Meta Bright
正源 Group 集团

Annual Report 2022

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second ("**22nd**") Annual General Meeting ("**AGM**") of the Company will be held at Merbok Room, Level 6, The Grand Renai Hotel, Kota Sri Mutiara, Jalan Sultan Yahya Petra, 15150 Kota Bharu, Kelantan, Malaysia on Thursday, 24 November 2022 at 10.00 a.m. or any adjournment thereof for the following purposes:

AGENDA

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 Auditors thereon. **(Please refer to Note 1 of the Explanatory Notes)**

2. To re-elect the following Directors who are retiring pursuant to Clause 96 of the Constitution of the Company:

   (i) Mr Phang Kiew Lim; and **Ordinary Resolution 1 (Please refer to Note 2 of the Explanatory Notes)**

   (ii) Puan Masleena Binti Zaid **Ordinary Resolution 2 (Please refer to Note 2 of the Explanatory Notes)**

3. To approve the Directors' Fees and Benefits Payable to the Directors for amount up to RM500,000 for the period from the date of the 22nd AGM until the date of the next AGM, to be paid monthly in arrears. **Ordinary Resolution 3**

4. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

As Special Business

To consider and, if thought fit, to pass the following resolutions:-

5. **AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 and 76 OF THE COMPANIES ACT 2016 ("THE ACT")**

   "**THAT** subject to the Companies Act, 2016 ("**Act**"), the Company's Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"), the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act to allot and issue new shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions to such persons and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of new shares to be issued does not exceed 20% of the total number of issued shares of the Company for the time being ("**20% General Mandate**") until 31 December 2022 or a later date allowed by the relevant authorities at that point in time;

   AND THAT with effect from 1 January 2023 or a later date allowed by the relevant authorities at that point in time, the general mandate be reinstated from a 20% threshold to a 10% threshold pursuant to Paragraph 6.03 of the MMLR or such other higher threshold stipulated by the MMLR or as empowered by Bursa Securities for the time being, subject always to the approval of all the relevant regulatory bodies being obtained for such allotment and issuance;

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

AND THAT pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with the existing shares in the Company;

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid before the date of allotment of such new shares."

Ordinary Resolution 5 (Please refer to Note 3 of the Explanatory Notes)

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

"**THAT** subject to Paragraph 10.09 of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Company and its subsidiaries ("**MBGB Group**") be and are hereby authorised to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 of the Circular to Shareholders dated 26 October 2022 with the related parties mentioned therein which are necessary for the MBGB Group's day-to-day operations and/or in the ordinary course of business of MBGB Group on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company and THAT such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

THAT in making the disclosure of the aggregate value of the recurrent related party transactions conducted pursuant to the proposed shareholders' approval in the Company's annual report, the Company shall provide a breakdown of the aggregate value of recurrent related party transactions made during the financial year, amongst others, based on:

(i) the type of the recurrent related party transactions made; and

(ii) the name of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company.

AND THAT the Directors of the MBGB Group be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the transactions as authorised by this Proposed Shareholders' Mandate."

Ordinary Resolution 6 (Please refer to Note 4 of the Explanatory Notes)

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

BY ORDER OF THE BOARD

TAI YIT CHAN
(SSM PC No. 202008001023)
(MAICSA 7009143)
Secretary

Selangor Darul Ehsan
Date: 26 October 2022

Notes:

1. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to attend, participate, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, 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. The Proxy Form shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

5. The original instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Company's Share Registrar at Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding the meeting or adjourned meeting, otherwise the instrument of proxy should not be treated as valid.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 18 November 2022 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

7. Pursuant to Clause 78 of the Company's Constitution, all the resolutions set out in the Notice of the AGM will be put to vote by way of poll.

Explanatory Notes:

1. Item 1 of the Agenda

The agenda item no. 1 is meant for discussion only as the provision of Section 340(1) of the Act does not require a formal approval of shareholders of the Company. Hence, agenda item no. 1 is **not put forward for voting**.

2. Item 2 of the Agenda

The performance of each Director who is recommended for re-election has been assessed through the Board's annual evaluation. The Nominating Committee and the Board of Directors are satisfied with the performance and effectiveness of Mr Phang Kiew Lim and Puan Masleena Binti Zaid who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 22nd AGM.

The profiles of Directors who are standing for re-election under Ordinary 1 and 2 are set out in the Board of Directors' profile of the Annual Report 2022.

3. Item 5 of the Agenda

The Company had, during its Twenty-first AGM held on 30 November 2021, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act ("**Previous Mandate**"). As at the date of this notice, the Company did not issue any shares pursuant to the Previous Mandate.

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

The proposed Ordinary Resolution 5, if passed, will empower the Directors from the conclusion of this AGM, to allot and issue up to a maximum of 20% of the total number of issued shares (excluding treasury shares, if any) of the Company at the time of issue (other than bonus or rights issue) up to 31 December 2022 pursuant to the extension of implementation of the 20% General Mandate announced by Bursa Securities on 23 December 2021 or a later date allowed by the relevant authorities at that point in time. With effect from 1 January 2023 or a later date allowed by the relevant authorities at that point in time, the 20% General Mandate will be reinstated to a 10% threshold in accordance with Paragraph 6.03 of the MMLR of Bursa Securities (or such other higher threshold stipulated by the MMLR or as empowered by Bursa Securities) for such purposes as they consider would be in the best interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

After having considered all aspects of the 20% General Mandate the Board is of the opinion that the seeking of the 20% General Mandate would be in the best interest of the Company and its shareholders as this authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for purpose of funding investment project(s), working capital and/or acquisition(s). If there is a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

Pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company, the Shareholders have a statutory pre-emptive right to be offered any new ordinary shares in the Company which rank equally to the existing ordinary shares issued by the Company.

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

"85. Pre-emptive rights to new shares

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

Clause 59 of the Constitution of the Company provides as follow:

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

By voting in favour of the proposed Ordinary Resolution 5, you will be waiving your statutory pre-emptive right and the proposed Ordinary Resolution 5 if passed, will exclude your statutory pre-emptive right to be offered any new ordinary shares to be issued by the Company.

4. Item 6 of the Agenda

The explanatory note on Ordinary Resolution 6 is set out in the Circular to the Shareholders on 26 October 2022.

Personal data privacy:

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or 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.*

FIVE-YEAR FINANCIAL HIGHLIGHTS

		FINANCIAL YEAR ENDED 30 JUNE	FINANCIAL PERIOD ENDED 30 JUNE	FINANCIAL YEAR ENDED 31 DECEMBER		
		2022	2021	2019	2018	2017
Revenue	RM	**25,704,534**	20,899,378	18,074,088	21,304,532	17,741,751
EBITDA	RM	**12,047,513**	(96,661,299)	(4,444,439)	(1,726,051)	(2,143,018)
Profit/(Loss) before tax	RM	**6,469,570**	(107,331,696)	(13,333,287)	(7,975,905)	(8,220,099)
Profit/(Loss) from continuing operations	RM	**4,074,512**	(100,417,954)	(12,789,732)	(7,159,104)	(7,944,257)
Net profit/(loss) attributable to equity holders	RM	**4,074,512**	(100,417,954)	(12,789,732)	(7,159,104)	(7,944,257)
Total assets	RM	**243,966,269**	171,719,145	273,029,364	280,498,925	279,928,760
Total liabilities	RM	**82,385,085**	100,466,331	104,480,473	106,332,202	96,968,151
Total net assets/Total equity	RM	**161,581,184**	71,252,814	168,548,891	174,166,723	182,960,609
Return on equity (ROE)	%	**2.52**	(140.93)	(7.59)	(4.11)	(4.34)
Return on total assets (ROTA)	%	**1.67**	(58.48)	(4.68)	(2.55)	(2.84)
Gearing ratio	Times	**0.51**	1.41	0.62	0.61	0.53
Interest coverage ratio	Times	**1.19**	(20.75)	(1.92)	(3.02)	(3.18)
Earnings per share (EPS)	SEN	**0.49**	(30.88)	(4.64)	(2.91)	(3.23)
Net tangible asset per share	RM	**0.19**	0.22	0.61	0.71	0.74
Price earning (PE) Ratio	Times	**14.27**	(0.40)	(1.72)	(3.26)	(4.17)
Share price as at the financial year/period ended	RM	**0.07**	0.13	0.08	0.10	0.14

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mohamed Akwal Bin Sultan Mohamad
(Chairman and Independent Non-Executive Director)

Lee Chee Kiang
(Managing Director)

Dato' Lee Wai Mun, DIMP., JP.
(Executive Director)

Phang Kiew Lim
(Executive Director)

Tan Chin Hong
(Executive Director)

Masleena Binti Zaid
(Independent Non-Executive Director)

Ong Lu Yuan
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Ong Lu Yuan *(Chairman)*
Mohamed Akwal Bin Sultan Mohamad
Masleena Binti Zaid

REMUNERATION COMMITTEE

Mohamed Akwal Bin Sultan Mohamad *(Chairman)*
Masleena Binti Zaid
Ong Lu Yuan

NOMINATING COMMITTEE

Masleena Binti Zaid *(Chairman)*
Mohamed Akwal Bin Sultan Mohamad
Ong Lu Yuan

KEY SENIOR MANAGEMENT

Eric Wee Ei-Mas *(Project Director)*
San Tuck Hoe *(Financial Controller)*

COMPANY SECRETARY

Tai Yit Chan *(MAICSA 7009143)*
(SSM PC No. 202008001023)

PRINCIPAL PLACE OF BUSINESS

V06-07-03A, Signature 2,
Lingkaran SV, Sunway Velocity,
55100 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur,
Malaysia
Tel : +603-9201 2893
Fax : +603-9201 3982

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor
Tel : +603-7890 4800
Fax : +603-7890 4650

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor
Tel : +603-7890 4700
Fax : +603-7890 4670

AUDITORS

Baker Tilly Monteiro Heng PLT
Baker Tilly Tower
Level 10, Tower 1
Avenue 5, Bangsar South City
59200 Kuala Lumpur
Tel : +603-2297 1000
Fax : +603-2282 9980

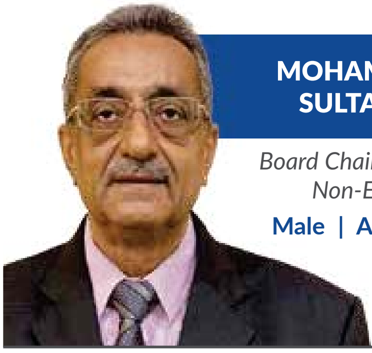
PRINCIPAL BANKER

Bank Islam Malaysia Berhad
Menara Bank Islam
No. 22, Jalan Perak
50450 Kuala Lumpur
Tel : +603 2088 8000
Fax : +603-2088 8028

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
- Main Market
(Consumer Products & Services)
Stock Name : MBRIGHT
Stock Code : 2097

PROFILE OF THE BOARD OF DIRECTORS



MOHAMED AKWAL BIN SULTAN MOHAMAD

Board Chairman and Independent Non-Executive Director

Male | Aged 68 | Malaysian

Mohamed Akwal Bin Sultan Mohamad was appointed as an Independent Non-Executive Director of the Company on 20 August 2015. He was re-designated as Board Chairman on 17 September 2020.

Akwal has wide experience in corporate banking and debt recovery. He has extensive experience in SME lending, debt management and personal financial literacy, providing advisory services to corporates, SMEs and individuals.

He started his career with Citibank and has over thirty (30) years of experience in the financial sector with significant experience in debt resolution, have served the National Debt Management Agency (Danaharta, set up by the Government during the 1997 financial crisis) as its Deputy General Manager. Seconded to the Development Finance and Enterprise Department of the Central Bank in 2003, he assisted in setting up the SME Special Unit and was instrumental in the establishment of Small Debt Resolution Scheme.

He was formerly the founding Chief Executive Officer of the Credit Counselling and Debt Management Agency (AKPK), a company owned by the Central Bank of Malaysia.

He is a Member of the Audit and Risk Management Committee and Chairman of Remuneration Committee and Member of Nominating Committee.

Particulars of his other directorship in public company:

- Harn Len Corporation Berhad

Akwal had been publicly reprimanded by Bursa Malaysia Securities Berhad for breach of paragraph 9.35A(1)(a) of the Main Market Listing Requirements for another listed issuer in relation to Harn Len Corporation Berhad during the financial year ended 30 June 2022 but there was no penalty imposed.

He does not have any interest (direct or indirect) in the securities of the Company. He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder.

He attended all eight (8) Board meetings held during the financial year ended 30 June 2022.

LEE CHEE KIANG

Managing Director

Male | Aged 48 | Malaysian

Lee Chee Kiang was appointed as Chief Executive Officer (CEO) of the Company on 23 January 2018 and re-designated as Managing Director on 1 July 2018.

He has completed the Real Estate CEO's Advance Course with Tshinghua University in Beijing and has more than twenty (20) years of experience in the real estate industry.

He started from a very humble beginning as a Marketing Executive overseeing project worth RM171 million. Within the next ten (10) years' timeframe he has successfully completed development worth RM215 million.

In 2007, with the vision to change the Skyline of Kota Kinabalu, he has set-up his own company which has completed project worth approximately RM340 million till to date. He is currently overseeing various projects worth RM640 million and will be managing upcoming project in the pipeline which is estimated to be worth RM4.7 billion.

Particulars of his other directorship in public company:

- HS Global Development Berhad

He has a direct interest of 93,736,800 ordinary shares in the Company. He does not have any conflict of the interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

He attended all eight (8) Board Meetings held during the financial year ended 30 June 2022.

PROFILE OF THE BOARD OF DIRECTORS
(cont'd)

DATO' LEE WAI MUN, DIMP., JP.

Executive Director

Male | Aged 49 | Malaysian

Dato' Lee Wai Mun, DIMP., JP. ("Dato' Lee") was appointed as an Executive Director of the Company on 9 August 2021.

Dato' Lee holds an Advance Diploma in Business Administration from ATC College. He has been the Chief Executive Officer of Edubest Resources Sdn Bhd since November 2005. He is a Director and Chief Executive Officer of YGL iBay International Sdn Bhd since year 2017. Dato' Lee has more than 29 years of experience as a businessman with diverse expertise in mining, construction, property development, trading, plantation and logistic.

Dato' Lee is instrumental in marketing the Malaysian iron ores to China-based steel manufacturers. Dato' Lee is an active member of the Pahang Iron Ore Association and the Malaysian Chamber of Mines.

Dato' Lee was awarded the title of Dato' by Sultan of Pahang in year 2012. In year 2017, he was appointed as Jaksa Pendamai (J.P.) by the Sultan of Kelantan.

Dato' Lee has indirect interest of 994,617,415 ordinary shares in the Company held by his wholly owned Company, Leading Ventures Sdn Bhd.

Dato' Lee does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder (save for the above). Other than traffic offences, Dato' Lee has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

Dato' Lee attended all eight (8) Board meetings held in the financial year ended 30 June 2022.

PHANG KIEW LIM

Executive Director

Male | Aged 40 | Malaysian

Phang Kiew Lim ("Derek Phang") was appointed as Executive Director of the Company on 20 February 2020.

Derek Phang holds a Bachelor's Degree in Commence (major in Accounting and Finance) from University of Sydney, Australia. He was admitted as a member of Certified Practising Accountant ("CPA") Australia and the Malaysian Institute of Accountants, and is registered as an ASEAN Chartered Professional Accountant. He was also a holder of a Capital Markets Services Representative's License advising on corporate finance issued by the Securities Commission of Malaysia.

In his seventeen (17) years of working experience, Derek Phang has gained extensive experience in the fields of corporate finance and business advisory pertaining to corporate transactions such as cross-border mergers and acquisitions, initial public offerings, capital raising as well as financing and restructuring. Derek Phang has travelled extensively to the People's Republic of China, Thailand, Indonesia, Cambodia, Laos and Hong Kong where he was exposed to the peculiar cultures and business practices in those countries.

Derek Phang was involved in various industries, amongst others, he had experience in energy related business. He was previously appointed as a Corporate Finance Senior Manager by a local independent power producer which has diversified energy related investment portfolio in South East Asia region.

He does not have any interest (direct or indirect) in the securities of the Company. He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

He attended all eight (8) Board meetings held during the financial year ended 30 June 2022.

PROFILE OF THE BOARD OF DIRECTORS
(cont'd)

TAN CHIN HONG

Executive Director

Male | Aged 46 | Malaysian

Tan Chin Hong was appointed as an Executive Director of the Company on 17 July 2013.

He holds a Bachelor of Social Science, Major in Economics and Accounting, The Queen's University of Belfast. He joined the Company in 2004. Throughout his tenure with the Group, he is primarily based in the Finance Department. He is a meticulous and strong team member who is proficient in a wide range of accounting functions and operations. He readily adapts to new professional settings, acquires and applies new knowledge toward supporting Company goals. Being versatile and possessing multi-tasking skills, he has also been assigned to various duties involving internal audit, administrative as well as operative jobs in various subsidiaries within the Group during the tenure of his service.

He has an indirect interest of 17,670,000 ordinary shares and 488,700 ordinary shares in the Company via Prestige Pavilion Sdn Bhd and Danhwa Holding Sdn Bhd respectively. He also has an indirect interest of 91,228 ordinary shares via his sister, Adeline Tan Wan Chen and 84,000 ordinary shares via his brother, Tan Chin Hao by virtue of section 8 of the Companies Act 2016.

He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder (save for the above). Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

He attended all eight (8) Board meetings held during the financial year ended 30 June 2022.

