2022 | ANNUAL REPORT

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WOODLANDOR HOLDINGS BERHAD

Registration No. 199601004347 (376693-D)

INSIDE THIS **ANNUAL REPORT**

NOTICE OF 26TH
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Sixth (26th) Annual General Meeting of the Company will be held at Ballroom 2, Level LG, Eastin Hotel, No. 13, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 23 November 2022, at 10.00 a.m. for the transaction of the following businesses: -

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and the Auditors thereon.

2. To approve the payment of Directors' fees up to RM120,000 for the financial year ending 30 June 2023 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. **(ORDINARY RESOLUTION 1)**

3. To approve the payment of Directors' benefits up to RM80,000 in aggregate during the period from 24 November 2022 until the date of the next Annual General Meeting of the Company. **(ORDINARY RESOLUTION 2)**

4. To re-elect Mr. Soo Keng Wah who retires in accordance with Clause 90 of the Company's Constitution. **(ORDINARY RESOLUTION 3)**

5. To approve the appointment of HLB Ler Lum Chew PLT as Auditors of the Company in place of the retiring Auditors, HLB AAC PLT and to authorise the Directors to determine their remuneration. **(ORDINARY RESOLUTION 4)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without any modification: -

6. **Authority to Allot and Issue Shares pursuant to the Companies Act 2016 ("the Act")**

   "THAT, subject always to the Act, the Constitution of the Company and approval and requirements of the relevant governmental and/or regulatory authorities (where applicable), the Directors of the Company be hereby empowered pursuant to the provisions of the Act to allot and issue new ordinary shares in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors of the Company may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of the issued shares (excluding treasury shares, if any) of the Company for the time being AND THAT the Directors of the Company also be hereby empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad." **(ORDINARY RESOLUTION 5)**

7. **Retention of Independent Director**

   "THAT Mr. Chay Ng, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company." **(ORDINARY RESOLUTION 6)**

8. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

PANG KAH MAN
SSM PC No.: 202008000183
MIA No.: 18831
Company Secretary

Kuala Lumpur
25 October 2022

Notes: -

1. Only depositors whose names appear in the Record of Depositors as at 16 November 2022 shall be regarded as members and be entitled to attend, participate, speak and vote at the 26th Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Act. There shall be no restriction as to the qualification of the proxy.
3. 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.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. Any alterations in the Proxy Form must be initialed by the member and ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power of attorney, must be deposited at the Registered Office of the Company at Unit 3A-12, Level 3A, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or lodged electronically at ir@shareworks.com.my not less than twenty-four (24) hours before the time appointed for holding the 26th Annual General Meeting or any adjournment thereof.

Explanatory Notes to the Agenda:

8. Item No. 1 of the Agenda
Audited Financial Statements

This Agenda item is meant for discussion only as provision of Section 340(1)(a) of the Act does not require a formal approval of the members and hence, is not put forward for voting.

9. Item No. 2 of the Agenda - Ordinary Resolution 1
Approval of Directors' fees for the financial year ending 30 June 2023

The Directors' fees proposed for the financial year ending 30 June 2023 are calculated based on the number of scheduled Board and Committee Meetings for the financial year ending 30 June 2023 and assuming that all the Non-Executive Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees on a monthly basis and/or as and when required. In the event the Directors' fees proposed are insufficient (e.g., due to more meetings and/or enlarged board), approval will be sought at the next Annual General Meeting for additional Directors' fees to meet the shortfall.

10. Item No. 3 of the Agenda - Ordinary Resolution 2
Approval of Directors' Benefits

The Board also recommends that shareholders approve a maximum aggregate amount of RM80,000 for the payment of benefits to the Directors of the Company during the period from 24 November 2022 payable monthly in arrears after each month of completed service of the Directors until the next Annual General Meeting of the Company.

In the event the Directors' benefits proposed are insufficient, approval will be sought at the next Annual General Meeting for additional payments to meet the shortfall before payment is made.

11. Item No. 5 of the Agenda – Ordinary Resolution 4
Appointment of HLB Ler Lum Chew PLT as Auditors

Following the successful merger of the audit practices of HLB AAC PLT (202006000008 & AF001977) and HLB Ler Lum Chew PLT (201906002362 & AF0276), HLB AAC PLT shall retire as Auditors of the Company and its group of Companies at the conclusion of the 26th Annual General Meeting. Hence, the Company is seeking approval from its shareholders for the appointment of HLB Ler Lum Chew PLT as Auditors of the Company for the financial year ending 30 June 2023 at the 26th Annual General Meeting.

12. Item No. 6 of the Agenda – Ordinary Resolution 5
Authority to Allot and Issue Shares pursuant to the Act

(a) The proposed resolution, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the 26th Annual General Meeting to allot and issue shares in the Company up to an amount not exceeding in total of ten percent (10%) of the total issued shares (excluding treasury shares, if any) of the Company for the time being for such purposes as they may think fit and in the interest of the Company. This authority, unless revoked or varied at a general meeting, shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.

(b) The General Mandate is a renewal from the previous mandate obtained at the last Annual General Meeting held on 26 November 2021 which will expire at the conclusion of the 26th Annual General Meeting of the Company.

(c) As at the date of this Notice, the Company did not issue any new shares based on the previous mandate obtained at the last Annual General Meeting.

(d) The General Mandate, if granted will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placement of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions.

13. Item No. 7 of the Agenda – Ordinary Resolution 6
Continuing in office as Independent Director

Mr. Chay Ng was appointed as an Independent Non-Executive Director of the Company on 27 August 2012 and has, therefore served for more than nine (9) years as at the date of this Notice.

The Board is satisfied that Mr. Chay Ng has met the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements ("Listing Requirements"). Based on the recommendation of the Nomination Committee, the Board considers him to be continuously independent and believes that he should be retained as Independent Non-Executive Director as the length of service does not interfere with his ability to act and exercise of independent judgement as Independent Director.

Premised on the above, the Board unanimously recommended the motion on retention of Mr. Chay Ng as Independent Director of the Company for the shareholders' approval through a two-tier voting process at the 26th Annual General Meeting.

14. Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Company's 26th Annual General Meeting 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 26th Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 26th Annual General Meeting (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 representative(s) 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.

STATEMENT ACCOMPANYING
NOTICE OF ANNUAL GENERAL MEETING
PURSUANT TO PARAGRAPH 8.27(2) OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. **Details of Individuals Standing for Election as Directors**

   No individual is seeking election as a Director at the 26th Annual General Meeting of the Company.

2. **Statement relating to General Mandate for Issue of Securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

   Please refer to Explanatory Note No. 12 to Agenda No. 6 for ordinary resolution 5 on authority to issue shares pursuant to the Companies Act 2016.

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Executive Chairman cum Chief Executive Officer
Dato' Seri Mun Weng Sum

Executive Director
Mun Li Choo

Independent Non-Executive Directors
Dato' Teh Boon Sing
Chay Ng
Soo Keng Wah

AUDIT COMMITTEE

Chairperson
Soo Keng Wah

Members
Dato' Teh Boon Sing
Chay Ng

NOMINATION COMMITTEE

Chairperson
Chay Ng

Member
Dato' Teh Boon Sing

REMUNERATION COMMITTEE

Chairperson
Dato' Teh Boon Sing

Member
Chay Ng

SECRETARIES

Pang Kah Man
(SSM PC No. 202008000183 & MIA 18831)

AUDITORS

HLB AAC PLT
(AF001977)
Chartered Accountants
18 Jalan Pinggir 1/64
Jalan Kolam Air
Off Jalan Sultan Azlan Shah (Jalan Ipoh)
51200 Kuala Lumpur.
Tel: 03-4048 2888
Fax: 03-4048 2999

REGISTRAR

Systems Associates Sdn Bhd
(839532-A)
3A, Mezzanine Floor
Jalan Ipoh Kecil
50350 Kuala Lumpur.
Tel: 03-4043 5750
Fax: 03-4043 5755

PRINCIPAL BANKERS

Affin Bank Berhad
CIMB Bank Berhad
Malayan Banking Berhad
Public Bank Berhad

REGISTERED OFFICE

Unit 3A-12, Level 3A, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
8 Jalan Kerinchi
59200 Kuala Lumpur.
Tel: 03-2242 3899
Fax: 03-2242 3388

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name: WOODLAN
Stock Code: 7025

PROFILE OF THE **MEMBERS OF THE BOARD**

DATO' SERI MUN WENG SUM
Aged 50, Male, Malaysian
Executive Chairman cum Chief Executive Officer

Dato' Seri Mun was appointed to the Board on 18 April 2001. He holds a Bachelor Degree in Accounting from the University of Essex, England and a Master of Business Administration from Preston University, USA. Upon graduation he had a short stint with a professional accounting firm in England before joining the Company's Finance Department. He is also the Business Development Director of the Group.

Dato' Seri Mun attended five (5) out of five (5) Board Meetings held in the financial year ended 30 June 2022. He is the brother of Ms Mun Li Choo, the Executive Director. He does not have any conflict of interest and/or personal interest in any business arrangement or material contract involving the Company or its subsidiaries either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year. He has no conviction for any offences within the past five (5) years other than traffic offences.

MUN LI CHOO
Aged 52, Female, Malaysian
Executive Director

Ms Mun was appointed to the Board on 20 April 2013. She holds a Bachelor Degree in Commerce majoring in Marketing from the Curtin University of Technology, Perth, Australia. She joined Woodlandor Wood Products Sdn Bhd, a wholly-owned subsidiary of the Company as Export Marketing Executive on 1 April 1997 in the Furniture Division. She was promoted to Acting General Manager on 1 May 2003 and subsequently on 1 March 2008, she was appointed as the General Manager of the Furniture Division. Since 2010, she manages the overall operations of the subsidiary.

Ms Mun attended five (5) out of five (5) Board Meetings held in the financial year ended 30 June 2022. She is the sister of Dato' Seri Mun Weng Sum, the Executive Chairman. She does not have any conflict of interest and/or personal interest in any business arrangement or material contract involving the Company or its subsidiaries either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year. She has no conviction for any offences within the past five (5) years other than traffic offences.

CHAY NG
Aged 79, Male, Malaysian
Independent Non-Executive Director

Mr Chay was appointed to the Board on 27 August 2012. He holds a two years study certificate of Economic from Nanyang University, Singapore and a Master of Business Administration from Honolulu University, USA. He has been the Chairman of Forerank Corporation Sdn Bhd, Forerank Travel Sdn Bhd and Aigner Technologies (M) Sdn Bhd since year 1989. Prior to that he was also on the Board of various private companies. He has vast experience in travel line.

Mr Chay attended five (5) out of five (5) Board meetings held in financial year ended 30 June 2022. He is currently the Chairperson of the Nomination Committee and a member of the Audit and the Remuneration Committees respectively. He is not related to any substantial shareholder or Directors of the Company or its subsidiaries. He does not have any conflict of interest and /or personal interest in any business arrangement or material contract involving the Company or its subsidiaries either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year. He has no conviction for any offences within the past five (5) years other than traffic offences.

DATO' TEH BOON SING
Aged 70, Male, Malaysian
Independent Non-Executive Director

Dato' Teh was appointed to the Board on 7 December 2017. He attained the Higher School Certificate (HSC) Singapore. Dato' Teh has 48 years of sales and agency management experience with Great Eastern Life. His professional qualification includes ANZIIF (Associate) and LUTCF (USA) which accorded Dato' Teh, a Certified Insurance Professional. His professional achievements are thirty one (31) years Life Membership of the Million Dollar Round Table (MDRT) USA, an esteem organization which recognizes its member of excellent performances and fourteen (14) consecutive years Million Dollar Agency Builder. Presently, Dato' Teh is the Executive Chairman on the Board of various private companies.

Dato' Teh attended five (5) out of five (5) Board meetings held in financial year ended 30 June 2022. He is currently the Chairperson of the Remuneration Committee and a member of the Audit and the Nomination Committees respectively. He is not related to any substantial shareholder or Directors of the Company or its subsidiaries. He does not have any conflict of interest and /or personal interest in any business arrangement or material contract involving the Company or its subsidiaries either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year. He has no conviction for any offences within the past five (5) years other than traffic offences.

SOO KENG WAH
Aged 50, Male, Malaysian
Independent Non-Executive Director

Mr Soo was appointed to the Board on 29 March 2021. Mr Soo is a Chartered Accountant, Malaysian Institute of Accountants and Certified Public Accountant, MACPA since 2002. He has 26 years of experience in finance and audit. He started his career in audit with Deloitte Malaysia for 7 years. In 2002, he ventured to Thailand and served in a few companies holding positions, namely Finance & Admin Manager and Head of Finance. Upon his return to Malaysia in 2008, he joined a regional group of companies, holding leadership position in the Finance & Administration functions across the region.

Mr Soo attended five (5) out of five (5) Board meetings held in the financial year ended 30 June 2022 subsequent to his appointment. He is currently the Chairperson of the Audit Committee. He is not related to any substantial shareholder or Directors of the Company or its subsidiaries. He does not have any conflict of interest and / or personal interest in any business arrangement or material contract involving the Company or its subsidiaries either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year. He has no conviction of any offences within the past five (5) years other than traffic offences.

MANAGEMENT DISCUSSION **AND ANALYSIS**

OVERVIEW

Woodlandor Group principally involved in manufacturing wood-based products, serving the building and construction industry. The Group has been marketing a wide range of wood based products to suit various needs and requirements, from timber fire-resistant door sets to prefabricated timber roof truss to D.I.Y. furniture, of both Malaysia and export markets.

A pioneer and market leader in the manufacturing of quality building materials since its incorporation in the eighties, the Group has become a regional leader in the development and production of innovative, durable wood products under its host of brand names such as: MULTEC, ProTRUSS, SafTRUSS, WL Furniture.

FINANCIAL PERFORMANCE

The Group recorded revenue of RM7.337 million and net profit after taxation of RM1.817 million for the financial year ended 30 June 2022 compared to the preceding year's revenue of RM9.629 million and net loss after taxation of RM4.757 million.

REVIEW OF OPERATIONS

The decrease in revenue was mainly due to the Full Movement Control Order ("FMCO") imposed by the Malaysian Government which had required the Group to halt our production from June to August 2021. Our Group strictly adhered to the standard operating procedures set by the Government where production activities were allowed to resume and operate at 60% capacity in the month of September 2021.

The operations of the Group were adversely affected by the delay in the construction and property development activities of which the customers of the Group operate in and were also disrupted by a series of precautionary and control measures taken by the Government. Additionally, labour shortages in the market, increase in raw material prices and disruption within the supply chain have also significantly impacted the financial performance of the Group.

PROSPECT

The Malaysian economy registered a stronger growth of 8.9% in the second quarter of 2022. The GDP was lifted to some extent by the low base from the FMCO in June 2021. The higher growth was reflective of normalising economic activity as the country moved towards endemicity and reopened international borders.

We expect the outlook to remain challenging moving forward as the global economy is still struggling with the effects of the COVID-19 pandemic and Russia-Ukraine conflict. The conflict has caused global supply chain disruptions and inflationary pressures fluctuation resulting in escalating cost challenges. The Government's implementation of the minimum wage policy effective 1 May 2022 has further impacted the financial result.

Our Group aims to continuously seek opportunities in the domestic markets to strengthen our market presence and enhance profitability. The Group will continue to be prudent in operations and investments, focus on efforts to enhance operational and cost efficiencies.

APPRECIATION

On behalf of the Board, I would like to express our appreciation to the shareholders, customers and business associates for their unwavering support.

We would also like to thank the staff for their relentless commitment and contribution over the past period.

Finally, I would like to thank all the Directors for your advice and unrelenting support given to me.

Dato' Seri Mun Weng Sum
Executive Chairman cum Chief Executive Officer

SUSTAINABILITY **STATEMENT**

The Board of Directors ("Board") is pleased to present the Sustainability Statement in accordance with Bursa Malaysia Securities Berhad Main Market Listing and guided by the Sustainability Reporting Guide – Second Edition and Toolkits issued by Bursa Malaysia Securities Berhad.

