214,740,568

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31.12.2019 RM	Group 30.6.2018 RM Restated	1.7.2017 RM Restated
Non-Current Liabilities				
Borrowings	15	-	7,314,179	8,185,097
Finance lease liabilities	16	1,002,903	1,410, 111	1,355,126
Deferred tax liabilities	17	-	11,900	11,900
		1,002,903	8,736,190	9,552,123
Current Liabilities				
Trade payables	19	480,374	4,888,104	316,551
Other payables	20	2,051,202	3,337,753	1,470,591
Amount owing to a related company	21	121,340	-	-
Redeemable convertible notes	18	1,000,000	3,955,420	-
Tax payable		593,834	543,007	1,300,721
Borrowings	15	7,676,136	3,749,578	3,793,816
Finance lease liabilities	16	376,490	414,533	398,429
		12,299,376	16,888,395	7,280,108
Total Liabilities		13,302,279	25,624,585	16,832,231
Total Equity and Liabilities		310,111,868	241,266,396	231,572,799

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	31.12.2019 RM	Company 30.6.2018 RM Restated	1.7.2017 RM Restated
ASSETS				
Non-Current Assets				
Property, plant and equipment	3	93,380	125,213	124,224
Investment in subsidiary companies	5	17,482,577	12,013,779	10,074,535
Other investment	7	-	1,613	1,559
Amount owing by subsidiary companies	10	300,152,829	-	-
		317,728,786	12,140,605	10,200,318
Current Assets				
Other receivables	9	100,948	87,950	15,324
Amount owing by subsidiary companies	10	-	216,779,533	197,314,345
Fixed deposits placed with financial institutions	11	29,000	-	-
Cash and bank balances		241,877	2,239,399	4,445
		371,825	219,106,882	197,334,114
TOTAL ASSETS		318,100,611	231,247,487	207,534,432
EQUITY AND LIABILITY				
Equity				
Share capital	13	225,004,757	134,533,164	118,710,162
Reserves	14	84,243,540	88,017,517	80,545,917
Total Equity		309,248,297	222,550,681	199,256,079
Non-Current Liability				
Deferred tax liabilities	17	-	11,900	11,900
Current Liabilities				
Other payables	20	358,484	1,074,761	229,242
Amount owing to subsidiary companies	10	7,493,830	3,654,725	8,036,672
Redeemable convertible notes	18	1,000,000	3,955,420	-
Tax payable		-	-	539
		8,852,314	8,684,906	8,266,453
Total Liabilities		8,852,314	8,696,806	8,278,353
Total Equity and Liabilities		318,100,611	231,247,487	207,534,432

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Group		Company	
	Note	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM Restated	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Revenue	22	19,848,550	10,574,280	-	-
Cost of sales		(16,150,563)	(8,199,044)	-	-
Gross profit		3,697,987	2,375,236	-	-
Other income		91,431	1,659,065	1,861,191	9,777,428
Administrative expenses		(11,685,685)	(17,395,321)	(5,647,068)	(1,697,843)
Finance costs	23	(1,368,622)	(954,534)	-	-
(Loss)/Profit before taxation	24	(9,264,889)	(14,315,554)	(3,785,877)	8,079,585
Taxation	26	(38,926)	421,335	11,900	419,555
(Loss)/Profit for the financial period/year, representing total comprehensive (loss) income for the financial period/year		(9,303,815)	(13,894,219)	(3,773,977)	8,499,140
(Loss)/Profit for the financial period/year, attributable to:					
- Owners of the Company		(9,303,815)	(13,894,219)	(3,773,977)	8,499,140
Total comprehensive (loss)/income for the financial period/year attributable to:					
- Owners of the Company		(9,303,815)	(13,894,219)	(3,773,977)	8,499,140
Loss per share (sen)					
- Basic	27	(0.91)	(3.40)		
- Diluted	27	(0.90)	(3.09)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Attributable to owners of the Company				
		Non-distributable			Distributable	
	Note	Share Capital RM	Warrant Reserve RM	Employees Share Option Reserve RM	Retained Earnings RM	Total Equity RM
Group						
At 1 July 2018		134,533,164	40,645,808	1,162,180	39,300,659	215,641,811
Loss for the financial period		-	-	-	(9,303,815)	(9,303,815)
Transactions with owners of the Company:						
Issuance of shares pursuant to:						
- Conversion of Redeemable Convertible Notes ("RCN")		71,000,000	-	-	-	71,000,000
- Exercise of Employee Share Option Scheme ("ESOS")		14,082,879	-	(6,077,669)	-	8,005,210
- Private placement		8,887,789	-	-	-	8,887,789
- Exercise of warrants		136	-	-	-	136
Issuance of ESOS		-	-	6,077,669	-	6,077,669
Share issuance expenses:						
- Conversion of RCN		(3,430,639)	-	-	-	(3,430,639)
- Exercise of ESOS		(68,572)	-	-	-	(68,572)
Cancellation of ESOS		-	-	(1,162,180)	1,162,180	-
Expiry of unexercised warrants 2013/2018		-	(34,836,309)	-	34,836,309	-
Total transactions with owners of the Company		90,471,593	(34,836,309)	(1,162,180)	35,998,489	90,471,593
At 31 December 2019		225,004,757	5,809,499	-	65,995,333	296,809,589

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Attributable to owners of the Company					
		Non-distributable				Distributable	
	Note	Share Capital RM	Warrant Reserve RM	Employees Share Option Reserve RM	Other Reserve RM	Retained Earnings RM	Total Equity RM
Group							
At 1 July 2017							
As previously stated		124,519,661	40,645,808	2,189,720	(5,809,499)	52,000,726	213,546,416
Prior year adjustments	35	(5,809,499)	-	-	5,809,499	1,194,152	1,194,152
At 1 July 2017 (as restated)		118,710,162	40,645,808	2,189,720	-	53,194,878	214,740,568
Loss for the financial year		-	-	-	-	(13,894,219)	(13,894,219)
Transactions with owners of the Company:							
Issuance of shares pursuant to:							
- Exercise of ESOS		9,361,317	-	(2,951,005)	-	-	6,410,312
- Private placement		7,622,079	-	-	-	-	7,622,079
Share issuance expenses:							
- Conversion of RCN		(1,064,285)	-	-	-	-	(1,064,285)
- Exercise of ESOS		(96,109)	-	-	-	-	(96,109)
Issuance of ESOS		-	-	1,923,465	-	-	1,923,465
Total transactions with owners of the Company		15,823,002	-	(1,027,540)	-	-	14,795,462
At 30 June 2018		134,533,164	40,645,808	1,162,180	-	39,300,659	215,641,811

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Non-distributable			Distributable	
	Note	Share Capital RM	Warrant Reserve RM	Employees Share Option Reserve RM	Retained Earnings RM	Total Equity RM
Company						
At 1 July 2018		134,533,164	40,645,808	1,162,180	46,209,529	222,550,681
Loss for the financial period		-	-	-	(3,773,977)	(3,773,977)
Transactions with owners of the Company:						
Issuance of shares pursuant to:						
- Conversion of RCN		71,000,000	-	-	-	71,000,000
- Exercise of ESOS		14,082,879	-	(6,077,669)	-	8,005,210
- Private placement		8,887,789	-	-	-	8,887,789
- Exercise of warrants		136	-	-	-	136
Issuance of ESOS		-	-	6,077,669	-	6,077,669
Share issuance expenses:						
- Conversion of RCN		(3,430,639)	-	-	-	(3,430,639)
- Exercise of ESOS		(68,572)	-	-	-	(68,572)
Cancellation of ESOS		-	-	(1,162,180)	1,162,180	-
Expiry of unexercised warrants 2013/2018		-	(34,836,309)	-	34,836,309	-
Total transactions with owners of the Company		90,471,593	(34,836,309)	(1,162,180)	35,998,489	90,471,593
At 31 December 2019		225,004,757	5,809,499	-	78,434,041	309,248,297

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Non-distributable				Distributable	
	Note	Share Capital RM	Warrant Reserve RM	Employees Share Option Reserve RM	Other Reserve RM	Retained Earnings RM	Total Equity RM
Company							
At 1 July 2017							
As previously stated		124,519,661	40,645,808	2,189,720	(5,809,499)	37,710,389	199,256,079
Prior year adjustment	35	(5,809,499)	-	-	5,809,499	-	-
At 1 July 2017 (as restated)		118,710,162	40,645,808	2,189,720	-	37,710,389	199,256,079
Profit for the financial year		-	-	-	-	8,499,140	8,499,140
Transactions with owners of the Company:							
Issuance of shares pursuant to:		9,361,317	-	(2,951,005)	-	-	6,410,312
- Exercise of ESOS		7,622,079	-	-	-	-	7,622,079
- Private placement							
Share issuance expenses:							
- Exercise of RCN		(1,064,285)	-	-	-	-	(1,064,285)
- Exercise of ESOS		(96,109)	-	-	-	-	(96,109)
Issuance of ESOS		-	-	1,923,465	-	-	1,923,465
Total transactions with owners of the Company		15,823,002	-	(1,027,540)	-	-	14,795,462
At 30 June 2018		134,533,164	40,645,808	1,162,180	-	46,209,529	222,550,681

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Group		Company	
	Note	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM Restated	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Cash Flows from Operating Activities					
(Loss)/Profit before taxation		(9,264,889)	(14,315,554)	(3,785,877)	8,079,585
Adjustments for:					
Depreciation of property, plant and equipment		1,546,462	1,183,223	31,833	19,779
Allowance for impairment loss on trade receivables		-	9,778,107	-	-
Share-based payment		6,077,669	1,923,465	3,858,869	752,165
Interest expenses		1,368,622	954,534	-	-
Gain on disposal of property, plant and equipment		(8,300)	(72,480)	-	-
(Gain)/Loss on disposal of a subsidiary company		-	(794,987)	-	249,500
Reversal of impairment losses on investment in subsidiary companies		-	-	-	(17,944)
Waiver of amount due to a subsidiary company		-	-	-	(8,227,413)
Waiver of Directors' remuneration		(663,103)	-	-	-
Interest income		(66,986)	(65,895)	(1,191)	(15)
Operating (loss)/profit before charges in working capital		(1,010,525)	(1,409,587)	103,634	855,657
Changes in working capital:					
Inventories		(31,523,229)	(12,641,352)	-	-
Trade receivables		(386,309)	(7,083,953)	-	-
Other receivables		(39,626,313)	(2,467,026)	(12,998)	(72,626)
Trade payables		(4,407,730)	4,571,553	-	-
Other payables		(578,868)	1,911,320	(671,697)	800,939
Amount owing by/(to) subsidiary companies		-	-	(79,534,191)	(15,619,722)
Amount owing to a related company		121,340	-	-	-
		(76,401,109)	(15,709,458)	(80,218,886)	(14,891,409)
Cash used in operations		(77,411,634)	(17,119,045)	(80,115,252)	(14,035,752)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

	Note	Group 1.7.2018 to 31.12.2019 RM	Group 1.7.2017 to 30.6.2018 RM	Company 1.7.2018 to 31.12.2019 RM	Company 1.7.2017 to 30.6.2018 RM
Cash Flows from Operating Activities					
Cash used in operations		(77,411,634)	(17,119,045)	(80,115,252)	(14,035,752)
Interest received		66,986	65,895	1,191	15
Interest paid		(1,368,622)	(954,534)	-	-
Tax refund		-	369,868	-	419,016
		(1,301,636)	(518,771)	1,191	419,031
Net cash used in operating activities		(78,713,270)	(17,637,816)	(80,114,061)	(13,616,721)
Cash Flows from Investing Activities					
Purchases of property, plant and equipment	30(a)	(283,000)	(205,018)	-	(20,768)
Proceeds from disposal of other investment		1,613	-	1,613	-
Purchase of other investment		-	(54)	-	(54)
Investment in a subsidiary company	5	-	-	(3,249,998)	(1,000,000)
Proceeds from disposal of a subsidiary company		-	-	-	500
Net cash inflow on disposal of a subsidiary company		-	2	-	-
Proceeds from disposal of property, plant and equipment		11,000	777,153	-	-
Net cash (used in)/ generated from investing activities		(270,387)	572,083	(3,248,385)	(1,020,322)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2018 TO 31 DECEMBER 2019

		Group		Company	
	Note	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Cash Flows from Financing Activities					
Repayment of finance lease liabilities	30(b)	(545,251)	(407,911)	-	-
Repayment of term loans	30(b)	(868,688)	(938,525)	-	-
Proceeds from exercise of ESOS		8,005,210	6,410,312	8,005,210	6,410,312
Proceeds from private placement		8,887,789	7,622,079	8,887,789	7,622,079
Proceeds from exercise of warrants		136	-	136	-
Proceeds from issuance of RCN		68,000,000	4,000,000	68,000,000	4,000,000
Share issuance expenses:					
- Issuance of ordinary shares		-	(96,109)	-	(96,109)
- Issuance of RCN		(3,430,639)	(1,064,285)	(3,430,639)	(1,064,285)
- Issuance of share options		(68,572)	-	(68,572)	-
Net cash generated from financing activities		79,979,985	15,525,561	81,393,924	16,871,997
Net increase/(decrease) in cash and cash equivalents		996,328	(1,540,172)	(1,968,522)	2,234,954
Cash and cash equivalents at the beginning of the financial period/year		1,182,297	2,722,469	2,239,399	4,445
Cash and cash equivalents at the end of the financial period/ year		2,178,625	1,182,297	270,877	2,239,399
Cash and cash equivalents at the end of the financial period/year comprise:					
Fixed deposits placed with financial institutions		325,601	911,553	29,000	-
Cash and bank balances		1,853,024	2,789,677	241,877	2,239,399
Bank overdraft		-	(2,518,933)	-	-
		2,178,625	1,182,297	270,877	2,239,399

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

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The principal activities of the Company is investment holding.