MASLEENA BINTI ZAID

Independent Non-Executive Director

Female | Aged 47 | Malaysian

Masleena Binti Zaid was appointed as an Independent Non-Executive Director of the Company on 15 July 2019.

She is an L.L.B. (Hons) graduate from Sheffield Hallam University, United Kingdom. She was admitted to the High Court of Malaya as an advocate and solicitor in 2001. She is also a registered Trade Mark Agent. Her predominantly areas of practice are corporate, commercial and company law. Her portfolio includes providing advice to corporate clients which matters varies from liaising with relevant authorities for clients, dealing with human management issues, conveyancing matters and preparing agreements and on case-to-case basis.

Prior to founding Masleena, Yee & Partners, Masleena was with the Securities Commission of Malaysia and subsequently with the Companies Commission of Malaysia (SSM).

She was appointed as member of Audit and Risk Committee, Remuneration Committee and Nominating Committee on 15 July 2019. She was re-designated as Chairman of Nominating Committee on 20 February 2020.

Particulars of her other directorship in public company:

- Sinmah Capital Berhad
- Gabungan AQRS Berhad
- ECA Integrated Solution Berhad

She does not have any interest (direct or indirect) in the securities of the Company. She does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, she has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

She attended seven (7) out of eight (8) Board meetings held during the financial year ended 30 June 2022.

PROFILE OF THE BOARD OF DIRECTORS
(cont'd)

ONG LU YUAN

Independent
Non-Executive Director

Male | Aged 47 | Malaysian

Ong Lu Yuan was appointed as an Independent Non-Executive Director of the Company on 17 September 2020.

He graduated with BSc in Accountancy from University of East Anglia, Norwich in 1996 and was admitted as an Associate member of the ICAEW in January 2000. He is now a fellow member and was accredited with the Business Finance Professional qualification.

He joined Sunway TES lecture team in 2004 and specializes in the subjects of Audit Assurance, Corporate Reporting (formerly known as Business Reporting) as well as Case Study since 2018. He was also involved in both the ACCA fundamental and professional levels with F8 (Audit & Assurance), P1 (Corporate Governance, Risks and Ethics) and P7 (Advanced Audit Assurance) together with MICPA-ICANZ Audit Assurance paper.

His passion for teaching and mentoring has produced numerous groups achieving 100% pass rates together and ICAEW World Prize Winners for Audit Assurance paper (Watts Prize) on numerous occasions. In addition, he has produced a MICPA-ICANZ World Price Winner for Audit Assurance and another ACCA Malaysian Prize Winner for the Advanced Audit Assurance Paper.

He is concurrently running his own business which is predominantly involved in the property development industry based in Melaka and has special interest in building architectures and interior designs. He has to date completed approximately 1,000 units of medium and medium-high cost residential and commercial properties.

He was appointed as Chairman of Audit and Risk Committee, and Member of Remuneration Committee and Nominating Committee respectively on 17 September 2020.

He has a direct interest of 1,198,800 ordinary shares in the Company. He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

He attended all eight (8) Board meetings held during the financial year ended 30 June 2022.

PROFILE OF KEY SENIOR MANAGEMENT

ERIC WEE EI-MAS
Project Director

Male | Aged 43 | Malaysian

Eric Wee joined the Company as Project Manager on 1 July 2015 and was later promoted to Project Director on 8 July 2019. He was re-designated as an Executive Director of the Company on 20 August 2019.

He resigned as Executive Director of the Company on 9 August 2021 and continued with his portfolio as Project Director of the Company to focus on project development business of the subsidiaries.

He trained for his Undergraduate studies in Bachelor of Engineering (Civil & Structure) from the University of Melbourne, Australia and has been registered with the Board of Engineers since 2011.

In his eighteen (18) years of working experience, Eric has worked in the real estate, property development and construction industries in Malaysia, UAE, Bahrain, Singapore, India and the Philippines.

In his pursuit of continual professional development, Eric has earned a Project Management Professional (PMP) Certification from the Project Management Institute of America. He has also completed courses for Negotiation, Marketing and Contracts Law with Yale, The Wharton School and Harvard respectively.

He has a direct interest of 41,000 ordinary shares in the Company. He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

SAN TUCK HOE
Financial Controller

Male | Aged 53 | Malaysian

San Tuck Hoe was appointed as a Financial Controller of the Company on 1 January 2014.

He was trained under the Malaysian Institute of Certified Public Accountants ("MICPA") professional accountant articleship programme with a Big Four accounting firm, obtained his MICPA professional qualification in 1998 and registered with the Malaysian Institute of Accountants in 2003.

In his more than thirty (30) years of working experience, Tuck Hoe is exposed to various industries during his career development with a Big Four accounting firm. Prior to joining the Company, he was a part of the finance and accounting team of one of the world's leading producer of high purity stevia ingredients which has offices, plants and other facilities in Asia Pacific, North America, South America, Europe and Africa regions.

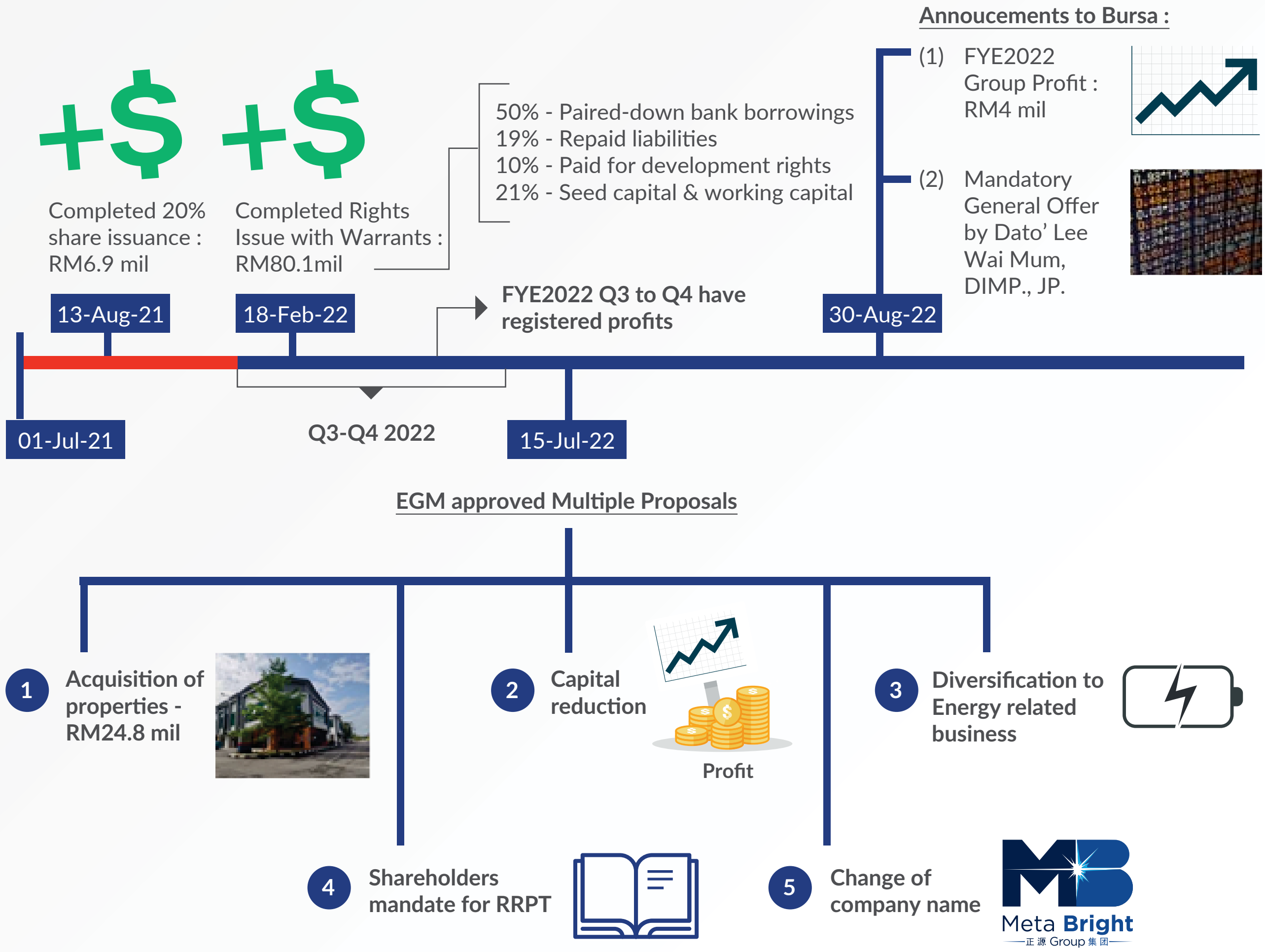
He does not have any interest (direct or indirect) in the securities of the Company. He does not have any conflict of interest with the Company or any family relationship with any director and/or substantial shareholder. Other than traffic offences, he has not been convicted for any offences within the past five (5) years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATING ACTIVITIES IN FINANCIAL YEAR 2022

The financial year 2022 ("FYE2022") up to the date of this annual report has been an eventful period for Meta Bright Group Berhad (formerly known as Eastland Equity Bhd, ("Company" or "MBGB") as illustrated in the diagram below:

Significant Events Through Financial Year 2022 to Date of Printing



MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

➢ **Corporate fund raising**	-	The Company completed two fund raising exercises, namely a 20% share issuance and a Rights Issue with Warrants on 13 August 2021 and 18 February 2022 respectively, with total funds raised amounting to RM87 million. - RM41.5 million had been utilised to pare-down bank borrowings - RM14.8 million was utilised to repay advances from a director and an ex-director - RM8.0 million was utilised to pay for Damai project development rights - RM14.0 million and RM4.0 million are allocated for business opportunities and property development respectively - Remaining balance is allocated for working capital and expenses for the Rights Issue with Warrants
➢ **Multiple Proposals**	-	Multiple proposals which were approved by shareholders at an extraordinary general meeting on 15 July 2022 have been progressively implemented accordingly : - Acquisition of 92 commercial shops/offices in Tun Abdul Razak Business Park, Jengka, Maran, Pahang amounting to RM24.8 million which is after a 20% bulk-discount - Capital reduction at the Company to offset accumulated losses with capital reserve and share capital - Diversifying into energy-related businesses as there is growing demands in the renewable energy and energy efficiency businesses. The outlook of this segment is considerably more sustainable and stable and is expected to provide a steady stream of revenue moving forward - Obtained shareholders' mandate for recurrent related party transactions ("RRPT") to expedite the entering into solar power and energy efficiency systems by leveraging on the profile and resources of Dato' Lee Wai Mun, DIMP., JP., a Director and a major shareholder, who has experience in the business - The change of name from Eastland Equity Bhd. to Meta Bright Group Berhad to better reflect the Group's growth direction, and for the expansion of the Group's product and service offering
➢ **Mandatory General Offer**	-	MBGB has made various announcements since 30 August 2022, in relation to the unconditional mandatory take-over offer by Dato' Lee Wai Mun, DIMP., JP. and persons acting in concert with him, to acquire all the remaining shares in the Company from other shareholders

After being in the red for the past 5 consecutive financial years/period, MBGB Group is finally in the black in FYE2022, having registered operational profit from the 3rd quarter onwards and a full-year profit after tax of RM4 million in FYE2022. This is an important milestone and a turning point which indicates that a series of corporate exercises and business development activities by the new management team ("Management") is bearing fruit. The Management will continue to explore and pursue new business opportunities in the existing and newly diversified business segments to improve its earnings.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Hospitality

The overall performance of Grand Renai Hotel in Kota Bharu, Kelantan ("the Hotel") has improved in FYE2022 compared to financial period ended 2021 ("FPE2021"). Hotel's revenue has improved by RM9.4 million or 71%, with a revenue of RM22.6 million in FYE2022 compared to RM13.2 million in FPE2021. The Hotel's occupancy rate has improved by 36.3% compared to last year, having achieved an average occupancy rate of 65% in FYE2022 *(2021: 28.7%)*. Similarly, the Hotel's F&B revenue has improved significantly by RM4.5 million or 87% with a revenue of RM9.7 million in FYE2022 compared to RM5.2 million in FPE2021.

In line with the overall improvement in hotel performance, the hotel's valuation has increased by RM6 million from last year's RM69 million to RM75 million as appraised by the valuer on 30 June 2022 using the income approach. The RM6 million increase in valuation being a reversal of the previous year's impairment loss, is recognised as gain in the Statements of Comprehensive Income in FYE2022 in accordance with the significant accounting policy of the Group.

In view of the hotel being a major contributor of revenue and cashflow to the Group, the Management has allocated approximately RM4.7 million in FYE2022 to refurbish the hotel (with RM2.5 million for first stage of refurbishment and RM2.2 million for second stage of refurbishment), in the hope that upon completion of the refurbishment, the hotel may attract leisure customers as well as business-travel segment customers.

Investment Properties

The KSM shopping mall in Kota Bharu, Kelantan has seen an increase in footfall by approximately 160% since the uplifting of the MCO in 2021. However, the average occupancy rate has dropped marginally from the previous year's 81% to 80% in FYE2022. Nevertheless, average rental rate per square foot has increased marginally from RM0.90 in FPE2021 to RM0.93 in FYE2022 due to the waiver/reduced rental as support to tenant during the MCO period in FPE2021. The Group is taking appropriate measures to remain competitive in the market, retain key tenants with good payment track record and actively looking out for new tenants to fill up existing vacancies by offering attractive rental rates.

Property Development

The Damai Project - a 16-storey building with 2-storey shoplots, 5-storey carpark, 1-storey public facilities and 8-storey commercial units on a piece of land situated in Damai, Kota Kinabalu - has an estimated aggregate gross development value and gross development cost of approximately RM169 million and RM118 million respectively, and is to be developed over a tenure of approximately 3 years.

Based on the Group's assessment and evaluation on the current property market condition in Kota Kinabalu, the Company anticipates to commence development of the project in the 2nd quarter of FYE2022. Nevertheless, in view of the current property market condition, the Group will continue to adopt a cautious approach and will evaluate all options available at the material time before launching the project.

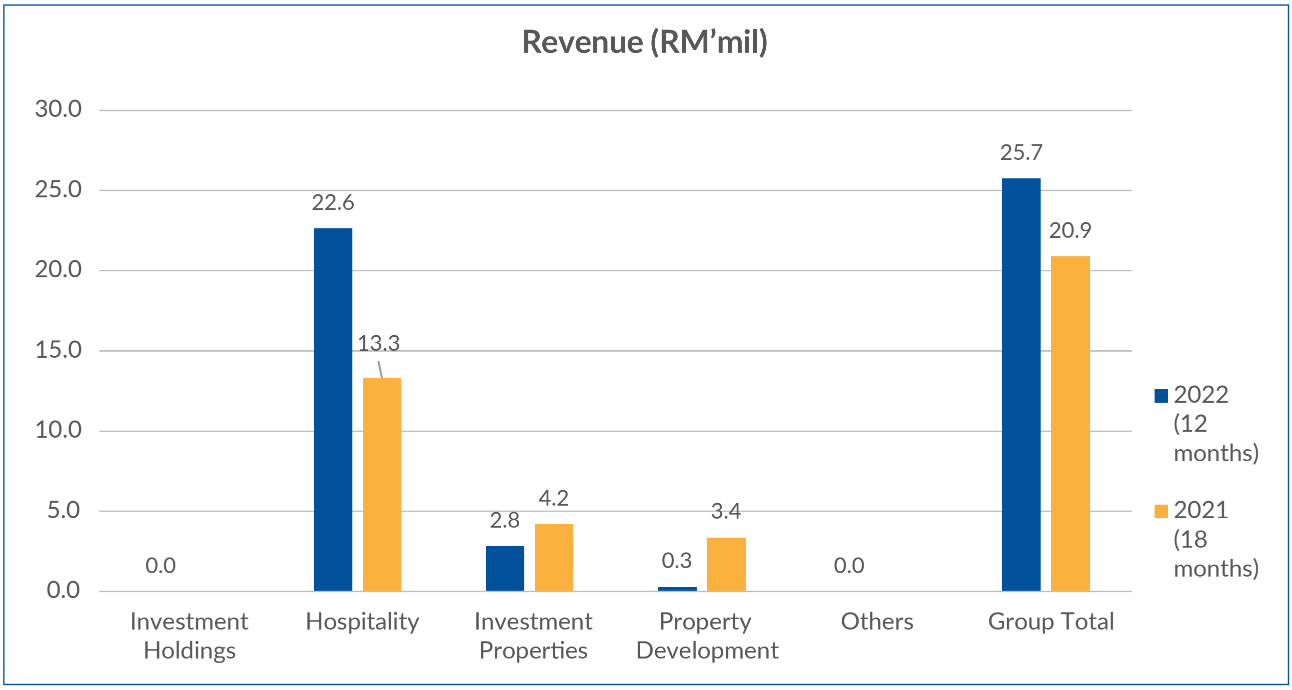
For the Bandar Tasek Raja project in Pasir Mas, Kelantan ("BTR"), the Management had decided to put on hold further development of phase 2 (154 units of shoplots to be developed, 30 units had commenced construction, the remaining 124 units are vacant land) save for the intention of completing the development of 14 units of shoplots (out of the 30 units) expected to be completed for handover by the second quarter of FYE2023.