GOVERNANCE STRUCTURE

Our sustainability management is governed by the Board, assisted by a working group of various operating units comprising Quality Management, Human Resource, Finance, Production, Purchasing, Domestic and International Sales and Marketing and Research and Development.

The Board of Woodlandor recognises that sustainability is important to create long term value and fulfil the expectations and requirements of its stakeholders.

STAKEHOLDER ENGAGEMENTS

Woodlandor engages with internal and external stakeholders through various channels to develop a better understanding of their needs and expectations.

Stakeholders	Type of engagement	Frequency of Engagement	Area of interest
Shareholders and investors	• Annual General Meetings • Company website	Annually Periodically	Consistent profitability and dividends
Government and regulators	Regulatory requirements	Periodically	Regulatory compliance
Customers	Customer feedback	As needed	• Delivery • Quality
Suppliers	• Meetings/Emails/ Tele-conversations • Supplier Appraisal	As needed Annually	• Delivery • Quality
Employees	• Management meetings • Staff appraisal • Internal training • Safety and Health Committee	Monthly Annually Periodically Periodically	• Training and development • Occupational safety and health
Local communities	Community programmes	As needed	Social and environmental issues

MATERIAL SUSTAINABILITY MATTERS

SCOPE AND APPROACH

The scope of our Statement covers the core businesses of the Group in Malaysia. Woodlandor's approach towards sustainability covers economic, environmental and social risks and opportunities that are congruent with our corporate social responsibility values and governance framework.

1. ECONOMIC

i. Corporate Governance and Ethical Business Conduct

The Group is committed to good corporate governance and ethical business practices to maintain a sustainable business.

Our business practices are governed by the Malaysian Code on Corporate Governance, Bursa Malaysia Securities Berhad Listing Requirements, Code of Conduct and Ethics, Whistle- Blowing Policy, Anti Bribery and Anti-Corruption Policy and Personal Data Protection Policy.

Woodlandor strives to maintain a high standard of corporate governance and ethics as we believe that high standard of integrity, ethical behaviour and accountability are fundamental keys to sustainable business.

ii. Product Management

We understand our role in manufacturing high quality and reliable products as quality and reliability are essential in building the foundation of business sustainability. We target to reduce wasteful practices, processes and materials, defects in production and processes as well as to increase overall quality and productivity.

We place great emphasis on the delivery of quality products and services with the aim to create long-term and sustainable business relationships with customers. In this regard, the Group continuously emphasises on "Quality" and "Customer-focus", being watchwords that reflect the quality commitment of the Group towards its customers.

Alongside its efforts to create and offer innovative products to customers, the Group has undertaken measures to achieve and maintain quality in its products, including the establishment of a manufacturing process that ensures product quality standards, in-process quality control measures and final quality inspections. The manufacturing process accords with the principles of ISO 9001:2015 Quality Management Systems.

Our main product, fire resistant door sets are certified by Sirim Qas International Sdn Bhd and Jabatan Bomba dan Penyelamat Malaysia as well. With the quality system in place, our role is achieved and maintained effectively. In order to ensure completeness and integrity of our ISO system, we conduct internal audit annually. This audit is interdepartment oriented and conducted by our trained key officers. Besides, the Group has an outsourced assurance provider who performs audit on various functions and reports all the outcomes to the Audit Committee and Board.

We invest in advanced machineries, upgrade our production facilities including research and development to enhance production efficiency, increase production capacity to cater for increased demand and improve product quality and reliability.

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

1. ECONOMIC (CONT'D)

iii. Customer Satisfaction

Our objective is to fulfil customer satisfaction. Customers' trust and confidence in our products and services are critical to our business success and sustainability.

The Group continuously establishes and maintains good relationship with its customers. Our sales personnel are constantly in touch with customers to ensure timely delivery, good service and prompt actions are taken on any issues.

Various channels, verbal or written are readily available for our customers to provide feedback on products and services offered. Customers' complaints are tracked, analysed, actively followed up and documented to drive our improvement in customer satisfaction and to constantly monitor the remedial actions implemented.

We continuously review our products to meet customers' demands and changing market trends. We make continuous effort to achieve high customer satisfaction in all areas.

iv. Supply Chain Management

Sustainability in supply chain is an important aspect. We have Selection and Evaluation of External Provider Procedure in place to make responsible sourcing decisions. Suppliers are selected based on specified criteria and annual evaluation is carried out to assess product quality, pricing and delivery performance. The Group ensures that materials and components are supplied by licensed suppliers approved by the Management. We source from more suppliers to have best pricing and terms. We visit and have regular meetings with our suppliers to build strong relationship.

The Group prioritises the procurement of goods and services from local suppliers that meet our requirements.

2. ENVIRONMENT

The Group is conscious of its responsibility to reduce the environmental impacts of its manufacturing operation and therefore, is committed to continually taking measures to reduce such impacts.

We have in place, Standard Operating Procedures ("SOPs") to ensure the best possible measures are taken throughout all our facilities to reduce any adverse environmental impacts. As such, we have undertaken the following initiatives in several areas of the business operations:

- All materials are used wisely to minimise wastages.
- Raw material wastages are recycled for reuse as part of our efforts and commitment to reduce wastages, care for our environment and minimise the use of natural resources.
- All workstations are fitted with filtered extractors to minimise air pollution in the workplace.
- All workers are trained to use proper applications and working methods to reduce any risk of environmental hazard.

We also encourage and promote paperless environment within the organisation. We are practicing both side printing of papers to reduce paper usage if printing is unavoidable, abolishment of FAX machines as appropriate and encouraging e-mail communication over paper print outs.

The Group continues to promote energy and water conservation.

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

3. SOCIAL

i. Safety and Health

The Group has in place a Safety and Health policy to ensure a safe, conducive and healthy working environment for all its employees. To accomplish this, Woodlandor has safety and health standards, safe practices in production, machineries and forklift operation and resources in place to implement this policy. We have a Safety and Health Committee, responsible for cultivating safe working practices and carrying out regular checks to ensure conformance of the safety requirements including wearing personal protective equipment, reporting of any hazardous working conditions to the Management to prevent work-related injuries/accidents as well as ensuring cleanliness and proper maintenance in the workplace.

The Group also undertakes preventive actions and risk reduction measures such as fire drills, fire extinguisher training and periodical briefings to educate and update all the employees on factory safety issues and increase employees' awareness of hygiene.

Woodlandor has reviewed and revised its safety policy and procedure for accident prone areas to reduce the rate of accidents and avoid any serious accidents. We have been effectively managing the risk factors for workplace injuries/ accidents.

Health and Safety Approach to COVID-19

The COVID-19 pandemic continued to affect lives and livelihoods globally. Hence, the Group have taken considerable measures in line with the government's SOPs to strengthen our safety system.

We stay alert and continue to apply the key measures recommended by the Government, including but not limited to:-

(a) Pre-planning or timely planning by senior management for unexpected situations e.g. closure of factory, staff inability to report for work;
(b) Personal protective equipment such as face masks and hand sanitisers are made available to employees if required;
(c) Regular sanitisation of common touchpoints, locations and public areas; and
(d) Staffs were given the day off when they went for their vaccination shots.

ii. Employees

Our employees are an important asset of the Group. Woodlandor recognises that employees' performance will contribute to its success. The Group adopts a diversity policy without discrimination in gender, race, religion and age.

Woodlandor engages with its employees through internal communication, lunches, dinners and get-togethers.

New employees are required to participate in orientation to get clear insights into the Group and its product brand.

We continue to focus on talent management by providing relevant training, coaching and mentoring to ensure our employees are equipped with appropriate skills, knowledge and up to date with industry requirements as the Board believes that continuous learning, self-improvement and human capital development will produce effective performance.

The Group's policies on recruitment, working hours and remuneration and welfare exceed the minimum requirements stipulated by relevant authorities. Employees are also accorded with medical benefits, Hospitalisation and Group Personal Accident insurance, long service award in recognition of loyalty, dedication and commitment, annual bonus and incentive as well as trips based on individual and Group performance, amongst others.

The Group treats its employees fairly with due regard to basic human rights and rewards employees' performance on the basis of merits.

The Group also maintains a workplace free of any form of abuse, both physical and verbal harassment and discrimination.

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

3. SOCIAL (CONT'D)

iii. Society

Woodlandor continuously make contributions to charitable organizations, temples, orphanage, old folks, etc as part of its corporate social responsibility efforts.

Apart from that, we provide opportunities for practical training for undergraduates from local universities to expose them to hands-on experience in the industry every year.

The Group upholds sustainability practices in creating long-term business value and will continue to monitor the sustainability performance of its business. The Board will implement other sustainability practices as appropriate to further create long-term economic, environmental and social value with regard to its business.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors ("Board") of Woodlandor Holdings Berhad ("the Company") recognises its responsibilities for good corporate governance ("CG") and is committed to ensuring that a high standard of CG is practised throughout the Company and the subsidiaries ("the Group") as a fundamental part of discharging its responsibilities.

This Statement provides the shareholders and stakeholders an overview of the CG practices of the Group during the financial year ended 30 June ("FYE") 2022, taking guidance from the key CG principles set out in the Malaysian Code on Corporate Governance 2021 ("Code"). It is supported by the CG Report 2022 ("CG Report"), set out in the format prescribed by Paragraph 15.25(2) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") which is available on the Company's website at www.woodlandor.com.my as well as Bursa Securities's website at www.bursamalaysia.com.

The CG Report provides the explanations on how the Group applied each Practice or provides explanations for the departure(s) with suitable alternative(s) and/or deferment as provided for in the Code during FYE 2022.

The Board is pleased to set out below the manner in which the Group has applied each of the three (3) key principles of the Code throughout FYE 2022.

(A) BOARD LEADERSHIP AND EFFECTIVENESS

(i) Board Responsibilities

The Board is responsible to the shareholders for the strategic direction and proper management of the business of the Company and the Group with the objective of creating and enhancing shareholders' value.

To achieve that objective, the Board reserves certain strategic and financial matters for its collective decisions.

The Board is also mindful of the importance of the establishment of clear roles and responsibilities in discharging its fiduciary and leadership functions including those reserved for the Board's approval. The Board has defined and approved a board charter ("Board Charter") which set out the composition, roles and responsibilities and processes of the Board and those delegated to Management. It is a reference and induction literature in providing the Board members and Management insight into the functions of the Board. The Board Charter is made available for reference on the Company's website at www.woodlandor.com.my.

- **Time commitment**

  Paragraph 15.06 of Listing Requirements provides a director of a listed company must not hold more than five (5) directorships in listed companies. As at the date of this Statement, none of the Directors of the Company serves as a director of other listed companies.

  All Directors are expected to give sufficient time and attention to carry out their responsibilities. The Board Charter sets out a policy where a director shall notify the Chairman officially before accepting any new directorship(s) in other listed companies and the notification shall explain the expectation and an indication of time commitment that will be spent on the new appointments.

  The Board, through the Nomination Committee assessed and is satisfied that the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities during their tenure in office.

- **Board meetings**

  The dates of the meetings of the Board, Board Committees and annual general meeting ("AGM") for each financial year were fixed in advance for the whole year to ensure all Directors/Board Committees members' dates are booked and also to facilitate Management's planning for the whole financial year.

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

(i) Board Responsibilities (cont'd)

- **Board meetings (cont'd)**

The Board meets at least four (4) times a year, with additional meeting(s) to be convened when necessary. A total of of five (5) Board Meetings were held during FYE 2022. Details of the attendance of the Directors to the Board meetings are as follows:

Name	24.09.2021	15.10.2021	23.11.2021	21.02.2022	25.05.2022	Total Meetings Attended*
Dato' Seri Mun Weng Sum	√	√	√	√	√	5/5
Dato' Teh Boon Sing	√	√	√	√	√	5/5
Ms. Mun Li Choo	√	√	√	√	√	5/5
Mr. Chay Ng	√	√	√	√	√	5/5
Mr. Soo Keng Wah	√	√	√	√	√	5/5

Remarks: * In virtual mode via Microsoft Teams.

In the intervals between Board meetings, matters requiring urgent Board's decisions or approvals were sought via circular resolutions and supported with all the relevant information and explanations required for an informed decision to be made and the same for the Board Committees.

The Board decisions made at the Board and Board Committees' meetings shall be by simple majority as prescribed by the Constitution of the Company.

- **Directors' Training**

All the Directors have attended the Mandatory Accreditation Programme as required by Bursa Securities.

During FYE 2022, the Directors participated in the development and training programme as below to equip themselves in discharging their duties as Directors as and when beneficial:

No.	Name of Director	Course Attended	Date
1.	Dato' Seri Mun Weng Sum	- Invest Malaysia 2021 - 5th CIIE Briefing	14.10.2021 22.02.2022
2.	Dato' Teh Boon Sing	- Mastering Liability Classes And Sales Strategy (Various Types Of Liability Products) - Understanding Of Product Liability, Professional Indemnity & Public Liability - Easi-Biz Flexi (Understanding Of Product Benefits) - Personal Branding (Empower Yourself, Empower Your Business) (External) - Audit Oversight Board's Conversation With Audit Committees - Marketing Techniques And Negotiation Skills (External)	27.08.2021 14.09.2021 03.03.2022 28.03.2022 07.04.2022 25.05.2022

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

(i) Board Responsibilities (cont'd)

- **Directors' Training (cont'd)**

No.	Name of Director	Course Attended	Date
3.	Ms. Mun Li Choo	- Invest Malaysia 2021 - ICDM PowerTalk ESG Series #1 on "Plan Your ESG Journey: Lessons for the Boardroom" - ICDM PowerTalk ESG Series #2 on "Why Investors Care About ESG"	14.10.2021 27.06.2022 28.06.2022
4.	Mr. Chay Ng	- Audit Oversight Board's Conversation With Audit Committees	07.04.2022
5.	Mr. Soo Keng Wah	- Practical Aspect Of Business Valuation - Transfer Pricing Audits And Dispute Prevention Strategies - Financial Due Diligence From A Corporate Advisory Perspective - Indirect Taxes: Special Voluntary Disclosure Program (SVDP) - TCFD Climate Disclosure Training Programme - Capitalising On Tax Incentives And Government Grants For SMEs - Audit Oversight Board's Conversation With Audit Committees - The Voluntary Disclosure And Amnesty (VA) Programme For Indirect Tax - Lockdown: How The Pandemic Has Changed Cybersecurity - Latest Tax/Immigration Updates Affecting Employers	13.08.2021 14.10.2021 11.11.2021 17.12.2021 09.03.2022 17.03.2022 07.04.2022 28.04.2022 19.05.2022 16.06.2022

The Directors will continue to attend relevant seminars and programmes in order to update and enhance their skills and knowledge, which are important for carrying out their role effectively as a director.

(ii) Board Balance

- **Board Composition**

The Company is led and managed by an experienced and yet sleek Board comprising five (5) members with a wide spectrum of diverse skills and expertise in business, banking, accounting, finance and consultancy sectors.

The Board currently consists of the Executive Chairman (also the Chief Executive Officer), one (1) Executive Director and three (3) Independent Non-Executive Directors.

The Executive Chairman assumes the position of Chief Executive Officer. Given his capability to show leadership, entrepreneurship skills, business acumen and vast experience in the wood working industry, the Board continues to maintain this arrangement which is in the best interests of the Group. The Code recommends that the Chairman of the Board must be a Non-Executive member and where the Chairman is not an Independent Director, it must comprise a majority of Independent Directors. The Code recommends that the Chairman of the Board must be a Non-Executive member and where the Chairman is not an Independent Director, it must comprise a majority of Independent Directors.

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

(ii) Board Balance (contd')

- **Board Composition (cont'd)**

  With the existing high presence of Independent Directors on the Board at 60%, the Company has adhered to Practice 5.2 of the Code which requires a majority of the Directors to be Independent Directors as well as Listing Requirements by having at least one third (1/3) of the membership of the Board being Independent Director. Such composition provides the necessary check and balance on the decision-making process of the Board and reflects a balanced and relevant mix of backgrounds, skills and experience vital for the successful direction and management of the Group's business operations. A brief profile of each Director is set out in pages 7 and 8 of this Annual Report.