The principal activities of the subsidiary companies are stated in Note 5 to the financial statements.

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

The Company is a public limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at Unit No. T3-13A-19 & Unit No. T3-13A-20, 3 Towers, Menara 3, No. 296, Jalan Ampang, 50450, Kuala Lumpur, Wilayah Persekutuan.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of preparation

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

The financial statements have been prepared under the historical cost convention except as disclosed in summary of significant accounting policies.

The Company has prepared its financial statements by applying the going concern assumption, notwithstanding that:

(a) the Group and the Company incurred a net loss of RM9,303,815 and RM3,773,977 respectively for the financial period ended 31 December 2019;

(b) the Group and the Company reported a negative operating cash flows amounted RM78,713,270 and RM80,114,061 for the financial period ended 31 December 2019; and

(c) the subsidiary companies delayed the payment of its borrowing obligations during the financial period as disclosed in Note 15 to the financial statements. As at the date of this report, the subsidiary companies have since repaid their delayed borrowing instalment obligations and the lender had not issued any demand letters against the subsidiary company nor have the lenders called upon the loan to be fully repaid.

These factors indicate the existence of material uncertainties that may cast significant doubt on the Group's and Company's ability to continue as going concerns. The ability of the Group and the Company to continue as going concerns are dependent on the continued support of their lenders and creditors and the timely successful launch and sales of its upcoming property development projects as well as profitability of these projects by the Group.

The financial statements of the Group and of the Company do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Group and the Company be unable to continue as going concerns.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.1 Basis of preparation (cont'd)

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.2.

The financial statements of the Group and of the Company for the financial period ended 31 December 2019 are the first set of financial statements prepared in accordance with the MFRS, including MFRS 1 "First-time adoption of MFRS". For the periods up to and including the financial year ended 30 June 2018, the Group and the Company prepared their financial statements in accordance with Financial Reporting Standards ("FRS").

The Group and the Company have consistently applied the same accounting policies in the preparation of the financial statements of the Group and of the Company for the financial period ended 31 December 2019, the comparative financial statements for the financial year ended 30 June 2018, and the opening MFRSs statements of financial position as at 1 July 2017, subject to certain transitional exemptions, as discussed below:

<u>MFRS 9 "Financial Instruments"</u>

The Group and the Company have opted for the exemption from the requirement to restate the comparative information for MFRS 9 where the comparative information in the Company's first MFRS financial statements need not comply with MFRS 7 Financial Instruments: Disclosures or the completed version of MFRS 9, to the extent that the disclosures required by MFRS 7 relate to items within the scope of MFRS 9. The date of transition to MFRS 7 and MFRS 9 is the beginning of the first MFRS reporting period (1 July 2018). Accordingly, comparative information for 2018 was not restated and continued to be reported under the previous accounting policies governed under FRS 139.

The cumulative effects of initially applying MFRS 9 were recognised as an adjustment to the opening balance of retained earnings as at 1 July 2018. The detailed impact of the change in accounting policy on financial instruments as disclosed as follows:

(i) Classification and measurement of financial assets

Until 30 June 2018, financial assets were classified in the following categories: financial assets at fair value through profit or loss ("FVTPL"), loans and receivables ("L&R"), held-to-maturity ("HTM"), and available-for-sale ("AFS") financial assets. Note 2.4(f)(A)(i) sets out the details of accounting policies for classification and measurement of financial instruments under FRS 139.

From 1 July 2018, the new accounting policies for classification and measurement of financial assets under MFRS 9 are set out in Note 2.4(f)(B)(i) and (ii).

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.1 Basis of preparation (cont'd)

MFRS 9 "Financial Instruments" (cont'd)

(i) Classification and measurement of financial assets (cont'd)

Classification of the Group's and of the Company's financial assets consisting of trade receivables, other receivables, amount owing by subsidiary companies, fixed deposit placed with financial institution and cash and bank balances that have previously been classified as loans and receivables based on FRS 139 are now classified as and continue to be measured at amortised cost after adoption of MFRS 9.

(ii) Impairment

Until 30 June 2018, impairment of loan and receivables and AFS financial assets is assessed based on the incurred loss model. Note 2.4(f)(A)(iii) set out the details of accounting policies for impairment of financial assets under FRS 139.

From 1 July 2018, the Group and the Company apply the expected credit loss model to determine impairment on investment in debt instruments that are measured at amortised cost and at fair value through other comprehensive income ("FVOCI"). The new accounting policies for impairment under MFRS 9 are set out in Note 2.4(f)(B)(iv).

There is no significant impact arising from this change in accounting policy.

MFRS 15 "Revenue from Contracts with Customers"

The Group and the Company applied MFRS 15 which is applied retrospectively from 1 July 2018. This Standard establishes a five-step model that will apply to recognition to revenue arising from contracts with customers, and provide a more structured approach in measuring and recognising revenue. Under this Standard, revenue will be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The adoption of this Standard results in changes in accounting policies for revenue recognition, and has no material financial impact other than the disclosures made in the Group's and the Company's financial statements.

Accounting standards, amendments to accounting standards, IC interpretation and amendments to IC interpretations that are applicable for the Group and the Company in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2019

- MFRS 16, "Leases"
- Amendments to MFRS 3, "Business Combination" (Annual improvements to 2015-2017 Cycle)
- Amendments to MFRS 9, "Prepayment Features with Negative Compensation"
- Amendments to MFRS 11, "Joint Arrangement" (Annual improvements to 2015-2017 Cycle)

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.1 Basis of preparation (cont'd)

Annual periods beginning on/after 1 January 2019 (cont'd)

- Amendments to MFRS 112, "Income taxes" (Annual improvements to 2015-2017 Cycle)
- Amendments to MFRS 119, "Employee Benefits" (Plan amendment, curtailment or settlement)
- Amendments to MFRS 123, "Borrowing Costs" (Annual improvements to 2015-2017 Cycle)
- Amendments to MFRS 128, "Long-term Interests in Associates and Joint Ventures"
- IC Interpretation 23, "Uncertainty over Income Tax Treatments"

Annual periods beginning on/after 1 January 2020

Amendments to References to the Conceptual Framework in MFRS Standards:

- Amendments to MFRS 2, "Share Based Payments"
- Amendments to MFRS 3, "Business Combinations"
- Amendments to MFRS 6, "Exploration for and Evaluation of Mineral Resources"
- Amendments to MFRS 14, "Regulatory Deferral Accounts"
- Amendments to MFRS 101, "Presentation of Financial Statements"
- Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors"
- Amendments to MFRS 134, "Interim Financial Reporting"
- Amendment to MFRS 137, "Provisions, Contingent Liabilities and Contingent Assets"
- Amendment to MFRS 138, "Intangible Assets"
- Amendment to IC Interpretation 12, "Service Concession Arrangements"
- Amendment to IC Interpretation 19, "Extinguishing Financial Liabilities with Equity Instruments"
- Amendment to IC Interpretation 20, "Stripping Costs in the Production Phase of a Surface Mine"
- Amendment to IC Interpretation 22, "Foreign Currency Transactions and Advance Considerations"
  Amendments to IC Interpretation 132, "Intangible Assets- Web Site Costs"

Annual periods beginning on/after 1 January 2021

- MFRS 17, "Insurance Contracts"

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.1 Basis of preparation (cont'd)

The above accounting standards, amendments to accounting standards, IC interpretation and amendment to IC interpretations which may have a significant impact to the financial statements are as follows:

MFRS 16, "Leases"

MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its balance sheet as recording certain leases as off-balance sheet leases will no longer be allowed except for some limited practical exemptions. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its balance sheet are expected to increase substantially.

The impact of the above is still being assessed. Aside from the abovementioned, the adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and the Company.

2.2 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Allowance for inventory write down

Allowance for inventory write down is made when the recoverable amount or net realisable value is lower than the carrying value of inventories, amongst which include land held for properties development and properties under development.

Significant judgement is required in determining recoverable amount which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The Group engaged an independent valuation specialist to determine recoverable amount.

In assessing the realisable value from properties under development, significant judgement is required in determining selling price and the extent of the costs incurred. Substantial changes in forecast selling price and cost estimates in future periods have a significant impact on the realisable value of the properties under development. In making the judgement, the Group relies on past experience and work of specialists.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.2 Significant accounting estimates and judgements (cont'd)

(b) Impairment of financial assets (applied until 30 June 2018)

The impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. This is determined based on the ageing profile, expected collection patterns of individual receivable balances, credit quality and credit losses incurred. Management carefully monitors the credit quality of receivable balances and makes estimates about the amount of credit losses that have been incurred at each reporting date. Any changes to the ageing profile, collection patterns, credit quality and credit losses can have an impact on the impairment recorded.

(c) Measurement of expected credit loss allowance for financial assets (effective from 1 July 2018)

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

2.3 Basis of consolidation

(a) Subsidiary companies

Subsidiaries are entities, including structured entities, controlled by the Group. 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.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a 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 the acquiree's identifiable net assets.

2. **Basis of Preparation and Significant Accounting Policies (cont'd)**

2.3 Basis of consolidation (cont'd)

(a) Subsidiary companies (cont'd)

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

The excess 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 recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

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

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities, any non-controlling interests and other components of equity related to the disposed subsidiary. Any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset depending on the level of influence retained.

2.4 Summary of significant accounting policies

(a) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(b) Operating segments

Operating segments are reported in a manner consistent with the internal reporting and are regularly reviewed by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman that makes strategic decisions.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(c) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(d) Property, plant and equipment

(i) Recognition and measurement

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

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.

Gains and losses on disposals are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in net in the profit or loss.

(ii) Depreciation and impairment

Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Other property, plant and equipment are depreciated on the straight line method to allocate the cost to their residual values over their estimated useful lives as follows:

• Buildings	50 years
• Furniture, fittings and equipment	10 years
• Motor vehicles	5 years
• Plant and machinery	10 years
• Renovations	10 years

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(d) Property, plant and equipment (cont'd)

(ii) Depreciation and impairment (cont'd)

Depreciation methods, useful lives and residual values are reviewed at end of each reporting period, and adjusted as appropriate.

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

(e) Impairment of non-financial assets

Assets that have an indefinite useful life, such as goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss unless it reverses a previous revaluation in which it is charged to the revaluation surplus. 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 if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets

(A) Accounting policies applied until 30 June 2018

(i) Classification

The Group classifies its financial assets based on the purpose for which the financial assets were acquired at initial recognition in the following categories:

Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise, they are classified as non-current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2. **Basis of Preparation and Significant Accounting Policies (cont'd)**

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(A) Accounting policies applied until 30 June 2018 (cont'd)

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

(iii) Subsequent measurement

Gains and losses

Financial assets at fair value through profit or loss and available-for-sale financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividend income are recognised in profit or loss in the period in which the changes arise.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income. Impairment losses and exchange differences on monetary assets are recognised in profit or loss, whereas exchange differences on non-monetary assets are recognised in other comprehensive income as part of fair value change.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss. Interest on available-for-sale debt securities calculated using the effective interest method is recognised in profit or loss. Dividend income on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

Impairment of financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. For an equity instrument, a significant or prolonged declined in fair value below its cost is also considered objective evidence of impairment.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(A) Accounting policies applied until 30 June 2018 (cont'd)

(iii) Subsequent measurement (cont'd)

Impairment of financial assets (cont'd)

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a financial asset measured at amortised cost and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(iv) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(A) Accounting policies applied until 30 June 2018 (cont'd)

(iv) De-recognition (cont'd)

Receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(B) Accounting policies applied from 1 July 2018

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL")

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(B) Accounting policies applied from 1 July 2018

(iii) Subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and bank balances , trade and other receivables, amount owing by subsidiary companies and fixed deposits placed with financial institutions.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost

  Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI

  Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is recognised using the effective interest rate method in profit or loss.

- FVTPL

  Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(B) Accounting policies applied from 1 July 2018 (cont'd)

(iii) Subsequent measurement (cont'd)

Equity instruments

The Group subsequently measures all its equity investments at fair value. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise, except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in OCI as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are recognised in OCI. Dividends from equity investments are recognised in profit or loss when the Group's and the Company's right to receive payments is established.

(iv) Impairment

The Group and the Company assess expected credit losses associated with its debt instruments carried at amortised cost and at FVOCI on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Expected credit losses represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instrument.