The Management will consider, amongst others, the property market sentiment and the financial position of the Group when deciding on the timing to resume the development of the remaining 16 units of shoplots (out of the 30 units which had commenced construction). This will be evaluated based on the availability of internally generated funds, bank borrowings and/or debt/equity fundraising. The Group had discussions with several parties for the disposal of the remaining 124 pieces of vacant lands which were not successful and is evaluating other options available to them.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

FINANCIAL PERFORMANCE

Revenue



Despite FYE2022 being a shorter period compared to the 18 months period in FPE2021, the Group's revenue increased by RM4.8 million to RM25.7 million in FYE2022 as compared to RM20.9mil in FPE2021. The increase was mainly attributed to the improved hotel performance while shopping mall and property development segments both recorded a drop in revenue due to the proportionately fewer months in FYE2022 and the scaling down of the BTR project respectively. A review of the three key segments of the Group is as follows:

Hospitality

The overall performance of the Hotel has improved and has been encouraging, having registered a 71% increase in revenue of RM22.6 million from RM13.2 million in FPE2021. This was mainly attributed to the improvement in occupancy rate and F&B sales by 36% and 87% respectively.

Property Development

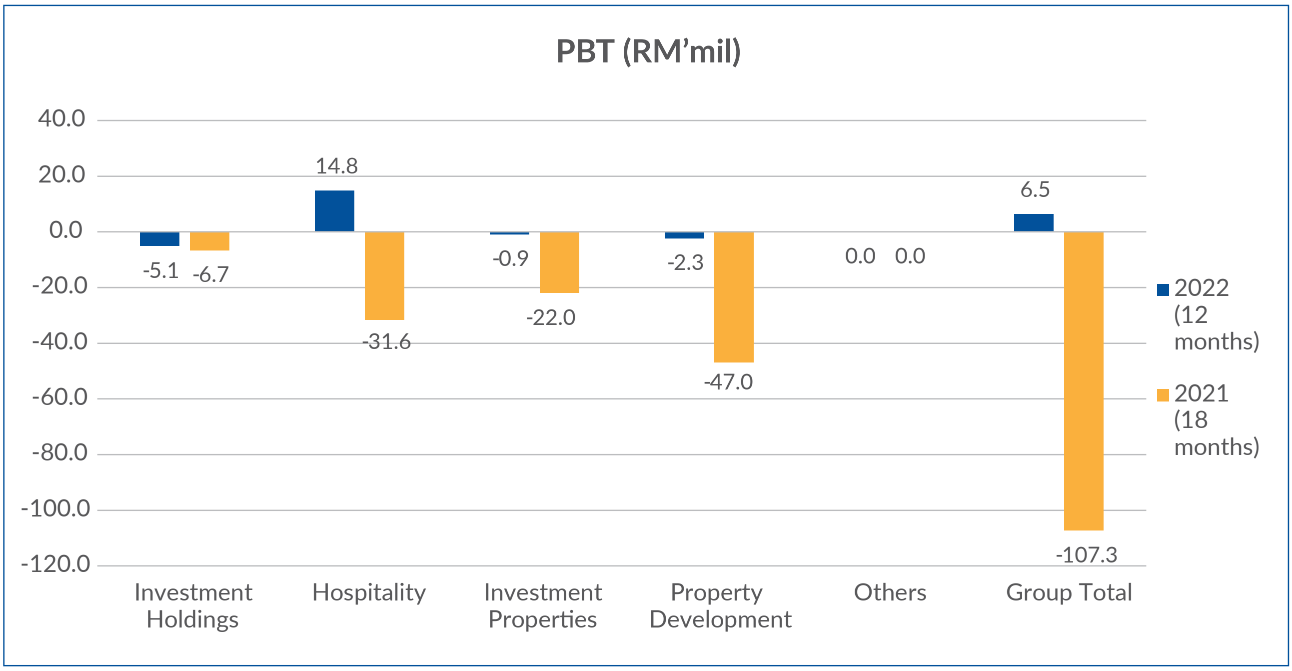
With the Damai project in Kota Kinabalu yet to be launched in FYE2022 and the scaling down of the BTR project, the property development segment recorded lower revenue in FYE2022 compared to FPE2021.

Investment Properties

The proportionately lower revenue in FYE2022 was mainly attributed to the 18 months preceding financial period.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Profitability



MBGB Group registered a profit before tax of RM6.5 million in FYE2022 against a loss before tax of RM107.3 million in FPE2021 (18 months). The turnaround from loss to profit before tax was mainly due to the following :

(i) Hotel's improved performance in FYE2022 with a registered RM10 million operating profit compared to near breakeven in FPE2021;

(ii) Increase in hotel's valuation by RM7.6 million being recognised as reversal of impairment, a gain in Statements of Comprehensive Income;

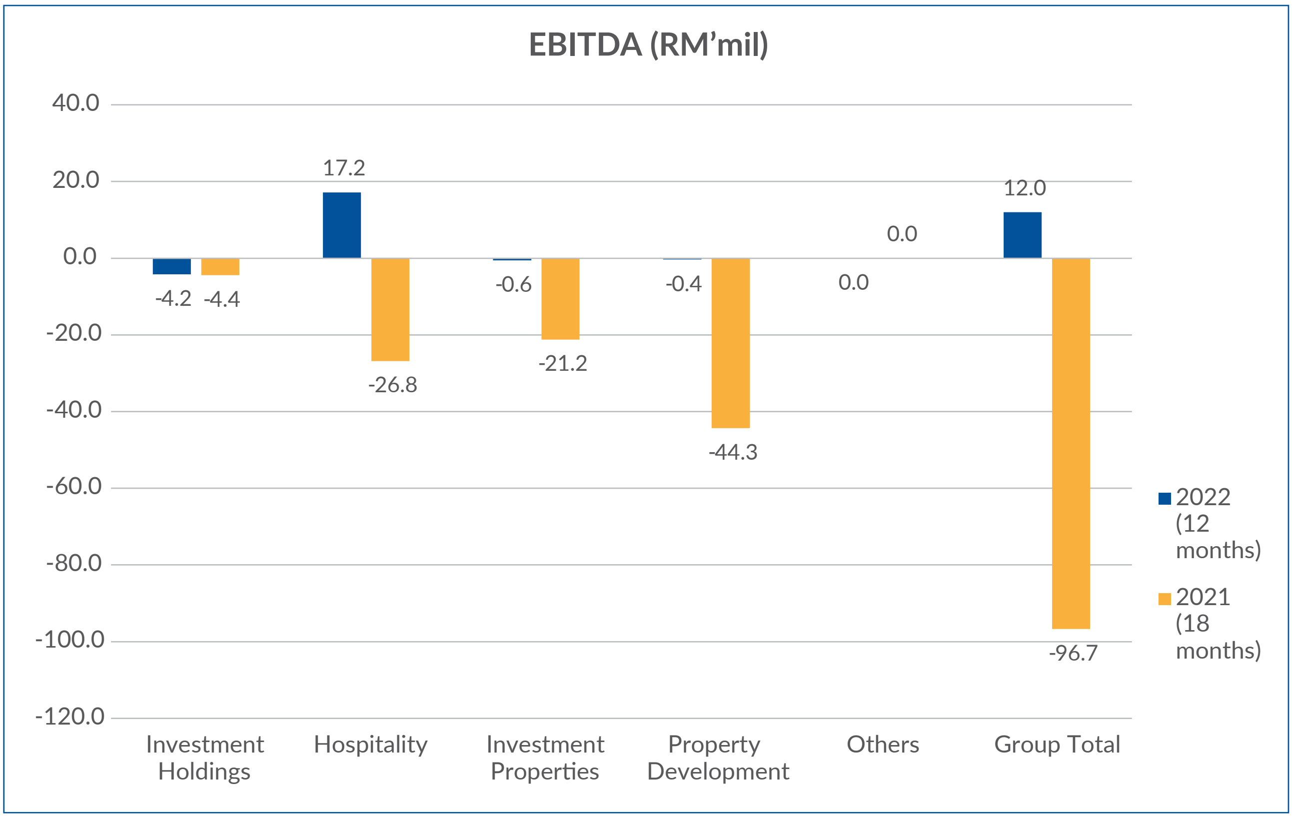
(iii) Decrease in interest expense by RM1.97 million;

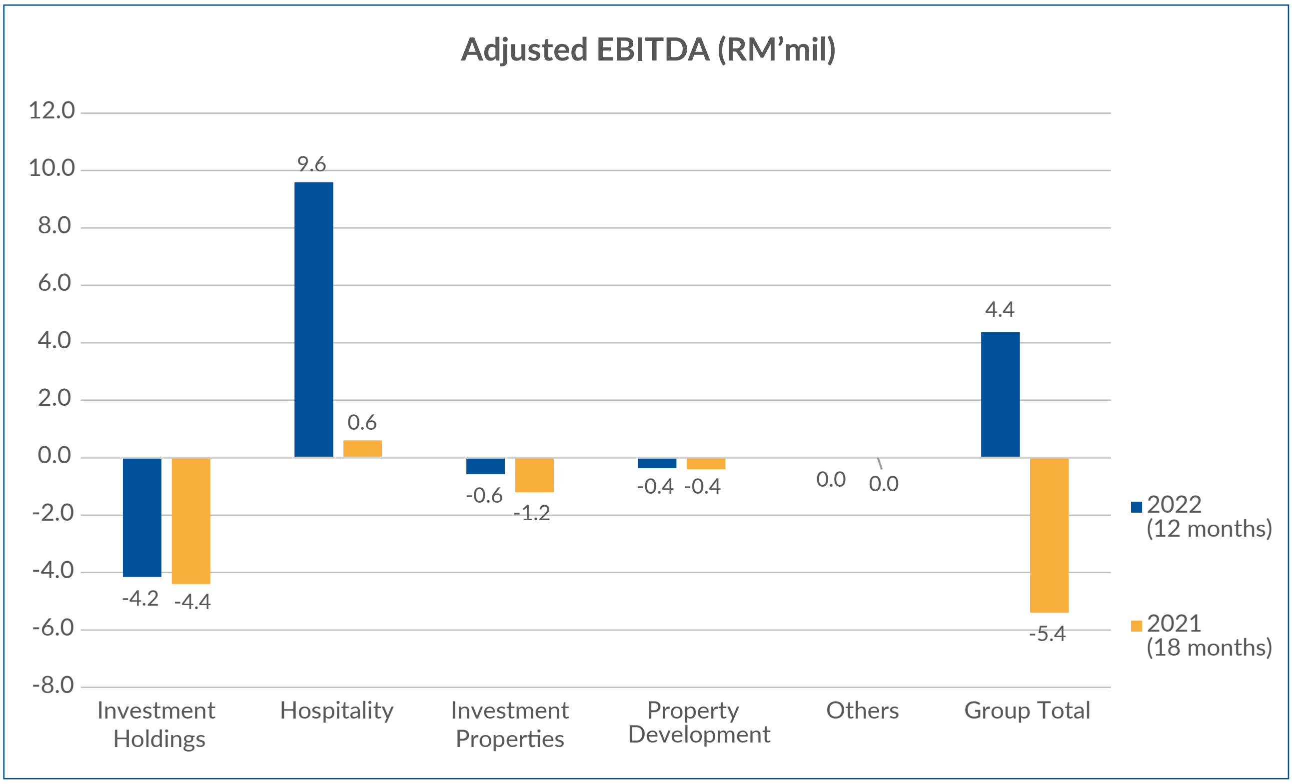
(iv) Decrease in depreciation charge by RM3.1 million;

(v) RM27.3 million impairment loss in the hotel building in property, plant and equipment, and RM20.0 million fair value loss in the investment properties in FPE2021; and

(vi) RM43.9 million write-down in property development costs in inventories to net realisable value in FPE2021.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

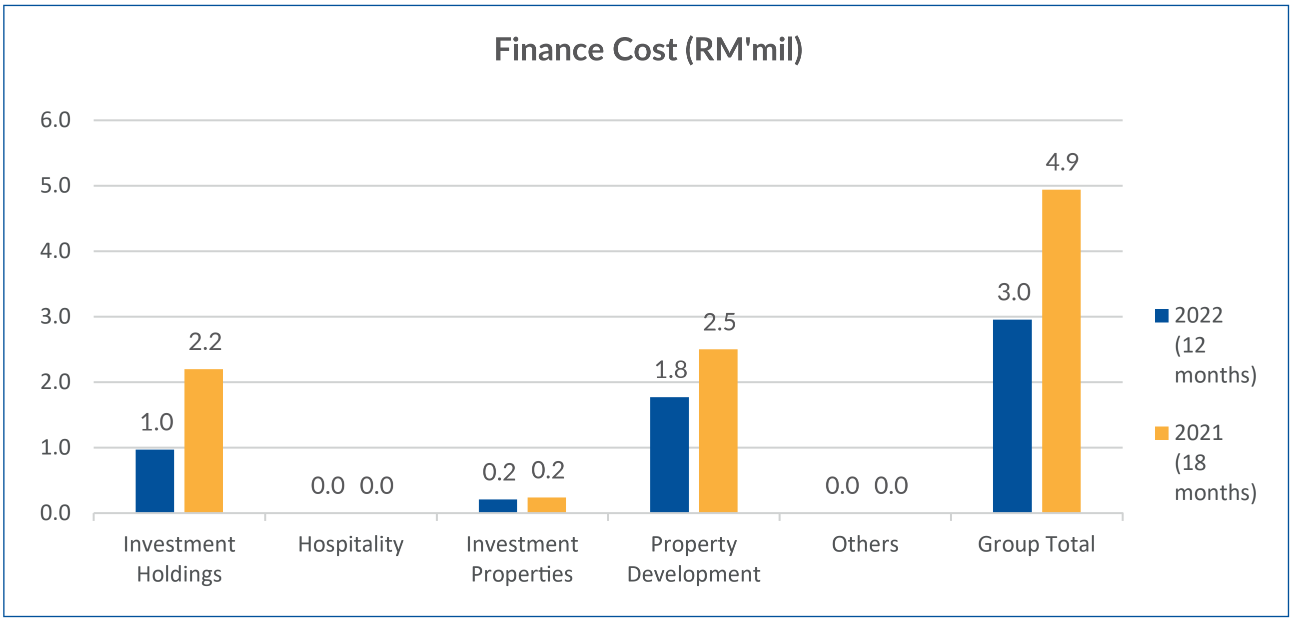




Adjusted EBITDA is the EBITDA excluding : (i) reversal of impairment/impairment of property, plant & equipment; (ii) fair value loss of investment properties, and (iii) the write-down in property development costs in inventories to net realisable value.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Finance cost



Finance cost mainly relates to the Islamic term loans and overdraft facilities utilised for project development and working capital purposes.

ASSET CHANGES

Property, Plant and Equipment

Property, plant and equipment increased from RM70.8 million in FPE2021 to RM78.8 million in FYE2022 mainly due to the RM6 million increase in valuation of the hotel building and hotel refurbishment capitalised during the financial year.

Investment Properties

There is no movement in valuation of the investment properties during the financial year.

Inventories

Inventories increased from RM27.6 million in FPE2021 to RM62.3 million in FYE2022 mainly due to the capitalisation of Damai project's development rights, cost, land cost and other preliminaries expenditures as at 30 June 2022.

Trade and Other Receivables

Trade and other receivables increased by almost double mainly due to a RM1.2 million refundable deposit payment for solar energy projects' engineering, procurement, construction and commissioning contractor and the overall increase in hotel sales.

Contract Asset

Contract asset is mainly the portion of property development cost incurred for the Damai project that is related to the entitlement due to the local council according to the development plan and agreement.

Tax Assets

Tax assets amounting to RM0.5 million had been written off in FYE2022 due to recoverability.

MANAGEMENT DISCUSSION AND ANALYSIS
(cont'd)

Liquidity

The cash and bank balance as at 30 June 2022 was 13 times higher than FPE2021, mainly attributed to the surplus funds arising from the 20% share issuance and Rights Issue with Warrants completed during FYE2022.

Capital Requirement, Structure and Resources

Total term loans and bank overdraft decreased significantly (61%) from RM56.2 million to RM22.3 million as at the balance sheet date in FPE2021 and FYE2022 respectively due to the pare-down of the bank borrowings from the 2 fund-raising exercises in FYE2022.

KNOWN TRENDS AND MOVING FORWARD

For the current financial year, the Board has been continuously identifying new opportunities for development projects to provide the Group with new income streams, such as the recently completed acquisition of development rights for a commercial project in Sabah namely Damai Suites. The Damai Suites' development approval and building plan endorsements have been obtained from the local authorities. The Group has already commenced piling works, marketing campaigns and started to accept bookings. The Board will continue to adopt a cautious approach for the Group's property development projects and will evaluate all options available to the Group at the material time before launching any particular projects.

While the Group will remain focused on its core business, it will continue to seek and explore non-property related business opportunities that would contribute positively towards the Group's financial performance. The Group will remain cautious when looking out for business opportunities in the face of new challenges.

DIVIDEND

The Board does not recommend any dividend for the financial year 2022.

SUSTAINABILITY STATEMENT

Scope of Report

Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) and its subsidiaries ("the Group") is committed to empowering sustainable decisions throughout our organisation and reporting on our sustainable development activities in accordance with the Bursa Malaysia Sustainability Guide. This report details the impact of our activities across the Group's economic, environmental and social concerns.

The Grand Renai Hotel in Kota Bharu, Kelantan ("TGR" or "the Hotel") is the main operation of the Group, contributing 88% of group revenue for the financial year ended ("FYE") 2022 . In view of this, it is used as the case study for the Sustainability Report 2022. In anticipation of the kick-off for the Damai Suites project in Kota Kinabalu, the Sabah business unit conducted a sustainability workshop on 23 June 2022 to educate and promote awareness of sustainability-related matters within the organisation.