  The Board also acknowledges that the Executive Chairman is the single largest shareholder and there is the advantage of shareholder leadership and a natural alignment of interest. Taking into consideration the experience of the Executive Chairman, the size of the Group's operations and other factors stated above, the Board considers that the departure from the recommended practice as set out in the Code of separating the functions of the Chairman and that of the Chief Executive Officer is appropriate in the circumstance.

  The Executive Directors have the responsibility of making and implementing operational decisions and running of the Group's business. The Non-Executive Directors play key supporting roles, contributing their knowledge, skills and experience towards the formulation of strategies and policies and in the decision-making process. Where a potential conflict of interest may arise, it is mandatory practice for the director concerned to declare his interest and abstain from deliberations of the Board on the matter. In this respect, the Board is comfortable that there is no undue risk involved as all related party transactions are disclosed and strictly dealt with in accordance with the Listing Requirements of Bursa Securities.

  Dato' Teh Boon Sing is the Senior Independent Non-Executive Director to whom concerns and enquiries of shareholders and other stakeholders may be conveyed.

  Based on the review of the Board composition in October 2022, the Board is of the view that the current size and composition of the Board are appropriate and effective for the control and direction of the Group's strategy and business.

- **Board Committees**

  Presently, the Board is supported by three (3) Board Committees namely, Audit Committee, Nomination Committee and Remuneration Committee that are delegated with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference ("TORs"). The TORs will be continuously reviewed and updated to ensure relevance to the Company's operations as well as for compliance with relevant legislations, regulations and governance standards and available at the Company's website at www.woodlandor.com.my.

  Each Board Committee will review, report and make recommendation to the Board during the Board meeting on matters relevant to their roles and responsibilities. The Board Committees also table the minutes of the Board Committees meetings at the quarterly Board meetings as to keep the Board abreast of the decision and discussion made.

- **Nomination Committee**

  The composition of the Nomination Committee is as follows:

  Mr. Chay Ng – Chairperson

  Dato' Teh Boon Sing – Member

  The duties of the Nomination Committee include considering candidates for Board vacancies and recommending all appointments to the Board. The Board will consider such recommended appointment and approve if they are found to be appropriate and suitable.

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

(ii) Board Balance (contd')

- **Nomination Committee (cont'd)**

The Nomination Committee meets at least once in each financial year and additional meeting(s) may be called at any time as and when necessary. Recommendations and decisions may also be taken by way of circular resolution(s), if needed.

During the financial year under review, the Nomination Committee met one (1) time and undertook the activities as follows: -

- Reviewed the mix of skill and experience and other qualities of the Board.
- Assessed the effectiveness of the Board as a whole, the Board committees and the Directors.
- Discussed the Directors subject to retirement by rotation.
- Discussed the retention of the Independent Director who had served the Company for more than nine (9) years.

(a) Criteria for recruitment and assessment

The Nomination Committee is responsible to recommend identified candidate(s) to the Board to fill vacancy arises from resignation, retirement or any other reasons or if there is a need to appoint additional director with the required skill or profession to the Board in order to close the competency gap in the Board. The potential candidate may be proposed by existing director, senior management staff, shareholders or third party referrals.

Upon receipt of the nomination, the Nomination Committee is responsible to conduct an assessment and evaluation on the potential candidate.

The Board does not set specific criteria for the assessment and selection of candidate. The assessment/ evaluation process may include, at the Nomination Committee's discretion, reviewing the candidate's resume, curriculum vitae and other biographical information, confirming the candidate's qualifications and conducting legal and other background searches as well as formal or informal interview at its discretion. The Nomination Committee would also assess the candidate's integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to discharge the duties/functions of the Board.

Upon completion of the assessment and evaluation of the potential candidate, the Nomination Committee would make its recommendation to the Board. Based on the recommendation of the Nomination Committee, the Board would evaluate and decide on the appointment of the potential candidate.

The Chairman of the Board would then make an invitation or offer to the potential candidate to join the Board. With the acceptance of the offer/invitation, the potential candidate would be appointed as director of the Company.

(b) Annual Assessment of Existing Directors

The Board, through the Nomination Committee undertook annual evaluation for the FYE 2022 via evaluation forms to review their own performance, the effectiveness of the Board as a whole, the contribution of each individual Director and peers and the Board's mix and skillset. For newly appointed director, the annual assessment will only be conducted at the next annual assessment exercise following the completion of (1) one year of service.

The evaluations were facilitated by the Company Secretary making references to the guides available. The results of the evaluations indicated that the Board as a whole had been competently and effectively discharging its oversight responsibilities. The results and comments from the Directors, concerning the Board as a whole and the overall performance of the Directors with recommendations, were also presented to the Board upon reviewed by the Nomination Committee.

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

(ii) Board Balance (contd')

- **Nomination Committee (cont'd)**

(c) Retirement and Re-election of Directors

In accordance with the Company's Constitution, all Directors shall retire from office at least once in every three (3) years. At every AGM, one third (1/3) of the Directors for the time being shall retire from office and be eligible for re-election. Directors who are appointed by the Board are subject to election by the shareholders at the AGM held following their appointments.

The Director who is subject to re-election and/or re-appointment at next AGM shall be assessed by the Nomination Committee before recommendation is made to the Board and shareholders for the re-election and/or re-appointment. Such assessment would be based on the annual assessment conducted as well.

(d) Assessment on Independence of Directors

Annually, the Nomination Committee would review the independence of the Independent Directors. Criteria for assessment of independence is based on the requirements and definition of "independent director" as set out in the Listing Requirements. Independent Directors are required to confirm their independence by giving the Board a written confirmation of their independence. In addition, consideration would also be given to assess whether the independent directors are able to meet the minimum criteria of "fit and proper" test of independence, which is part of an annual assessment test, as enumerated in the policy on appointment and continuous assessment of Directors and the suitability and ability of the Independent Non-Executive Director to perform his/her duties and responsibilities effectively shall be based on his/her calibre, qualifications, experience, expertise, personal qualities and knowledge of the Company and industry.

The Board takes cognisance of the provisions of the Code, which states that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and upon completion of the nine (9) years, an Independent Director may continue to serve on the board subject to the Director's re-designation as a Non-Independent Director. It further states that in the event the Board wishes to retain an Independent Director who has served a cumulative term of nine (9) years and above, shareholders' approval shall be sought with justification annually. In the event the Board wishes to retain an Independent Director who has served a cumulative term of twelve (12) years and above, shareholders' approval shall be sought through a two-tier voting process annually.

As at the date of this Statement, all the Independent Non-Executive Directors have confirmed their independence in writing and save and except for Mr. Chay Ng, they have not reached nine (9) years of service since their appointment and/or election as Directors. The Nomination Committee recommends Mr. Chay Ng to continue to act as Independent Director based on the following justifications:

a) Mr. Chay Ng has met the independence guidelines as set out in Chapter 1 of the Listing Requirements.
b) Mr. Chay Ng has been independent throughout his tenure in office and should be retained as Independent Non-Executive Director as the length of service does not interfere with his ability and exercise of independent judgement as Independent Director.

(e) Gender Diversity Policy

A diversity policy of the 30% female representation on the Board as set out in Practice Note 5.10 of the Code has been established by the Board. The Board endeavours to have diversity of the Board as well as its workforce in terms of experience, qualification, ethnicity and age. The Board currently has 20% female representation, i.e. one (1) female Director of whom is the Executive Director.

During selection process, any list of proposed candidates to the Board shall consist of woman candidates, wherever reasonably possible. The Nomination Committee is responsible in ensuring that diversity objectives are adopted in board recruitment, board performance evaluation and succession planning processes. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skills-set, experience and knowledge of the candidate.

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

(ii) Board Balance (contd')

- **Remuneration Committee**

  The composition of the Remuneration Committee is as follows:

  Dato' Teh Boon Sing – Chairperson

  Mr. Chay Ng – Member

  The duty of the Remuneration Committee is to ensure that the remuneration of the Executive Directors and Key Management commensurate with the skills, experience and responsibility of the directors. The Remuneration Committee is fairly guided by the benchmark made against remuneration packages of relevant position with similar industry and business size as well as their years of experience when making recommendations for the compensation and benefits of Executive Directors. The Directors concerned would abstain from discussion pertaining to their own remuneration. As at to date, the Board has yet to formalise the remuneration policy and procedures of Directors and Executive Management as stipulated by Practice 7.1 of the Code.

  (a) Directors Remuneration

  The fees and benefits-in-kind of Directors are enclosed by the Board for approval by the Shareholders of the Company at the Annual General Meeting.

  The aggregate remuneration of all the Directors of the Company during FYE 2022 is listed on a named basis with the detailed remuneration breakdown and is disclosed in the CG Report.

(iii) Supply of Information

The Board and its committees are provided with notices and written reports and supporting information covering various aspects of the Group's operation and performance at least seven (7) days before the meeting date to ensure that they have sufficient time to study them and be prepared for discussion. The Board has access to all staff for any information pertaining to the Group's affairs.

All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures are followed. The Company Secretary is qualified and licensed to act under Section 235 of the Companies Act 2016. She is a Member of the Malaysian Institute of Chartered Accountant (MIA) and holds a practising certificate issued by the Companies Commision of Malaysia. The Company Secretary supports the effective functioning of the Board, provides advice and guidance to the Board on policies and procedures, relevant rules, regulations and laws in relation to corporate secretarial and governance functions and facilitates effective information flow amongst the Board and Board Committees.

The Company Secretary attended all Board meetings and together with the Directors are responsible for the proper conduct of the meetings according to the applicable rules and regulations. The Company Secretary regularly updates the Board on compliance and governance issues that required the Board's attention.

In addition, directors have access to independent professional advice in appropriate circumstances at the Company's expense in furtherance of their duties in accordance to procedure set by the Board.

(B) EFFECTIVE AUDIT AND RISK MANAGEMENT

(i) Risk Management and Internal Control

The Board acknowledges that risk management and internal control is an integral part of achieving the Group's objectives. The Board is committed to maintain a sound system of risk management and internal control and responsible for reviewing its adequacy and effectiveness.

The Board is responsible of identifying principal risks and ensures the implementation of a dynamic system to manage risk exposure within the acceptable level of tolerance. To fulfil its oversight responsibility, the Board, as a whole or through delegation to the Audit Committee to review the adequacy and integrity of the Group's internal control system and risk management framework which encapsulate the key processes of risk identification, assessment, mitigation, monitoring and reporting.

The Group has put in place an on-going process of identifying, evaluation and managing key risks and the Board reviews the key risks highlighted on a regular basis to ensure appropriate actions are taken to mitigate the same for continuous sustainable growth.

Investigation or special review will be carried out at the request of the Audit Committee on specific areas of concern when necessary. Significant breaches and deficiencies identified will be discussed at the Audit Committee meetings where appropriate course of actions will be recommended to the Board for consideration.

The Statement of Risk Management and Internal Control as set out on page 30 of this Annual Report, provides an overview of the state of risk management and internal control within the Group.

(ii) Audit Committee

The Board has established an effective and independent Audit Committee. The Audit Committee consists of three (3) members, all of which are Independent Non-Executive Directors. All the members of the Audit Committee are financial literate and collectively they possess wide range of skills and expertise to discharge their duties. None of the Audit Committee members were former audit partners who are required to observe a cooling-off period of at least three (3) years before being appointed.

In addition to the duties and responsibilities set out under its TOR, the Audit Committee also contributes to the Board's review of the effectiveness of the Group's internal control and risk management systems.

(iii) Internal Audit Function

The Board has also established an internal audit function, which is currently outsourced to an independent assurance provider to provide an independent appraisal over on the adequacy, efficiency and effectiveness of the system of internal control of the Group and recommendations for improvements to the Audit Committee. The Audit Committee reviews and approves the internal audit plan in order to ensure that the internal audit function to remain effective and adequate to minimise and manage the overall risk exposure of the Group. The primary function of internal audit assignment is to undertake systematic reviews of the governance, risk and internal control systems within the Group in accordance with the approved internal audit plan.

To ensure that the responsibilities of internal auditors are fully discharged, the Audit Committee reviews the adequacy of the scope, functions and resources of the internal auditors as well as the competency thereof, i.e., qualification and experience on a yearly basis.

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

(iv) Relationship with External Auditors

The Company has put in place the policies and procedures to assess the sustainability and independence of external auditors. The Audit Committee meets with the external auditors to discuss their audit plan, audit findings and the Company's financial statements. At least twice a year and whenever necessary, the Audit Committee shall meet with the external auditors without the present of executive Board members or management personnel, to allow the Audit Committee and the external auditors to communicate independently.

For FYE 2022, the Audit Committee undertook an annual assessment on the performance, suitability, independence and objectivity of the external auditors, HLB AAC PLT. No major concerns were noted from the results of the assessment. The external auditors also gave their assurance confirming their independence and objectivity throughout the conduct of the audit engagement and the internal processes undertaken by them to determine their independence.

The Audit Committee also considered the provision of non-audit services provided by the external auditors during the financial year under review and concluded the provision of these services did not compromise the external auditors' independence and objectivity as the amount of fees paid for these services were not significant as compared to the total fees paid to the external auditors.

The Audit Committee is satisfied with the performance and objectivity of HLB AAC PLT for the audit engagement throughout FYE 2022. Following the successful merger of the audit practices of HLB AAC PLT and HLB Ler Lum Chew PLT recently, the external auditor have streamlined the audit practice under the name of HLB Ler Lum Chew PLT. Accordingly, HLB AAC PLT have indicated intention to retire at the AGM. With the consent to act given by HLB Ler Lum Chew PLT, the Audit Committee therefore recommended the appointment of HLB Ler Lum Chew PLT as external auditors for FYE 2023 to the Board for consideration.

Upon the recommendation made by the Audit Committee, the Board endorsed and will table the motion on the appointment of HLB Ler Lum Chew PLT as external auditors at the forthcoming AGM for shareholders' approval.

Further details on the work performed by Audit Committee in furtherance of its oversight role are stated on pages 25 to 27 of this Annual Report.

(C) INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

(i) Financial Reporting

In presenting the annual financial statements and quarterly announcement of results to shareholders, the Board aims to present a balanced and understandable assessment of the Group's position and prospects.

The Board also ensures that the Group used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates. Subject to any explanation and material departures disclosed in the notes to the financial statements, all accounting standards which the Board considers to be applicable have been followed.

The Audit Committee also assists the Board in ensuring accuracy and adequacy of information by reviewing and recommending for adoption such information for disclosure.

A statement by Directors of their responsibilities in preparing the financial statements is set out on page 29 of this Annual Report.

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

(ii) Communication with Stakeholders

The Group recognises the importance of continuous communication with shareholders and investors to inform about the Group's background, products and the latest financial performance and business/corporate matters. Such information is made available to shareholders and investors through Annual Reports, disclosures and announcements made to Bursa Securities and on the Company's website at www.woodlandor.com.my.

The responsibility for the release of announcements and information by the Group to Bursa Securities, lies with the Executive Directors and/or the Company Secretary within the prescribed requirements of the Listing Requirements.

Apart from general meetings, shareholders are also encouraged to provide feedback and raise queries to the Company through the Company's website at www.woodlandor.com.my.

The Company has also reported its Sustainability Statement on pages 10 to 14 of this Annual Report covering the aspects of governance, environment and social responsibility for stakeholders' reference.

(iii) Conduct of General Meetings

Shareholders are invited to attend the AGM each year. There will be Questions and Answer session at the AGM where the Executive Chairman, Directors, Company Secretary and the external auditors will be available to answer shareholders' queries. In line with Practice 13.1 of the Code, the Board would ensure that Notice of AGM is sent to shareholders at least twenty-eight (28) days prior to the meeting.

As a precautionary measure amid Covid-19 outbreak, the last AGM of the Company were conducted entirely on a fully virtual basis through the online meeting platform operated by Shareworks Sdn. Bhd.. All Directors (which include the Chairs of all mandated Board committees), Company Secretary and external auditor attended the last AGM remotely to engage with shareholders and address issues of concern raised by the shareholders. No question was raised by the shareholders, prior to and during the last AGM. The outcome of the last AGM was announced to Bursa Securities on the same day, which is also accessible on the Company's website.