For trade receivables and contract assets, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

In measuring expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking factors affecting the ability of the customers to settle the receivables.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(B) Accounting policies applied from 1 July 2018 (cont'd)

(iv) Impairment (cont'd)

The Group and the Company define a financial instrument as default, which is aligned with the definition of credit-impaired, when the debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- The debtor is in breach of financial covenants
- Concessions have been made by the Group and the Company related to the debtor's financial difficulty
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- The debtor is insolvent

Financial assets that are credit-impaired are assessed for impairment on an individual basis.

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Company may write-off financial assets that are still subject to enforcement activity.

(g) Financial liabilities

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

2. **Basis of Preparation and Significant Accounting Policies (cont'd)**

2.4 Summary of significant accounting policies (cont'd)

(h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(i) Inventories

(i) Developed properties held for sale

Developed properties which represent completed units held for sale are stated at the lower of cost and net realisable value. Cost consist of costs associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing the properties to completion.

(ii) Raw materials

Raw materials are stated at lower of cost and net realisable value. Cost is determined using the first in first out method. The cost of raw materials comprises purchase costs and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(iii) Land held for property development

Land held for property development consists of land held for future development activities where no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current assets and is stated at cost less any accumulated impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2.4(e).

Land held for property development is reclassified as property development costs when the development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(i) Inventories (cont'd)

(iv) Properties under development

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises cost of land use rights, construction costs, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period. On completion, sold properties are recognised in profit or loss and unsold properties are transferred to developed properties held for sale.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three month or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(k) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(l) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Differences between initial recognised amount and the redemption value are recognised in profit or loss over the period of the borrowings using the effective interest method.

(m) Capitalisation of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying 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.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(m) Capitalisation of 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(n) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Deferred income tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(o) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the period to which they relate.

(p) Share-based payments

Group operates a number of equity-settled, share-based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to share option reserve in 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 (nominal value) when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

When the Group expects a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(r) Revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group and the Company transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and the Company and its customer have approved the contract and intend to perform their respective obligations, the Group's and the Company's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group and the Company will collect the consideration to which it will be entitled to in exchange of those goods or services.

(i) Sale of goods

Revenue from sale of goods represents the sale of concrete mix. Revenue from sale of goods is recognised when the Group satisfies a performance obligation by transferring a promised good (i.e. an asset) to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and services and acceptance by customers.

(ii) 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.

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(r) Revenue from contracts with customers (cont'd)

(ii) Property development (cont'd)

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.

(iii) Rendering of services

Revenue from rendering of services represents timber and plantation related services such as provision of site clearance, earthwork, and labour services of land area as well as renovation services provided by the Group. The provision of services is recognised when the services are rendered and the customer simultaneously receives and consumes the benefits provided by the Group, and the Group has a present to payment of the services.

(iv) Other revenue and income

Revenue and income from other sources are recognised as follows:

Interest income

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

2. Basis of Preparation and Significant Accounting Policies (cont'd)

2.4 Summary of significant accounting policies (cont'd)

(s) Leases - Accounting by lessee

(i) Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of interest on the remaining balance of the liability. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease expense.

(ii) Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on the straight-line basis over the lease period.

(t) Non-current assets held for sale

Non-current assets or disposal groups comprising assets and liabilities, are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

3. Property, Plant and Equipment

	Buildings RM	Furniture, fittings and equipment RM	Motor Motor vehicles RM	Plant and machinery RM	Renovations RM	Total RM
Group						
Cost						
At 1 July 2018						
As previously stated	301,968	185,911	3,235,898	6,351,900	53,031	10,128,708
Reclassification	-	(13,965)	(130,570)	2,600	-	(141,935)
At 1 July 2018 (as restated)	301,968	171,946	3,105,328	6,354,500	53,031	9,986,773
Additions	-	-	133,000	250,000	-	383,000
Disposals	-	-	(27,000)	-	-	(27,000)
At 31 December 2019	301,968	171,946	3,211,328	6,604,500	53,031	10,342,773
Accumulated depreciation						
At 1 July 2018						
As previously stated	45,694	74,032	2,025,711	2,417,433	25,476	4,588,346
Reclassification	1,154	(4,536)	(139,998)	2,599	(1,154)	(141,935)
At 1 July 2018 (as restated)	46,848	69,496	1,885,713	2,420,032	24,322	4,446,411
Charge for the financial period	9,059	25,791	649,129	854,701	7,782	1,546,462
Disposal	-	-	(24,300)	-	-	(24,300)
At 31 December 2019	55,907	95,287	2,510,542	3,274,733	32,104	5,968,573
Carrying amount						
At 31 December 2019	246,061	76,659	700,786	3,329,767	20,927	4,374,200

3. **Property, Plant and Equipment (cont'd)**

	Freehold land RM	Buildings RM	Furniture, fittings and equipment RM	Motor Motor vehicles RM	Plant and machinery RM	Renovations RM	Total RM
Group							
Cost							
At 1 July 2017	84,251	916,220	185,911	2,823,366	6,791,900	32,263	10,833,911
Additions	-	-	-	503,250	160,000	20,768	684,018
Disposals	-	(261,280)	-	(90,718)	(600,000)	-	(951,998)
Transfer to inventories	(84,251)	(352,972)	-	-	-	-	(437,223)
At 30 June 2018	-	301,968	185,911	3,235,898	6,351,900	53,031	10,128,708
Accumulated depreciation							
At 1 July 2017	-	68,973	56,708	1,510,870	1,994,743	21,154	3,652,448
Charge for the financial year	-	10,687	17,324	560,200	590,690	4,322	1,183,223
Disposal	-	(33,966)	-	(45,359)	(168,000)	-	(247,325)
At 30 June 2018	-	45,694	74,032	2,025,711	2,417,433	25,476	4,588,346
Carrying amount							
At 30 June 2018	-	256,274	111,879	1,210,187	3,934,467	27,555	5,540,362

3. Property, Plant and Equipment (cont'd)

	Furniture, fittings and equipment RM	Renovation RM	Total RM
Company			
2019			
Cost			
At 1 July 2018/31 December 2019	160,341	53,031	213,372
Accumulated depreciation			
At 1 July 2018	63,837	24,322	88,159
Charge for the financial period	24,051	7,782	31,833
At 31 December 2019	87,888	32,104	119,992
Carrying amount			
At 31 December 2019	72,453	20,927	93,380
2018			
Cost			
At 1 July 2017	160,341	32,263	192,604
Additions	-	20,768	20,768
At 30 June 2018	160,341	53,031	213,372
Accumulated depreciation			
At 1 July 2017	47,803	20,577	68,380
Charge for the financial year	16,034	3,745	19,779
At 30 June 2018	63,837	24,322	88,159
Carrying amount			
At 30 June 2018	96,504	28,709	125,213

Included in the property, plant and equipment of the Group are motor vehicle and plant and machinery acquired under finance leases with carrying amount as follows:

	Group	
	31.12.2019 RM	30.6.2018 RM
Motor vehicles	296,390	775,077
Plant and machinery	1,516,799	1,928,084
	1,813,189	2,703,161

4. Inventories

	Group	
	31.12.2019 RM	**30.6.2018 RM Restated**
Land held for property development	136,595,963	104,744,257
Properties under development	117,307,932	118,063,661
Raw materials	29,369	38,867
Developed properties held for sale	902,781	466,031
	254,836,045	223,312,816
Analysed as:		
Non-Current	136,595,963	104,744,257
Current	118,240,082	118,568,559
	254,836,045	223,312,816

(i) Land held for property development

	Freehold land RM	**Development expenditure RM**	**Total RM**
Group			
2019			
Costs			
At 1 July 2018	53,532,846	51,987,170	105,520,016
Additions	-	34,620,951	34,620,951
Transfer to properties under development (Note 4(ii))	-	(2,303,686)	(2,303,686)
Transfer to developed properties held for sales	(50,000)	(415,559)	(465,559)
At 31 December 2019	53,482,846	83,888,876	137,371,722
Accumulated impairment loss			
At 1 July 2018/31 December 2019	-	775,759	775,759
Carrying amount			
At 31 December 2019	53,482,846	83,113,117	136,595,963

4. Inventories (cont'd)

(i) Land held for property development (cont'd)

	Freehold land RM	Development expenditure RM	Total RM
2018			
Costs			
At 1 July 2017			
As previously stated	54,406,189	33,553,177	87,959,366
Prior year adjustment (Note 35)	(883,094)	2,867,331	1,984,237
At 1 July 2017 (as restated)	53,523,095	36,420,508	89,943,603
Additions	9,751	15,956,151	15,965,902
Transfer to developed properties held for sales	-	(389,489)	(389,489)
At 30 June 2018	53,532,846	51,987,170	105,520,016
Accumulated impairment loss			
At 1 July 2017/30 June 2018			
As previously stated	-	(967,965)	(967,965)
Prior year adjustment (Note 35)	-	192,206	192,206
At 1 July 2017/30 June 2018 (as restated)	-	(775,759)	(775,759)
Carrying Amount			
At 30 June 2018	53,532,846	51,211,411	104,744,257

(a) Land held for property development with a carrying amount of RM37,176,016 (30.6.2018: RM34,070,970) has been pledged to secure banking facilities granted to the Group as disclosed in Note 15 to the financial statements.

(b) In the previous financial year, the impairment review has led to the recognition of impairment losses amounting to RM775,759 (30.6.2018: RM775,759) due to decline in recoverable amount as a result of changes in budget of certain projects. The impairment losses were recognised in administrative expenses in the statements of profit or loss and other comprehensive income.

(c) Included in land held for property development are entitlement paid to third parties amounting RM22,000,000 (30.6.2018: RM22,000,000) pursuant to the memorandum of understanding and joint venture agreement with respective land owners for the right to jointly develop the land.

4. Inventories (cont'd)

(ii) Properties under development

	Freehold land RM	Development expenditure RM	Total RM
Group			
2019			
At 1 July 2018	-	118,063,661	118,063,661
Additions	-	106,814	106,814
Transfer from land held for property development (Note 4 (i))	-	2,303,686	2,303,686
Transfer to developed properties held for sales	-	(3,166,229)	(3,166,229)
At 31 December 2019	-	117,307,932	117,307,932
2018			
At 1 July 2017			
As previously stated	768,374	118,822,502	119,590,876
Prior year adjustment (Note 35)	(768,374)	(758,841)	(1,527,215)
At 1 July 2017 (as restated)/30 June 2018	-	118,063,661	118,063,661

Included in properties under development are entitlement paid to third parties amounting RM86,609,165 (30.6.2018: RM86,609,165) pursuant to the memorandum of understanding and joint venture agreement with respective land owners for the right to jointly develop the land.

5. Investment in Subsidiary Companies

(i) Investment in subsidiary companies

	Company	
	31.12.2019 RM	30.6.2018 RM
Unquoted shares, at cost	27,933,927	22,465,129
Less: Impairment loss	(10,451,350)	(10,451,350)
	17,482,577	12,013,779

5. Investment in Subsidiary Companies (cont'd)

(i) Investment in subsidiary companies (cont'd)

Movement on the provision of impairment loss on investment in subsidiary companies is as follows:

	Company	
	31.12.2019 RM	30.6.2018 RM
At beginning of the financial period/year	10,451,350	10,469,294
Less: Reversal during the financial period/year	-	(17,944)
At end of the financial period/year	10,451,350	10,451,350

On 20th February 2019, the Company increased investment in its 100% owned subsidiary company, Tiger Synergy Capital Sdn. Bhd. (f.k.a. Ace Décor Sdn. Bhd.) from 250,002 ordinary shares to 3,000,000 ordinary shares for a consideration of RM2,749,998.

On 21st November 2018, the Company increased investment in its 100% owned subsidiary company, Alam Kemuning Development Sdn. Bhd. (f.k.a. MHB Property Management Sdn. Bhd.) from 250,000 ordinary shares to 750,000 ordinary shares for a consideration of RM500,000.

Included in investment in subsidiary companies during the financial year is an increase of RM2,218,800 (30.6.2018: RM1,171,300) representing the recognition of equity-settled share-based, payments for share options granted from subsidiary companies employees to acquire ordinary shares of the Company.

(ii) The subsidiary companies and shareholding therein are as follows:

Name of company	Country of incorporation and principal place of business	Effective ownership and voting interest		Principal activities
		31.12.2019 %	30.6.2018 %	
Direct holding:				
Tiger Synergy Timber Sdn. Bhd. * ("TST")	Malaysia	100	100	Plantation and general trading.
Tiger Synergy Industries (M) Sdn. Bhd. ("TSI")	Malaysia	100	100	Manufacturing furniture parts and accessories and wood-based products.