Sustainability Governance

The following sections report on our performance under the principles of the three core pillars of our sustainability mission, i.e. Economic, Environmental and Social Sustainability.

Stakeholder Engagement

The Group recognises that stakeholders form an integral part of our ecosystem and therefore we are committed to taking proactive measures to engage with these stakeholders on the basis of mutual respect to fully understand their issues and viewpoints. In this way, all facets are taken into consideration in our decision-making process. This approach allows us to develop long lasting partnerships within our community.

Stakeholders	Engagement Methods	Frequency	Stakeholder Interests	How We Deliver Value
Shareholders and Investors	o Annual General Meeting o Extraordinary General Meeting	o Annually o When Required	o Higher financial return	o Financial performance o Return on Investment (ROI)
Board of Directors	o Board Meetings	o Quarterly o When Required	o Corporate Governance o Regulatory Compliance o Sustainability	o Corporate Governance Policy o Sustainability Report
Employees	o Employee engagement programmes o Training o Townhall sessions	o Throughout the year	o Career development o Benefits o Communication	o Training programmes o Townhall sessions o Annual reviews o Family days
Business Partners o JV Partners o Landowners o Financiers	o Meetings & discussions o Periodic reviews as required	o As specified in agreements	o Transparency	o Ethical and fair management policies and practices
Customers	o Roadshows o Events and Activities o Social media o Courtesy calls o Sales visits	o Throughout the year	o Value for money o Quality product o Up to date information o Effective complaints resolution	o Ethical pricing o Exceptional service o Quality assurance and quality control measures o Online and offline communication channels

SUSTAINABILITY STATEMENT
(cont'd)

Stakeholders	Engagement Methods	Frequency	Stakeholder Interests	How We Deliver Value
Local Communities and NGOs	o Community engagement o Social activities o Social media	o Throughout the year	o Community care and support o Good corporate governance	o CSR activities
Suppliers o Contractors o Material suppliers	o Tender and Bidding o Request for Quotation o Request for Proposal	o Throughout the year	o Ethical management and procurement	o Online and offline communication channels o Clear and fair procurement policies and practices
Local Government Authorities and Agencies o Bursa o Ministries o Local Authorities o Bomba o Utility Bodies o JKR o JAKIM o Etc	o Compliance with Government legislative framework	o Annually o As required on activity basis	o Transparency o Regulatory compliance and disclosures o Accountability o Policy alignment	o Annual Report o Certifications and Registrations o Public Disclosure o Compliance o Sustainability report
Consultants o Architects o Engineers o Quantity Surveyors o Legal Advisors o Valuer & Estate Agencies o Etc.	o Project development and execution	o As required on project basis	o Regulatory compliance o Ethical management	o Clear specification and project briefs o Ethical and fair management policies and practices

Analysis of Materiality

The Group conducted workshops for the Sabah business unit and TGR on 23 June 2022 and 30 June 2022, respectively. The Sabah workshop introduced the concept of sustainability and stakeholder identification, as well as discussed the general framework for the sustainability report, whereas the TGR workshop focused on reporting, monitoring, and improving on frameworks developed in previous years.

The Process

The staff and Heads of Departments highlighted matters of importance within their respective fields and issues of concern to stakeholders.

The issues were then broadly categorised into the principles of sustainability of the 3 core pillars, i.e. Economic, Environmental and Social. The categories were further expanded and ranked 'Importance to Stakeholders' and 'Relevance to the Group on a scale of 1 - 5, with 1 being of least importance and 5 of great importance.

Subsequently, a Power/Interest Grid was used to map out stakeholders who were in the High Interest and High Power categories, following which adequate mitigation measures to be put in place to address issues of concern were worked out.

Stakeholders	Important Issues	Mitigation Measures	Status
Shareholders	Profit	Business Plan	In place
Owners/ Parent Company	Profit Efficiency Compliance Employee and customer loyalty	Business Plan Reduce Wastage, Go Green Campaign SOP's, authority permit validity Engagement	In place Ongoing Ongoing Ongoing
Hotel management	Achieving Budget Better product Proper organisation structure Recognition Leisure	KPI Maintenance and Renovation Plan Organisational Chart Awards and remuneration Leisure Benefits	Ongoing Ongoing In Place In Place Ongoing
Customers	Fair Prices Good Value Quality product Timely delivery* Experience Safety Comfort Parking**	Market research Market research QAQC on Design, Procurement Project schedule monitoring Engagement, QC and Renovation Plan Health and Safety Plan Engagement, QC and Renovation Plan Valet services	Ongoing Ongoing Ongoing Ongoing Ongoing In place Ongoing Ongoing

* *Issues specific to property development*
** *Issue specific to TGR*

Sustainability Development Goals (SDG)

SUSTAINABILITY STATEMENT
(cont'd)

Of the 17 Sustainable Development Goals outlined by the United Nations, the Group had adopted 4 Goals in FYE 2019 (2, 4, 12, and 13) and further took on three goals in financial period ended ("FPE") 2021 (5, 9 and 17). The Group proceeded to endorse an additional 3 goals during the FYE 2022, namely Good Health and Well-being, Clean Water and Sanitation, and Life on Land (3, 6, and 15). Overall, the Group has successfully addressed 10 of the 17 goals within 3 years since the inception of its sustainability journey. The results of the initiatives taken in these 10 goals have been encouraging and our efforts are ongoing.

In working towards 'Zero Hunger', we have donated and will continue to donate food to the underprivileged, as part of our Corporate Social Responsibility ("CSR") efforts.

Ensuring healthy lives and promoting well-being at all ages are also essential to sustainable development. Currently, the world is facing a global health crisis unlike any other — COVID-19 is causing human suffering, destabilising the global economy, and upending the lives of billions of people around the globe. During the financial year, we prioritised 'Good Health and Well-being' by encouraging all staff to be vaccinated as a precaution in combating the spread of the virus, and continued keeping the business premises sanitised to minimise any health risks.

TGR has a diverse workforce, and a variety of job positions are filled by personnel of different races, religions, work experiences and educational backgrounds. The entire workforce is a reflection of the hotel's multi-ethnic culture. Our commitment to 'Quality Education' is evidenced in the training given to these personnel to ensure that they are able to provide hotel guests with great service and an amazing experience.

'Gender Equality' is also accounted for in recruitment and staffing within the Group as we see it as not only a fundamental human right, but a necessary element for a peaceful, prosperous and sustainable world.

We started our 'Clean Water and Sanitation' initiative by ensuring that all our employees have access to clean water while at work. Our offices are equipped with water filters that remove harmful chemicals and bacteria for safe water consumption.

In line with 'Industry, Innovation and Infrastructure', sustainable measures were taken when we upgraded our hotel premises, by reusing materials innovatively, and ensuring greater adoption of clean and environmentally sound technology.

We have further inculcated the mindset of 'Responsible Consumption and Production', especially in our hotel business operations, by managing food production and utilities conservation to minimise unnecessary wastage.

In terms of 'Climate Action', we are committed to reducing carbon footprint by sourcing our supplies from nearby locations to reduce CO2 emission in transportation, and purchasing in bulk when possible to reduce the frequency of delivery.

During the financial year, TGR initiated a garden project within the hotel premises in support of 'Life on Land'.

Last but not least, efforts made in the previous year were continued when we forged 'Partnerships for the Goals' with Kelab Media Kelantan to jointly promote our sustainability endeavours.

SUSTAINABILITY STATEMENT
(cont'd)

Economic

Economic sustainability is achieved when there is optimum allocation of human capital, as well as financial and natural resources. This critical aspect is addressed at all levels of the Group. Apart from revenue maximisation measures, a strategy called Life Cycle Cost Analysis has been adopted to ensure that the cost of acquisition, operations, maintenance and disposal are taken into consideration during the initial stages. Focus is also given to employment creation and local income generation, and where possible, materials and workforce will be sourced locally.

Restoration and Infrastructure

In the restoration of the 20th floor of our hotel guestrooms, black-out curtains were used to promote energy consumption, in line with our goal of 'Responsible Consumption and Production'. Sunlight entering the building through windows is converted into heat internally which will result in additional consumption of cooling energy during hot weather. The selection of curtains with a dark internal hue and a light tone on the outside will help deflect sunlight before it can turn into heat, thereby reducing energy consumption. The same method will be adopted while refurbishing other parts of the premises.

Other restorations carried out which reflect responsible energy consumption and production initiatives include:

- Restoration of Associates Cafeteria which included the replacement of traditional tube bulb 40w with T5 Led 18W to reduce energy usage

SUSTAINABILITY STATEMENT
(cont'd)

- Lift car restoration

- Restoration of Badminton Court at Level 8

- LED installation aimed at reducing the usage of disposable backdrops for hotel events

- Garden Porch restoration

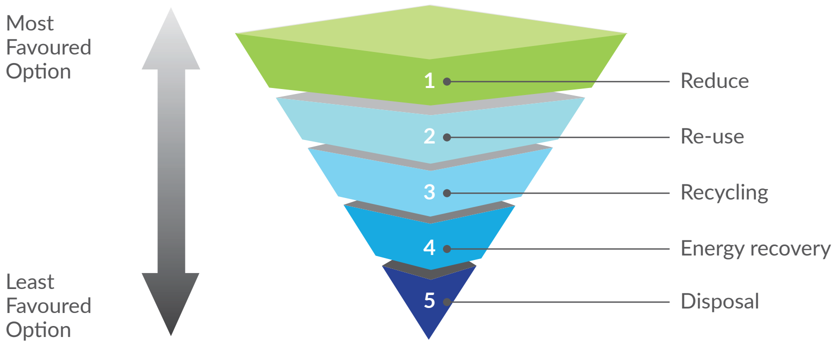
- Level 20 restoration

During the financial year, various restorations and refurbishments were executed in TGR were done in the spirit of upholding the building's heritage, whereby existing furniture and fittings were reused wherever suitable. During the process, Quality Control Measures were put in place to ensure quality of work whilst minimising rework and wastage.

SUSTAINABILITY STATEMENT
(cont'd)

Environmental

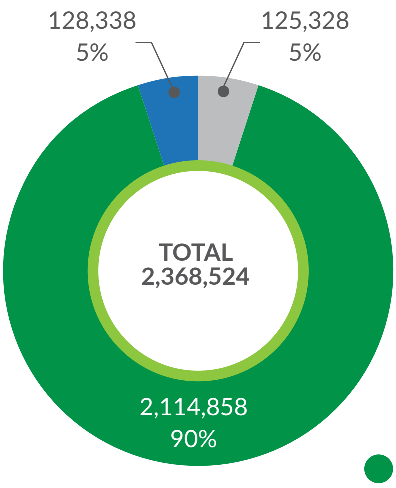
To ensure environmental sustainability, the 4Rs Strategy has been adopted.



A large portion of environmental sustainability is derived from the ability to **reduce** consumption and wastage.

Energy consumption reduction practices have been applied using automatic keycard power switches so that power is switched on only when guests are in the rooms. During off-peak seasons, air-conditioning is switched off at unutilised floors. Also, dual flush toilets are used, and flush capacities of tanks are reduced to conserve water consumption.

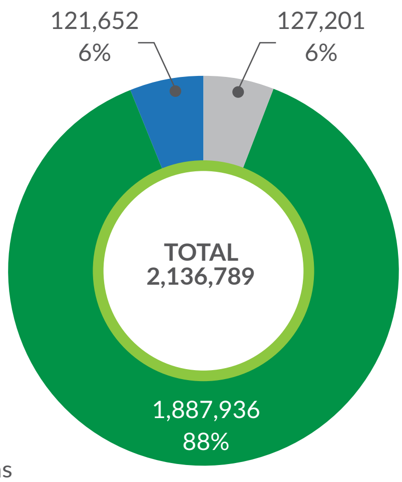
TGR UTILITIES CONSUMPTION FPE2021 (RM)



Room Occupancy
FPE2021 = 28.69%
FYE2022 = 65.04%

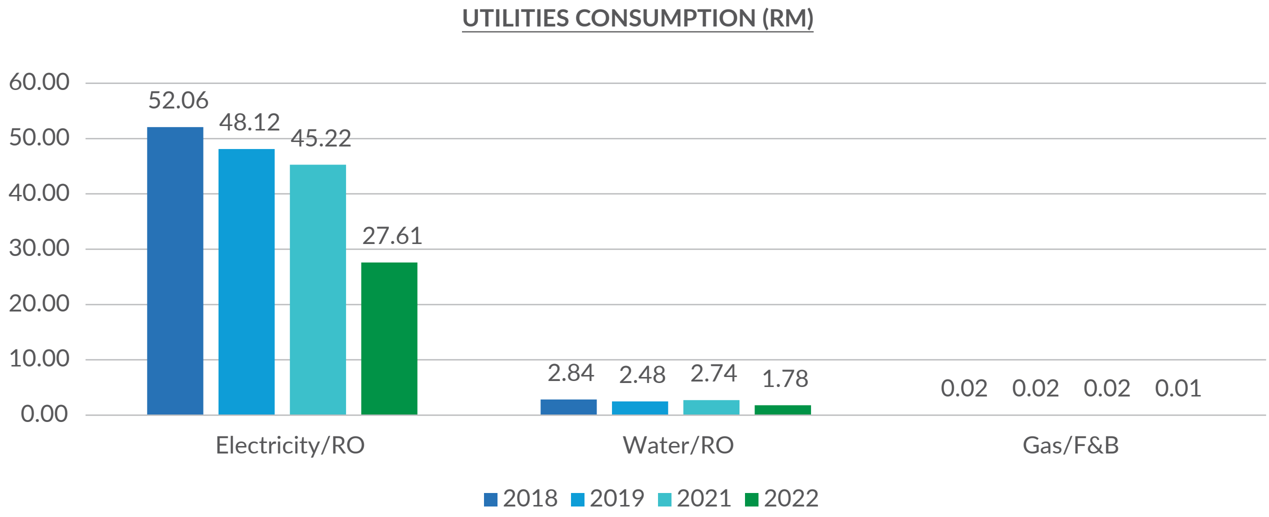
Average monthly utility cost
FPE2021= RM131,585
FYE2022 = RM178,066

TGR UTILITIES CONSUMPTION FYE2022 (RM)



Electricity Water Gas

SUSTAINABILITY STATEMENT
(cont'd)



Despite the occupancy rate increasing by 93.35% year on year, TGR has managed to control their average monthly utility cost increase to approximately 35%. Electricity and water consumption per room occupied ("RO") has reduced by approximately 39% and 34% respectively from the previous financial period, whereas gas consumption per Food and Beverages ("F&B") sales has reduced by 42%.

All this points to increased efficiency and the success of sustainability efforts undertaken throughout the year, the details of which are illustrated in this report.

A Go-Green campaign was continued from the previous year, whereby towels and linens will be replaced every alternate day unless otherwise requested by the guests.

Old filament light bulbs are also being replaced with LED lights in stages, as LED lights are more environment-friendly in terms of energy consumption and lifespan.

At the F&B and events area, linenless tables are used. Besides saving time, money and the environment by not having to clean or replace the linen, linenless tables present a sleek and modern look which helps make events and meeting spaces look inviting and attractive.

Furthermore, close coordination between the sales team and F&B team ensures that an optimum quantity of food is prepared during buffet services and thereby minimising wastage.


Linenless Banquet Table

SUSTAINABILITY STATEMENT
(cont'd)

A *euro pillow*, sometimes known as a euro sham pillow, is a square, large pillow made from duck feathers, and is used primarily for decorative purposes on a bed in the hotel room. In an effort towards Circular Economy, instead of replacing old pillows with new ones, the hotel decided to recycle the old pillows in its Pillow Makeover Project. Three old euro pillows can be used to make a new pillow by using the recycled duck feathers. As a result, the hotel has managed to minimise the usage of materials, and reduced the cost of purchasing 625 units of euro pillows by RM93,750.

A spring cleaning was held in February 2022 to boost the spirit of cooperation and enhance sustainability of the environment. The hotel associates displayed responsibility and cooperated with one another to keep the environment beautiful, clean and safe.

Our sustainability endeavours also led to the use of water filters in associates' cafeterias and outlets. Access to clean, fresh water is fundamental to 'Good Health and Well-being'. Water filters help remove chemicals and bacteria which if consumed are harmful to health. Other benefits of filtered water include a better taste, and being more cost effective and environment-friendly compared to bottled water.

- Water filter installation at TGR Wau Café & Level 7

This effort resulted in the discontinuation of purchasing bottled drinking water by the gallon and consequently reduced the use of plastic containers.

- TGR Exterior Walls & Windows Cleaning

Regular maintenance of the building exterior promotes a beautiful working and business environment.

A flourishing '*Life on Land*' is an important feature of the ecosystem. With the limited resources we have, TGR has initiated a gardening project within the Hotel. Plants and flowers have been added to a designated area in the hotel, beautifying the area and improving the surrounding air quality. The same initiative will be expanded to other parts of the premises.

Mini Garden Restoration at TGR Level 9

SUSTAINABILITY STATEMENT
(cont'd)

Social

Social sustainability is about identifying and managing business impacts, both positive and negative, on people. Directly or indirectly, companies' business operations have an effect on their employees, suppliers, customers, local communities and other stakeholders. It is important to manage these impacts proactively. The Group seeks to build quality relationships within its organisation and with all stakeholders alike by carrying out business responsibly through emphasis on human rights, rules and regulations, environmental conscience, and free of corruption.

We believe that welfare begins at home. The Management usually meets with staff on a quarterly basis in an attempt to listen and foster a better working environment for all. During TGR annual dinners, the Management awards staff in recognition of their excellent service and long employment. In FPE2021, town hall events had been postponed. In the current year, as standard operating procedures (SOPs) allow for mass gatherings, we have resumed our sustainability activities.