The Board values the participation of its shareholders at the Company's General Meetings. For the forthcoming AGM, the Company plans to conduct a physical meeting in an easily accessible location within the Kuala Lumpur area as to allow the shareholders to attend and participate in the meetings physically for more interaction and meaningful discussion.

Voting, whether in person or by proxy, on all resolutions are conducted by way of poll in accordance with Paragraph 8.29A of the Listing Requirements. An independent scrutineer will be appointed to observe the polling process and to validate the polling results.

The Company has not adopted, but will continue to explore from time to time, the practice of using technology to enable voting in absentia and remote shareholder participation at shareholders' meetings.

COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the Code throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in CG.

This Statement was approved by the Board on 11 October 2022.

REPORT OF THE
AUDIT COMMITTEE

The Board of Directors of Woodlandor Holdings Berhad (or the "Company") is pleased to present the report of the Audit Committee for the financial year ended 30 June ("FYE") 2022.

MEMBERSHIP AND ATTENDANCE

During FYE 2022, a total of five (5) meetings were held. The details of attendance of the Audit Committee members are as follows:

Composition of Audit Committee	Attendance of Meetings
Soo Keng Wah (Chairperson)	5/5
Dato' Teh Boon Sing (Member)	5/5
Chay Ng (Member)	5/5

Composition

The Audit Committee shall be appointed by the Directors from amongst themselves and its number shall not be less than three (3) members and all members must be Non-Executive Directors, with a majority of whom shall be Independent Non-Executive Directors. The Chairperson of the Audit Committee shall be an Independent Director.

Authority

a. The Audit Committee is authorised by the Board, in accordance with the procedures to be determined by the Board and at the cost of the Company:

   (i) to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Committee; and

   (ii) to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

b. The Audit Committee may communicate directly with the external auditors and person(s) carrying out the internal audit function or activity (if any).

Terms of Reference

The Terms of Reference of the Audit Committee are continuously reviewed and updated to ensure their relevance to the Company's operations as well as for compliance with relevant legislations, regulations and governance standards. They can be assessable at the Company's website at www.woodlandor.com.my.

Meetings

Meetings shall be held not less than four (4) times a year subject to the quorum of at least two (2) Independent Directors or more frequently as circumstances required or upon the request of any member of the Audit Committee, the external auditors or the internal auditors with due notice of issues to be discussed and shall record its conclusions in discharging its duties and responsibilities.

The Audit Committee may invite any Board member or any member of management or any employee of the company as the Audit Committee may deem fit to attend its meetings to assist and to provide pertinent information as necessary.

ACTIVITIES DURING THE PERIOD

In, discharging its duties, the Audit Committee carried out the following activities during the financial year under review:

(i) Reviewed periodic and annual audit plans set during the financial year for the Company and the subsidiaries ("the Group"), prepared by both the internal and external auditors;

ACTIVITIES DURING THE PERIOD (CONT'D)

(ii) Reviewed periodic and annual audit reports on the Company and the subsidiaries prepared by the external auditors and considered the findings by the external auditors and management's responses thereto;

(iii) Reviewed quarterly financial reports and the annual audited financial statements of the Company and the Group prior to submission to the Board for consideration and approval;

(iv) Reviewed and assessed the adequacy of the internal control and risk management procedures of the Company and the Group and report any weakness or inadequacy to the Board and ensured improvement actions in the areas of internal control, systems and efficiency enhancements suggested by the internal auditors were discussed together with the Management Team in a separate forum as well as the implementation of these recommendations through follow-up IA reports;

(v) Reviewed all related party transactions entered into by the Group and the Company, if any, to ensure that the transactions were entered into at arm's length basis and on normal commercial terms;

(vi) Met with the external auditors twice a year without the presence of any Executive Directors and Management personnel.

(vii) Discussed with the external auditors the potential key audit matters and other significant audit matters identified during the course of annual statutory audit.

(viii) Reviewed the impact of the COVID-19 pandemic in preparing the financial statements of the Group for FY2022 and the external auditors' audit focus.

(ix) Reviewed performance and objectivity of both the internal and external auditors in the provision of services and fees and recommended to the Board their re-appointment for approval. Further reviewed the provision of non-audit services by the external auditors to ascertain whether such provision of services would impair the external auditors' independence or objectivity.

(x) Reviewed the Anti-Bribery and Corruption Policy and revision thereto.

(xi) Reviewed its Terms of Reference annually and recommend revisions to the Board, if any.

(xii) Reviewed the Corporate Governance ("CG") Overview Statement, CG Report, Report of the Audit and the Statement on Risk Management and Internal Control for consideration and adoption by the Board.

INTERNAL AUDIT FUNCTION

For FYE 2022, the Group outsourced its internal audit function to an independent assurance provider, Vaersa Advisory Sdn Bhd ("Vaersa"). The internal audit costs incurred for the financial year under review was RM32,000.00.

The audit team which consists of five (5) members, is headed by a member of the Malaysian Institute of Accountants and also Associated of Chartered Certified Accountants.

The internal auditors adopt the International Professional Practices Framework advocated by the Institute of Internal Auditors Inc. USA and have performed their work in accordance with the international internal auditing standards.

The internal audit engagement was carried out based on an annual internal audit plan as approved by the Audit Committee. Internal audit reports were discussed and issued to Management for their feedback and to formulate action plans with target implementation dates for improvements.

The relevant Head of Departments of the specific audit subjects were made responsible for ensuring that corrective actions on reported weaknesses are taken within the required time frame. Subsequently, internal auditors conducted follow-up audits to ensure that corrective actions were implemented appropriately.

Any resulting salient control concerns were reviewed by the Audit Committee, and the implementation status of audit recommendations were monitored and reported to the Audit Committee on a quarterly basis. In this respect, the internal audit had added value by improving the efficiency and effectiveness and ensuring the adequacy of the control processes within the Group.

INTERNAL AUDIT FUNCTION (CONT'D)

To ensure that the responsibilities of the internal auditors were fully discharged, the Audit Committee reviewed the adequacy of the scope, functions and resources as well as the competency of the internal auditors. It was noted that Vaersa had no relationship with the Group and was independent from the Management and staff, Directors and Substantial Shareholders of the Company. Having satisfied with the performance of Vaersa and premised on the feedback by the Management team, the Audit Committee is of the view that Vaersa was free from any relationships or conflicts of interest with those involved and was capable of carrying out the internal audit reviews objectively.

Accordingly, the Audit Committee approved for the Group to continue to outsource the internal audit function to Vaersa in providing an independent appraisal on the adequacy, efficiency and effectiveness of the Group's internal control system for FYE 2023.

The areas of internal audits review during FYE 2022 are described in the Statement of Risk Management and Internal Control.

INTERNAL AUDIT CHARTER

The internal audit activities are aligned with the Group's business risks and the following Internal Audit Charter, of which the salient points thereof have been summarised as follows:

Mission

The mission of the internal auditors is to independently ascertain whether the on-going processes for controlling operations throughout the Group, are adequately designed and functioning in an effective manner.

Scope of Activities

The internal auditors' scope of activities is to ascertain, through selective testing, that the processes for controlling, as they have been designed and represented by the Management, are adequate and functioning in an effective manner to ensure:

- Resources are adequately protected;
- Significant financial, managerial and operating information are accurate and reliable; and
- Employees' actions are in compliance with relevant laws and regulation.

Accountability

The internal auditors, in the discharge of its duties, shall be accountable to the Audit Committee of the Group to:

- Provide an assessment of the adequacy and effectiveness of the organisation's processes for controlling its activities for the financial year/period under review;
- Report significant issues related to the processes for controlling the activities of the organisation and provide information concerning such issues; and
- Provide recommendation and information on the status and results of the internal audit review on a quarterly basis.

EFFECTIVENESS OF AUDIT COMMITTEE

The Board, via the Nomination Committee, reviewed the composition and performance of the Audit Committee through its annual Board and Board Committees effectiveness evaluation. Based on the evaluation conducted for FYE 2022, the Board was of the view that the present composition of the Audit Committee was appropriate in that the Audit Committee members possessed the appropriate level of expertise and experience. They had sufficient understanding of the Group's business and were able to objectively review, analyse, challenge and make recommendations on matters under the purview of the Audit Committee including the financial reporting process. During the financial year under review, all members of the Audit Committee had attended various development and learning programmes to keep themselves abreast of current developments in the market place and changes in the statutory and regulatory requirements.

The Board agreed that the Audit Committee had continued to support the Board in matters related to the Group's financial and audit, risk management and internal control. The Board was also satisfied that the Audit Committee had effectively discharged its functions, duties and responsibilities in accordance with its Terms of Reference in that it had provided useful recommendations to the Board for better decision-making and consequently made Board Meetings more efficient and effective.

This report was approved by the Board on 11 October 2022.

ADDITIONAL COMPLIANCE **INFORMATION**

AUDIT AND NON-AUDIT FEES

The fees payable to the external auditors, Messrs. HLB AAC PLT in relation to the audit and non-audit services rendered to the Company and its subsidiary companies for the financial year ended 30 June 2022 are as follows:

	The Group (RM)	The Company (RM)
Audit fees	100,000	40,000
Non-audit fees	8,000	8,000

VARIATION IN RESULTS

There was no variation between the financial results in the annual audited financial statements for the financial year ended 30 June 2022 and the unaudited financial results for the financial year ended 30 June 2022 announced by the Company on 30 August 2022.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies which involve Directors' and/or major shareholders' interests either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year.

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

RELATED PARTY TRANSACTIONS ("RPT")

The Group has established appropriate procedures to ensure it complies with the Main Market Listing Requirements with regards to RPT. All RPT, if any will be reviewed by the Audit Committee on a quarterly basis.

The Group did not seek any shareholders' mandate pertaining to RPT during the financial year.

DIRECTORS' RESPONSIBILITY **STATEMENT**

Directors are required by the Companies Act 2016 ("the Act") to prepare financial statements for each financial year in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Act in Malaysia and the Main Market Listing Requirements.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and results and cash flows of the Group and of the Company for the financial year.

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

- Adopted appropriate accounting policies and applied them consistently;
- Made estimates and judgement that are prudent and reasonable;
- Ensured that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Confirmed that the financial statements have been prepared on a going concern basis.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Act. The Directors are also responsible for safeguarding the assets of the Group and of the Company and, hence, for taking such steps that are reasonably open to them to prevent and detect fraud and other irregularities.

This statement is made pursuant to a Directors' Resolution passed on 11 October 2022.

STATEMENT ON RISK MANAGEMENT **AND INTERNAL CONTROL**

INTRODUCTION

The Statement on risk management and internal control is made in accordance with Paragraph 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 and Practice 9.1 for Principle B of the Malaysian Code on Corporate Governance. The Board is pleased to provide the following statement, which outlines the nature and scope of internal control of the Group during the financial year ended 30 June 2022.

BOARD OF DIRECTORS' RESPONSIBILITIES

The Board acknowledges the importance of maintaining a sound system of internal control and effective risk management as part of its ongoing efforts to practice good corporate governance. The Board is committed to practicing good standards of corporate governance and observing best practices, and will continue to improve on current practices.

The Board affirms its responsibility for the Group's system of internal control, which includes the establishment of an effective control environment and appropriate internal control framework as well as to review its adequacy and integrity. Due to limitations inherent in any internal control system, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

Risk management is embedded in the Group's management system and is every employee's responsibility as the Group firmly believes that risk management is critical for the Group's continued profitability and the enhancement of shareholder value. The Group has an ongoing process for identifying, evaluating and managing the significant risks faced by the Group throughout the financial year under review.

KEY INTERNAL CONTROL PROCESS

The Board continues to uphold and implement strong control structure and environment with the following key control processes to identify, evaluate and mitigate weaknesses of the Group's internal control system. The key elements of the Group's internal control systems are:-

- A Code of Ethics for all employees which defines the ethical standards and conduct at work is communicated to all employees upon their employment;

- Operational structure with defined lines of responsibility and delegation of authority. A process of hierarchical reporting has been established which provides a documented and auditable trail of accountability;

- Standard operating policies and procedures are updated and in place to reflect changing risks or to resolve operational deficiencies. Instances of non-compliance with such policies and procedures are reported thereon by Group Internal Audit to the Audit Committee;

- Effective reporting systems which highlight significant variances against budget and plan are in place to monitor performance. Key variances are followed up by the management and management action is taken, where necessary and reported to management on a regular basis. The Executive Chairman and Executive Director meet on a regular basis with all divisional heads to review the Group's financial performance, business developments, management and corporate issues.

INTERNAL AUDIT FUNCTION

The Board has engaged a professional firm to conduct internal audit on the adequacy and integrity of the system on internal control for the Group. The professional firm independently reviews the Group's internal control system and reports to the Audit Committee. The Executive Directors, through direct involvement in the operations, regular review of operational data including production, marketing and financial data, also contribute to a better control environment in the Group.

ASSURANCE FROM THE MANAGEMENT

The Board has also received reasonable assurance from the Executive Chairman and the Executive Director, that the Group's risk management and internal control system are operating adequately and effectively, in all material respects, based on the risk management model adopted by the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report of the Group for the year ended 30 June 2022 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system.

CONCLUSION

The Board believes that the development of the system of internal control is an ongoing process and continues to take steps to improve the internal control system. During the year under review, no material weaknesses have been identified which would result in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report. The Board is of view that the current system control in place throughout the Group is sufficient to safeguard the Group's interest. The Board continues to take appropriate measures and ongoing commitment to strengthen the internal control environment and processes.

This statement is made in accordance with the resolution of the Board of Directors dated 11 October 2022.

FINANCIAL **STATEMENTS**

DIRECTORS' **REPORT**

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies are stated in Note 6 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	1,816,585	2,137,481

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 year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Dato' Seri Mun Weng Sum
Mun Li Choo
Dato' Teh Boon Sing
Chay Ng
Soo Keng Wah

The names of Directors of subsidiaries are set out in the respective subsidiaries' statutory accounts and the said information is deemed incorporated herein by such reference and made part thereof.

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 year held any shares in the Company or its subsidiaries during the financial year except as follows:

	No. of ordinary shares			
	As at 01.07.2021	Acquired	Disposed	As at 30.06.2022
Interest in the Company				
Direct interest				
Dato' Seri Mun Weng Sum	6,371,759	-	-	6,371,759
Mun Li Choo	3,229,011	-	-	3,229,011
Indirect interest				
Dato' Seri Mun Weng Sum*	661,766	-	-	661,766

* Shares held directly by spouse/children. In accordance with section 59 (11)(c) of the Companies Act, 2016, the interest of the spouse/children in the shares of the Company shall be treated as the interest of the directors.

By virtue of their interest in the shares of the Company, Dato' Seri Mun Weng Sum and Mun Li Choo are also deemed to have interests 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 year did not hold any interest in shares in the Company or its subsidiaries during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a 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 he is a member, or with a company in which he has a substantial financial interest.

There were no arrangements during and at the end of the financial year 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 is as folows:

	Group RM	Company RM
Directors' Remuneration:		
- Fees	120,000	120,000
- Salaries and other emolument	1,692,924	528,000
- Contributions to Employees Provident Fund	203,040	63,360
	2,015,964	711,360

SUBSIDIARY COMPANIES

Details of the subsidiary companies are disclosed in Note 6 to the financial statements.

AUDITORS' REMUNERATION

Auditors' remuneration is as follows:

	Group RM	Company RM
HLB AAC PLT	100,000	40,000

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for Directors or officers of the Company in accordance with Section 289 of the Companies Act, 2016.

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 amount of 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 year 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 year which secures the liabilities of any other person; or

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

In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company for the financial year 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 year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

HLB Ler Lum Chew PLT (201906002362 & AF0276) have indicated their willingness to accept appointment as auditors of the Company in place of retiring auditors, HLB AAC PLT (202006000008 & AF001977).