5. Investment in Subsidiary Companies (cont'd)

(ii) The subsidiary companies and shareholding therein are as follows (cont'd):

Name of company	Country of incorporation and principal place of business	Effective ownership and voting interest		Principal activities
		31.12.2019 %	30.6.2018 %	
Direct holding:				
Allfit Furniture Industries Sdn. Bhd. ("AFI")	Malaysia	100	100	Manufacturing, trading of wood based products, property development, construction and project consultancy.
Tiger Synergy Plantation Sdn. Bhd. ("TSP")	Malaysia	100	100	Trading in plywood, building materials and its related services and investment holding.
Goldenier Property Management Sdn. Bhd. * ("GPM")	Malaysia	100	100	Property investment, investment holding, property development and construction.
Tiger Synergy Capital Sdn. Bhd. (f.k.a. Ace Décor Sdn. Bhd.) * ("TSC")	Malaysia	100	100	Licensed money lending.
Alam Kemuning Development Sdn. Bhd. (f.k.a. MHB Property Management Sdn. Bhd.) * ("AKD")	Malaysia	100	100	Investment holding and property investment.
Tiger Synergy Development Sdn. Bhd.* ("TSD")	Malaysia	100	100	Property development.
Tiger Synergy Mix Sdn. Bhd. * ('TSM")	Malaysia	100	100	Timber concession and batching plant.

5. Investment in Subsidiary Companies (cont'd)

(ii) The subsidiary companies and shareholding therein are as follows (cont'd):

Name of company	Country of incorporation and principal place of business	Effective ownership and voting interest		Principal activities
		31.12.2019 %	30.6.2018 %	
Direct holding:				
Tiger Synergy Housing Development Sdn. Bhd. * ("TSHD")	Malaysia	100	100	Property development and construction.
Myharmony Development Sdn. Bhd. ("MHD")	Malaysia	100	100	Investment holding, property developer and construction.
Teladan Bina Sdn. Bhd. ("TBSB")	Malaysia	100	100	Property development.
Pembinaan Terasia Sdn. Bhd. * ("PTSB")	Malaysia	100	100	Property development and construction.
Promosi Juara Sdn. Bhd. ("PJSB")	Malaysia	100	100	Property development.
Indirect holding				
Tiger Synergy Land Sdn. Bhd	Malaysia	100	100	Property development and construction.

*Subsidiary companies not audited by Messrs. Morison AAC PLT

6. Goodwill on Consolidation

	Group	
	31.12.2019 RM	30.6.2018 RM
Cost		
At beginning/end of the financial period/year	2,498	2,498

6. **Goodwill on Consolidation (cont'd)**

	Group	
	31.12.2019	**30.6.2018**
	RM	**RM**
Accumulated impairment		
At beginning/end of the financial period/year	2,498	2,498
Carrying amount		
At end of the financial period/year	-	-

7. **Other Investment**

	Group/Company	
	31.12.2019	**30.6.2018**
	RM	**RM**
Available for sale		
- Unit trust fund	-	1,613

8. **Trade Receivables**

	Group	
	31.12.2019	**30.6.2018**
	RM	**RM**
		Restated
Trade receivables	10,761,981	10,375,672
Less: Impairment loss	(9,778,107)	(9,778,107)
	983,874	597,565

The Group's and the Company's normal trade credit terms range from 30 to 180 days (30.6.2018: 30 to 180 days).

The ageing analysis is as follows:

	Group	
	31.12.2019	**30.6.2018**
	RM	**RM**
		Restated
Neither past due nor impaired	-	-
Past due 1 - 30 days but not impaired	-	481,994
Past due 31 - 60 days but not impaired	204,152	115,571
Past due more than 60 days but not impaired	779,722	-
	983,874	597,565
Individually impaired	9,778,107	9,778,107
	10,761,981	10,375,672

8. Trade Receivables (cont'd)

The Group's trade receivables of RM983,874 (30.6.2018: RM597,565) was past due but not individually impaired. These relate to a number of independent creditworthy debtors for whom there is no recent history of default.

The Group's trade receivables of RM9,778,107 (30.6.2018: RM9,778,107) were individually impaired. The individually impaired receivables mainly relate to customers which are facing difficulties in cash flows. As at the end of the reporting date, the impairment loss for these receivables is RM9,778,107 (30.6.2018: RM9,778,107).

At the reporting date, the Group's concentration of the top 1 (30.6.2018: 1) trade customer of the Group represents 71% (30.6.2018: 94%) of the total trade receivables.

Movement in the Group's allowance for impairment loss on trade receivables are as follows:

	Group	
	31.12.2019 RM	30.6.2018 RM Restated
At 1 July	9,778,107	-
Add: Charged during the financial period/year	-	9,778,107
At 31 December/30 June	9,778,107	9,778,107

9. Other Receivables

	Group		Company	
	31.12.2019 RM	30.6.2018 RM Restated	31.12.2019 RM	30.6.2018 RM
Other receivables	8,328,702	8,001,960	-	-
Deposits	109,048	110,850	100,948	87,950
Advances	39,301,374	-	-	-
	47,739,124	8,112,810	100,948	87,950

(a) Included in other receivables of the Group is an amount of RM5,322,025 (30.6.2018: RM5,322,025) paid by one of its subsidiary companies to a land owner pursuant to Sale and Purchase Agreement to acquire a plot of land. As at the date of this report, the transfer of land title has not been completed.

(b) Included in advances of the Group are turnkey advances amounted RM39,301,374 (30.6.2018: RM Nil) paid to a contractor for construction projects pursuant to the turnkey agreements. The advances 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 contractor's work.

(c) Included in other receivables is a stakeholder sum of RM2,972,000 in relation to acquisition of land which the Group has taken legal action against a solicitor as disclosed in Note 36 to the financial statements.

10. Amount Owing by/(to) Subsidiary Companies

	Company	
	31.12.2019 RM	30.6.2018 RM
Amount owing by subsidiary companies		
- non-current assets	300,152,829	-
- current assets	-	216,779,533
	300,152,829	216,779,533
Amount owing to subsidiary companies		
- current liabilities	7,493,830	3,654,725

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

Following the issuance of Financial Reporting Standard Implementation Committee ("FRSIC"), FRSIC Consensus 31 - Classification of Amount due from Subsidiaries and Amount due to Holding Company that is Repayable on Demand by the Malaysian Institute of Accountants on 4 July 2018, the Directors of the Company had reviewed the expected repayments from the subsidiary company and hence had classified certain amount owing by subsidiary companies as non-current.

11. Fixed Deposits Placed with Financial Institutions

	Group		Company	
	31.12.2019 RM	30.6.2018 RM	31.12.2019 RM	30.6.2018 RM
Short-term deposits placed with financial institutions	325,601	911,553	29,000	-

The interest rates per annum of the short-term deposits that were effective as at the reporting date are as follows:

	Group		Company	
	31.12.2019 %	30.6.2018 %	31.12.2019 %	30.6.2018 %
Short-term deposits placed with financial institutions	2.85 - 2.95	2.95 - 3.20	2.85	-

Deposits of the Group and the Company have an average maturity period of 30 days (30.6.2018: 30 days).

12. Assets classified as Held for Sale

	Company	
	31.12.2019 RM	30.6.2018 RM
Land held for property development		
Freehold land		
At beginning of financial period/year	-	2,200,000
Transfer to other receivables	-	(2,200,000)
At end of financial period/year	-	-
Development		
At beginning of financial period/year	-	2,200,000
Transfer to other receivables	-	(2,200,000)
At end of financial period/year	-	-
Total assets classified as held for sale	-	-

During the financial year ended 30 June 2017, the Group entered into a conditional sale and purchase agreement for disposal of freehold land. However, the transactions was cancelled and reclassification was made during the financial year ended 30 June 2018.

13. Share Capital

	Group/Company			
	Number of Shares		Amount	
	31.12.2019 Units	30.6.2018 Units	31.12.2019 RM	30.6.2018 RM Restated
Issued and fully paid				
At beginning of the financial period/year				
As previously stated	441,844,537	1,471,970,116	134,533,164	124,519,661
Prior year adjustment (Note 35)	-	-	-	(5,809,499)
As restated	441,844,537	1,471,970,116	134,533,164	118,710,162

13. **Share Capital (cont'd)**

	Group/Company			
	Number of Shares		Amount	
	31.12.2019 Units	30.6.2018 Units	31.12.2019 RM	30.6.2018 RM Restated
Issuance of shares pursuant to:				
- Conversion of Redeemable Convertible Notes (RCN)	710,000,000	-	710,000,000	-
- Exercise of Employee Share Option Scheme (ESOS)	130,077,929	156,349,019	14,082,879	9,361,317
- Private placement	116,537,918	139,059,011	8,887,789	7,622,079
- Exercise of warrants	200	-	136	-
Share issuance expenses:				
- Conversion of RCN	-	-	(3,430,639)	(1,064,285)
- Exercise of ESOS	-	-	(68,572)	(96,109)
	1,398,460,584	1,767,378,146	225,004,757	134,533,164
Share consolidation	-	(1,325,533,609)	-	-
At the end of the financial period/year	1,398,460,584	441,844,537	225,004,757	134,533,164

During the financial period, the Company increased its issued and paid-up ordinary share capital from RM134,533,164 comprising 441,844,537 ordinary shares to RM225,004,757 comprising 1,398,460,584 ordinary shares through the following:

(a) Issuance of 710,000,000 new ordinary shares pursuant to the conversion of Redeemable Convertible Notes ("RCN") at an exercise price of RM0.100 per share;
(b) Issuance of 130,077,929 new ordinary shares pursuant to the exercise of Employee Share Option Scheme ("ESOS") at an exercise price ranging from RM0.050 to RM0.083 per share;
(c) Issuance of 82,534,453 new ordinary shares pursuant to private placement at an exercise price of RM0.080 per share on 20 December 2018;
(d) Issuance of 34,003,465 new ordinary shares pursuant to private placement at an exercise price of RM0.0672 per share on 2 April 2019; and
(e) Issuance of 200 new ordinary shares pursuant exercise of Warrant 2013/2018 at an exercise price RM0.680 per share.

The newly issued ordinary shares ranked pari passu in all respect with the existing shares.

14. Reserves

	Note	Group 31.12.2019 RM	Group 30.6.2018 RM Restated	Company 31.12.2019 RM	Company 30.6.2018 RM Restated
Non-distributable					
Warrant reserve	(i)	5,809,499	40,645,808	5,809,499	40,645,808
Employees share option reserve	(ii)	-	1,162,180	-	1,162,180
Distributable					
Retained earnings		65,995,333	39,300,659	78,434,041	46,209,529
		71,804,832	81,108,647	84,243,540	88,017,517

(i) Warrant reserve

	Group/Company 31.12.2019 RM	Group/Company 30.6.2018 RM
At beginning of the financial period/year	40,645,808	40,645,808
Less: Expiry of unexercised warrants	(34,836,309)	-
At end of the financial period/year	5,809,499	40,645,808

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 2013/2018

On 24 December 2013, the Warrants 2013/2018 were issued for free pursuant to the renounceable Rights Issue by the issuance of 387,070,100 new ordinary shares of RM0.20 each ("Right Shares") on the basis of 1 Rights Share for each existing ordinary share of RM0.20 each in the Company, together with 387,070,100 free Detachable Warrants 2013/2018 on the basis of 1 Detachable Warrant 2013/2018 for every 1 Rights Share subscribed.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on the 23 December 2018. 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 24 December 2013 to 23 December 2018, at an exercise price of RM0.20 per Warrant in accordance with the Deed Poll dated 18 December 2013.

14. **Reserves (cont'd)**

(i) **Warrant reserve (cont'd)**

On 12 February 2016, the exercise price of the Warrant was adjusted from RM0.20 to RM0.17 each and 73,926,580 new Warrant 2013/2018 were issued 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 Shares, 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").

During the financial period ended 31 December 2019, 115,248,965 Warrants were not exercised by its expiry date and ceased to be valid for all purposes.

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 purposes. As at 31 December 2019, 48,412,493 (30.6.2018: 48,412,493) Warrants remained unexercised.

(ii) **Employees share option reserve**

The employees share option reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the employees share option reserve is transferred to share capital. When the share options expire, the amount from the employees share option reserve is transferred to retained earnings. The salient term and conditions and movement of Employees Share Options Scheme ("ESOS") are disclosed in Note 28.

15. Borrowings

	Group 31.12.2019 RM	30.6.2018 RM Restated
Current		
Bank overdraft	-	2,518,933
Term loans	7,676,136	1,230,645
	7,676,136	3,749,578
Non-Current		
Term loans	-	7,314,179
	7,676,136	11,063,757
Secured:		
Bank overdraft	-	2,518,933
Term loans	7,676,136	8,544,824
	7,676,136	11,063,757

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

(i) legal charge over land held for property development of certain subsidiary companies as disclosed in Note 4;

(ii) jointly and severally guaranteed by certain Directors of the Company, and

(iii) corporate guarantee by the Company.