A social sustainability goal which was the focus during the financial year was 'Gender Equality', with 67% of the Executive Committee, 29% of executive/management and 36% of rank-and-file staff employed at TGR being female.

Safe Working Environment

Health and safety risks are paramount in our daily operations, and we adhere to industry standards of safety. Each and every workplace adopts safety measures which are enforced in the SOPs. This includes the use of suitable personal protective equipment and having sufficient first aid kits in each department. They will help minimise untoward incidents, accidents, and loss time injuries, which in turn will ensure higher productivity and efficiency in our business. During the financial year, no significant injuries or loss time incidents were reported.

In response to the COVID-19 pandemic, the hotel has developed specific response guidelines and sanitisation measures in collaboration with the Ministry of Health to ensure regular sanitisation and other precautionary measures for our employees and customers.

The Group fully supports the immunisation drive for COVID-19. We believe it will not only save lives and prevent serious illness, but it also allows economic activities to resume, and in turn reduce social problems caused by economic difficulties. Moreover, parents will be more productive if they spend less time taking care of their sick children. Children will also achieve more in school if they are healthy. A vaccinated community is not only healthier, but also stronger and more productive. TGR has encouraged all associates to be vaccinated and protected, in collaboration with Malaysian Associations of Hotels and HUSM Kubang Kerian.

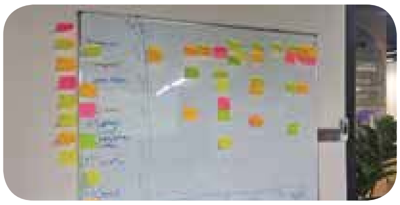
14 Aug 2021 - COVID-19 Vaccination Outreach Programme with MAH Kelantan

SUSTAINABILITY STATEMENT
(cont'd)

Quality Education

The Group is committed to continual education of our personnel. TGR, which has 84% of workforce within the Group, places high priority on training and development for all associates, and expect them to attend a minimum of 40 hours training in a year. This comprises online training within the Group and externally with other institutions, some of which are:

- Sabah Business Unit Sustainability Workshop
- Representative as a guest speaker for Industrial Talk at University Malaysia Kelantan
- Corporate Liability training
- Sustainability Workshop
- Risk Assessment Training
- Safety and Security Training
- Outlet Service Sequence Training
- Grooming Standard Training


SUSTAINABILITY STATEMENT
(cont'd)

TGR Associates Events

A healthy organisational culture that supports and values employees encourages loyalty and fosters better cooperation within the organisation. We believe that a sustainable employee culture brings out the best in the employees, which further unites them to create a better work culture, work-life balance and contribution towards the organisation.

Various associates' recognition programmes conducted during the year include:

- **TGR Townhall Session**

  On 12 January 2022, TGR organised a Townhall session for the first time since the pandemic started when local SOPs allowed for mass gatherings. At this event, we presented the awards for hotel performance and other achievements for the year.


- **Motivation Talk in conjunction with Ramadhan Month**

  An officer from Jabatan Hal Ehwal Agama Islam Kelantan (JAHEAIK) was invited to share the benefits of Ramadhan Month since the majority of TGR associates are Muslims.


Corporate Social Responsibility (CSR) Events

Some of the CSR activities conducted by the Group in the financial year include: -

- **Blood Donation**

  On 27 December 2021, TGR organised a blood donation event in collaboration with Hospital Universiti Sains Malaysia, Kubang Kerian Kelantan which was attended by associates, management and the public. The event served to promote a caring and compassionate society.

- **'Kita Kongsi'**

Family 1 & 2: We took the initiative to visit and help families in Bachok, Kelantan by donating food and cash.

We also visited Nurhidayah Junuh and her 10 children, as well as a family in Tanah Merah, Kelantan, and donated food and cash.

Kelangsungan Hidup | Ibu tunggal jaga 10 anak harungi kehilangan suami

SUSTAINABILITY STATEMENT
(cont'd)

- **Donation of furniture to YIK school**


Sekolah tahfiz terima sofa mewah hotel empat bintang


Kota Baru hotel donates furniture to YIK schools

A total of 20 used settees that were previously used as part of room decoration in The Grand Renai Hotel were donated to tahfiz schools throughout Kelantan under the supervision of Yayasan Islam Kelantan (YIK).

Photos courtesy of Utusan Malaysia and News Straits Times

- **'Bantuan banjir 2022'**

Our CSR initiative, 'Bantuan Banjir 2022', was aimed at helping flood victims in the Pasir Mas area, namely Kampung Bongor, Kampung Banggol Nyior and Kampung Lanchang. Also, TGR joined other NGOs to visit flood victims, riding in boats to reach the victims and distribute hotel food.

- **"Jom Gi Sekolah"**

  "Jom Gi Sekolah" was another CSR programme in collaboration with MAIK and Syarikat Muda Osman (SMO) aimed at helping children from B40 families in Kota Bharu, Tumpat and Pasir Mas; we donated school supplies such as schoolbags, school uniforms, school shoes and stationery.

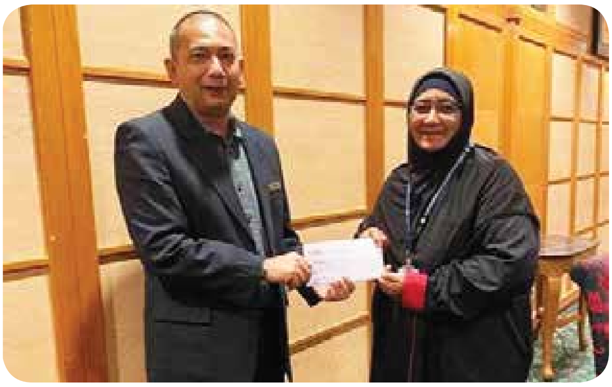

- **'Kongsi Rezeki Iftar Ramadan'**



SUSTAINABILITY STATEMENT
(cont'd)

- **Donation from the sales of TGR Iftar Ramadan Buffet 2022**

  A total of RM4,126 was collected from the sale of Iftar Ramadan Buffet 2022, as donation for three chosen orphanages, namely Rumah Kebajikan Anak Yatim dan Dhuafa' Lilbanat Darul Huffaz, Rumah Kebajikan Anak Yatim dan Dhuafa' – Lilbanin Bukit Peraksi, and Yayasan Kebajikan Anak-Anak Yatim Kelantan.




- **SK (C) ANGLO CHINESE recycling campaign**


Donate old marketing waste for a recycling campaign

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION AND ATTENDANCE OF MEETINGS

Chairman: Ong Lu Yuan
Independent Non-Executive Director

Members: Mohamed Akwal Bin Sultan Mohamad
Independent Non-Executive Director

Masleena Binti Zaid
Independent Non-Executive Director

The Audit and Risk Management Committee ("ARMC") comprises three (3) members who are wholly Independent Non-Executive Directors. All members of the ARMC have no family relationship with any of the Executive Directors, officers and major shareholders of the Company and also met the other criteria of an Independent Director defined in the Main Market Listing Requirements ("MMLR").

The ARMC Chairman, Mr Ong Lu Yuan, is a fellow of the Institute of Chartered Accountants in England and Wales and also ICAEW business and finance professional.

All the members of the Committee are financially literate, with diverse background and experience in accountancy, corporate banking and legal practice. None of the members of the ARMC was a partner of the current Auditors of the Company.

During the financial year that ended on 30 June 2022, seven (7) ARMC Meetings were held. Details of attendance by the members are as follows:

Director	Number of Meetings Attended	Percentage of Attendance (%)
Ong Lu Yuan Chairman *Independent Non-Executive Director*	7/7	100%
Mohamed Akwal Bin Sultan Mohamad Member *Independent Non-Executive Director*	7/7	100%
Masleena Binti Zaid Member *Independent Non-Executive Director*	6/7	86%

As the members of the ARMC are also members of the Nominating Committee ("NC"), the Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) Board ("the Board"), therefore, oversees the conduct of peer performance reviews on the ARMC and its members carried out by the NC. For the financial year ended 30 June 2022, the Board is satisfied that the ARMC and its members had discharged their functions, duties and responsibilities by the ARMC's Terms of Reference.

TERMS OF REFERENCE

The ARMC has reviewed its Terms of Reference during the financial year. The updated Terms of Reference are published on the corporate website of Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) ("the Company") at http://mbgb.my/. The key changes in the Terms of Reference are:

i) 3 years cooling off period for the appointment of a former audit partner to be a member of ARMC;
ii) The internal audit function should review the risk management, internal control, anti-corruption, whistleblowing and governance processes; and
iii) ARMC should review and approve non-audit services to be rendered by the external auditors and its affiliates by considering the nature and extent of the non-audit services and the appropriateness of the level of fees.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT
(cont'd)

SUMMARY OF ACTIVITIES

During the financial year, the activities undertaken by the ARMC in discharging its duties and functions with respect to their responsibilities are summarised as follows:

a. Ensuring Financial Statements Comply with Applicable Financial Reporting Standards

The ARMC financial statements review process is similar to the past years.

The Executive Directors and Financial Controller were invited during the ARMC review of the financial performance and statements to respond to questions on financial performance, cash flows and significant financial reporting issues concerning compliance with applicable approved accounting standards and treatments, MMLR and other regulatory requirements. The clarifications and answers provided by the Executive Directors and Financial Controller were deliberated in the meeting before the financial results and statements were formally presented to the Board for consideration and approval for the announcement to Bursa Malaysia Securities Berhad ("Bursa Securities").

When reviewing the annual audited financial statements, the External Auditors were present to brief the ARMC on key audit matters, the accounting treatment applied by the Company, and the basis of their audit opinion. Besides ensuring the financial statements prepared by management complied with the financial reporting standards, the ARMC also deliberated on Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) and its subsidiaries ("the Group") cash flow projection and positions and its ability to meet financial obligations.

As part of the review process, the ARMC also had private sessions with the External Auditors to ensure that issues were being objectively brought up to the attention of the ARMC.

The key accounting matter focus of the ARMC during the financial year is the going concern of the Group. In deliberating this issue, the ARMC considered the cash flow forecast and budget and the adequacy of the Group's financial resources, the Covid-19 pandemic impacts on the Group's businesses, the various proposed fund-raising exercises and the potential reversal of impairment.

b. Reviewing the Audit Findings of the External Auditors and Assessing their Performance, Suitability and Independence

Before the commencement of the current financial year audit, the ARMC reviewed and discussed with the External Auditors their audit planning memorandum covering the audit risk areas, audit approach and emphasis, and their independence.

After the completion of the audit, the External Auditors presented and briefed the ARMC on the audit status, the new financial reporting standards and their impact on the Group's financial reporting, general regulatory development and changes, and key audit matters to be included in the Auditors' Report.

The ARMC evaluated and assessed the External Auditors' performance and independence and conducted private sessions with the External Auditors without the presence of the Executive Directors and management.

The audit fee and non-audit fees for services provided by the External Auditors to the Group and the Company, respectively, for the financial year ended 30 June 2022, are as follows:

Fees incurred	Audit Fee RM'000	Non-Audit Service Fees RM'000
The Company	102	86
The Group	201	86

Based on the confirmation of the External Auditors, the ARMC concurred that the provision of non-audit services covering Statement on Risk Management and Internal Control to the Group and review and producing statement for the Company's rights issue corporate exercise, did not impair or were not perceived to impair the independence and objectivity of the External Auditors.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT *(cont'd)*

SUMMARY OF ACTIVITIES *(cont'd)*

b. Reviewing the Audit Findings of the External Auditors and Assessing their Performance, Suitability and Independence *(cont'd)*

The ARMC also reviewed the external audit fee based on a fee comparison performed by Financial Controller against quotation by other audit firm of similar size. It was noted that the audit fee charged was reasonable.

ARMC is satisfied with the performance of the existing External Auditors and recommended the Board to propose their re-appointment to the shareholder for approval in the coming Annual General Meeting of the Company.

c. Reviewing the Audit Findings of the Internal Auditors and Assessing the Effectiveness and Adequacy of the Systems of Risk Management and Internal Control in the Key Operating Processes of the Group

Internal Auditors' findings are the essential source of information for the ARMC in assessing the state of risk management and internal control systems in the Group.

When reviewing the Internal Audit Reports, the ARMC considered the impact of the audit issues and the effectiveness and adequacy of the risk management and internal control processes in the present management systems. Executive Directors and management were invited to attend the ARMC meetings while deliberating internal audit findings. The presence of management ensured that the ARMC received a fair and balanced view of the audit findings and issues reported by the Internal Auditors.

The reviews conducted and reported by the Internal Auditors to the ARMC in the current financial year are as follows:

i. Implementation status of the risk mitigation plan for the hotel, shopping mall and property development segment;

ii. Information technology controls for offices in Kuala Lumpur, Kota Bharu and Kota Kinabalu; and

iii. Follow-up audits on the food and beverage and purchasing functions of the Hotel.

The ARMC conducted an annual review of the Internal Auditors' performance based on their scope of work, competency, staff resources, authority to carry out their work, independence, due professional care, and ongoing engagement with the ARMC Chairman. Overall, the performance of the Internal Auditors was satisfactory.

The ARMC also hold private sessions with the Internal Auditors without the presence of the Executive Directors and management annually.

d. Related Party Transaction Review

The ARMC conducted a special meeting to review the related and recurrent related party transactions involving the interest of an Executive Director who is also a major shareholder of the Company. The ARMC deliberated the rationale, the benefit to these transactions to the Company and minority shareholders, the arm's length value of the transactions, and the terms of the transactions. As part of this review, the ARMC also approved the authority approval limit for the Recurrent Related Party Transaction and tabled the contents of the Independent Advisor Letter for the related party transactions to the Board for notation and the Proposed Shareholders' Mandate for the recurrent related party transactions to be recommended to shareholders for approval.

e. Overseeing Governance Practices

Besides reviewing its Terms of Reference, the ARMC had also assisted the Board in reviewing the Board Charter, Fit and Proper Policy, Anti Bribery and Corruption Policy, Terms of Reference of other Board Committees, i.e. Remuneration and Nominating Committees and the Company's Code of Conduct and Ethics.

The ARMC also reviewed the various governance disclosures in the Annual Report. These disclosures include the Corporate Governance Report, CG Overview Statement, ARMC Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis, Sustainability Statement and Directors' Responsibility Statement and ensure that the information provided is adequate, relevant and substantiated.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT
(cont'd)

INTERNAL AUDIT FUNCTION

Functionally, the Internal Auditors report directly to the ARMC. The primary responsibility of the Internal Auditors is to assist the Board and the ARMC in reviewing and assessing the governance, risk management and internal control frameworks and systems and measures taken to strengthen these frameworks and systems.

The Company had outsourced its internal audit function to an internal audit consulting firm, IA Essential Sdn. Bhd. The internal audit firm did not provide other form of services to the Company that may create a conflict of interest or impairs their objectivity and independence.

The internal audit function is led by a Manager and supported by a team of audit executives who are accounting graduates. The Manager in charge, is Lee Jiann Lin, an Associate Member of the Institute of Internal Auditors Malaysia and an honour degree holder in Accounting from UTAR.

Jiann Lin reports to Mr Chong Kian Soon, the firm's CEO overseeing the engagement. Kian Soon is a member of Chartered Accountants Australia and New Zealand, the Malaysia Institute of Certified Public Accountants and the Institute of Internal Auditors Malaysia.

The Internal Auditors have conducted their work with reference to the principles of the International Professional Practice Framework of the Institute of Internal Auditors, covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

To ensure that the audit focuses on relevant and appropriate risk areas, the Internal Auditors will consult the ARMC and management and study the Group's structure, risks, ongoing and upcoming property development projects, and the segmental financial performance of the businesses in the Group before proposing an internal audit plan for ARMC's review and approval.

During the financial year, the Internal Auditors presented its Internal Audit Plan, reviewed the implementation status of the risk mitigation plan for the hotel, shopping mall and property development segment, information technology controls and the status of management action for past audit findings.

The ARMC deliberated the internal audit fee and assessed their independence and objectivity. The cost incurred for the internal audit function in respect of the financial year ended 30 June 2022 was RM35,000 (2021: 30,000).

NOMINATING COMMITTEE STATEMENT

The Nominating Committee ("NC") consists of three (3) Independent Non-executive Directors, and it is primarily responsible for ensuring that there are formal and transparent procedures for the appointment and appraisal of Directors and key officers. The current composition of the NC is as follows, and the Terms of Reference of the NC are available on the Company's website at http://mbgb.my/

The NC conducted a meeting during the financial year. All NC members attended this meeting as follows:

Director	Number of Meetings Attended During Tenure of Office
Masleena Binti Zaid Chairman *(Independent Non-Executive Director)*	1/1
Mohamed Akwal Bin Sultan Mohamad *(Independent Non-Executive Director)*	1/1
Ong Lu Yuan *(Independent Non-Executive Director)*	1/1

Following are the agenda deliberated by the NC in discharging its responsibilities:

a) Performance Evaluation of the Board, Board Committees and Individual Directors

The performance appraisal of the Board, Board Committee and individual Directors are conducted through self-assessment and coordinated by NC.