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

DATO' SERI MUN WENG SUM	**MUN LI CHOO**

Puchong, Selangor
21 October 2022

STATEMENT **BY DIRECTORS**

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

We, DATO' SERI MUN WENG SUM and MUN LI CHOO, being two of the Directors of WOODLANDOR HOLDINGS BERHAD, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 42 to 89 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and 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 30 June 2022 and of their financial performance and cash flows for the financial year then ended.

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

DATO' SERI MUN WENG SUM	**MUN LI CHOO**

Puchong, Selangor
21 October 2022

STATUTORY **DECLARATION**

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

I, DATO' SERI MUN WENG SUM, being the Director primarily responsible for the financial management of WOODLANDOR HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 42 to 89, 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' SERI MUN WENG SUM)
at Puchong, Selangor)
on 21 October 2022)

DATO' SERI MUN WENG SUM

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT
AUDITORS' REPORT

TO THE MEMBERS OF WOODLANDOR HOLDINGS BERHAD
Registration No.: 199601004347 (376693-D)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Woodlandor Holdings Berhad, which comprise the statements of financial position as at 30 June 2022 of the Group and of the Company, and the statements of profit 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 42 to 89.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties *Refer to Note 2.2(b), 2.8 and 4 to the financial statements* The Group owns a portfolio of investment properties amounting to RM12,011,999 as at 30 June 2022. The Group adopts the fair value model for its investment properties. The Group had engaged an external valuer to determine the fair value of the investment properties at the reporting date. The valuation of investment properties is significant to our audit due to their magnitude, complex valuation method and high dependency on a range of estimates which are based on current and future market or economic conditions.	We assessed the appropriateness of the independent professional valuer's scope of work and evaluated whether they had sufficient expertise, capabilities and objectivity to competently perform the valuation of the Group's investment properties. In addition, we 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. We evaluated whether disclosures in the financial statements relating to the valuation of investment properties were in accordance with Malaysian Financial Reporting Standards.

Key Audit Matters (cont'd)

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Impairment assessment of inventories
Refer to Note 2.2(a), 2.13 and 9 to the financial statements

As at 30 June 2022, the Group carries significant inventories amounting to RM3,449,695.

The Group constantly develops new designs to cater for customers' preference for wood products. The demand for a particular design of product will therefore naturally decline, hence there are risks that some of these inventories may not be fully recoverable.

Significant judgements and estimation are involved in forming expectations about the demand and future sales value of those inventories.</td><td>We evaluated the Group's inventory management process over the identification of indicators which may result in the net realisable value of inventories being lower than their recorded carrying amount.

Our audit procedures include the following:
• Inspected conditions of the inventories during the physical inventory count;
• Discussed with the management on their action plans to address the slow-moving inventories;
• Assessed the adequacy and reasonableness of inventory obsolescence allowance provided by management during the financial year; and
• Tested the selling price of inventories sold after the financial year end against the carrying amount of the respective inventories.</td></tr>
<tr><td>Impairment assessment of trade receivables
Refer to Note 2.2(c), 2.10(d), 10 and 27 to the financial statements

As at 30 June 2022, trade receivables of the Group amounting to RM2,135,788.

Management's assessment of impairment loss for trade receivables includes consideration of historical payment trends of customers and any known adverse conditions in respect of customers that would affect the collectability of these debts.

The determination on whether the trade receivables are recoverable involves significant management judgement and inherent subjectivity given uncertainty regarding the collectability of these debts.</td><td>The assessment of the completeness and accuracy of the impairment loss allowance for trade receivables comprises the following audit procedures:
• Obtained an understanding on the Group's credit control and analysed the trade receivables ageing;
• Scrutinised the trade receivables ageing and investigated unusual trends and conditions that may indicate objective evidence of impairment;
• Recalculated the probability of default using historical data and forward-looking information adjustments applied by the Group;
• Inquired of management the rationale underlying the relationship between the forward-looking information and expected credit losses;
• Challenged the appropriateness and reasonableness of the assumptions applied in the management's assessment of the impairment loss allowance;
• Verified receipts from trade receivables subsequent to financial year end; and
• Considered the completeness and accuracy of the disclosures.</td></tr>
</table>

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.

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.

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: (cont'd)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

OTHER MATTERS

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

HLB AAC PLT
(202006000008 & AF001977)
Chartered Accountants

TEH WEIL XUAN
Approved Number: 03453/10/2023 J
Chartered Accountant

KUALA LUMPUR
21 OCTOBER 2022

STATEMENTS OF
FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Non-Current Assets					
Property, plant and equipment	3	15,072,946	17,228,886	13,756	21,310
Investment properties	4	12,011,999	12,711,999	-	-
Prepaid lease payments	5	930,315	941,464	-	-
Investments in subsidiaries	6	-	-	29,406,602	27,524,138
Other investments	7	5,564	27,936	-	-
Deferred tax assets	17	11,264	11,792	-	-
		28,032,088	30,922,077	29,420,358	27,545,448
Current Assets					
Inventories	9	3,449,695	4,200,073	-	-
Trade receivables	10	2,135,788	3,405,997	-	-
Other receivables	11	1,116,267	1,073,109	179,303	180,727
Tax recoverable		466,029	1,961,556	-	-
Deposits with licensed banks	12	2,955,600	3,828,694	1,000,000	1,850,000
Cash and bank balances		5,248,507	722,977	1,222,674	30,376
		15,371,886	15,192,406	2,401,977	2,061,103
Current Liabilities					
Trade payables	13	3,892,637	3,787,720	-	-
Other payables	14	1,711,264	2,385,849	260,038	153,046
Amounts owing to subsidiaries companies	8	-	-	110,977	139,600
Tax liabilities		760	846	760	826
Borrowings	15	1,970,251	5,813,481	-	-
		7,574,912	11,987,896	371,775	293,472
Net current assets		7,796,974	3,204,510	2,030,202	1,767,631
		35,829,062	34,126,587	31,450,560	29,313,079
Financed By:					
Share capital	16	40,001,539	40,001,539	40,001,539	40,001,539
Accumulated losses		(4,912,446)	(6,729,031)	(8,550,979)	(10,688,460)
		35,089,093	33,272,508	31,450,560	29,313,079
Non-Current Liabilities					
Borrowings	15	94,961	201,970	-	-
Deferred tax liabilities	17	645,008	652,109	-	-
		739,969	854,079	-	-
		35,829,062	34,126,587	31,450,560	29,313,079

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

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Revenue	18	7,337,018	9,628,574	1,188,000	1,188,000
Cost of sales		(6,792,059)	(8,860,692)	-	-
Gross profit		544,959	767,882	1,188,000	1,188,000
Other income		7,808,508	269,378	2,335,421	1
Selling and marketing expenses		(1,154,788)	(1,156,357)	-	-
Other operating expenses		(4,400,033)	(4,429,412)	(1,400,923)	(1,407,483)
Finance (costs)/income, net	19	(228,523)	(208,531)	14,983	29,565
Profit/(Loss) before taxation	20	2,570,123	(4,757,040)	2,137,481	(189,917)
Taxation	21	(753,538)	(413)	-	-
Profit/(Loss)/Total comprehensive income/(loss) for the year		1,816,585	(4,757,453)	2,137,481	(189,917)
Earnings/(Loss) per ordinary share (sen):					
- basic and diluted	22	4.54	(11.89)		

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

STATEMENTS OF
CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Share Capital RM	Accumulated Losses RM	Total RM
Group			
At 1 July 2021	40,001,539	(6,729,031)	33,272,508
Profit/Total comprehensive income for the financial year	-	1,816,585	1,816,585
At 30 June 2022	40,001,539	(4,912,446)	35,089,093
At 1 July 2020	40,001,539	(1,971,578)	38,029,961
Loss/Total comprehensive loss for the financial year	-	(4,757,453)	(4,757,453)
At 30 June 2021	40,001,539	(6,729,031)	33,272,508
Company			
At 1 July 2021	40,001,539	(10,688,460)	29,313,079
Profit/Total comprehensive income for the financial year	-	2,137,481	2,137,481
At 30 June 2022	40,001,539	(8,550,979)	31,450,560
At 1 July 2020	40,001,539	(10,498,543)	29,502,996
Loss/Total comprehensive loss for the financial year	-	(189,917)	(189,917)
At 30 June 2021	40,001,539	(10,688,460)	29,313,079

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

STATEMENTS
OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash Flows From Operating Activities				
Profit/(Loss) before taxation	2,570,123	(4,757,040)	2,137,481	(189,917)
Adjustments for:				
Amortisation of prepaid lease payments	11,149	11,149	-	-
Bad debt recovered	(1,397)	-	-	-
Depreciation of property, plant and equipment	636,258	806,505	7,554	12,638
Finance costs	275,634	289,209	-	-
Finance income	(47,111)	(80,678)	(14,983)	(29,565)
Gain on disposal of:				
- property, plant and equipment	(7,258,911)	(39,002)	-	(1)
- investment properties	(180,000)	-	-	-
Impairment loss on:				
- investment in subsidiaries	-	-	19,741	-
- trade receivables	308,312	105,603	-	-
- other investments	-	7,500	-	-
Loss on fair value adjustment on other investments	773	927	-	-
Loss on disposal of:				
- other investments	1,398	-	-	-
- club membership	109,264	-	-	-
Property, plant and equipment written-off	108	-	-	-
Provision for slow moving inventories	270,156	799,203	-	-
Reversal of impairment on:				
- investment in subsidiaries	-	-	(2,333,321)	-
- trade receivables	(20,779)	(66,353)	-	-
Reversal of provision for slow moving inventories	(54,279)	(5,239)	-	-
Operating loss before changes in working capital	(3,379,302)	(2,928,216)	(183,528)	(206,845)
Changes in working capital:				
Inventories	534,501	1,036,157	-	-
Trade and other receivables	804,915	(929,933)	1,424	(3,108)
Trade and other payables	(569,668)	558,463	106,992	11,570
Amounts owing by/to subsidiary companies	-	-	402,493	(89,112)
	769,748	664,687	510,909	(80,650)
Cash used in operations	(2,609,554)	(2,263,529)	327,381	(287,495)
Interest received	47,111	80,678	14,983	29,565
Interest paid	(275,634)	(289,209)	-	-
Tax refund	1,243,253	-	-	-
Tax paid	(507,923)	(678,505)	(66)	(224)
	506,807	(887,036)	14,917	29,341
Net cash (used in)/generated from operating activities	(2,102,747)	(3,150,565)	342,298	(258,154)

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Cash Flows From Investing Activities				
Acquisition of property, plant and equipment	(22,515)	(52,915)	-	(2,260)
Proceeds from disposal of property, plant and equipment	8,801,000	39,002	-	1
Proceeds from disposal of investment properties	880,000	-	-	-
Proceeds from disposal of other investments	20,201	-	-	-
Proceeds from disposal of club membership	26,736	-	-	-
Net cash generated from/(used in) investing activities	9,705,422	(13,913)	-	(2,259)
Cash Flows From Financing Activities				
(Repayment)/Drawdown of borrowings, net	(651,339)	263,404	-	-
(Increase)/Decrease in deposits pledged with licensed banks	(20,344)	460,756	-	-
Net cash (used in)/generated from financing activities	(671,683)	724,160	-	-
Net increase/(decrease) in cash and cash equivalents	6,930,992	(2,440,318)	342,298	(260,413)
Cash and cash equivalents at beginning of financial year	(648,287)	1,792,031	1,880,376	2,140,789
Cash and cash equivalents at end of financial year	6,282,705	(648,287)	2,222,674	1,880,376

(a) Cash and cash equivalents at end of the financial year comprises:

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Cash and bank balances		5,248,507	722,977	1,222,674	30,376
Deposits with licensed banks	12	2,955,600	3,828,694	1,000,000	1,850,000
Bank overdraft	15	(740,648)	(4,039,548)	-	-
		7,463,459	512,123	2,222,674	1,880,376
Deposits pledged with licensed banks	12	(1,180,754)	(1,160,410)	-	-
		6,282,705	(648,287)	2,222,674	1,880,376

(b) Reconciliation of liabilities arising from financing activities:

	At 01.07.2021 RM	Repayment of borrowings, net RM	At 30.06.2022 RM
Group			
Lease liabilities	376,903	(177,339)	199,564
Bankers' acceptance	1,099,000	(474,000)	625,000
Revolving credit	500,000	-	500,000
	1,975,903	(651,339)	1,324,564

	At 01.07.2020 RM	Drawdown/ (Repayment) of borrowings, net RM	At 30.06.2021 RM
Group			
Lease liabilities	530,499	(153,596)	376,903
Bankers' acceptance	682,000	417,000	1,099,000
Revolving credit	500,000	-	500,000
	1,712,499	263,404	1,975,903

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

NOTES TO THE
FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies are stated in Note 6 to the financial statements.

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

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

The registered office of the Company is located at Unit 3A-12, Level 3A, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur Wilayah Persekutuan Malaysia.

The principal place of business of the Company is located at Lot 1339, Batu 22 ½, Sungai Lalang, 43500 Semenyih, Selangor Darul Ehsan, Malaysia.

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 the provisions of the 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 preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount 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 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.

Amendments to accounting standards that are effective for the Group's and the Company's financial year beginning on or after 1 July 2021 are as follows:

- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform – Phase 2.
  - Amendments to MFRS 4, "Insurance Contracts"
  - Amendments to MFRS 7, "Financial Instruments: Disclosures"
  - Amendments to MFRS 9, "Financial Instruments"
  - Amendments to MFRS 16, "Leases"
  - Amendments to MFRS 139, "Financial Instruments: Recognition and Measurement"

The above amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Group and the Company.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Accounting standard and amendments to accounting standards 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 2022

- Amendments to MFRS 3, "Business Combinations" (Reference to the Conceptual Framework)
- Amendments to MFRS 116, "Property, Plant and Equipment" (Proceeds before Intended Use)
- Amendments to MFRS 137, "Provision, Contingent Liabilities and Contingent Assets" (Onerous Contracts - Cost of Fulfilling a Contract)
- Annual Improvement to MFRS Standards 2018 – 2020:
  - Amendment to MFRS 1, "First-time Adoption of Malaysian Financial Reporting Standards"
  - Amendment to MFRS 9, "Financial Instruments"
  - Amendment to Illustrative Examples accompanying MFRS 16, "Leases"
  - Amendment to MFRS 141, "Agriculture"

Annual periods beginning on/after 1 January 2023

- MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Initial Application of MFRS 17 and MFRS 19 - Comparative Information"
- Amendments to MFRS 101, "Presentation of Financial Statements" (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Disclosure of Accounting Policies)
- Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors" (Definition of Accounting Estimates)
- Amendments to MFRS 112, "Income Taxes" (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

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

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

The adoption of the accounting standard 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 based on an analysis of the ageing profile and expected sales patterns of individual items held in inventory. This requires an analysis of inventory usage based on expected future sales transactions taking into account current market prices and expected cost to sell. Changes in the inventory ageing and expected usage profiles can have an impact on the allowance recorded.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant accounting estimates and judgements (cont'd)

(b) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. Significant judgement is required in determining fair value 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 fair value as at the end of each reporting period.

(c) Measurement of expected credit loss allowance for financial assets

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 the Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

(d) Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the management of the Group have reviewed the investment properties and concluded that the carrying amounts of the investment properties are not held under a business model whose objective is to consume substantially all the economic benefits embodied in the investment properties over time. Therefore, in making judgement, the management has determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has recognised deferred tax liabilities on changes in fair values of investment properties based on the expected rate that would apply on disposal of the investment properties.

2.3 Basis of consolidation

<u>Subsidiaries</u>

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.

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

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of consolidation (cont'd)

Subsidiaries (cont'd)

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 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries is 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.

2.5 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.

2.6 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.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Property, plant and equipment

(a) 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.