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

	Group 31.12.2019 %	30.6.2018 %
Bank overdraft	-	8.35
Term loans	6.10 - 8.35	6.10 - 8.35

Maturity of bank borrowings is as follows:

	Group 31.12.2019 RM	30.6.2018 RM Restated
Within 1 year	7,676,136	3,749,578
Less than 1 year and not later than 5 years	-	3,220,971
Later than 5 years	-	4,093,208
	7,676,136	11,063,757

15. Borrowings (cont'd)

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

Should the term loan be repaid based its repayment schedule, the term loan is analysed as follows:

	Group 31.12.2019 RM
Within 1 year	930,263
Less than 1 year and not later than 5 years	3,344,885
Later than 5 years	3,400,988
	7,676,136

16. Finance Lease Liabilities

	Group	
	31.12.2019 RM	30.6.2018 RM
Gross minimum lease payments		
Payable within one year	433,029	498,206
Payable between one and five years	1,015,727	1,380,730
Payable after five years	67,939	258,960
	1,516,695	2,137,896
Less: Future finance charges	(137,302)	(313,252)
Present value of minimum lease payments	1,379,393	1,824,644
Present value of finance lease liabilities		
Within one year	376,490	414,533
Between one and five years	936,671	1,070,539
After five years	66,232	339,572
	1,379,393	1,824,644
Analysed as:		
Repayable within twelve months	376,490	414,533
Repayable after twelve months	1,002,903	1,410,111
	1,379,393	1,824,644

The finance lease liabilities of the Group bear interest at rate of 2.36% - 5.89% (30.6.2018: 2.36% - 5.89%)

17. Deferred Tax Liabilities

The analysis of deferred tax liabilities are as follows:

	Group/Company	
	31.12.2019	**30.6.2018**
	RM	**RM**
		Restated
At beginning of the financial period/year	11,900	11,900
Recognised in profit or loss (Note 26)		
- property, plant and equipment	(11,900)	-
At end of the financial period/year	-	11,900

The components of deferred tax liabilities of the Group and the Company during the financial period/ year prior to offsetting are as follows:

	Group/Company	
	31.12.2019	**30.6.2018**
	RM	**RM**
Deferred tax liabilities:		
- property, plant and equipment	-	11,900

18. Redeemable Convertible Notes ("RCN")

	Group/Company	
	31.12.2019	**30.6.2018**
	RM	**RM**
		Restated
At beginning of the financial period/year	3,955,420	-
Issue during the financial period/year	64,613,941	3,955,420
Converted to ordinary shares during the financial period/year	(67,569,361)	-
At end of the financial period/year	1,000,000	3,955,420

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

	Group/Company	
	31.12.2019	**30.6.2018**
	RM	**RM**
		Restated
Proceeds from issuance of RCN	68,000,000	4,000,000
Share issuance expenses	(3,386,059)	(1,064,285)
	64,613,941	2,935,715

18. Redeemable Convertible Notes ("RCN") (cont'd)

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 ordinary shares at minimum conversion price of RM0.10 each. The RCN are not redeemed or purchased, converted or cancelled by the Company, subject to there being no Event of Default, at 100% of their principal 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 to Tranche 2 Notes, 80% of the average closing price per share on any three (3) consecutive business days as selected by the Noteholder(s) during the forty-five (45) business days immediately preceding the relevant conversion date on which shares were traded on the Main Market of Bursa Securities;

- In respect of Tranche 3 Notes, 80% of the average closing price per share on any three (3) consecutive business days as selected by the Noteholders(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.

NOTES TO THE FINANCIAL STATEMENTS

19. Trade Payables

The normal trade credit terms granted to the Group and the Company range from 60 to 180 days (30.6.2018: 60 to 180 days).

20. Other Payables

	Group		Company	
	31.12.2019 RM	**30.6.2018 RM**	**31.12.2019 RM**	**30.6.2018 RM**
Other payables	1,681,579	1,348,673	301,984	290,319
Accruals	369,623	1,031,179	56,500	105,440
Amount owing to Directors	-	957,901	-	679,002
	2,051,202	3,337,753	358,484	1,074,761

The amount owing to Directors is non-trade in nature, unsecured, interest-free and is repayable on demand.

21. Amount Owing to a Related Company

The amount owing to a related company is non-trade in nature, unsecured, interest-free and is repayable on demand.

22. Revenue

	Group	
	1.7.2018 to 31.12.2019 RM	**1.7.2017 to 30.6.2018 RM**
Revenue recognised from contracts with customers:		
- Sale of goods	3,249,712	1,134,565
- Property development	3,200,000	-
- Rendering of services		
Timber and plantation services	13,398,838	9,156,696
Renovation	-	283,019
	13,398,838	9,439,715
	19,848,550	10,574,280
Geographical market		
Malaysia	19,848,550	10,574,280
Timing of revenue recognition		
At a point in time	6,449,712	1,417,584
Over time	13,398,838	9,156,696
	19,848,550	10,574,280

23. Finance Costs

	Group	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Interest expenses on:		
Bank overdraft	304,942	216,368
Finance lease liabilities	192,753	78,561
Term loans	870,927	659,605
	1,368,622	954,534

24. (Loss)/Profit before tax

(Loss)/Profit before tax is arrived at after charging/(crediting):

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Auditors' remuneration				
- current year	147,000	149,500	55,000	66,000
- over provision in prior year	(7,068)	(8,960)	-	-
Depreciation of property plant and equipment	1,546,462	1,183,223	31,833	19,779
Allowance for impairment loss on trade receivables	-	9,778,107	-	-
(Gain)/Loss on disposal of a subsidiary company	-	(794,987)	-	249,500
Rental of office	416,079	196,200	144,000	142,500
Waiver of Directors' remuneration	(663,103)	-	-	-
Interest income	(66,986)	(65,895)	(1,191)	(15)
Gain on disposal of property, plant and equipment	(8,300)	(72,480)	-	-
Reversal of impairment losses on investment in subsidiary companies	-	-	-	(17,944)
Management fees	-	-	(1,860,000)	(1,550,000)
Waiver of amount due to a subsidiary company	-	-	-	(8,227,413)

25. Staff Costs (including key management personnel)

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Salaries, wages and others	1,676,343	1,897,570	224,000	16,000
Defined contribution plan	70,417	95,792	-	-
Share-based payment	6,077,669	1,923,465	3,858,869	752,165
Other benefits	207	22,718	-	-
	7,824,636	3,939,545	4,082,869	768,165

26. Taxation

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Current taxation:				
- Current year provision	3,316	-	-	-
- Under/(Over) provision in prior year	47,510	(421,335)	-	(419,555)
	50,826	(421,335)	-	(419,555)
Deferred taxation:				
- Origination and reversal of temporary differences	(11,900)	-	(11,900)	-
	38,926	(421,335)	(11,900)	(419,555)

Malaysian income tax is calculated at the statutory tax rate of 24% (2018: 24%) of the estimated assessable (loss)/profit for the financial period/year.

26. Taxation (cont'd)

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

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM Restated	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
(Loss)/Profit before taxation	(9,264,889)	(14,315,554)	(3,785,877)	8,079,585
Taxation at statutory tax rate of 24% (2018: 24%)	(2,223,573)	(3,435,733)	(908,610)	1,939,100
Expenses not deductible for tax purposes	683,707	660,146	420,895	273,115
Income not subject to tax	-	(189,622)	-	(2,377,933)
Deferred tax assets not recognised	1,531,282	2,965,209	475,815	165,718
Under/(Over) provision of current taxation in prior year	47,510	(421,335)	-	(419,555)
Taxation for the financial period/year	38,926	(421,335)	(11,900)	(419,555)

The deductible temporary difference and unutilised tax losses of the Group and the Company for which deferred tax assets were not recognised in the statements of financial position are as follows:

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM Restated	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Unutilised tax losses	14,630,273	9,053,001	3,665,537	1,683,038
Deductible temporary difference	9,778,107	9,778,107	-	-
Unabsorbed capital allowances	2,331,593	1,528,524	65	-
	26,739,973	20,359,632	3,665,602	1,683,038
Deferred tax assets not recognised at 24% (2018: 24%)	6,417,594	4,886,312	879,744	403,929

NOTES TO THE FINANCIAL STATEMENTS

27. Loss Per Share

(a) Basic loss per share

Basic loss per share of the Group is calculated by dividing the consolidated loss for the financial period/year attributable to owners of the Company by the weighted average number of ordinary shares of the Company in issue during the financial period/year.

	Group	
	31.12.2019 RM	**30.6.2018 RM Restated**
Loss for the financial period/year attributable to the owners of the Company	(9,303,815)	(13,894,219)
Weighted number of ordinary shares issued	1,023,482,517	409,032,301
Basic loss per share (sen)	(0.91)	(3.40)

(b) Diluted loss per share

Diluted earnings per share is calculated by dividing the consolidated loss for the financial period/year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period/year after adjustments for dilutive effects of all potential ordinary shares.

	Group	
	31.12.2019 RM	**30.6.2018 RM Restated**
Loss for the financial period/year attributable to the owners of the Company	(9,303,815)	(13,894,219)
Adjustment in respect of redeemable convertible notes	10,000	40,000
Loss for the financial period/year after dilutive adjustment	(9,293,815)	(13,854,219)
Weighted average number of ordinary shares in issue	1,023,482,517	409,032,301
Adjusted for assumed conversion of RCN	10,000,000	40,000,000
Adjusted weighted average number of ordinary shares in issue	1,033,482,517	449,032,301
Diluted loss per share (sen)	(0.90)	(3.09)

28. Employees Share Option Scheme ("ESOS")

The terms and conditions related to the grant of the employees share option programme are as follows:

Grant date	Exercise price	Number of option	Vesting condition	Contractual life of option
15 March 2017	0.041*	165,600,000	NA	2.5 years
9 November 2018	0.065	22,000,000	NA	0.9 year
16 November 2018	0.083	9,000,000	NA	0.9 year
5 April 2019	0.063	59,877,929	NA	0.5 year
20 September 2019	0.050	6,200,000	NA	0.1 year
8 October 2019	0.053	16,800,000	NA	5 years
14 October 2019	0.053	16,200,000	NA	5 years

* The exercise price was adjusted to RM0.164 per share after share consolidation

Movements in the number of share options and the exercise price are as follows:

	Number of option	
	31.12.2019 Units	30.6.2018 Units
At beginning of the financial period/year	5,000,000	84,220,000
Granted during the financial period/year	130,077,929	92,129,000
	135,077,929	176,349,000
Cancelled during the financial period/year	(5,000,000)	-
Exercised during the financial period/year	(130,077,929)	(156,349,000)
	-	20,000,000
Effect of share consolidation	-	(15,000,000)
At end of the financial period/year	-	5,000,000
Exercise price (RM)	0.050 - 0.083	0.164
Options exercisable at 31.12.2019/30.6.2018	-	5,000,000

28. Employees Share Option Scheme ("ESOS") (cont'd)

The fair value of shares options granted to eligible employees and Directors, was determined using Trinomial option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of shares options measured at the grant date and the input assumed by the Group and the Company in arising the fair value are as follows:

	Group/Company	
	31.12.2019	**30.6.2018**
Fair value at grant date (RM)	0.038 - 0.057	0.05
Share price	0.055 - 0.085	0.041 - 0.164
Exercise price	0.050 - 0.083	0.05 - 0.10
Expected volatility (%)	110.18 - 182.37	172.05
Expected life (years)	0.1 - 5.0	2.5
Risk-free interest rate (%)	3.2 - 3.8	4.2
Expected dividend yield (%)	nil	nil

29. Related Party Disclosures

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 the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are 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 include all the Directors of the Group, and certain members of senior management of the Group.

The significant related party transactions of the Group and of the Company, other than key management personnel compensation, are as follows:

	Company	
	1.7.2018 to 31.12.2019 RM	**1.7.2017 to 30.6.2018 RM**
Transaction with subsidiary companies:		
- Management fee income	1,860,000	1,550,000

29. Related Party Disclosures (cont'd)

Information regarding remuneration of key management personnel is as follows:

	Group		Company	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Executive Directors				
Salaries and other emoluments	683,628	825,600	-	-
Defined contribution plan	9,000	36,000	-	-
Share-based payment	3,858,869	780,785	3,858,869	780,785
Other benefits	207	829	-	-
	4,551,704	1,643,214	3,858,869	780,785
Non-Executive Directors				
Director fee	224,000	16,000	224,000	16,000
Other key management personnel				
Salaries and others emoluments	396,886	321,119	-	-
Defined contribution plan	40,315	27,407	-	-
Other benefits	-	2,853	-	-
	437,201	351,379	-	-

30. Cash Flow Information

(a) Purchase of property, plant and equipment

	Group		Company	
	31.12.2019 RM	30.6.2018 RM	31.12.2019 RM	30.6.2018 RM
Cost of property, plant and equipment purchased	383,000	684,018	-	20,768
Less: Finance lease liabilities	(100,000)	(479,000)	-	-
Cash payment	283,000	205,018	-	20,768

30. Cash Flow Information (cont'd)

(b) Reconciliation of liabilities arising from financing activities

	Finance lease liabilities RM	Term loans RM	Total RM
Group			
At 1 July 2018	1,824,644	8,544,824	10,369,468
Cash flows	(545,251)	(868,688)	(1,413,939)
Finance lease financing for additions of property, plant and equipment	100,000	-	100,000
Total non-cash changes	100,000	-	100,000
At 31 December 2019	1,379,393	7,676,136	9,055,529
At 1 July 2017	1,753,555	9,483,349	11,236,904
Cash flows	(407,911)	(938,525)	(1,346,436)
Finance lease financing for additions of property, plant and equipment	479,000	-	479,000
Total non-cash changes	479,000	-	479,000
At 30 June 2018	1,824,644	8,544,824	10,369,468

31. Segmental Information

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.