Broadly, the criteria used for these performance evaluations are as follows:

1. Board and Board Committee Evaluation - covers evaluation on board mix and composition, quality of information and decision making, boardroom activities, and Board's relationship with management;
2. Assessment of Character, Experience, Integrity, Competence and Time Commitment - cover fit and proper, contribution and performance, calibre and personality;
3. Assessment on Mix of skill and experience;
4. Evaluation of Level of Independence of a Director;
5. Audit and Risk Management Committee ("ARMC") Evaluation – covers quality and composition of ARMC, skills and competencies and meeting administration and conduct; and
6. ARMC Members' Self and Peer Evaluation.

Based on the assessments, it was concluded that:

i) The skill mix, composition, size, performance and effectiveness of the Board and Board Committee are satisfactory;

ii) Independent Non-Executive Directors, Managing Director, Executive Directors and Chief Financial Officer possess the relevant qualifications, knowledge, experience and ability to understand the technical requirements, risks and management of the Group's business; and have discharged their duties and responsibilities in a commendable manner and have demonstrated their willingness to devote time and effort to the affairs of the Company and Group; and

iii) All Independent Directors satisfy the criteria of independence set out in the MMLR of the Bursa Securities and carry out their duties and responsibilities independently and objectively.

The results of these assessments are used as a reference for the consideration of directors' re-election.

NOMINATING COMMITTEE STATEMENT
(cont'd)

a) Performance Evaluation of the Board, Board Committees and Individual Directors *(cont'd)*

As part of the board assessment, the NC also deliberated the areas for continual governance improvement. In summary, the key areas of improvement are:

- Board Chairman is not a member of the Board Committees;
- 30% women directors' target;
- Succession plan for the Chairman, Executive Directors and key Senior Management;
- Guideline on time commitment for directors with multiple directorships on the Board of public listed companies; and
- Appointment of an additional Independent Non-Executive Director with technology competency.

These areas of improvement will be addressed progressively in tandem with the Group's business performance.

b) Formalisation of Fit and Proper Policy

During the financial year, the Board has defined and implemented the Fit and Proper Policy for its members and senior management. This Policy outlines the approach undertaken by the NC, Remuneration Committee and the Board in reviewing and assessing candidates identified for appointment to the Board and existing Directors seeking reappointment.

The main Fit and Proper criteria are character and integrity, experience and competence, and time commitment. Annually, all Directors are required to complete the self-declaration form. Besides the annual performance appraisal, the Remuneration Committee shall consider the fit and proper assessment outcomes before proposing a remuneration package to the Board for approval. Similar procedures apply to the appointment of a new Director.

c) Board Nomination Process

Under the Board Charter, when identifying the candidates for the Board and Senior Management, the Board will consider the recommendations from its existing Board members, management or major shareholders as well as independent sources to identify suitably qualified candidates for the appointment of directors and senior management positions. The identification and assessment of candidates for directorship will be based on their skills, knowledge, professionalism, character and experience in line with the needs of the Group.

In the recent financial year, the Executive Directors' composition underwent a change reflecting the significant shareholder structure change in the Company. Although the Board did not utilise independent sources to identify this Executive Director, the NC evaluated this Executive Director based on his contribution to the performance of the Group and the Director assessment criteria before recommending them for subsequent re-appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance ("CG") Overview Statement is presented in accordance with the provisions in the Practice Note 9 of the Main Market Listing Requirement ("MMLR"). The objective of this Statement is to provide an overview of the key corporate governance practices of the Group during the financial year with reference to the CG principles on:

a) Board leadership and effectiveness;
b) effective audit and risk management; and
c) integrity in corporate reporting and meaningful relationship with stakeholders.

It also highlights the Board's focus areas and future governance priorities.

In addition to this CG Overview Statement, the Board has explained point-by-point the application of each CG Practice in its Corporate Governance Report ("CG Report"), which was announced together with the 2022 Annual Report of the Company to Bursa Securities. Shareholders may also obtain this CG Report by accessing this link http://mbgb.my/ for further details and are advised to read this CG Overview Statement together with the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Composition

Following is the Board Composition in the financial year 2022:

Name	Designation
Mohamed Akwal Bin Sultan Mohamad	Chairman and Independent Non-Executive Director
Lee Chee Kiang	Managing Director
Dato' Lee Wai Mun, DIMP., JP.	Executive Director
Tan Chin Hong	Executive Director
Phang Kiew Lim	Executive Director
Ong Lu Yuan	Independent Non-Executive Director
Masleena Binti Zaid	Independent Non-Executive Director

As of this Annual Report, the Board has seven (7) members, and the composition of the Independent Director in the Board (3 out of 7) is slightly below half of the Board size. Nevertheless, the Board assures that such composition will not affect the Board oversight effectiveness and objectivity given that the Board Chairman is an Independent and Non-Executive Director, and his right of a casting vote under the Constitution of the Company.

Currently, the Chairman and Managing Director positions are separated. The Chairman of the Board, En. Mohamed Akwal Bin Sultan Mohamad is responsible for ensuring the effective functioning of the Board, while the Managing Director, Mr Lee Chee Kiang, leads the management in implementing the Board's policies and decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

Board Responsibilities

The Board in its Board Charter has established clear roles and responsibilities for its members' fiduciary and leadership functions. Also, the Board has defined matters reserved for Board decision.

To ensure the business is being adequately managed, the Board performed periodic reviews of the financial results of the Group. These periodic reviews cover, among others, the business operations performance, financial position, and business proposals of the Group. The Board performs these reviews with the management in every Board meeting and deliberates on the progress and the resources needed to meet the objectives of these subject matters thereof.

The Board has further strengthened its governance, risk management and internal control framework by defining and implementing its Groupwide Oversight Framework in accordance with Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries issued by the Securities Commission. In this framework, the Board has defined its responsibilities with respect to the oversight of business strategy, risk management, financial and non-financial performances, and the application of governance policies and procedures at the subsidiaries. The management of the respective subsidiaries supports the Board in carrying out its oversight responsibility by furnishing the Board with relevant and timely information.

During the financial year, the Company has defined and implemented the Fit and Proper Policy. This Policy describes the requirements of a Director's character, experience, qualification, integrity and competence, and time commitment to discharge their roles effectively. Accordingly, Board candidates and Directors seeking for re-election will be assessed based on provisions in this Policy.

Board Committees

The Board has established three (3) Board committees, namely the Audit and Risk Management Committee ("ARMC"), Nominating Committee ("NC") and Remuneration Committee ("RC"), with defined Terms of Reference ("TOR"). The composition of the respective Board Committees is presented on page 7 of this Annual Report, while the TOR of the respective committees are available on the Company's website.

The objective of the Board Committees is to objectively deliberate and oversee areas defined within their TORs and to recommend actions to the Board for decision. Notwithstanding the existence of the Board Committees, the Board is ultimately responsible for the oversight areas and functions of the Board Committees. Therefore, the Board continues to keep itself abreast of the significant matters and resolutions deliberated by each Board Committee based on the reports presented to the Board Committees and the minutes of meetings and circular resolutions passed by them.

Following is the attendance record of the RC. The attendance records of ARMC and NC are presented on pages 39 and 43 of this Annual Report respectively:

Director	Number of Meetings Attended During Tenure of Office
Mohamed Akwal Bin Sultan Mohamad Chairman	1/1
Masleena Binti Zaid	1/1
Ong Lu Yuan	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

Board Committees *(cont'd)*

The underlying factors of Directors' commitment to the Group are the devotion of time and continuous improvement of knowledge and skill sets. During the financial year, eight (8) Board meetings were held, and the Board members' attendance details are set out below.

Director	Number of Meetings Attended During Tenure of Office
Mohamed Akwal Bin Sultan Mohamad *Chairman / Independent Non-Executive Director*	8/8
Lee Chee Kiang *Managing Director*	8/8
Masleena Binti Zaid *Independent Non-Executive Director*	7/8
Ong Lu Yuan *Independent Non-Executive Director*	8/8
Dato' Lee Wai Mun, DIMP., JP. *Executive Director*	8/8
Phang Kiew Lim *Executive Director*	8/8
Tan Chin Hong *Executive Director*	8/8

The Board is updated regularly by the Company Secretary and management on the training programme available by regulators and professional bodies. Board members are also advised by the Nominating Committee to attend the relevant training based on their skillset needs.

During the financial year, the Board members attended the following trainings:

Director	Training Attended	Date	Duration
Mohamed Akwal Bin Sultan Mohamed	• Virtual Training and Workshop Corporate Liability Regulations and Preventive Framework	27/9/2021	8 hours
	• Training on Financial Reporting - Understanding the roles of the Board & Management in Timely & Accurate Issuance of Financial Statements	6/1/2022	8 hours
	• MIA Webinar Series: Fair Value Accounting Issues and Challenge with Case Studies MFRS & MPERS	16/3/2022	7 hours
	• MIA Webinar Series: ESG Series for Accountants and Finance Professionals - ESG and Enterprise Risk Management	24/3/2022	4 hours
	• MIA Webinar Series: ESG Series for Accountants and Finance Professionals - Business for Human Rights and Environment	21/4/2022	4 hours
Dato' Lee Wai Mun DIMP., JP.	• Virtual Training and Workshop on Enterprise Risk Management	22 - 23/9/2021	14 hours
	• MIA Webinar Series - Sustainability Management and Reporting	22/6/2022	4 hours

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

Board Committees *(cont'd)*

During the financial year, the Board members attended the following trainings: *(cont'd)*

Director	Training Attended	Date	Duration
Lee Chee Kiang	• Virtual Training and Workshop on Enterprise Risk Management	22 - 23/9/2021	14 hours
	• Sustainability Management and Reporting	9/5/2022	4 hours
Masleena Binti Zaid	• Virtual Training and Workshop Corporate Liability Regulations and Preventive Framework	27/9/2021	7 hours
	• Complimentary Webinar - Tax Governance: It's Time to Embrace It	13/1/2022	2 hours
	• MIA Webinar Series - ESG Series for Accountants and Finance Professionals - Business for Human Rights and Environment	21/4/2022	4 hours
	• MIA Webinar Series: Assets Accounting Under MPERS Covering Property, Plant Equipment, Investment Property and Biological Assets	29/4/2022	7 hours
Ong Lu Yuan	• Virtual Training and Workshop Corporate Liability Regulations and Preventive Framework	27 - 28/9/2021	14 hours
	• Webinar on Train-The-Trainer Course	11/3/2022	7 hours
	• MIA Webinar Series: Fair Value Accounting Issues and Challenge with Case Studies MFRS & MPERS	16/3/2022	7 hours
	• MIA Webinar Series: ESG Series for Accountants and Financial Professionals - Introduction to Natural Capital	23/6/2022	4 hours
	• Webinar Session on Audit Oversight Board Conversation with Audit Committees	7/4/2022	2.5 hours
	• MIA Webinar Series: ESG Series for Accountants and Financial Professionals - ESG and Enterprise Risk Management	24/3/2022	4 hours
Tan Chin Hong	• Virtual Training and Workshop on Enterprise Risk Management	22 - 23/9/2021	14 hours
	• Virtual Training and Workshop Corporate Liability Regulations and Preventive Framework	27 - 28/9/2021	14 hours
	• MIA Webinar Series: ESG Series for Accountants and Finance Professionals - Foundation Course on Sustainability	20/1/2022	4 hours
	• MIA Webinar: ESG Series for Accountants and Finance Professionals - ESG and Enterprise Risk Management	24/3/2022	4 hours
	• Webinar: Everything Investor Relations Managers Need to Know About ESG Reporting	26/4/2022	1.5 hours
Phang Kiew Lim	• Training and Workshop on Enterprise Risk Management	22 - 23/9/2021	14 hours
	• Webinar - Understanding SGX's SPAC Regime	06/05/2022	1 hour
	• MIA Webinar Series: Valuation on Mergers and Acquisitions	21/06/2022	7 hours

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

Annual Board Evaluation

The NC conducts annual assessments of the effectiveness of the Board, Board Committees and Directors. The assessment criteria include competencies, qualification, contribution and performance of Directors are conducted through self-assessment.

Based on the assessments, it was concluded that the overall performance and effectiveness of the Board, Board Committees and Directors are satisfactory. The NC used the results of the evaluations to recommend the Directors standing for re-election to the Board for shareholders' approval in the AGM.

As part of this appraisal, certain areas of improvement were identified for continual governance improvement purposes. The key areas of improvement that are needed include:

- Board Chairman is not a member of the Board Committees;
- 30% women Directors' target;
- Succession plan for the Chairman, Executive Directors and Key Senior Management;
- Guideline on time commitment for Directors with multiple directorships on the Board of public listed companies; and
- Appointment of an additional Independent Non-Executive Director with information technology competency.

These areas of improvement will be addressed progressively in tandem with the Group's business performance.

During the financial year, the Board has defined and implemented the Fit and Proper Policy for its members. This Policy outlines the approach undertaken by the NC, RC and the Board in reviewing and assessing candidates identified for appointment to the Board and existing Directors seeking for reappointment.

The main fit and proper criteria are character and integrity, experience and competence, and time commitment. Annually, all Directors are required to complete a self-declaration form. Besides the annual performance appraisal, the RC shall consider the fit and proper assessment outcomes before proposing a remuneration package to the Board for approval. Similar procedures apply to the appointment of a new Director.

Remuneration

The remunerations of the Executive and Non-Executive Directors were reviewed by the RC and the Board, respectively. All Directors played no part in the decision of their own remuneration.

Broadly, the remuneration policy of the Executive Directors is based on the complexity of the Group's business, the business strategy and long-term objectives of the Group, their performance in managing material sustainability risks and opportunities, and the Group's operating results and comparable remuneration from the similar industry. In contrast, the Non-Executive Directors' remuneration is determined by their experience and the level of responsibilities assumed.

The terms of reference of the RC and the remuneration policy provided in the Board Charter are disclosed on the Company's website.

Under Section 230(1) of the Companies Act 2016, the Directors' fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The detailed disclosure of the Directors and Senior Management's remunerations for the financial year ended 30 June 2022 are reported in Practice 8.1 and 8.2 in the CG Report.

The Directors' fees and benefits proposed for the shareholders' approval at the forthcoming AGM is RM500,000 (2021: RM500,000).

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

Code of Conduct and Ethics

The Board has defined its Code of Conduct and Ethics, covering the Board's values and principles to guide stakeholders on the ethical behaviours to be expected from the Group and to enable the Board to convey and instil its expected values into the organisation. In addition, the Board has prohibited Directors, officers and staff from committing abuse of power, corruption, insider trading and money laundering in this Code of Conduct and Ethics.

The Group has also defined and implemented the Anti-Bribery and Corruption Policy. The objective of this framework and policy is to guide staff members, employees and business associates in taking appropriate measures and steps to prevent involvement in bribery activities. During the financial year, the Board initiated an independent review to assess the adequacy and effectiveness of this policy. New measures identified were implemented by the management accordingly.

Whistle Blowing Policy and Procedures

The Board has established a whistleblowing policy and reporting channel. The policy is posted on the Company's website at http://mbgb.my/ for public reference.

To protect the information provided and the identity of the whistleblowers, the Board has assigned the administration of the whistleblowing reporting channel to the Internal Auditors. Stakeholders who know of or suspect any violation of the Code may report the incidence to mbgb@whistleblower.com.my or by posting their complaints to PO Box #911, L2- 08, Level 2, Cheras Leisure Mall, Jalan Manis 6, Taman Segar, 56100 Kuala Lumpur.

During the financial year, the Board did not receive any notification of complaints from whistleblowers.

Access to Information

Board has unrestricted access to the information within the Group and independent professional advice in furtherance of their duties, at the cost of the Company, if needed.

The Board may also seek advice from the Management or request further explanation, information or update on any aspect of the Group's operations or business concerns. The Board is supplied with adequate and timely information, which allows it to discharge its responsibilities effectively and efficiently. The agenda for each meeting, together with Board paper are delivered beforehand to tenable Directors to review and prepare for the discussion and to obtain further supplementary information from management in advance, if needed.

In addition, the Board is assisted by a qualified Company Secretary. The Company Secretary also advise the Board on the compliance requirements under the Company's Constitution, Board policies and provisions in the regulations.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit and Risk Management Committee

For the business proposals involving the interest of a related party, the ARMC will deliberate the arm's length of the proposals. ARMC will also consult the corporate advisors and the Company Secretary on the compliance requirements by Bursa Securities and the timing and timeliness of making the appropriate announcements and preserving the confidential information of the business proposals to avoid unusual market activity.

The ARMC continues to play an essential role in ensuring the integrity, clarity and relevance of the information disclosed in the Annual Report. Before finalising the various governance disclosures in the Annual Report, the ARMC and other Board Members, Company Secretary, and management will review the disclosures and statements in the Annual Report.

Further explanations on the ARMC's roles in ensuring financial statements compliance with Applicable Financial Reporting Standards, the relationship with both Internal Auditors and External Auditors, and other activities during the financial year are set out in the ARMC Report in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *(cont'd)*

Risk Management and Internal Control

The Board has put in place a Risk Management Policy covering the risk management responsibilities of the Board and management. In accordance with this policy, the Managing Director, Executive Directors and management shall assist the Board in executing business plans, reviewing, monitoring and tracking operational challenges, and implementing risk mitigation action plans.

During the financial year, management has assessed and measured the risks of the hotel, shopping mall and property development businesses. This exercise provided a clear direction on the priority of action plan and focus for management based on the resources in the Group. As of the date of this Statement, several mitigation actions have been completed while some of these actions are in progress.

The Board is satisfied that the current level of risk management and internal control systems and was assured by the Managing Director, Executive Director and the Financial Controller that the Group's risk management and internal control systems to the best of their knowledge are adequate and effective under the present business and cash flow positions of the Group.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

Communication with Stakeholders

The importance of communication between the Company, Board and stakeholders is that it facilitates mutual understanding of objectives and expectations and enables stakeholders to make informed decisions concerning the business of the Company and the Board.