(b) Depreciation and impairment

The following assets are not subject to depreciation:

Freehold industrial land
Freehold agricultural land
Freehold apartment under construction

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:

Freehold industrial buildings	50 years
Freehold agricultural buildings	50 years
Freehold shop office	50 years
Leasehold shop offices	50 years
Leasehold apartments	50 years
Plant and machinery	5 to 10 years
Furniture, fittings and office equipment	10 years
Power station and electrical installation	10 years
Motor vehicles	5 years
Tools and equipment	5 to 10 years
Renovation	10 years
Signboards	10 years

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.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Investment properties

(a) Investment properties carried at fair value

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(b) Reclassification to/from investment properties

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(c) Determination of fair value

The fair values are based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Revaluations are based on valuations by an independent valuer at least once every five years or such shorter period as may be considered to be appropriate based on the advice of an independent valuer.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respects of the property. Some of those outflows are recognised as liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 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.

2.10 Financial assets

(a) 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.

(b) 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)

2.10 Financial assets (cont'd)

(c) Subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables.

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.

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 Company's right to receive payments is established.

(d) 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, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Financial assets (cont'd)

(d) Impairment (cont'd)

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 are grouped based on shared credit risk characteristics and days past due.

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.

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.

2.11 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.

2.12 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.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all deteriorated, damaged, obsolete or slow-moving inventories.

Cost is determined using the first in first out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity.

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

2.14 Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balance, deposits with licensed 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.

2.15 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.

2.16 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.

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.

2.17 Current and deferred income tax

The tax expense for the period comprises current and deferred 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 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 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.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Current and deferred income tax (cont'd)

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.

2.18 Employee benefits

(a) 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.

(b) 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.

2.19 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.

2.20 Revenue and income recognition

(a) 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 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 its customer has approved the contract and intend to perform their respective obligations, the Group'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 will collect the consideration to which it will be entitled to in exchange of those goods or services.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Revenue and income recognition (cont'd)

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

(i) Sale of doors and other related products

Revenue from sale of doors and other related products 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) Management services

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 right to payment for the services.

(b) Other income

(i) Rental income

Rental income is recognised on a straight-basis over the tenure of the lease.

(ii) Interest income

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

2.21 Leased assets

(a) Accounting by lessee

Leases are recognised as right-of-use assets and a corresponding liability at the commencement date on which the leased asset is available for use by the Group and the Company.

In determining the lease term, the Group and the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension or termination options are taken into consideration in determining the lease term if it is reasonably certain that the lease will be extended or terminated.

Right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company is reasonably certain that it will exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments are allocated between principal and finance cost. 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.

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Leased assets (cont'd)

(b) Accounting by lessor

The Group and the Company determines at lease inception whether each lease is a finance lease or operating lease. To classify each lease, the Group and the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

Operating leases

The Group and the Company classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and the Company recognises lease payments received under operating leases as lease income on a straight-line basis over the lease term.

3. PROPERTY, PLANT AND EQUIPMENT

			Cost			
	At 01.07.2021 RM	Additions RM	Disposals RM	Write-off RM	Reclassification RM	At 30.06.2022 RM
Group						
Freehold industrial land and buildings	18,553,368	-	(1,347,849)	-	-	17,205,519
Freehold agricultural land and buildings	258,480	-	(191,813)	-	-	66,667
Freehold shop office	720,518	-	-	-	-	720,518
Leasehold shop offices	2,028,000	-	-	-	-	2,028,000
Leasehold apartment	214,300	-	-	-	-	214,300
Freehold apartment under construction	76,888	-	-	-	-	76,888
Plant and machinery	8,860,155	-	-	-	-	8,860,155
Plant and machinery under hire purchase	-	-	-	-	-	-
Furniture, fittings and office equipment	2,966,543	22,515	(5,200)	(650)	-	2,983,208
Power station and electrical installation	399,560	-	-	-	-	399,560
Motor vehicles	2,690,517	-	-	-	595,812	3,286,329
Motor vehicles under hire purchase	1,668,922	-	-	-	(595,812)	1,073,110
Tools and equipment	830,227	-	-	-	-	830,227
Renovation	1,993,029	-	-	-	-	1,993,029
Signboards	10,039	-	-	-	-	10,039
Total	41,270,546	22,515	(1,544,862)	(650)	-	39,747,549

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

			Accumulated Depreciation			
	At 01.07.2021 RM	Charge for the financial year RM	Disposal RM	Write-off RM	Reclassification RM	At 30.06.2022 RM
Group						
Freehold industrial land and buildings	3,887,894	183,547	-	-	-	4,071,441
Freehold agricultural land and buildings	-	-	-	-	-	-
Freehold shop office	279,194	12,411	-	-	-	291,605
Leasehold shop offices	1,035,970	40,560	-	-	-	1,076,530
Leasehold apartment	100,716	4,286	-	-	-	105,002
Freehold apartment under construction	-	-	-	-	-	-
Plant and machinery	8,847,563	11,568	-	-	-	8,859,131
Plant and machinery under hire purchase	-	-	-	-	-	-
Furniture, fittings and office equipment	2,666,632	66,555	(2,773)	(542)	-	2,729,872
Power station and electrical installation	397,141	2,165	-	-	-	399,306
Motor vehicles	2,690,517	-	-	-	595,812	3,286,329
Motor vehicles under hire purchase	1,385,109	216,971	-	-	(595,812)	1,006,268
Tools and equipment	798,513	16,790	-	-	-	815,303
Renovation	1,866,071	81,245	-	-	-	1,947,316
Signboards	9,452	160	-	-	-	9,612
Total	23,964,772	636,258	(2,773)	(542)	-	24,597,715

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

	Cost				
	At 01.07.2020 RM	Additions RM	Disposals RM	Reclassification RM	At 30.06.2021 RM
Group					
Freehold industrial land and buildings	18,553,368	-	-	-	18,553,368
Freehold agricultural land and buildings	258,480	-	-	-	258,480
Freehold shop office	720,518	-	-	-	720,518
Leasehold shop offices	2,028,000	-	-	-	2,028,000
Leasehold apartment	214,300	-	-	-	214,300
Freehold apartment under construction	76,888	-	-	-	76,888
Plant and machinery	8,860,155	-	-	-	8,860,155
Plant and machinery under hire purchase	-	-	-	-	-
Furniture, fittings and office equipment	2,918,628	47,915	-	-	2,966,543
Power station and electrical installation	399,560	-	-	-	399,560
Motor vehicles	3,630,499	-	(838,630)	(101,352)	2,690,517
Motor vehicles under hire purchase	1,567,570	-	-	101,352	1,668,922
Tools and equipment	825,227	5,000	-	-	830,227
Renovation	1,993,029	-	-	-	1,993,029
Signboards	10,039	-	-	-	10,039
Total	42,056,261	52,915	(838,630)	-	41,270,546

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

		Accumulated Depreciation			
	At 01.07.2020 RM	Charge for the financial year RM	Disposals RM	Reclassification RM	At 30.06.2021 RM
Group					
Freehold industrial land and buildings	3,704,347	183,547	-	-	3,887,894
Freehold agricultural land and buildings	-	-	-	-	-
Freehold shop office	266,784	12,410	-	-	279,194
Leasehold shop offices	995,410	40,560	-	-	1,035,970
Leasehold apartment	96,430	4,286	-	-	100,716
Freehold apartment under construction	-	-	-	-	-
Plant and machinery	8,802,963	44,600	-	-	8,847,563
Plant and machinery under hire purchase	-	-	-	-	-
Furniture, fittings and office equipment	2,592,749	73,883	-	-	2,666,632
Power station and electrical installation	391,523	5,618	-	-	397,141
Motor vehicles	3,601,860	-	(838,630)	(72,713)	2,690,517
Motor vehicles under hire purchase	978,612	333,784	-	72,713	1,385,109
Tools and equipment	774,715	23,798	-	-	798,513
Renovation	1,782,212	83,859	-	-	1,866,071
Signboards	9,292	160	-	-	9,452
Total	23,996,897	806,505	(838,630)	-	23,964,772

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

	Accumulated Impairment Loss At 01.07.2021/ 30.06.2022/ 01.07.2020/ 30.06.2021 RM
Group	
Freehold industrial land and buildings	-
Freehold agricultural land and buildings	-
Freehold shop office	-
Leasehold shop offices	-
Leasehold apartment	-
Freehold apartment under construction	76,888
Plant and machinery	-
Plant and machinery under hire purchase	-
Furniture, fittings and office equipment	-
Power station and electrical installation	-
Motor vehicles	-
Motor vehicles under hire purchase	-
Tools and equipment	-
Renovation	-
Signboards	-
Total	76,888

	Carrying Amount	
	At 30.06.2022 RM	At 30.06.2021 RM
Group		
Freehold industrial land and buildings	13,134,078	14,665,474
Freehold agricultural land and buildings	66,667	258,480
Freehold shop office	428,913	441,324
Leasehold shop offices	951,470	992,030
Leasehold apartment	109,298	113,584
Freehold apartment under construction	-	-
Plant and machinery	1,024	12,592
Plant and machinery under hire purchase	-	-
Furniture, fittings and office equipment	253,336	299,911
Power station and electrical installation	254	2,419
Motor vehicles	-	-
Motor vehicles under hire purchase	66,842	283,813
Tools and equipment	14,924	31,714
Renovation	45,713	126,958
Signboards	427	587
Total	15,072,946	17,228,886

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

	Cost		
	At 01.07.2021 RM	Additions RM	At 30.06.2022 RM
Company			
Renovation	152,592	-	152,592
Furniture, fittings and office equipment	484,886	-	484,886
Motor vehicles	1,592,799	-	1,592,799
Total	2,230,277	-	2,230,277

	Accumulated Depreciation		
	At 01.07.2021 RM	Charge for the financial year RM	At 30.06.2022 RM
Company			
Renovation	152,592	-	152,592
Furniture, fittings and office equipment	463,576	7,554	471,130
Motor vehicles	1,592,799	-	1,592,799
Total	2,208,967	7,554	2,216,521

	Cost			
	At 01.07.2020 RM	Additions RM	Disposal RM	At 30.06.2021 RM
Company				
Renovation	152,592	-	-	152,592
Furniture, fittings and office equipment	482,626	2,260	-	484,886
Motor vehicles	2,079,349	-	(486,550)	1,592,799
Total	2,714,567	2,260	(486,550)	2,230,277

	Accumulated Depreciation			
	At 01.07.2020 RM	Charge for the financial year RM	Disposal RM	At 30.06.2021 RM
Company				
Renovation	152,592	-	-	152,592
Furniture, fittings and office equipment	450,938	12,638	-	463,576
Motor vehicles	2,079,349	-	(486,550)	1,592,799
Total	2,682,879	12,638	(486,550)	2,208,967

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

	Carrying Amount At 30.06.2022 RM	Carrying Amount At 30.06.2021 RM
Company		
Renovation	-	-
Furniture, fittings and office equipment	13,756	21,310
Motor vehicles	-	-
Total	13,756	21,310

As of 30 June 2022, the strata title of a leasehold apartment of the Group with carrying amount of RM109,298 (2021: RM113,584) belonging to a subsidiary company has yet to be issued to the said subsidiary company.

The freehold industrial land and building and the leasehold shop offices of the Group with carrying amounts of RM951,470 (2021: RM4,896,190) are charged to certain banks for overdraft and other credit facilities granted to the Group as disclosed in Note 15 to the financial statements.

During the financial year, the Company's subsidiaries had disposed of a few pieces of lands for a total sale consideration of RM8,800,000.

4. INVESTMENT PROPERTIES

	Freehold apartments RM	Freehold office RM	Freehold residential house RM	Leasehold apartments and residential house RM	Leasehold shop office RM	Leasehold land RM	Freehold land RM	Total RM
Group								
At 1 July 2021	1,320,000	1,578,999	515,000	1,285,000	700,000	150,000	7,163,000	12,711,999
Disposal	-	-	-	-	(700,000)	-	-	(700,000)
At 30 June 2022	1,320,000	1,578,999	515,000	1,285,000	-	150,000	7,163,000	12,011,999
At 1 July 2020/30 June 2021	1,320,000	1,578,999	515,000	1,285,000	700,000	150,000	7,163,000	12,711,999
Represented by:								
At 30 June 2022								
Cost	588,728	1,212,304	631,454	692,295	-	64,464	2,486,301	5,675,546
Fair value adjustment	731,272	366,695	(116,454)	592,705	-	85,536	4,676,699	6,336,453
	1,320,000	1,578,999	515,000	1,285,000	-	150,000	7,163,000	12,011,999
At 30 June 2021								
Cost	588,728	1,212,304	631,454	692,295	628,990	64,464	2,486,301	6,304,536
Fair value adjustment	731,272	366,695	(116,454)	592,705	71,010	85,536	4,676,699	6,407,463
	1,320,000	1,578,999	515,000	1,285,000	700,000	150,000	7,163,000	12,711,999

The fair values of the investments properties as at 30 June 2022 were estimated at RM12,011,999 (2021: RM12,711,999) based on the valuation performed on 8 August 2022 by Raja Abd Aziz Bin Raja Azlan MISM, a registered valuer of Chartwell Itac International (Kajang) Sdn. Bhd., an independent firm of professional valuer. The fair values have been derived using the sales comparison approach. There has been no changes to the valuation technique during the financial year.

4. INVESTMENT PROPERTIES (CONT'D)

Details of the Group's investment properties and information about the fair value hierarchy are as follows:

	Group			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investment properties				
At 30 June 2022	-	12,011,999	-	12,011,999
At 30 June 2021	-	12,711,999	-	12,711,999

The fair value hierarchy is disclosed in Note 27 to the financial statements. There were no transfers between Level 1 and Level 2 during the financial year.

The rental income earned by the Group from its investment properties during the financial year amounted to RM84,818 (2021: RM104,750). Direct operating expenses incurred on the investment properties during the financial year amounted to RM55,986 (2021: RM61,002).

As at 30 June 2022, the strata title of certain freehold and leasehold apartment and shop office with carrying amount totaling RM2,133,999 (2021: RM2,133,999) have yet to be issued to the Group.

During the financial year, the Company's subsidiary had disposed of a unit of double storey shop office for a sale consideration of RM880,000.

5. PREPAID LEASE PAYMENTS

	Group	
	2022 RM	2021 RM
Cost		
At beginning/end of the financial year	1,103,812	1,103,812
Accumulated amortization		
At beginning of the financial year	162,348	151,199
Charge for the financial year	11,149	11,149
At end of the financial year	173,497	162,348
	930,315	941,464

Leasehold land of the Group with a carrying amount of RMNil (2021: RM941,464) have been charged to various licensed banks for the banking facilities granted as disclosed in Note 15 to the financial statements.

The remaining lease period of the above parcel of leasehold land is 81 years (2021: 82 years).

6. INVESTMENTS IN SUBSIDIARIES

(a) Investment in subsidiaries

	Company 2022 RM	Company 2021 RM
Unquoted shares at cost	11,328,391	11,328,391
Less: Accumulated impairment loss	(789,521)	(3,103,101)
	10,538,870	8,225,290
Advances to subsidiary companies treated as quasi-investment	18,867,732	19,298,848
	29,406,602	27,524,138

The advances to subsidiary companies are unsecured, interest-free with no fixed terms of repayment. The settlement of the advances is neither planned nor likely in the foreseeable future and they are determined to form part of the Company's net investment in the subsidiary companies.

The Directors have reviewed the Company's investments in subsidiary companies for indications of impairment and concluded that the allowance for impairment loss amounting to RM789,521 (2021: RM3,103,101) is deemed adequate in respect of investments in the subsidiary companies.