The reportable business segments of the Group comprise of the following:

Property development	:	Development of residential and commercial properties
Batching plant	:	Production and sale of concrete mix and other concrete
Plantation and timber services	:	Provision of site clearance, earthwork, and labour services of land area
Others	:	Property investment, trading of plywood, building materials and general trading, money lending services and investment holding

31. Segmental Information (cont'd)

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 that 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.

31. **Segmental Information (cont'd)**

(a) Business segments (cont'd)

	Plantation and timber services RM	Property development RM	Batching plant RM	Others RM	Elimination RM	Consolidated RM
31.12.2019						
REVENUE						
Sales	13,398,838	3,200,000	3,249,712	-	-	19,848,550
Intersegment revenue	-	-	275,000	-	(275,000)	-
Total revenue	13,398,838	3,200,000	3,524,712	-	(275,000)	19,848,550
RESULTS						
Loss from operations	50,360	(3,414,539)	(914,733)	(3,867,355)	250,000	(7,896,267)
Finance costs						(1,368,622)
Taxation						(38,926)
Loss for the financial year						(9,303,815)
OTHER INFORMATION						
Segment assets	22,487,071	278,155,301	3,855,184	328,928,168	(323,313,856)	310,111,868
Segment liabilities	29,922,803	268,669,193	7,234,702	15,333,756	(307,858,175)	13,302,279
Capital expenditure	-	-	383,000	-	-	383,000
Depreciation of property, plant and equipment	150,975	477,727	876,868	40,892	-	1,546,462

31. Segmental Information (cont'd)

(a) Business segments (cont'd)

	Plantation and timber services RM	Property development RM	Batching plant RM	Others RM	Elimination RM	Consolidated RM
30.6.2018 (restated)						
REVENUE						
Sales	9,156,696	283,019	1,134,565	-	-	10,574,280
Intersegment revenue	-	-	-	-	-	-
Total revenue	9,156,696	283,019	1,134,565	-	-	10,574,280
RESULTS						
Loss from operations	(9,785,313)	(1,156,703)	(1,077,290)	(1,196,957)	(144,757)	(13,361,020)
Finance costs						(954,534)
Taxation						421,335
Loss for the financial year						(13,894,219)
OTHER INFORMATION						
Segment assets	18,983,579	210,783,534	4,631,347	238,928,992	(232,061,056)	241,266,396
Segment liabilities	26,429,623	198,360,401	7,058,353	15,201,716	(221,425,508)	25,624,585
Capital expenditure	503,250	-	160,000	20,768	-	684,018
Depreciation of property, plant and equipment	58,713	502,647	590,690	31,173	-	1,183,223

31. Segmental Information (cont'd)

(b) Information about major customers

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

	Group	
	1.7.2018 to 31.12.2019 RM	1.7.2017 to 30.6.2018 RM
Customer A	-	9,156,696
Customer B	3,769,858	-
Customer C	2,197,570	-
Customer D	2,431,410	-
Customer E	2,600,000	-
Customer F	5,000,000	-
	15,998,838	9,156,696

32. 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	
	31.12.2019 RM	30.6.2018 RM
Redeemable convertible notes	1,000,000	3,955,420
Finance lease liabilities	1,379,393	1,824,644
Bank overdraft	-	2,518,933
Term loans	7,676,136	8,544,824
Less: Fixed deposits placed with financial institutions	(325,601)	(911,553)
Less: Cash and bank balances	(1,853,024)	(2,789,677)
Net debt	7,876,904	13,142,591
Total equity	296,809,589	215,641,811
Gearing ratio	0.0265	0.0609

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

33. Financial Instruments

The table below provides an analysis of financial instruments and their categories:

	31.12.2019	←	30.6.2018	→
	Financial assets and liabilities at amortised cost	Available-for-sale	Loans and receivables/ other financial liabilities	Total
	RM	RM	RM Restated	RM Restated
Group				
Financial Assets				
Trade receivables	983,874	-	597,565	597,565
Other receivables	47,739,124	-	8,112,810	8,112,810
Other investment	-	1,613	-	1,613
Fixed deposits placed with financial institutions	325,601	-	911,553	911,553
Cash and bank balances	1,853,024	-	2,789,677	2,789,677
	50,901,623	1,613	12,411,605	12,413,218
Financial Liabilities				
Trade payables	480,374	-	4,888,104	4,888,104
Other payables	2,051,202	-	3,337,753	3,337,753
Amount owing to a related company	121,340	-	-	-
Finance lease liabilities	1,379,393	-	1,824,644	1,824,644
Borrowings	7,676,136	-	11,063,757	11,063,757
Redeemable convertible notes	1,000,000	-	3,955,420	3,955,420
	12,708,445	-	25,069,678	25,069,678

33. Financial Instruments (cont'd)

The table below provides an analysis of financial instruments and their categories (cont'd):

	31.12.2019	←	30.6.2018	→
	Financial assets and liabilities at amortised cost	Available-for-sale	Loans and receivables/ other financial liabilities	Total
	RM	RM	RM Restated	RM Restated
Company				
Financial Assets				
Other receivables	100,948	-	87,950	87,950
Amount owing by subsidiary companies	300,152,829	-	216,779,533	216,779,533
Other investment	-	1,613	-	1,613
Fixed deposits placed with financial institutions	29,000	-	-	-
Cash and bank balances	241,877	-	2,239,399	2,239,399
	300,524,654	1,613	219,106,882	219,108,495
Financial Liabilities				
Other payables	358,484	-	1,074,761	1,074,761
Amount owing to subsidiary companies	7,493,830	-	3,654,725	3,654,725
Redeemable convertible notes	1,000,000	-	3,955,420	3,955,420
	8,852,314	-	8,684,906	8,684,906

Financial risk management objectives and policies

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 financial risks, including credit risk, liquidity risk and market risk.

33. Financial Instruments (cont'd)

Credit risk

Credit risk is the risk of a financial loss to the Group if a counterparty of a financial asset fails to meet its contractual obligations. The Group's exposure to credit risk arises mainly from trade and other receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of receivables ageing. At reporting date, there were no significant concentrations of credit risk other than disclosed in Note 8.

The maximum exposure to credit risk for the Group is the carrying amount of the financial assets shown in the statements of financial position.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from trade and other payables, finance lease liabilities and borrowings.

Cash flow forecasting is performed by monitoring the Group's liquidity requirements to ensure that it has sufficient liquidity to meet operational, financing repayments and other liabilities as they fall due

33. Financial Instruments (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	On demand or within one year RM	One to five years RM	More than five years RM
31.12.2019						
Group						
Trade payables	480,374	-	480,374	480,374	-	-
Other payables	2,051,202	-	2,051,202	2,051,202	-	-
Amount owing to a related company	121,340	-	121,340	121,340	-	-
Finance lease liabilities	1,379,393	2.36 - 5.89	1,516,695	433,029	1,015,727	67,939
Borrowings	7,676,136	6.10 - 8.35	10,321,699	10,321,699	-	-
	11,708,445		14,491,310	13,407,644	1,015,727	67,939
Company						
Other payables	358,484	-	358,484	358,484	-	-
Amount owing to subsidiary companies	7,493,830	-	7,493,830	7,493,830	-	-
	7,852,314		7,852,314	7,852,314	-	-

33. Financial Instruments (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	On demand or within one year RM	One to five years RM	More than five years RM
30.6.2018						
Group						
Trade payables	4,888,104	-	4,888,104	4,888,104	-	-
Other payables	3,337,753	-	3,337,753	3,337,753	-	-
Finance lease liabilities	1,824,644	2.36 - 5.89	2,137,896	498,206	1,380,730	258,960
Borrowings	11,063,757	6.10 - 8.35	14,747,056	3,921,678	5,375,184	5,450,194
	21,114,258		25,110,809	12,645,741	6,755,914	5,709,154
Company						
Other payables	1,074,761	-	1,074,761	1,074,761	-	-
Amount owing to subsidiary companies	3,654,725	-	3,654,725	3,654,725	-	-
	4,729,486		4,729,486	4,729,486	-	-

33. Financial Instruments (cont'd)

Market risk

Market risk is the risk that changes in market prices, such as cash flow and fair value interest rate risk that may affect the Group's financial position and cash flows.

(i) Cash flow and fair value interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in interest rates. The Group's variable rate borrowings are exposed to a change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

The Group manages such exposure by maintaining a prudent mix of fixed and floating rate borrowing facilities.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	31.12.2019 RM	30.6.2018 RM	31.12.2019 RM	30.6.2018 RM
Fixed rate instruments				
Financial Assets				
Fixed deposits placed with financial institutions	325,601	911,553	29,000	-
Financial Liabilities				
Redeemable convertible notes	1,000,000	3,955,420	1,000,000	3,955,420
Finance lease liabilities	1,379,393	1,824,644	-	-
	2,379,393	5,780,064	1,000,000	3,955,420
Floating rate instruments				
Financial Liabilities				
Bank overdraft	-	2,518,933	-	-
Term loans	7,676,136	8,544,824	-	-
	7,676,136	11,063,757	-	-

33. Financial Instruments (cont'd)

Market risk (cont'd)

(i) Cash flow and fair value interest rate risk (cont'd)

Since the Group's and the Company's fixed rate financial assets and liabilities are measured at amortised cost, possible changes in interest rates are not expected to have a significant impact on the Group's and the Company's profit or loss.

Interest rate risk sensitivity analysis

As at 31 December 2019, if the interest rates of floating rate instruments had been lower by 100 basis point ("bp") with all other variables held constant, this will result in a post-tax increases of the Group of RM58,339 (30.6.2018: RM84,085) in profit or loss.

Fair value information

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

The carrying amount of long-term borrowings carried on the statement of financial position reasonably approximates fair value as it is a floating rate instruments that is re-priced to market interest rates on or near the reporting date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that is not based on observable market data.

The following table analyses the fair value hierarchy for financial instruments carried at fair value in the statements of financial position:

	31.12.2019		30.6.2018	
	Level 1 Fair Value RM	Carrying Amount RM	Level 1 Fair Value RM	Carrying Amount RM
Group/Company				
Financial asset				
Other investments	-	-	1,613	1,613

33. Financial Instruments (cont'd)

The following table analyses the fair value for financial instruments not carried at fair value together with its carrying amount in the statements of financial position.

	31.12.2019		30.6.2018	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
Group				
Financial liability				
Finance lease liabilities	1,379,393	1,234,686	1,824,644	1,488,679

34. Subsequent Event

On 20 April 2020, the Company announced the proposal to undertake the following:

(i) renounceable rights issue of up to 2,269,684,614 new ordinary shares on the basis of three Rights Share for every two existing ordinary shares held at an entitlement date to be determined later, together with up to 1,702,263,460 free detachable warrants (Warrant - D) on the basis of three Warrant-D for every four Rights Share subscribed; and

(ii) private placement of 1,134,842,307 new ordinary shares, representing approximately 30% of the total issued shares.

35. Prior Year Adjustments

The Group and the Company had identified some errors in previous financial years, hence retrospective adjustments had been made for the followings:

(a) The inventories - land held for property development of the Group has been wrongly classified which resulted in overstatement of inventories - properties under development and understatement of other receivables by RM3,098,468 and RM922,025 respectively.

(b) The unrealised profits arising from inter-company transactions and the corresponding deferred tax impact of the Group was not accounted for when it was realised. This has resulted in understatement of inventories - properties under development and overstatement of cost of sales by RM1,571,253 respectively. The corresponding tax expense and deferred tax assets was RM377,101.

(c) There was over recognition of share capital of the Group and the Company by RM5,809,499 arising from issuance of free detachable warrants (Warrants 2016/2021 as disclosed in Note 16(a)). Correspondingly, reserve was understated for the same amount.

(d) The Group had entered into sale and purchase agreement to acquire one plot of land in previous financial years for total consideration of RM4,400,000. As at the date of this report, the transfer of land title has not been completed. Hence, the amount has been reclassified from land held from property development to other receivables.

35. Prior Year Adjustments (cont'd)

(e) The land held for property development of the Group has been wrongly classified as other receivables for an amount of RM3,000,000.

(f) There was omission of cost of sales of the Group for completed units sold amounted to RM389,489. This has resulted in understatement of cost of sales and overstatement of land held for property development.

(g) Non-current borrowings of the Group amounted RM502,105 had been reclassified to current borrowings based on the expected contractual cash flows within immediate 12 months after financial period end.

(h) The management had assessed the Redeemable Convertible Notes of the Group and the Company based on MFRS 132 "Financial Instruments: Presentation", and concluded that the RCN should be classified as liability instead of equity. The corresponding deferred tax effect amounted to RM38,595 was reversed accordingly.

(i) The management had reassessed the recoverability of trade receivables as at 30 June 2018 and noted that there were balances past due but not impaired despite there were indications that the amount may not be recoverable. Hence, retrospective adjustment was made for impairment loss amounted RM9,778,107.

(j) The bank charges and late payment interest of the Group amounted RM2,901 had been wrongly classified as finance costs instead of administrative expenses.