At Meta Bright, the corporate development and financial performance information of the Group is communicated to the investors via the Company's annual reports and through various periodic and ongoing disclosures made to Bursa Securities. In addition, the Group maintains a website at http://mbgb.my/ where shareholders or investors may access the corporate information, latest financial results, annual reports, announcements to Bursa Securities, as well as the various governance policies and the Board Committees' terms of reference under "Investor Relations" section.

Conduct of General Meetings

The Board will continue to issue Notice of the AGM to shareholders at least 28 days before the date of the general meeting. Shareholders and investors are encouraged to interact and provide feedback to the Chairman and Managing Director on their areas of concern during the general meetings. Shareholders who are unable to attend the AGM are advised that they can appoint proxies to attend and vote by completing the proxy form enclosed in the Notice of the AGM and depositing it at the Registrar's Office at least forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

Due to the Covid-19 pandemic, the last AGM was held on 30 Nov 2021 via an online meeting platform at https://meeting.boardroomlimited.my provided by Boardroom Share Registrars Sdn. Bhd. for the conduct of poll on all resolutions. The platform provider assured the Board of the cyber hygiene, privacy and protection of the shareholders' data. The Board believes that through the virtual meeting, they will be able to meet and respond to more shareholders effectively.

This CG Overview Statement is presented according to Paragraph 15.25(1) of the Main Market Listing requirements ("MMLR") of the Bursa Securities and is made by a resolution of the Board on 13 October 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that:

i. The annual audited financial statements of the Group and the Company are drawn up in accordance with applicable Malaysian Financial Reporting Standards, the provisions of the Companies Act 2016 and the MMLR so as to give a true and fair view of the financial statements and state of affairs of the Group and the Company for the financial year, and

ii. Proper accounting and other records are kept, which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In preparing the financial statements for the financial year ended 30 June 2022, the Directors have adopted appropriate accounting policies and have applied them consistently in the financial statements with reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in preparing the financial statements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) ("the Board") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 30 June 2022. The disclosure in this Statement is presented pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) and its subsidiaries' ("the Group") Risk Management Policy.

BOARD RESPONSIBILITIES

The Board understands the principal business risks of the Group, it has established the following measures and procedures in overseeing the conduct of the risk management and internal control systems in the Group:

- Board of Directors' discussions with management during the Board meetings on the business and operational issues, the measures taken by management to mitigate and manage the business and operational risks, and the financial performance based on the quarterly financial results;

- The Audit and Risk Management Committee's ("ARMC") reviews and consultations with management on the integrity of the financial results, annual reports and audited financial statements;

- The External Auditors report to the ARMC on the key audit matters, accounting standards compliance, related party transactions and feedback on risk and control issues noted in their statutory audit;

- The Internal Auditors perform periodic reviews on the system of internal controls and report their findings and management actions for improvement to the ARMC; and

- The implementation of the Group-wide Oversight Framework by the *Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries* issued by the Securities Commission. This framework facilitates the application of governance policies and procedures of the Board at the subsidiary level. It requires the subsidiaries' management to support the Board in gaining insight into the subsidiaries for Board oversight purposes.

RISK MANAGEMENT

The Board has defined the Group Risk Policy, which outlines the principles of risk management, the Board's and management's responsibilities, and the risk management objectives. Management will assess the business and operational risks periodically and finetune the existing and/or identify a new risk mitigation action plan needed to address the risks. Risks identified are measured in accordance with the likelihood of occurrence and significance. In addition, during the Board and ARMC meetings, the Board and Senior Management will consider and deliberate the risks and impacts of the Board agenda together with the effectiveness and adequacy of risk management action plan.

During the financial year, management has assessed and measured the risks of the hotel, shopping mall and property development businesses. This exercise provided a clear direction on the priority of action plan and focus for management based on the resources in the Group. As of the date of this Statement, several mitigation actions have been completed while some of these actions are in progress.

Over the years, the Group was shadowed by financial liquidity risk. The Covid-19 pandemic aggravated this cashflow risk when the only cash-generating hospitality business of the Group could not operate in its full capacity.

With the completion of 2 private placements exercises and the rights issue of shares, the Group managed to overcome the financial liquidity risk. Also, with the opening of country's border and gradual recovery of the economy during the financial year, the Group's hospitality business started to turn around and recorded higher revenue and profit.

The proceeds from the private placements and rights issue of shares were used prudently to reduce the gearing risk and financing cost of the Group, to complete acquisition of development right of Damai Suites project and for working capital. Some funds are reserved for future business opportunities. To further strengthen its future cashflows, the Group has also acquired 92 commercial units of stratified 2-storey shop/offices (via share issuance) with a guaranteed 5% rental per annum for 5 years.

With the above in place, the Group is in a stable position to explore different business segments by diversifying and venturing into renewable energy and energy efficiency-related technology and business opportunities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(cont'd)

INTERNAL CONTROLS

The following are the key control procedures in the Group. These fundamental controls are embedded in the management control framework to manage the operational risks.

- Organisational structure outlining the lines of responsibilities and hierarchical structure within each business operation;
- Documented standard operating guidelines and procedures for operating departments. These guidelines and procedures are subject to review and update by the operational units and management;
- Periodic monitoring of the Group's cash flows, financial and business units' performances, funding and operational issues in order to ensure that challenges and risks are addressed timely and appropriately;
- Appointment of external professional advisor and consultant to manage contractual risks before entering into material contracts or agreements;
- Anti-Bribery and Corruption Framework and Policy guiding employees and business associates in taking appropriate measures and steps to prevent involvement in bribery activities; and
- Whistleblowing reporting channel administered by the Internal Auditors.

During the financial year, an anti-corruption review was conducted by the Internal Auditors. This review complied with the provision of para 15.29(1)(b) of Bursa Securities' Listing Requirements for reviewing and assessing the adequacy of the anti-corruption and bribery preventive measures at least once every three years. In this review, the Internal Auditors evaluated the Company's anti-corruption and bribery preventive policies and procedures against the Guidelines of Adequate Procedures issued by the authority. The proposed actions identified in this review were taken and adopted by the management accordingly.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

Functionally, the Executive Directors and Senior Management are the Group's first and second line defence of the risk management and internal control systems. In accordance with the Bursa Securities' Guidelines, their responsibilities include:

- Identifying risks relevant to the Group's business objectives and ensuring the achievement of its objectives;
- Designing, implementing, monitoring the risk management actions and achieving the Group's objectives within its risk appetite;
- Assuring the effectiveness and adequacy of the risk management and internal control systems; and
- Reporting to the Board on significant control deficiencies and changes in risks that could significantly affect the Group's achievement of its objectives.

When producing this Statement, the Board has received assurance from the Managing Director, Executive Director and the Financial Controller that to the best of their knowledge, the Group's risk management and internal control systems are adequate and effective in all material aspects.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

BOARD ASSURANCE AND LIMITATION

The Board recognises that the system of risk management and internal control should be continuously improved, consistent with the evolving business and operating environment. Nonetheless, it should be noted that all risk management and internal control systems could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, the systems of risk management and internal control in the Group can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

For the financial year under review, the Board is satisfied that the current level of risk management and internal control systems are adequate and effective under the present business and cash flow positions of the Group.

REVIEW OF STATEMENT ON INTERNAL CONTROL BY EXTERNAL AUDITORS

Under Paragraph 15.23 of Bursa Securities' Main Market Listing Requirements and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by Malaysia Institute of Accountants, the External Auditors have performed a limited assurance engagement on the Statement on Risk Management and Internal Control for the inclusion in this Annual Report for the financial year ended 30 June 2022.

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. They have 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 and management in reviewing the adequacy and integrity of the risk management and effectiveness of the systems of risk management and internal control of the Group.

This Statement on Risk Management and Internal Control is made with the resolution of the Board dated 13 October 2022.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. UTILISATION OF PROCEEDS

(a) Private Placement

On 6 November 2019, the company successfully completed a private placement of 29,480,000 new ordinary shares at issue price of RM0.0841 per share which raised RM2,479,268. The utilisation of the proceeds raised is as follows: -

Purpose	Proposed utilisation of proceeds	Actual utilisation as at 15.09.2022	Balance to be utilised	Utilisation timeframe
	RM'000	RM'000	RM'000	
Repayment of bank borrowings	772	772	-	
Working capital	327	327	-	
Property development activities	1,280	507	773	Within 12 months
Expenses related to Private Placement	100	100	-	
	2,479	1,706	773	

(b) Private Placement

The company successfully completed the following funds raising exercises on:

- 15 June 2021 - 10% private placement of 32,428,157 new ordinary shares at issue price of RM0.1233 per share;
- 13 August 2021 - 20% share issuance of 64,856,312 new ordinary shares at issue price of RM0.1059 per share;

which raised a total of RM10,866,675. The utilisation of the proceeds raised is as follows:

Purpose	10% private placement RM'000	20% share issuance RM'000	Proposed utilisation of proceeds RM'000	Actual utilisation as at 15.09.2022 RM'000	Balance to be utilised RM'000	Utilisation timeframe
Repayment of bank borrowings	2,487	1,504	3,991	3,991	-	
Working capital	1,416	1,189	2,605	2,605	-	
Property development activities	-	4,000	4,000	2,759	1,241	Within 12 months
Expenses related to private placement	95	175	270	270	-	
	3,998	6,868	10,866	9,624	1,241	

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

(cont'd)

1. UTILISATION OF PROCEEDS *(cont'd)*

(c) Rights Issue with Warrants

On 18 February 2022, the company had completed rights issue of 1,144,241,731 new ordinary shares on the basis of 19 rights shares for every 7 existing Eastland shares held together with 782,901,982 free warrants issued price of RM0.07 per rights share ("Rights Issue with Warrants") which raised RM80,096,921. The utilisation of the proceeds raised is as follows:

Purpose	Proposed utilisation of proceeds RM'000	Actual utilisation as at 15.09.2022 RM'000	Balance to be utilised RM'000	Utilisation timeframe
Repayment of bank borrowings	40,000	40,000	-	
Repayment of advances owing to a director	12,440	12,440	-	
Repayment of advances owing to a former director	2,420	2,420	-	
Payment of Damai Consideration	8,000	8,000	-	
General working capital	2,537	2,157	380	Within 12 months
Business opportunities	14,000	1,421	12,579	Within 24 months
Expenses for the Rights Issue with Warrants	700	700	-	
	80,097	67,139	12,958	

2. SHARE BUY-BACKS

There was no share buy-backs effected during the financial year ended 30 June 2022.

3. OPTIONS OR CONVERTIBLE SECURITIES

There were no options or convertible securities issued by the Company during the financial year ended 30 June 2022.

4. DEPOSITORY RECEIPT PROGRAMME

There were no depository receipt programme sponsored by the Company during the financial year ended 30 June 2022.

5. SANCTIONS AND/OR PENALTIES

There were no sanctions and/or penalties imposed on the Company, its subsidiaries, Directors and management by the relevant regulatory bodies which have material impact on the operations or financial position of the Group during the financial year ended 30 June 2022.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
(cont'd)

6. NON-AUDIT FEES

The non-audit fees paid or payable to the external Auditors and its affiliates by the Group during the financial year ended 30 June 2022 is amounted to RM86,000.

7. VARIATION IN RESULTS

There was no variation in the financial results of 10% or more from unaudited results announced.

8. MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial period.

9. PROFIT GUARANTEES

The Group did not provide or receive any profit guarantee during the financial year ended 30 June 2022.

10. CONTRACTS RELATING TO LOANS

There were no material contracts relating to loans by the Group involving the interests of Directors and major shareholders during the financial year ended 30 June 2022.

11. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Company did not enter into any recurrent related party transactions during the financial year ended 30 June 2022.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 13 to the financial statements.

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

CHANGE OF NAME

During the financial year, the Company has changed its name from Eastland Equity Bhd. to Meta Bright Group Berhad with effect from 18 July 2022.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year	4,074,512	(4,412,239)
Attributable to:		
Owners of the Company	4,074,512	(4,412,239)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

DIRECTORS' REPORT
(cont'd)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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; and

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

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

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) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT
(cont'd)

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

(i) issued 64,856,314 new ordinary shares at a price of RM0.1059 each through private placement for a total consideration of RM6,868,283; and

(ii) issued renounceable rights issue of 1,144,241,731 new ordinary shares on the basis of 19 Rights Shares for every 7 existing shares at an issue price of RM0.07 each, together with 782,901,982 free detachable warrants on the basis of 13 warrants for every 19 rights shares subscribed for.

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

There were no issue of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

WARRANTS

On 3 January 2022, the Company executed a Deed Poll pertaining to the issuance of 782,901,982 free detachable warrants ("the Warrants").

The Company issued 782,901,982 Warrants to the shareholders of the Company on the basis of 13 Warrants for every 19 Rights Shares subscribed for. The Warrants are listed on the Main Market of the Bursa Malaysia Securities Berhad. The main features of the Warrants are disclosed in Note 23(d).

As at the end of the financial year, 782,901,982 units of the Warrants remained unexercised.

DIRECTORS

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

Lee Chee Kiang *	
Masleena Binti Zaid	
Mohamed Akwal Bin Sultan Mohamad	
Tan Chin Hong *	
Phang Kiew Lim *	
Ong Lu Yuan	
Dato' Lee Wai Mun, DIMP., JP.	(Appointed on 9 August 2021)
Eric Wee Ei-Mas	(Resigned on 9 August 2021)

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of the report are:

Dato' Tan Kok Hooi	(Deceased on 7 June 2022)
Tan Chin Hao	
Eric Wee Ei-Mas	

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares			
	At 1.7.2021/ date of appointment	**Bought**	**Sold**	**At 30.6.2022**
Direct interests:				
Dato' Lee Wai Mun, DIMP., JP.	14,044,000	-	14,044,000	-
Lee Chee Kiang	25,236,200	68,500,600	-	93,736,800
Ong Lu Yuan	-	1,198,800	-	1,198,800
Indirect interests:				
Dato' Lee Wai Mun, DIMP., JP. #	-	243,942,563	-	243,942,563
Tan Chin Hong *	18,333,928	-	-	18,333,928

	Number of Warrants			
	At 1.7.2021/ date of appointment	**Bought**	**Exercised**	**At 30.6.2022**
Direct interests:				
Ong Lu Yuan	-	620,442	-	620,442
Lee Chee Kiang	-	46,868,831	-	46,868,831
Indirect interests:				
Dato' Lee Wai Mun, DIMP., JP. #	-	157,299,015	-	157,299,015

Shares held through a company in which the director has substantial financial interests.
* Shares held through corporations and siblings.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' REPORT
(cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 28 to the financial statements.

The directors' benefits of the Group and of the Company are as follows:

	Group RM	Company RM
Directors of the Company		
- Fees	216,000	216,000
- Salaries and allowances	1,147,033	1,147,033
- Other emoluments	137,499	137,499
- Estimated money value of benefits-in-kind	8,800	8,800
	1,509,332	1,509,332
Directors of subsidiaries		
- Salaries and allowances	163,615	-
- Other emoluments	15,713	-
	179,328	-

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, there was no indemnity given to or insurance effected for any directors and officers of the Company.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 13 to the financial statements.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are disclosed in Note 33 to the financial statements.

DIRECTORS' REPORT
(cont'd)

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company during the financial year are RM201,000 and RM102,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

....