Movement of accumulated impairment losses are as follows:

	Company 2022 RM	Company 2021 RM
At beginning of the financial year	3,103,101	3,103,101
Charge during the financial year	19,741	-
Reversal during the financial year	(2,333,321)	-
At end of the financial year	789,521	3,103,101

(b) The subsidiary companies and shareholdings therein are as follows:

Name of entities	Country of incorporation and place of business	Effective ownership and voting interest (%) 2022	Effective ownership and voting interest (%) 2021	Principal activities
Woodlandor Wood Products Sdn. Bhd.	Malaysia	100	100	Manufacturing and marketing of fire resistant doors, decorative fire-resistant doors, normal plywood flush doors, door and window frames and completely knocked down furniture for export
Woodlandor Roof Systems Sdn. Bhd.	Malaysia	100	100	Manufacturing, marketing and trading of pre-fabricated timber roof trusses; and installation of timber roof trusses and the provision of timber ancillaries

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) The subsidiary companies and shareholdings therein are as follows: (cont'd)

Name of entities	Country of incorporation and place of business	Effective ownership and voting interest (%) 2022	2021	Principal activities
Multec Enterprise Sdn. Bhd.	Malaysia	100	100	Trading of door ironmongeries and related accessories
Woodlandor Development Sdn. Bhd.	Malaysia	100	100	Property development
Woodlandor Timber Sdn. Bhd.	Malaysia	100	100	Trading of timber
Indirect Subsidiary Companies				
Woodlandor Buildmat Sdn. Bhd.	Malaysia	100	100	Trading of building material including distribution of cement
Timtruss Sdn. Bhd.	Malaysia	100	100	Installation of timber roof trusses and building construction work
Woodlandor Roof Systems (East) Sdn. Bhd.	Malaysia	100	100	Dormant

7. OTHER INVESTMENTS

	Group 2022 RM	2021 RM
Unquoted shares, at costs	45,000	45,000
Less: Accumulated impairment losses	(45,000)	(45,000)
	-	-
Quoted shares, at fair value	5,564	27,936
	5,564	27,936

Other investments are denominated in Ringgit Malaysia.

The movement on the Group's impairment loss on other investments is as follows:

	Group 2022 RM	2021 RM
At beginning of the financial year	45,000	37,500
Charge during the financial year	-	7,500
At end of the financial year	45,000	45,000

8. AMOUNTS OWING TO SUBSIDIARY COMPANIES

	Company	
	2022	2021
	RM	RM
Current liability		
Amounts owing to subsidiary companies	(110,977)	(139,600)

The amounts owing to subsidiary companies are non-trade in nature, interest-free and repayable on demand.

Significant transactions with subsidiary companies are disclosed in Note 25 to the financial statements.

9. INVENTORIES

	Group	
	2022	2021
	RM	RM
Raw materials	3,389,718	3,517,691
Work-in-progress	796,221	913,897
Finished goods	2,937,183	3,226,035
	7,123,122	7,657,623
Less: Provision for slow moving inventories	(3,673,427)	(3,457,550)
	3,449,695	4,200,073

The movement on the Group's provision for slow moving inventories is as follows:

	Group	
	2022	2021
	RM	RM
At beginning of the financial year	3,457,550	2,663,586
Charge during the financial year	270,156	799,203
Reversal during the financial year	(54,279)	(5,239)
At end of the financial year	3,673,427	3,457,550

10. TRADE RECEIVABLES

	Group	
	2022	2021
	RM	RM
Trade receivables	4,003,690	4,986,366
Less: Impairment losses (Note 27)	(1,867,902)	(1,580,369)
	2,135,788	3,405,997

The Group's normal trade credit terms for sales of goods and retention sum ranges from 30 to 90 days (2021: 30 to 90 days) and 1.5 to 2 years (2021: 1.5 to 2 years) respectively.

Included in trade receivables of the Group are retention sum which amounts to RM87,302 (2021: RM215,002).

11. OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Other receivables	226,607	140,965	603	3,046
Less: Impairment losses (Note 27)	(34,295)	(34,295)	-	-
	192,312	106,670	603	3,046
Refundable deposits	338,004	523,291	136,375	136,890
Less: Impairment losses (Note 27)	(6,330)	(6,330)	-	-
	331,674	516,961	136,375	136,890
Prepaid expenses	602,720	459,917	42,325	40,791
Less: Impairment losses (Note 27)	(10,439)	(10,439)	-	-
	592,281	449,478	42,325	40,791
	1,116,267	1,073,109	179,303	180,727

12. DEPOSITS WITH LICENSED BANKS

Included in deposits with licensed banks of the Group are amounts of RM1,180,754 (2021: RM1,160,410) which are pledged to licensed banks for credit facilities granted to certain subsidiary companies as disclosed in Note 15 to the financial statements.

Deposits with licensed banks earn interest rate ranging from 1.55% to 1.95% (2021: 1.47% to 1.75%) per annum with maturity period ranging from 30 to 365 days (2021: 30 to 365 days).

13. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 60 days (2021: 30 to 60 days).

14. OTHER PAYABLES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Other payables	1,194,127	1,224,585	7,135	21,504
Accruals	517,137	1,161,264	252,903	131,542
	1,711,264	2,385,849	260,038	153,046

15. BORROWINGS

	Group 2022 RM	Group 2021 RM
Non-current		
Lease liabilities	94,961	201,970
Current		
Bank overdraft	740,648	4,039,548
Lease liabilities	104,603	174,933
Bankers' acceptance	625,000	1,099,000
Revolving credit	500,000	500,000
	1,970,251	5,813,481
Total borrowings	2,065,212	6,015,451

(a) The Group has bank overdraft and other credit facilities from certain banks totalling RM1,865,648 (2021: RM5,638,548) which are secured by:

(i) Legal charges over the freehold industrial land and buildings and the leasehold shop offices of the Group as disclosed in Note 3 to the financial statements;

(ii) Legal charges over a parcel of leasehold land of a subsidiary company as disclosed in Note 5 to the financial statements; and

(iii) A pledge of fixed deposits of certain subsidiaries as disclosed in Note 12 to the financial statements.

These facilities, which are also guaranteed by the Company, bear interest at rate ranging from 3.05% to 7.10% (2021: 3.64% to 8.25%) per annum.

(b) Lease liabilities are effectively secured as the rights to the leased asset will return to the lessors in the event of default. Lease liabilities are payable as follows:

	Group 2022 RM	Group 2021 RM
Repayable within twelve months	104,603	174,933
Repayable after twelve months	94,961	201,970
	199,564	376,903

Effective interest rates of lease liabilities are between 4.55% to 5.04% (2021: 4.55% to 5.04%) per annum.

16. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		Amount	
	2022	2021	2022	2021
	Units	Units	RM	RM
Issued and fully paid	40,000,999	40,000,999	40,001,539	40,001,539

17. DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2022	2021
	RM	RM
Deferred tax assets	(11,264)	(11,792)
Deferred tax liabilities	645,008	652,109
	633,744	640,317

The movement on the deferred tax are as follows:

	Group	
	2022	2021
	RM	RM
At beginning of the financial year/period	640,317	640,806
(Credited)/Charged to profit or loss: (Note 21)		
- Investment properties	(7,101)	-
- Inventories	528	(489)
	(6,573)	(489)
At end of the financial year	633,744	640,317

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

	Group	
	2022	2021
	RM	RM
Deferred tax liabilities		
- Investment properties	645,008	652,109
Offsetting	-	-
Net deferred tax liabilities	645,008	652,109
Deferred tax assets		
- Inventories	(11,264)	(11,792)
Offsetting	-	-
Net deferred tax assets	(11,264)	(11,792)

17. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Inventories	3,673,246	3,457,369	-	-
Trade and other receivables	1,774,222	1,525,830	-	-
Unutilised tax losses	27,776,082	24,914,938	3,361,473	3,249,576
Property, plant and equipment	789,640	201,963	953,461	951,030
	34,013,190	30,100,100	4,314,934	4,200,606
Deferred tax assets not recognised at 24% (2021: 24%)	8,163,166	7,224,024	1,035,584	1,008,145

The Company's unutilised tax losses brought forward from year of assessment 2018 and before, can be carried forward for 10 consecutive years of assessment (i.e. from year of assessment 2018 to 2028). Unutilised tax losses from year of assessment 2019 onwards can be carry forward for a maximum period of 10 consecutive years.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the relevant subsidiaries or Company can utilise the benefits there from.

18. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Revenue recognised from contracts with customers				
- Sale of doors and other related products	7,337,018	9,628,574	-	-
Revenue from other sources:				
- Management fee from subsidiaries	-	-	1,188,000	1,188,000
	7,337,018	9,628,574	1,188,000	1,188,000

Breakdown of revenue from contracts with customers is as follows:

	Group	
	2022 RM	2021 RM
Geographical market		
Malaysia	7,051,638	9,263,989
Outside Malaysia	285,380	364,585
	7,337,018	9,628,574
Timing of revenue recognition		
At a point in time	7,337,018	9,628,574

19. FINANCE (COSTS)/INCOME, NET

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Finance costs:				
- Bank overdraft, bankers' acceptance and revolving credit	(262,131)	(272,176)	-	-
- Lease liabilities	(13,503)	(17,033)	-	-
	(275,634)	(289,209)	-	-
Finance income:				
- Deposits with licensed banks	47,111	80,678	14,983	29,565
	(228,523)	(208,531)	14,983	29,565

20. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is derived at after charging/(crediting):

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amortisation of prepaid lease payments	11,149	11,149	-	-
Auditors' remuneration				
- current year	100,000	100,000	40,000	40,000
- over provision in prior year	-	(15,000)	-	(8,100)
Bad debt recovered	(1,397)	-	-	-
Depreciation of property, plant and equipment	636,258	806,505	7,554	12,638
Gain on disposal of:				
- property, plant and equipment	(7,258,911)	(39,002)	-	(1)
- investment properties	(180,000)	-	-	-
Impairment loss on:				
- trade receivables	308,312	105,603	-	-
- investments in subsidiaries	-	-	19,741	-
- other investments	-	7,500	-	-
Loss on fair value adjustment on other investments	773	927	-	-
Loss on disposal of:				
- other investment	1,398	-	-	-
- club membership	109,264	-	-	-
Property, plant and equipment written-off	108	-	-	-
Provision for slow moving inventories	270,156	799,203	-	-
Rental expenses	63,478	67,490	6,000	6,000
Rental income	(84,818)	(104,750)	-	-
Reversal of impairment loss on:				
- investment in subsidiaries	-	-	(2,333,321)	-
- trade receivables	(20,779)	(66,353)	-	-
Reversal of provision for slow moving inventories	(54,279)	(5,239)	-	-

21. TAXATION

	Group 2022 RM	Group 2021 RM
Current taxation:		
- Current year	4,883	5,445
- Under/(Over) provision in prior year	3,524	(4,543)
	8,407	902
Deferred taxation: (Note 17)		
- Origination and reversal of temporary differences	(6,573)	(489)
Real property gain tax	751,704	-
Taxation for the financial year	753,538	413

Income tax is calculated at the statutory tax rate of 24% (2021: 24%) on the chargeable income of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit/(loss) 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 is as follows:

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Profit/(Loss) before taxation	2,570,123	(4,757,040)	2,137,481	(189,917)
Taxation at statutory tax rate of 24% (2021: 24%)	616,829	(1,141,690)	512,995	(45,580)
Expenses not deductible for tax purposes	235,121	157,612	19,563	7,066
Income not subject to tax	-	-	(559,997)	-
Deferred tax assets not recognised	940,674	989,034	27,439	38,515
Utilisation of deferred tax previously unrecognised	(1,532)	-	-	-
Under/(Over) provision of current taxation in prior year	3,524	(4,543)	-	-
Different in tax rate between corporate tax rate and real property gain tax rate	(1,041,078)	-	-	-
Taxation for the financial year	753,538	413	-	-

22. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2022	2021
Profit/(Loss) for the financial year attributable to owners of the Company (RM)	1,816,585	(4,757,453)
Weighted average number of ordinary shares in issue	40,000,999	40,000,999
Earnings/(Loss) per share (sen)	4.54	(11.89)

There are no diluted earnings/(loss) per share as the Company does not have any dilutive potential ordinary shares as at financial year end.

23. CONTINGENT LIABILITIES

Contingent liabilities of the Company as at the end of financial year are as follows:

	Company	
	2022 RM	2021 RM
Corporate guarantees given to local financial institutions for secured credit facilities granted to subsidiary companies	2,000,000	3,000,000

24. STAFF COSTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Staff costs (excluding directors)	2,823,265	3,267,390	362,098	384,482

25. 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.

25. RELATED PARTY DISCLOSURES (CONT'D)

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

	Company	
	2022	2021
	RM	RM
Management fees from subsidiaries	1,188,000	1,188,000

Information regarding remuneration of key management personnel is as follows:

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Directors' remuneration:				
- Fees	120,000	112,000	120,000	112,000
- Salaries and other emolument	1,692,924	1,692,000	528,000	528,000
- Contributions to Employees Provident Fund	203,040	203,040	63,360	63,360
	2,015,964	2,007,040	711,360	703,360

26. SEGMENT 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 the following:

(i) Investment holding
(ii) Manufacturing
(iii) Trading
(iv) Property development

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 performance as management believes that such information is 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 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 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.

26. SEGMENT INFORMATION (CONT'D)

(a) Business segments

	Investment holding RM	Manufacturing RM	Trading RM	Non-reportable segments RM	Total RM
2022					
Revenue					
External operating revenue	-	5,591,218	1,745,800	-	7,337,018
Results:					
Segment results	(1,373,082)	2,973,378	1,202,858	(4,508)	2,798,646
Finance income					47,111
Finance cost					(275,634)
Profit before tax					2,570,123
Taxation					(753,538)
Profit for the financial year					1,816,585
Other information					
Amortisation of prepaid lease payments	-	11,149	-	-	11,149
Capital additions	-	22,515	-	-	22,515
Depreciation of property, plant and equipment	7,554	550,789	77,915	-	636,258
Gain on disposal of:					
- property, plant and equipment	-	(6,917,391)	(341,520)	-	(7,258,911)
- investment properties	-	(180,000)	-	-	(180,000)
Impairment loss on trade receivables	-	308,312	-	-	308,312
Loss on fair value adjustment on other investments	-	-	773	-	773
Loss on disposal of club membership	-	65,632	43,632	-	109,264
Loss on disposal of other investment	-	-	1,398	-	1,398
Property, plant and equipment written off	-	-	108	-	108
Provision for slow moving inventories	-	270,156	-	-	270,156
Reversal of provision for slow moving inventories	-	(51,577)	(2,702)	-	(54,279)
Reversal of impairment loss on trade receivables	-	(20,779)	-	-	(20,779)
Segment of Financial Position					
Assets					
Segment assets	2,415,733	26,835,549	6,967,643	7,185,049	43,403,974
Liabilities					
Segment liabilities	260,798	5,760,760	1,824,841	468,482	8,314,881

26. SEGMENT INFORMATION (CONT'D)

(a) Business segments (cont'd)

	Investment holding RM	Manufacturing RM	Trading RM	Non-reportable segments RM	Total RM
2021					
Revenue					
External operating revenue	-	8,334,722	1,293,852	-	9,628,574
Results:					
Segment results	(1,401,482)	(3,993,728)	851,242	(4,541)	(4,548,509)
Finance income					80,678
Finance cost					(289,209)
Loss before tax					(4,757,040)
Taxation					(413)
Loss for the financial year					(4,757,453)
Other information					
Capital additions	2,260	46,320	4,335	-	52,915
Depreciation of property, plant and equipment	12,638	703,969	89,898	-	806,505
Gain on disposal of property, plant and equipment	(1)	-	(39,001)	-	(39,002)
Amortisation of prepaid lease payments	-	11,149	-	-	11,149
Provision for slow moving inventories	-	799,203	-	-	799,203
Reversal of provision for slow moving inventories	-	(5,239)	-	-	(5,239)
Impairment loss:					
- trade receivables	-	105,603	-	-	105,603
- other investment	-	-	7,500	-	7,500
Reversal of impairment loss on trade receivables	-	(45,664)	(20,689)	-	(66,353)
Loss on fair value adjustment on other investments	-	-	927	-	927
Segment of Financial Position					
Assets					
Segment assets	2,082,413	30,254,103	6,676,358	7,101,609	46,114,483
Liabilities					
Segment liabilities	153,872	10,339,836	1,878,604	469,663	12,841,975

26. SEGMENT INFORMATION (CONT'D)

(b) Geographical information

	2022 RM	2021 RM
Revenue by geographical location of customers		
- Malaysia	7,051,638	9,263,989
- Outside Malaysia	285,380	364,585
	7,337,018	9,628,574
Non-current assets by geographical location of assets		
- Malaysia	28,032,088	30,922,077

27. FINANCIAL INSTRUMENTS

The following table analyses the financial assets and financial liabilities of the Group and of the Company by the classes and categories of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Financial assets				
Fair value through profit or loss				
Other investments	5,564	27,936	-	-
Amortised cost				
Trade and other receivables	2,659,774	4,029,628	136,978	139,936
Deposits with licensed banks	2,955,600	3,828,694	1,000,000	1,850,000
Cash and bank balances	5,248,507	722,977	1,222,674	30,376
	10,869,445	8,609,235	2,359,652	2,020,312
Financial liabilities				
Other financial liabilities				
Borrowings*	2,065,212	6,015,451	-	-
Trade and other payables	5,603,901	6,173,569	260,038	153,046
Amounts owing to subsidiary companies	-	-	110,977	139,600
	7,669,113	12,189,020	371,015	292,646

* Included in borrowings are bank overdraft, lease liabilities, bankers' acceptance and revolving credit.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including credit risk, liquidity risk and market risk.