The effects of prior year adjustment in the Group's and the Company's financial statements are as follows:

	Note	As previously reported RM	Adjustments RM	As restated RM
Group				
Consolidated statement of financial position (extract)				
As at 1 July 2017				
Non-current assets				
Inventories - land held for property development	35(a)	86,991,401	2,176,443	89,167,844
Deferred tax assets	35(b)	377,101	(377,101)	-
Current assets				
Inventories - properties under development	35(a), (b)	119,590,876	(1,527,215)	118,063,661
Other receivables	35(a)	3,321,241	922,025	4,243,266
Equity				
Share capital	35(c)	(124,519,661)	5,809,499	(118,710,162)
Reserve	35(b), (c)	(89,026,755)	(7,003,651)	(96,030,406)

35. Prior Year Adjustments (cont'd)

The effects of prior year adjustment in the Group's and the Company's financial statements are as follows (cont'd):

	Note	As previously reported RM	Adjustments RM	As restated RM
Group				
Consolidated statement of financial position (extract)				
As at 30 June 2018				
Non-current assets				
Inventories - land held for property development	35(a), (d), (e), (f)	104,357,303	386,954	104,744,257
Deferred tax assets	35(b)	377,101	(377,101)	-
Current assets				
Inventories - properties under development	35(a), (b)	119,590,876	(1,527,215)	118,063,661
Inventories - developed units held for sales		507,416	(2,518)	504,898
Trade receivables	35(i)	10,375,672	(9,778,107)	597,565
Other receivables	35(a), (d), (e)	5,788,267	2,324,543	8,112,810
Non-current liabilities				
Bank borrowings	35(g)	(7,816,284)	502,105	(7,314,179)
Deferred tax liabilities	35(h)	(50,495)	38,595	(11,900)
Current liabilities				
Redeemable convertible notes	35(h)	(77,640)	(3,877,780)	(3,955,420)
Bank borrowings	35(g)	(3,247,473)	(502,105)	(3,749,578)
Equity				
Share capital	35(c)	(140,342,663)	5,809,499	(134,533,164)
Redeemable convertible notes	35(h)	(3,839,185)	3,839,185	-
Reserve	35(b), (c), (f), (i)	(84,272,592)	3,163,945	(81,108,647)

35. Prior Year Adjustments (cont'd)

The effects of prior year adjustment in the Group's and the Company's financial statements are as follows (cont'd):

	Note	As previously reported RM	Adjustments RM	As restated RM
Group				
Consolidated statement of profit or loss and other comprehensive income (extract)				
As at 30 June 2018				
Cost of sales	35(f))	7,809,555	389,489	8,199,044
Administrative expense	35(i), (j)	7,614,313	9,781,008	17,395,321
Finance costs	35(j)	957,435	(2,901)	954,534
Company				
Statement of financial position (extract)				
As at 1 July 2017				
Equity				
Share capital	35(c)	(124,519,661)	5,809,499	(118,710,162)
Reserves	35(c)	(74,736,418)	(5,809,499)	(80,545,917)
As at 30 June 2018				
Non-current liabilities				
Deferred tax liabilities	35(h)	(50,495)	38,595	(11,900)
Current liabilities				
Redeemable convertible notes	35(h)	(77,640)	(3,877,780)	(3,955,420)
Equity				
Share capital	35(c)	(140,342,663)	5,809,499	(134,533,164)
Redeemable convertible notes	35(h)	(3,839,185)	3,839,185	-
Reserves	35(c)	(82,208,018)	(5,809,499)	(88,017,517)

NOTES TO THE FINANCIAL STATEMENTS

36. Material Litigation

Tiger Synergy Plantation Sdn. Bhd. vs Mohan S/O Ramakrishnan (Trading as Ramakrishnan & Associates)

On 29 July 2019, Tiger Synergy Plantation Sdn. Bhd. ("TSPSB") had filed a legal action against Mohan S/O Ramankrishnan (Trading as Ramakrishnan & Associates) (the "Defendant") for breach of stakeholder duty by releasing a stakeholder sum amounting RM2,972,000 to various parties.

During the financial year ended 30 June 2018, TSPSB intended to enter into an agreement to purchase three plots of land located at Mukim Temangan, Daerah Negeri Kelantan. On 29 June 2018, TSPSB had paid RM2,972,000 to be held by the Defendant as a stakeholder sum with the condition that the stakeholder sum is not to be released until the SPA has been executed between TSPSB and the vendor.

During the financial year period ended 31 December 2019, TSPSB and the vendor were unable to come to an agreement on the final terms in the SPA, resulting in TSPSB's withdrawal from the land purchase and requested the refund of the stakeholder sum on 24 June 2019. The Defendant has failed to refund the stakeholder sum despite multiple written requests by TSPSB as the Defendant had released the amount to various parties.

The Directors are of the view that TSPSB has valid grounds and a good chance to recover the stakeholder sum from the Defendant.

As at 31 December 2019, the Group recorded the stakeholder sum as Other Receivables as disclosed in Note 9 to the financial statements.

37. Comparative Figures

The comparative figures are for the period from 1 July 2017 to 30 June 2018 as compared to the current financial period from 1 July 2018 to 31 December 2019. Consequently, the comparative figures are not comparable to the current financial year in respect of the statements of profit or loss and other comprehensive income, changes in equity, cash flows and their related notes.

38. Date of Authorisation for Issue

The financial statements of the Group and of the Company for the financial period ended 31 December 2019 were authorised for issue in accordance with a resolution of the Board of Directors on 14 May 2020.

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	7 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	28,742,046	17 April 2015 (A)
GM 267 Lot 562 Mukim Petaling, Daerah Petaling, Selangor	Vacant Development Land	Freehold	N/A	1.875 acres	7,138,254	22 March 2011 (A)
Geran 62028 (Lot62810), Geran 62032 (Lot62811) Geran 62036 (Lot62812), Geran 62041 (Lot62813) Geran 62044 (Lot62814), Geran 62050 (Lot62815) Geran 62053 (Lot62816), Geran 62055 (Lot62817) Geran 62057 (Lot62818), Mukim Batu, Kuala Lumpur	Vacant Development Land	Freehold	N/A	1.01 acres	17,644,112	13 April 2015 (A)
Lot 738 GM 549, Geran Mukim Cheras Batu 2 1/2, Jalan Cheras, Kuala Lumpur	Vacant Development Land	Freehold	N/A	0.8094 hectare	18,342,126	6 April 2016 (A)

SHAREHOLDINGS ANALYSIS
by size of Shareholdings as at 5th May 2020

Issued Share Capital	:	1,464,710,583 Ordinary Shares
Class of shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

DISTRIBUTIONS OF SHAREHOLDINGS

	No. of Holders		No. of Shares		%	
Size of shareholdings	**Malaysian**	**Foreign**	**Malaysian**	**Foreign**	**Malaysian**	**Foreign**
Less Than 100	393	6	16,573	204	0.00	0.00
100-1,000	991	5	448,495	2,500	0.03	0.00
1,001 - 10,000	1,870	26	9,005,635	110,545	0.61	0.01
10,001 - 100,000	2,214	24	79,682,043	806,300	5.44	0.06
100,001 - < 5% issued shares	495	14	1,010,295,313	35,745,875	68.98	2.44
5% and above of issued shares	2	0	328,597,100	0	22.43	0.00
Total	5,965	75	1,428,045,159	36,665,424	97.50	2.50

SUBSTANTIAL SHAREHOLDERS

Name of shareholdings	Nationality/ Incorporated in	Direct Interest	%	Indirect Interest	%
Goh Ching Mun	Malaysian	168,623,700	11.51	159,973,400	10.92
Safari Alliance Sdn Bhd	Malaysia	159,973,400	10.92	-	-
Dato' Tan Wei Lian	Malaysian	60,508,759	4.13	29,667,375	2.03
Datin Sek Chian Nee	Malaysian	19,733,200	1.35	70,442,934	4.81
Tan Lee Chin	Malaysian	9,934,175	0.68	80,241,959	5.48

DIRECTORS' SHAREHOLDINGS

Name of shareholdings	Nationality/ Incorporated in	Direct Interest	%	Indirect Interest	%
Dato' Tan Wei Lian	Malaysian	60,508,759	4.13	29,667,375	2.03
Datin Sek Chian Nee	Malaysian	19,733,200	1.35	70,442,934	4.81
Tan Lee Chin	Malaysian	9,934,175	0.68	80,241,959	5.48

SHAREHOLDINGS ANALYSIS
by size of Shareholdings as at 5th May 2020

LIST OF TOP 30 LARGEST SHAREHOLDERS

No.	Shareholders	Shareholdings	%
1.	GOH CHING MUN	168,623,700	11.51
2.	SAFARI ALLIANCE SDN BHD	159,973,400	10.92
3.	WAI CHOO	71,000,000	4.85
4.	TAN SAY CHEONG	69,523,800	4.75
5.	KOK TUCK SENG	58,998,000	4.03
6.	WONG GUANG SENG	55,010,000	3.76
7.	LAU TENG FUN & SONS SDN BHD	50,400,000	3.44
8.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (8090542)	44,000,000	3.00
9.	NG WAI YUAN	38,040,700	2.60
10.	GOH BOON SOO @ GOH YANG ENG	32,000,000	2.18
11.	TOH PIK CHAI	31,717,000	2.17
12.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR NG WAI YUAN (MY0867)	31,000,075	2.12
13.	LIM KWEE FATT	26,658,100	1.82
14.	JF APEX NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN (MARGIN)	26,460,400	1.81
15.	AMSEC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT-AMBANK (M) BERHAD FOR TAN WEI LIAN (SMART)	21,730,000	1.48
16.	YAYASAN KELANTAN DARULNAIM	21,631,350	1.48
17.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE	19,633,200	1.34
18.	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LOW SWEE FOONG (SMART)	17,977,734	1.23
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD –PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (E-KLC)	16,000,000	1.09
20.	LEE HWA YING	15,000,000	1.02
21.	LEOW YOKE FOONG	15,000,000	1.02
22.	YUEN KHENG SOON	15,000,000	1.02
23.	KENANGA NOMINEES (ASING) SDN BHD -ADVANCE OPPORTUNITIES FUND I	14,828,100	1.01
24.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD -PLEDGED ACCOUNT FOR KOH KIN LIP	14,000,000	0.96
25.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR TOH PIK CHAI (MO5)	13,000,000	0.89
26.	GSC-CIMB NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	13,000,000	0.89
27.	TAN WEI LIAN	12,298,159	0.84
28.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR LO GA LUNG (M05)	12,243,300	0.84
29.	AMSEC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR KOH CHIT SOON	10,000,000	0.68
30.	CGSC-CIMB NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP (MY0502)	10,000,000	0.68
	TOTAL	**1,104,747,018**	**75.42**

ANALYSIS OF WARRANT HOLDINGS
as at 5th May 2020

ANALYSIS BY SIZE OF WARRANT HOLDINGS 2016/2021 ("WARRANT C") AS AT 5TH MAY 2020 AS PER THE RECORDS OF DEPOSITORS

No. Warrants in Issue	48,412,493
Exercise Price of Warrants	RM0.32
Expiry Date of Warrants	11 Feb 2021
No. of Warrant Holders	1,109

	No. of Warrant C Holders		Warrant holdings		%	
Size of Warrant C Holdings	**Malaysian**	**Foreign**	**Malaysian**	**Foreign**	**Malaysian**	**Foreign**
Less Than	44	0	1,712	0	0.00	0.00
100-1,000	125	3	64,850	1,640	0.13	0.00
1,001 - 10,000	470	6	2,502,550	42,500	5.17	0.09
10,001 - 100,000	372	4	13,166,246	180,800	27.20	0.37
100,001 - < 5% issued shares	83	1	29,409,570	200,000	60.75	0.41
5% and above of issued shares	1	0	2,842,625	0	5.87	0.00
	1,095	14	47,987,553	424,940	99.12	0.88

	No. of Warrant C Holders			Warrant holdings			%		
	Malaysian		**Foreign**	**Malaysian**		**Foreign**	**Malaysian**		**Foreign**
Size of Warrant C Holdings	**Bumi**	**Non-Bumi**		**Bumi**	**Non-Bumi**		**Bumi**	**Non-Bumi**	
Individuals	88	694	9	3,566,414	29,898,674	308,500	7.37	61.76	0.64
Body Corporate									
-Banks/Finance COs	1	0	0	60,000	0	0	0.12	0.00	0.00
-Inv.Trust/ Found/ Charities	0	0	0	0	0	0	0	0	0
-Industrial & Commercial Cos	0	6	0	0	118,200	0	0.00	0.24	0.00
Government Agencies	0	0	0	0	0	0	0.00	0.00	0.00
Nominees	188	118	5	11,929,870	2,414,395	116,440	24.64	4.99	0.24
Others	0	0	0	0	0	0	0.00	0.00	0.00
Total	277	818	14	15,556,284	32,431,269	424,940	32.13	66.99	0.88