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.

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

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2022	**2021**
	RM	**RM**
Neither past due nor individually impaired	1,123,654	1,027,534
Past due but not individually impaired:		
- Between 1 - 30 days	583,807	-
- Between 31 - 120 days	163,185	945,114
- More than 120 days	409,886	1,538,952
	1,156,878	2,484,066
Individually impaired	1,723,158	1,474,766
	4,003,690	4,986,366

The Group's trade receivables that are neither past due nor individually impaired are creditworthy debtors with good payment records with the Group. These debtors are mostly long term customers with no history of default in payment.

The Group's trade receivables that are past due at the reporting date but not impaired relate mainly to customers who are slow paymasters, hence, periodically monitored.

The Group's trade receivables of RM1,723,158 (2021: RM1,474,766) 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 losses for these receivables is RM1,723,158 (2021: RM1,474,766).

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

Credit risk (cont'd)

Movements on the Group's provision for impairment of trade and other receivables are as follows:

	Trade receivables RM	Other receivables RM	Total RM
2022			
At beginning of the financial year	1,580,369	51,064	1,631,433
Charge during the financial year	308,312	-	308,312
Reversal during the financial year	(20,779)	-	(20,779)
At end of the financial year	1,867,902	51,064	1,918,966
Represented by:			
Individual impairment	1,723,158	51,064	1,774,222
Lifetime expected credit loss impairment	144,744	-	144,744
	1,867,902	51,064	1,918,966
2021			
At beginning of the financial year	1,541,119	51,064	1,592,183
Charge during the financial year	105,603	-	105,603
Reversal during the financial year	(66,353)	-	(66,353)
At end of the financial year	1,580,369	51,064	1,631,433
Represented by:			
Individual impairment	1,474,766	51,064	1,525,830
Lifetime expected credit loss impairment	105,603	-	105,603
	1,580,369	51,064	1,631,433

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

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 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.

The table below summarises the maturity profile of the Group 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	Below 1 year RM	Between 2 and 5 years RM
Group					
2022					
Trade payables	3,892,637	-	3,892,637	3,892,637	-
Other payables	1,711,264	-	1,711,264	1,711,264	-
Lease liabilities	199,564	2.40 – 3.78	208,488	111,565	96,923
Borrowings	1,865,648	3.64 - 7.10	1,865,648	1,865,648	-
	7,669,113		7,678,037	7,581,114	96,923
2021					
Trade payables	3,787,720	-	3,787,720	3,787,720	-
Other payables	2,385,849	-	2,385,849	2,385,849	-
Lease liabilities	376,903	2.40 - 3.78	399,330	188,298	211,032
Borrowings	5,638,548	3.05 - 8.25	5,638,548	5,638,548	-
	12,189,020		12,211,447	12,000,415	211,032

	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	Below 1 year RM
Company				
2022				
Other payables	260,038	-	260,038	260,038
Amounts owing to subsidiaries companies	110,977	-	110,977	110,977
	371,015	-	371,015	371,015
2021				
Other payables	153,046	-	153,046	153,046
Amounts owing to subsidiaries companies	139,600	-	139,600	139,600
	292,646	-	292,646	292,646

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

Market risk

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

(a) Price risk

The Group is not significantly exposed to price risk.

(b) 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 interest rate profit 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 were:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed rate instruments				
Financial assets	2,955,600	3,828,694	1,000,000	1,850,000
Financial liabilities	(199,564)	(376,903)	-	-
	2,756,036	3,451,791	1,000,000	1,850,000
Floating rate instruments				
Financial liabilities	1,865,648	5,638,548	-	-

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.

As at the end of the financial year, if interest rates of floating rate instruments had been lower by 50 basis point with all other variables held constant, this will result in post-tax increase of RM7,089 (2021: RM21,426) in profit or loss and other comprehensive income respectively.

(c) Foreign exchange risk

The Group is not significantly exposed to foreign currency risk. Hence, sensitivity analysis is not presented.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and borrowings reasonably approximate their fair values, either due to the relatively short term nature or that they are floating rate instruments that are re-priced to market interest rate on or near the end of the reporting period.

The fair value of other investments is determined by reference to the counter parties' quote at the active market.

The Group and the Company 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 statement of financial position:

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2022				
Financial assets				
Fair value through profit or loss:				
- Other investments	5,564	-	-	5,564
2021				
Financial assets				
Fair value through profit or loss:				
- Other investments	27,936	-	-	27,936

The following table analyses the fair values of financial instruments not carried at fair value, together with their carrying amounts in the statements of financial position:

	2022 Carrying amount RM	Fair value RM	2021 Carrying amount RM	Fair value RM
Group				
Lease liabilities	199,564	185,932	376,903	362,955

28. CAPITAL MANAGEMENT

The objective of the Group on capital management is to ensure that it maintains a strong credit rating and safeguard the Group's ability to continue as a going concern, so as to support its business, maintain the market confidence and maximise shareholder value.

The Group monitors the capital using gearing ratio, which is net borrowings divided by equity attributable to owners of the parent. The gearing ratio at the reporting period is as follows:

	Group	
	2022 RM	2021 RM
Total interest bearing borrowings	2,065,212	6,015,451
Less: Cash and bank balances	(5,248,507)	(722,977)
Less: Deposits with licensed banks	(2,955,600)	(3,828,694)
Net (cash)/borrowings	(6,138,895)	1,463,780
Total equity	35,089,093	33,272,508
Gearing ratio	N/A	4.4%

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

29. DATE OF AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 30 June 2022 were authorised for issue in accordance with a resolution of the Board of Director on 21 October 2022.

LIST OF **PROPERTIES**
AS AT 30 JUNE 2022

Registered / Beneficial Owner	Location of Property	Description of Property	Tenure / Approximate Age of Building	Total Build-Up Area/Land Area	Existing Use	Acquisition / (Revaluation) Date	Carrying Amount 30.06.2022 (RM)
Multec Enterprise Sdn. Bhd.	9, Jalan 2/116D, Kuchai Entrepreneurs' Park, Off Jalan Kuchai Lama, 58200 Kuala Lumpur.	1 unit 4 1/2-Storey Shop / Office	Leasehold 90 years expiring on 23.6.2081 / 29 years	848 sq.m/ 186 sq.m	Sales Office	23.9.1993/ (1.2.1996)	951,470
Woodlandor Wood Products Sdn. Bhd.	Lot 265, Batu 22 1/2, Sg. Lalang, Semenyih, Selangor Darul Ehsan.	Industrial Land with Factory Buildings	Freehold / 34 years	8,015 sq.m/ 3.88 acres	Door and Frame Factory	11.8.1988/ (1.2.1996)	2,512,833
	Lot 442, Batu 22 1/2, Sg. Lalang, Semenyih, Selangor Darul Ehsan.	Industrial Land with Factory Buildings	Freehold / 29 years	4,080 sq.m/ 4.219 acres	Pre-fab Roof Truss Factory	6.10.1993/ (1.2.1996)	593,469
	Lot No. 975, Mukim Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan.	Industrial land	Freehold	9 acres	Vacant	30.12.2000	4,508,460
	Lot 1339, Batu 22 1/2, Sg. Lalang, Semenyih, Selangor Darul Ehsan.	Industrial Land with Factory Buildings	Freehold / 25 years	58,000 sq.ft/ 3 acres	Head Office and Factory	12.9.1997	5,480,226
	H.S. (M):6701, Lot No.:PT 1803, Mukim Hulu Semenyih, Daerah Hulu Langat, Selangor.	Industrial land	Leasehold 99 years expiring on 13.10.2103	15,255 sq.ft	Door & Frame Factory	17.05.2005	930,315
Woodlandor Buildmat Sdn. Bhd.	H.S. (D) 251003, PTD 127044, Mukim of Plentong, 7, Jalan Gunung 3, Bandar Sri Alam, 81750 Masai, Johor Bahru.	1 Unit 4-Storey Shop/Office	Freehold / 23 years	7,512 sq.ft/ 1,920 sq.ft	Johor Bahru Branch Office	28.10.1999	428,913
Woodlandor Development Sdn. Bhd.	No.3562, GM 1485 Lot 999, Jalan Semenyih Semenyih, Selangor Darul Ehsan.	Agricultural Land	Freehold	5.8125 acres	Vacant	17.12.2003	7,000,000

SHAREHOLDING **STATISTICS**

AS AT 30 SEPTEMBER 2022

Total Issued Shares : 40,000,999 Shares
Type of Shares : Ordinary Share
Voting Rights : One (1) vote per Ordinary Share on a poll
Number of Shareholders : 1,292

SUBSTANTIAL SHAREHOLDERS
(As per Register of Substantial Shareholders)

	DIRECT		INDIRECT	
NAME	SHARE HELD	%	SHARE HELD	%
DATO' SERI MUN WENG SUM	6,371,759	15.93	661,766*	1.65
MUN LI CHOO	3,229,011	8.07	-	-
MUN WENG YEE	5,772,361	14.43	-	-
NGIT KUA @ NG NGIT YOON	2,599,056	6.50	-	-
SISMA HOLDINGS SDN. BHD.	4,151,100	10.38	-	-
SISMA POWER SDN. BHD.	-	-	4,151,100^	10.38
DU AIN SDN.BHD.	-	-	4,151,100^	10.38
DUCLOS SDN. BHD.	-	-	4,151,100^	10.38
DATIN MARIAM PRUDENCE BINTI YUSOF	-	-	4,151,100^	10.38

** Deemed interests through shares held directly by spouse.*
^ Deemed interests through Sisma Holdings Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS
(As per Register of Directors' Shareholdings and/or Record of Depositors)

	DIRECT		INDIRECT	
NAME	SHARE HELD	%	SHARE HELD	%
DATO' SERI MUN WENG SUM	6,371,759	15.93	661,766*	1.65
MUN LI CHOO	3,229,011	8.07	-	-
CHAY NG	-	-	-	-
DATO' TEH BOON SING	-	-	-	-
SOO KENG WAH	-	-	-	-

** Deemed interests through shares held directly by spouse.*

DISTRIBUTION OF SHAREHOLDERS

Size Of Holdings	No. Of Holders	No. Of Share	%
1 - 99	169	8,246	0.02
100 - 1,000	181	133,905	0.34
1,001 - 10,000	688	2,773,421	6.93
10,001 - 100,000	219	6,280,556	15.70
100,001 - 2,000,049#	29	8,779,516	21.95
2,000,050 and above##	6	22,025,355	55.06
TOTAL	**1,292**	**40,000,999**	**100.00**

 # Less than 5% of issued shares
5% and above of issued shares

LIST OF 30 LARGEST **SHAREHOLDERS**

AS AT 30 SEPTEMBER 2022

NO.	NAME	SHARES HELD	%
1.	MUN WENG YEE	5,772,361	14.43
2.	SISMA HOLDINGS SDN BHD	4,151,100	10.38
3.	DATO' SERI MUN WENG SUM	3,249,160	8.12
4.	MUN LI CHOO	3,225,678	8.06
5.	DATO' SERI MUN WENG SUM	3,028,000	7.57
6.	NGIT KUA @ NG NGIT YOON	2,599,056	6.50
7.	NG YUET WAH	1,097,385	2.74
8.	NG YUET WAH	831,100	2.08
9.	APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN CHOW TEE (MARGIN)	783,400	1.96
10.	DATIN SERI MITCHELL WONG CHOOI LENG	661,766	1.65
11.	TEE JEN TONG	576,200	1.44
12.	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE MIN HUAT (7005950)	545,000	1.36
13.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' SRI GAN CHOW TEE	460,000	1.15
14.	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE JEN TONG (7003685)	362,400	0.91
15.	YAU LAN YONG	296,200	0.74
16.	MUN FONG YEEN	294,033	0.74
17.	NG NYOK MIN	277,800	0.69
18.	KOH SIEW KEN, FELY	248,800	0.62
19.	MOHAMED IZANI BIN MOHAMED JAKEL	230,000	0.58
20.	LEE KOK HIN	205,800	0.51
21.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JOAN YONG MUN CHING	185,900	0.46
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD LOI SIE CHIEW	150,000	0.38
23.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE YEN CHONG	147,900	0.38
24.	MD NIZAM BIN MD SHERIF @ MD SHARIF	138,700	0.35
25.	TAN PENG CHEONG	136,666	0.34
26.	TAN PENG CHEONG	128,366	0.32
27.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH TIAN CHUAN	125,800	0.31
28.	LEE KAO BIN	125,000	0.31
29.	GAN CHOW TEE (DATO' SRI)	120,000	0.30
30.	LEE KOK LEONG	113,000	0.28
	TOTAL	**30,266,571**	**75.66**

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WOODLANDOR HOLDINGS BERHAD

Company No. 199601004347 (376693-D)
(Incorporated in Malaysia)

FORM OF PROXY

I/We ______________________________ NRIC No./Company No. ______________

of ____
(full address)

being member/members of **WOODLANDOR HOLDINGS BERHAD** ("Company"), hereby appoint the following person(s) as my/our proxy:

Name of proxy & NRIC No. / Passport No.	Contact No.	Email address	No. of ordinary shares represented by proxy	Percentage of shareholding
1.				
2.				
			Total	**100%**

or failing him, the Chairman of the Meeting as my/our proxy to vote on my/our behalf at the 26th Annual General Meeting of the Company to be held at Ballroom 2, Level LG, Eastin Hotel, No. 13, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 23 November 2022, at 10.00 a.m. and at every adjournment thereof, and to vote as indicated below:-

No.	Resolution	FOR	AGAINST
1.	Approval of Directors' fees for the financial year ending 30 June 2023		
2.	Approval of Directors' benefits in aggregate for the period from 24 November 2022 until the date of the next Annual General Meeting of the Company		
3.	Re-election of Mr. Soo Keng Wah as Director		
4.	Appointment of HLB Ler Lum Chew PLT as Auditors of the Company		
5.	Authority to Allot and Issue Shares pursuant to the Companies Act 2016		
6.	Retention of Mr. Chay Ng as Independent Director		

Please indicate with ☑ or ☒ on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

CDS Account No.	
Number of Shares held	
Member's contact number	

Signed on this .... day of 2022

....
Signature of Shareholder(s) or Common Seal

* To delete as appropriate

NOTES:

1. Only depositors whose names appear in the Record of Depositors as at 16 November 2022 shall be regarded as members and be entitled to attend, participate, speak and vote at the 26th Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. 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.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. Any alterations in the Proxy Form must be initialed by the member and ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power of attorney, must be deposited at the Registered Office of the Company at Unit 3A-12, Level 3A, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or lodged electronically at ir@shareworks.com.my, not less than twenty-four (24) hours before the time appointed for holding this meeting or any adjournment thereof.

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AFFIX
STAMP

The Company
KMP Corporate Consultancy Sdn Bhd
(1298802-A)

Unit 3A-12, Level 3A, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
8, Jalan Kerinchi,
59200 Kuala Lumpur.

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WOODLANDOR HOLDINGS BERHAD
Registration No. 199601004347 (376693-D)

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43500 Semenyih, Selangor Darul Ehsan
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Fax: 03-8723 2211
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