ANALYSIS OF WARRANT HOLDINGS
as at 5th May 2020

ANALYSIS BY SIZE OF WARRANT HOLDINGS 2016/2021 ("WARRANT C") AS AT 5TH MAY 2020 AS PER THE RECORDS OF DEPOSITORS

No.	Warrant Holders	Warrant holdings	%
1.	KENANGA NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH (008)	2,842,625	5.87
2.	KENANGA NOMINEES (TEMPATAN) SDN BHD -BONG MAU MOI	2,053,975	4.24
3.	PUA KOK MENG	1,283,800	2.65
4.	QUEK KIAH SONG	1,083,700	2.24
5.	KENANGA NOMINEES (TEMPATAN) SDN BHD -RAKUTEN TRADE SDN BHD FOR NA KHENG LION	1,031,900	2.13
6.	CHIN AH SOON	1,028,000	2.12
7.	U YONG DOONG @ U SUNG KWI	1,025,700	2.12
8.	LIM GEYOK CHU	996,900	2.06
9.	KENANGA NOMINEES (TEMPATAN) SDN BHD -CHIN GIAN MING	988,300	2.04
10.	MARINA BINTI MOHAMOD JANAB	848,900	1.75
11.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD -YONG LOY HUAT	825,000	1.70
12.	TING TIEW HING	655,000	1.35
13.	CHENG SHYUE SHENG	625,000	1.29
14.	KAN CHOON KIAT	625,000	1.29
15.	OO KEANG MENG	625,000	1.29
16.	TANG KIN SENG	625,000	1.29
17.	KHOO WEI KEE	613,100	1.27
18.	KHOO CHON YEW	527,600	1.09
19.	TOH CHIN GIAP	436,400	0.90
20.	GOH HONG HWA	430,000	0.89
21.	CHONG KIAN PIN	425,000	0.88
22.	ABD RAHIM BIN MOHAMED KIFLI	400,000	0.83
23.	LAU CHENG TOH	400,000	0.83
24.	OOI LENG HWA	400,000	0.83
25.	JEE YEOW WOO	370,000	0.76
26.	MAYBANK NOMINEES (TEMPATAN) SDN BHD -TANG JOK BING	365,000	0.75
27.	KOH CHEE LEONG	362,625	0.75
28.	LIM CHIN LEONG	350,000	0.72
29.	PUBLIC NOMINEES (TEMPATAN) SDN BHD -PLEDGED SECURITIES ACCOUNT FOR ONG SAU PIN (E-TMR)	350,000	0.72
30.	CHEW KAH YEAW	300,000	0.62
	TOTAL	**22,893,525**	**47.29**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of the Company will be conducted fully virtual at Broadcast Venue, T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur, Tuesday, 9 June 2020 at 11:00 a.m. for the following purposes:-

AGENDA

As Ordinary Business

1.	To receive the Audited Financial Statements for the financial period ended 31 December 2019 together with the Reports of the Directors and Auditors thereon.	**(Please refer to Explanatory Note 1)**
2.	To approve the payment of Directors' Meeting Allowance of up to RM100,000.00 for the period from 27 December 2018 until the next AGM to be held in year 2021 and be payable after the meeting in arrears.	**(Resolution 1)**
3.	To re-elect the following Directors retiring pursuant to Article 71 of the Company's Articles of Association:-	
	(a) Dato' Tan Wei Lian; and	**(Resolution 2)**
	(b) Chua Eng Chin.	**(Resolution 3)**
4.	To re-appoint Messrs. Morison AAC PLT (formerly known as Morison Anuarul Azizan) as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.	**(Please refer to Explanatory Note 4)**

As Special Business

To consider and, if thought fit, to pass the following Resolutions with or without modifications:-

5. **AUTHORITY TO ALLOT SHARES PURSUANT SECTION 75(1) OF THE COMPANIES ACT 2016** **(Resolution 4)**

"**THAT** pursuant to Section 75(1) of the Companies Act 2016, and subject to the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, to allot shares in the capital of the Company from time to time, at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

As Special Business (cont'd)

6. **RETENTION OF DIRECTOR AS INDEPENDENT DIRECTOR OF THE COMPANY** **(Resolution 5)**

"THAT the tenure of the director, DATO' KHOO SENG HOCK who has served the Company for more than 9 years be retained as Independent Non-Executive Director and to hold office until the conclusion of the next Annual General Meeting."

7. **PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY IN PLACE OF THE EXISTING MEMORANDUM & ARTICLES OF ASSOCIATION ("PROPOSED NEW CONSTITUTION")** **Special Resolution**

"THAT approval be and is hereby given to abolish the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Appendix I as annexed herewith, be and is hereby adopted as the Constitution of the Company AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing"

8. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board

LIM SECK WAH (MAICSA 0799845)
M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA 0781031)
Company Secretaries
Kuala Lumpur
15 May 2020

Explanatory Notes to Special Business

1. Item 1 of the Agenda

The Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. Authority to Allot shares pursuant to the Companies Act 2016

The proposed Ordinary Resolution 4 is to seek a new general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the above Meeting, to issue and allot ordinary shares of not more than ten per centum (10%) for such purposes as the Directors of the Company consider would be in the interest of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company.

The Company had been granted a general mandate by its shareholders at the Twenty-Third Annual General Meeting of the Company held on 26 December 2018 (hereinafter referred to as the "Previous Mandate").

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes to Special Business (cont'd)

2. Authority to Allot shares pursuant to the Companies Act 2016 (cont'd)

   The proposed resolution, if passed, will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

3. Resolution Pursuant to Retention As Independent Director

   The proposed Ordinary Resolution 5 will allow the Director, Dato' Khoo Seng Hock who has served the Company for more than 9 years, to continue to act as Independent Non-Executive Director of the Company as: -

   i) He fulfils the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, and thus he is able to function as check and balance, provide a broader view and bring an element of objectivity to the Board;
   ii) He understand the business nature and office structure;
   iii) He provide the Board valuable advice and insight;
   iv) He actively participate in Board deliberations and decision making in an objective manner; and
   v) He uphold independent decision and challenges the management objectively.

4. Re-Appointment of Messrs Morison AAC PLT ("Morison") as Auditors

   Morison have indicated that they do not wish to seek for re-appointment as stated in the Directors' Report. Hence, this item is not put forward for voting.

   Pursuant to Section 271(2)(b) of the Companies Act 2016, the Board will be appointing a new auditor in place of Morison at a later date after this AGM.

Notes:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 27 May 2020 ("General Meeting Record of Depositors") shall be entitled to attend, speak and vote at this meeting.*

2. *A member entitled to attend and vote at this meeting is entitled to appoint any person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this meeting shall have the same rights as the member to speak at the meeting.*

3. *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.*

4. *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.*

Notes (cont'd):-

5. *Where a member is an authorised nominee as defined in the Securities Industry (Central Depository) 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.*

6. *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 Articles of Association.*

7. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised and shall be deposited with the power of attorney or other authority (if any) at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan, Malaysia or such other place as is specified for that purpose in the notice convening the meeting, -not less than forty-eight (48) hours before the time appointed for holding this meeting or adjourned meeting at which the person named in the instrument proposes to vote . No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.*

8. *All resolutions are to be voted by way of poll pursuant to Bursa Malaysia Securities Berhad's Main Market Listing Requirements.*

24TH ANNUAL GENERAL MEETING ADMINISTRATIVE DETAILS

Date	: Tuesday, 9 June 2020
Time	: 11.00 a.m.
Broadcast Venue	: T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur

Digital Ballot Form Voting at a Fully Virtual 24th AGM

1. As **no shareholders should be physically present at the Broadcast Venue,** we urge all shareholders to attend the 24th AGM remotely using the Digital Ballot Form ("DBF") facilities which you are firstly required to register at **https://shorturl.at/bpD15** (as described below).

2. With the DBF, you may exercise your right as a shareholder of the Company to participate (including to pose questions to the Board/Management of the Company) and vote during the 24th AGM, at the comfort of your home.

3. Shareholders may use the Questions' Pane facility to submit questions in real time during the meeting via the Webinar solution. Shareholders may also submit questions before the meeting to **agm-support.TIGER@megacorp.com.my** in relation to the agenda items for the 24th AGM.

General Meeting Record of Depositors ("ROD")

4. The Company has requested Bursa Malaysia Depository Sdn Bhd to issue a General Meeting ROD as at 27 May 2020. Only a depositor/shareholder whose name appears on the ROD as at 27 May 2020 shall be entitled to attend the 24th AGM or appoint proxies to attend and/or vote on his/her behalf.

Proxy/Corporate Representative/Nominee Account

5. If a shareholder is not able to attend the Fully Virtual Meeting on 9 June 2020, he/she can appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form and submit the Proxy Form to the Registered Office of the Company situated at T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur. All appointment of proxy must be submitted no later than **Sunday, 7 June 2020 at 11.00 a.m.**

   For shareholders who have submitted proxy forms appointing persons as their proxies, the proxy appointment can be revoked should he/she decide to personally participate at the 24th AGM remotely. Please contact Mega Corporate Services Sdn. Bhd.at the following number:

   • +60 (3) 26924271 no later than **11.00 a.m**. on **7 June 2020** to request for revocation or;

   • Email to **agm-support.TIGER@megacorp.com.my** for any clarifications

Poll Voting

6. The voting of the 24th AGM will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Company has appointed Mega Corporate Services Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic voting and Cygnus IT Solutions PLT as Scrutineers to verify the poll results.

   For the purpose of this AGM, e-voting will be carried out via your digital devices (e.g. Computer / Mobile Phone). Further instructions will be given upon receiving the DBF, sent by the Poll Administrator.

7. Shareholders can proceed to vote on the resolutions and submit your votes during the voting period as stipulated on the DBF. Upon completion of the voting session at the 24th AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration on the resolutions.

8. The procedures for the DBF-generation are as summarized below:

   - Step 1

     Open this link **https://shorturl.at/bpD15** and submit all details requested at least forty-eight hours before the meeting day, no later than **11.00 a.m. on 7 June 2020**. Only depositor/shareholder is allowed to register your details online. Kindly ensure that your details enter are accurate. A non-accurate details would result in you not being able to receive your DBF.

   - Step 2

     The Poll Administrator, Mega Corporate Services Sdn. Bhd. will then email to you the DBF that you have registered once the Poll Administrator have verified the details entered in Step 1 above. Further instructions will be given together with your DBF. Kindly ensure that you read through the email content prior to the AGM.

Tiger Synergy
BERHAD 199401039944 (325631-V)

TIGER SYNERGY BERHAD
(Registration No. 199401039944 (325631-V))
(Incorporated in Malaysia)

FORM OF PROXY

(Please refer to the notes below before completing this form)

Number of shares held	
CDS Account No.	

Shareholder	Email	Phone Number	NRIC	Address	%
Proxy 1					
Proxy 2					

or failing *him/her, the *CHAIRMAN OF THE MEETING, as *my/our proxy to attend and vote for *me/us on *my/our behalf at the Twenty-Fourth Annual General Meeting of the Company (**AGM**) of the Company to be conducted fully virtual at Broadcast Venue, T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur, Tuesday, 9 June 2020 at 11 a.m. or any adjournment thereof in the manner as indicated below:

No.	Resolution		For	Against
1.	To approve the payment of Directors' Meeting Allowance	**(Resolution 1)**		
2.	To re-elect Dato' Tan Wei Lian	**(Resolution 2)**		
3.	To re-elect Mr Chua Eng Chin	**(Resolution 3)**		
4.	Authority to Allot shares pursuant Section 75(1) of the Company Act 2016	**(Resolution 4)**		
5.	Retention of Director as Independent Director of the Company; - Dato Khoo Seng Hock	**(Resolution 5)**		
6.	Proposed adoption of a new constitution	**(Special Resolution)**		

(Please indicate with an "X" in the appropriate boxes above how you wish your vote to be cast. If you do not do so, the proxy shall vote as he thinks fit, or at his/their discretion)

Dated this .... day of 2020

....
Signature of Member/
Common Seal of Shareholder

Notes:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 27 May 2020 ("**General Meeting Record of Depositors**") shall be entitled to attend, speak and vote at this meeting.*
2. *A member entitled to attend and vote at this meeting is entitled to appoint any person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this meeting shall have the same rights as the member to speak at the meeting.*
3. *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.*
4. *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.*
5. *Where a member is an authorised nominee as defined in the Securities Industry (Central Depository) 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.*
6. *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 Articles of Association.*
7. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised and shall be deposited with the power of attorney or other authority (if any) at the registered office of the Company at T3-13A-20, Level 13A, Menara 3, 3 Towers, Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan, Malaysia or such other place as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time appointed for holding this meeting or adjourned meeting at which the person named in the instrument proposes to vote . No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.*
8. *All resolutions are to be voted by way of poll pursuant to Bursa Malaysia Securities Berhad's Main Market Listing Requirements.*

Personal Data Privacy

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representatives for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

Fold This Flap Sealing

AFFIX
STAMP

TIGER SYNERGY BERHAD
[Registration Number: 199401039944 (325631-V)]

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

Tel No: 603-27330038 | Fax No: 603-27330037

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www.tigersynergy.my

HEADQUARTERS :

Wisma Hwa Lian, No. 482, Ground Floor,
Jalan Zamrud 6, Taman Ko-op,
70200 Seremban, Negeri Sembilan Darul Khusus,
Malaysia.

Tel : +606 7679 353
Fax : +606 7637 202

KL OFFICE :

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

Tel : +603 2733 0038
Fax : +603 2733 0037