LEE CHEE KIANG
Director

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TAN CHIN HONG
Director

Kuala Lumpur

Date: 13 October 2022

STATEMENTS OF COMPREHENSIVE INCOME
For the Financial Year Ended 30 June 2022

		Group		Company	
	Note	Financial year from 1.7.2021 to 30.6.2022 RM	Financial period from 1.1.2020 to 30.6.2021 RM	Financial year from 1.7.2021 to 30.6.2022 RM	Financial period from 1.1.2020 to 30.6.2021 RM
Revenue	5	25,704,534	20,899,378	800,000	709,989
Other operating income		705,799	1,535,657	-	19,133
Bad debts written off		-	-	(8,459)	-
Consumables used	16	(2,994,035)	(1,848,670)	-	-
Cost of sales of completed properties	16	-	(307,064)	-	-
Cost of sales of property development units	16	(64,083)	(2,911,219)	-	-
Deposits written off		(10,120)	-	-	-
Depreciation of property, plant and equipment	11	(2,622,400)	(5,735,040)	(11,135)	(104,414)
Directors' remuneration	28(c)	(1,679,860)	(2,360,554)	(1,500,532)	(2,072,640)
Fair value adjustment on payable measured at amortised cost		271,652	-	-	-
Fair value loss on investment properties	12	-	(19,998,300)	-	-
Finance costs, net of finance income	7	(2,803,366)	(4,724,384)	(860,830)	(2,165,895)
Gain on derecognition of an associate	14(b)	1,775	-	1,775	-
Gain on disposal of property, plant and equipment		-	53,968	-	53,968
Gain on lease modification		-	763	-	-
Impairment losses on:					
- amounts owing by subsidiaries	18(c)	-	-	(91,551)	(737,613)
- investment in subsidiaries	13	-	-	(32,089,450)	(94,403,536)
- property, plant and equipment	11	-	(27,332,041)	-	-
- trade receivables	18(a)	(325,298)	-	-	-
Inventories written down	16	-	(43,877,604)	-	-
Inventories written off	16	-	(7,114)	-	-
Property, plant and equipment written off	11	-	(183)	-	(183)
Rent concession income		-	1,000	-	-
Reversal of impairment losses on:					
- financing receivables	17	18,654	-	-	-
- trade receivables	18(a)	2,824	6,619	-	-
- other receivables	18(b)	-	20,817	-	-
- amount owing by a subsidiary	18(c)	-	-	32,079,766	-
- property, plant and equipment	11	7,579,356	-	-	-
Staff costs:					
- hotel operations		(4,801,324)	(6,287,365)	-	-
- others		(1,564,612)	(2,047,452)	(960,413)	(1,074,780)

STATEMENTS OF COMPREHENSIVE INCOME
For the Financial Year Ended 30 June 2022
(cont'd)

		Group		Company	
		Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	Note	**RM**	**RM**	**RM**	**RM**
Write-back of payables		-	-	9,282	-
Other operating expenses		(10,949,926)	(12,412,908)	(1,780,692)	(1,320,178)
Profit/(Loss) before tax	8	6,469,570	(107,331,696)	(4,412,239)	(101,096,149)
Income tax (expense)/credit	9	(2,395,058)	6,913,742	-	-
Profit/(Loss) for the financial year/period		4,074,512	(100,417,954)	(4,412,239)	(101,096,149)
Other comprehensive income/(loss), net of tax					
Items that will not be reclassified subsequently to profit or loss					
Arising from revaluation of property, plant and equipment		540,183	(1,013,608)	-	-
Fair value (loss)/gain on equity instrument designated at fair value through other comprehensive income		(47,751)	137,093	(47,751)	137,093
Other comprehensive income/(loss) for the financial year/period		492,432	(876,515)	(47,751)	137,093
Total comprehensive income/(loss) for the financial year/period		4,566,944	(101,294,469)	(4,459,990)	(100,959,056)
Profit/(Loss) attributable to:					
Owners of the Company		4,074,512	(100,417,954)	(4,412,239)	(101,096,149)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		4,566,944	(101,294,469)	(4,459,990)	(100,959,056)
Earnings/(Loss) per share attributable to owners of the Company (sen)					
Basic earnings/(loss) per share	10	0.49	(30.88)		
Diluted earnings/(loss) per share	10	0.44	(30.88)		

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

STATEMENTS OF FINANCIAL POSITION
As at 30 June 2022

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	11	78,827,725	70,798,192	50,173	15,723
Investment properties	12	62,593,700	62,593,700	-	-
Investment in subsidiaries	13	-	-	103,801,626	95,891,075
Other investments	15	1,628,935	1,674,911	1,628,935	1,674,911
Financing receivables	17	15,240	4,162	-	-
Total non-current assets		143,065,600	135,070,965	105,480,734	97,581,709
Current assets					
Inventories	16	62,361,655	27,643,067	-	-
Tax assets		-	572,189	-	-
Financing receivables	17	39,588	5,004	-	-
Trade and other receivables	18	3,925,937	2,003,398	46,433,525	41,126
Contract assets	19	2,335,034	-	-	-
Deposits placed with licensed banks	20	5,173,296	4,310,714	-	-
Cash and bank balances	21	27,065,159	2,113,808	4,064,924	400,717
Total current assets		100,900,669	36,648,180	50,498,449	441,843
TOTAL ASSETS		243,966,269	171,719,145	155,979,183	98,023,552

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

(cont'd)

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	22	181,667,731	133,877,051	181,667,731	133,877,051
Other reserves	23	149,916,216	111,453,038	149,376,033	111,453,038
Accumulated losses		(170,002,763)	(174,077,275)	(176,121,679)	(171,709,440)
TOTAL EQUITY		161,581,184	71,252,814	154,922,085	73,620,649
Non-current liabilities					
Loans and borrowings	24	20,082,083	46,535,540	-	-
Deferred tax liabilities	25	5,900,034	4,048,734	-	-
Trade payable	26	2,800,009	-	-	-
Total non-current liabilities		28,782,126	50,584,274	-	-
Current liabilities					
Loans and borrowings	24	2,432,201	9,966,942	-	-
Provisions for liabilities	27	1,812,000	1,812,000	-	-
Trade and other payables	26	24,234,403	35,098,734	1,057,098	24,402,903
Contract liabilities	19	25,124,355	3,004,381	-	-
Total current liabilities		53,602,959	49,882,057	1,057,098	24,402,903
TOTAL LIABILITIES		82,385,085	100,466,331	1,057,098	24,402,903
TOTAL EQUITY AND LIABILITIES		243,966,269	171,719,145	155,979,183	98,023,552

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

STATEMENTS OF CHANGES IN EQUITY
For the Financial Year Ended 30 June 2022

		← Attributable to Owners of the Company →						
	Note	Share Capital RM	Capital Reserve RM	Revaluation Reserve RM	Warrant Reserve RM	Fair Value Reserve of Financial Assets at FVOCI RM	Accumulated Losses RM	Total Equity RM
Group								
At 1 July 2021		133,877,051	110,238,037	-	-	1,215,001	(174,077,275)	71,252,814
Total comprehensive income for the financial year								
Profit for the financial year		-	-	-	-	-	4,074,512	4,074,512
Other comprehensive income/(loss) for the financial year		-	-	540,183	-	(47,751)	-	492,432
Total comprehensive income		-	-	540,183	-	(47,751)	4,074,512	4,566,944
Transactions with owners								
Issue of ordinary shares pursuant to:								
- private placement	22	6,868,283	-	-	-	-	-	6,868,283
- rights issue		42,126,175	-	-	37,970,746	-	-	80,096,921
Transaction costs of share issue		(1,203,778)	-	-	-	-	-	(1,203,778)
Total transactions with owners		47,790,680	-	-	37,970,746	-	-	85,761,426
At 30 June 2022		181,667,731	110,238,037	540,183	37,970,746	1,167,250	(170,002,763)	161,581,184

STATEMENTS OF CHANGES IN EQUITY
For the Financial Year Ended 30 June 2022
(cont'd)

		← Attributable to Owners of the Company					→
		Share Capital	Capital Reserve	Revaluation Reserve	Fair Value Reserve of Financial Assets at FVOCI	Accumulated Losses	Total Equity
	Note	RM	RM	RM	RM	RM	RM
Group							
At 1 January 2020		129,878,659	110,238,037	1,013,608	1,077,908	(73,659,321)	168,548,891
Total comprehensive loss for the financial period							
Loss for the financial period		-	-	-	-	(100,417,954)	(100,417,954)
Other comprehensive (loss)/income for the financial period		-	-	(1,013,608)	137,093	-	(876,515)
Total comprehensive loss		-	-	(1,013,608)	137,093	(100,417,954)	(101,294,469)
Transaction with owners							
Issue of ordinary shares pursuant to private placement	22	3,998,392	-	-	-	-	3,998,392
Total transaction with owners		3,998,392	-	-	-	-	3,998,392
At 30 June 2021		133,877,051	110,238,037	-	1,215,001	(174,077,275)	71,252,814

STATEMENTS OF CHANGES IN EQUITY
For the Financial Year Ended 30 June 2022
(cont'd)

		Attributable to Owners of the Company					
	Note	Share Capital RM	Capital Reserve RM	Warrant Reserve RM	Fair Value Reserve of Financial Assets at FVOCI RM	Accumulated Losses RM	Total Equity RM
Company							
At 1 July 2021		133,877,051	110,238,037	-	1,215,001	(171,709,440)	73,620,649
Total comprehensive loss for the financial year							
Loss for the financial year		-	-	-	-	(4,412,239)	(4,412,239)
Other comprehensive loss for the financial year		-	-	-	(47,751)	-	(47,751)
Total comprehensive loss		-	-	-	(47,751)	(4,412,239)	(4,459,990)
Transactions with owners							
Issue of ordinary shares pursuant to:							
- private placement	22	6,868,283	-	-	-	-	6,868,283
- rights issue		42,126,175	-	37,970,746	-	-	80,096,921
Transactions costs of share issue		(1,203,778)	-	-	-	-	(1,203,778)
Total transactions with owners		47,790,680	-	37,970,746	-	-	85,761,426
At 30 June 2022		181,667,731	110,238,037	37,970,746	1,167,250	(176,121,679)	154,922,085

STATEMENTS OF CHANGES IN EQUITY
For the Financial Year Ended 30 June 2022
(cont'd)

		Attributable to Owners of the Company				
	Note	Share Capital RM	Capital Reserve RM	Fair Value Reserve of Financial Assets at FVOCI RM	Accumulated Losses RM	Total Equity RM
Company						
At 1 January 2020		129,878,659	110,238,037	1,077,908	(70,613,291)	170,581,313
Total comprehensive loss for the financial period						
Loss for the financial period		-	-	-	(101,096,149)	(101,096,149)
Other comprehensive income for the financial period		-	-	137,093	-	137,093
Total comprehensive loss		-	-	137,093	(101,096,149)	(100,959,056)
Transaction with owners						
Issue of ordinary shares pursuant to private placement	22	3,998,392	-	-	-	3,998,392
Total transaction with owners		3,998,392	-	-	-	3,998,392
At 30 June 2021		133,877,051	110,238,037	1,215,001	(171,709,440)	73,620,649

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

STATEMENTS OF CASH FLOWS
For the Financial Year Ended 30 June 2022

	Note	Group Financial year from 1.7.2021 to 30.6.2022 RM	Group Financial period from 1.1.2020 to 30.6.2021 RM	Company Financial year from 1.7.2021 to 30.6.2022 RM	Company Financial period from 1.1.2020 to 30.6.2021 RM
Cash flows from operating activities:					
Profit/(Loss) before tax		6,469,570	(107,331,696)	(4,412,239)	(101,096,149)
Adjustments for:					
Bad debts written off		-	-	8,459	-
Deposits written off		10,120	-	-	-
Depreciation of property, plant and equipment	11	2,622,400	5,735,040	11,135	104,414
Fair value adjustment on payable measured at amortised cost		(271,652)	-	-	-
Fair value loss on investment properties	12	-	19,998,300	-	-
Finance costs	7	2,955,543	4,935,357	969,450	2,165,895
Finance income	7	(152,177)	(210,973)	(108,620)	-
Gain on derecognition of an associate	14(b)	(1,775)	-	(1,775)	-
Gain on disposal of property, plant and equipment		-	(53,968)	-	(53,968)
Gain on lease modification		-	(763)	-	-
Impairment losses on:					
- amount owing by subsidiaries	18(c)	-	-	91,551	737,613
- investments in subsidiaries	13	-	-	32,089,450	94,403,536
- property, plant and equipment	11	-	27,332,041	-	-
- trade receivables	18(a)	325,298	-	-	-
Inventories written down	16	-	43,877,604	-	-
Inventories written off	16	-	7,114	-	-
Property, plant and equipment written off	11	-	183	-	183
Rent concession income		-	(1,000)	-	-
Reversal of impairment losses:					
- amount owing by a subsidiary	18(c)	-	-	(32,079,766)	-
- financing receivables	17	(18,654)	-	-	-
- trade receivables	18(a)	(2,824)	(6,619)	-	-
- other receivables	18(b)	-	(20,817)	-	-
- property, plant and equipment	11	(7,579,356)	-	-	-
Write-back of payables		-	-	(9,282)	-
Operating profit/(loss) before working capital changes, balances carried forward		4,356,493	(5,740,197)	(3,441,637)	(3,738,476)

STATEMENTS OF CASH FLOWS
For the Financial Year Ended 30 June 2022
(cont'd)

	Note	Group Financial year from 1.7.2021 to 30.6.2022 RM	Group Financial period from 1.1.2020 to 30.6.2021 RM	Company Financial year from 1.7.2021 to 30.6.2022 RM	Company Financial period from 1.1.2020 to 30.6.2021 RM
Operating profit/(loss) before working capital changes, balances brought forward		4,356,493	(5,740,197)	(3,441,637)	(3,738,476)
Changes in working capital:					
Contract assets		(2,335,034)	-	-	-
Contract liabilities		22,119,974	(975,054)	-	-
Inventories		(34,718,588)	3,112,258	-	-
Trade and other receivables		(2,282,141)	(970,616)	(5,938)	5,477
Trade and other payables		4,508,128	5,025,494	(43,978)	57,206
Net cash (used in)/generated from operations		(8,351,168)	451,885	(3,491,553)	(3,675,793)
Interest paid		(359,663)	(242,583)	-	(2,471)
Interest received		12,529	6,185	-	-
Net cash (used in)/from operating activities		(8,698,302)	215,487	(3,491,553)	(3,678,264)
Cash flows from investing activities:					
Acquisition of a subsidiary	13	-	-	(1)	-
Advances to subsidiaries		-	-	(54,406,705)	(737,613)
Change in pledged deposits		(212,264)	316,915	-	-
Interest received		139,648	204,788	108,620	-
Proceeds from disposal of property, plant and equipment		-	80,946	-	80,946
Purchase of property, plant and equipment	(a)	(2,312,601)	(107,446)	(45,585)	(7,216)
Net cash (used in)/from investing activities		(2,385,217)	495,203	(54,343,671)	(663,883)
Cash flows from financing activities:	(b)				
(Repayment to)/Advances from directors		(12,300,798)	1,960,000	(8,540,000)	1,960,000
(Repayment to)/Advances from subsidiaries		-	-	(14,752,545)	92,449
Drawdown of term loans		1,692,745	20,329,451	-	-
Interest paid		(2,595,880)	(4,692,774)	(969,450)	(2,163,424)
Proceeds from issuance of shares	22	85,761,426	3,998,392	85,761,426	3,998,392
Repayments of term loans		(28,490,853)	(1,233,981)	-	-
Repayments of lease liabilities		(275,406)	(158,977)	-	(94,497)
Net cash from financing activities		43,791,234	20,202,111	61,499,431	3,792,920

STATEMENTS OF CASH FLOWS
For the Financial Year Ended 30 June 2022
(cont'd)

		Group		Company	
		Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	Note	**RM**	**RM**	**RM**	**RM**
Net increase/(decrease) in cash and cash equivalents		32,707,715	20,912,801	3,664,207	(549,227)
Cash and cash equivalents at the beginning of the financial year/period		(5,640,836)	(26,553,637)	400,717	949,944
Cash and cash equivalents at the end of the financial year/period		27,066,879	(5,640,836)	4,064,924	400,717
Analysis of cash and cash equivalents					
Cash and bank balances	21	26,815,569	1,865,740	4,064,924	400,717
Cash held under Housing Development Account	21	249,590	248,068	-	-
Deposits placed with licensed banks	20	5,173,296	4,310,714	-	-
		32,238,455	6,424,522	4,064,924	400,717
Bank overdrafts	24	(648,598)	(7,754,644)	-	-
		31,589,857	(1,330,122)	4,064,924	400,717
Less: Deposits pledged	20	(4,522,978)	(4,310,714)	-	-
		27,066,879	(5,640,836)	4,064,924	400,717

(a) Purchase of property, plant and equipment:

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Purchase of property, plant and equipment	2,503,963	107,446	45,585	7,216
Financed by way of lease arrangements	(191,362)	-	-	-
Cash payments on purchase of property, plant and equipment	2,312,601	107,446	45,585	7,216

STATEMENTS OF CASH FLOWS
For the Financial Year Ended 30 June 2022
(cont'd)

(b) Reconciliation of changes in liabilities arising from financing activities are as follows:

	1 July 2021 RM	Cash Flows RM	Non-cash Acquisition RM	Non-cash Others RM	30 June 2022 RM
Group					
Amounts owing to directors	12,540,000	(12,300,798)	-	-	239,202
Term loans	48,478,863	(26,798,108)	-	-	21,680,755
Lease liabilities	268,975	(275,406)	191,362	-	184,931
	61,287,838	(39,374,312)	191,362	-	22,104,888
Company					
Amounts owing to directors	8,540,000	(8,540,000)	-	-	-
Amounts owing to subsidiaries	14,778,595	(14,752,545)	-	(9,282)	16,768
	23,318,595	(23,292,545)	-	(9,282)	16,768

	1 January 2020 RM	Cash Flows RM	Non-cash Lease Modification RM	30 June 2021 RM
Group				
Amounts owing to directors	10,580,000	1,960,000	-	12,540,000
Term loans	29,383,393	19,095,470	-	48,478,863
Lease liabilities	406,292	(158,977)	21,660	268,975
	40,369,685	20,896,493	21,660	61,287,838
Company				
Amounts owing to directors	6,580,000	1,960,000	-	8,540,000
Amounts owing to subsidiaries	14,686,146	92,449	-	14,778,595
Lease liabilities	94,497	(94,497)	-	-
	21,360,643	21,360,643	-	23,318,595

(c) Total cash outflows for leases

During the financial year, the Group and the Company had total cash outflows for leases of RM322,018 (2021: RM225,007) and RM11,804 (2021: RM109,694) respectively.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.) ("the Company") is a public limited company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad. The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The principal place of business of the Company is located at V06-07-03A, Signature 2, Lingkaran SV, Sunway Velocity, 55100, W.P Kuala Lumpur, Malaysia.

The Company is principally involved in investment holding.

The principal activities of its subsidiaries are disclosed in Note 13. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 13 October 2022.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs	
MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

2. BASIS OF PREPARATION *(cont'd)*

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ *The Annual Improvements to MFRS Standards 2018-2020*
# *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts*

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

2. BASIS OF PREPARATION *(cont'd)*

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective *(cont'd)*

2.3.1 The Group and the Company plan to adopt the above applicable new MFRS and amendments/ improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs are summarised below.

Amendments to MFRS 3 Business Combinations

The Amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by Malaysian Accounting Standards Board in April 2018.

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These Amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business, as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business.

Amendments to MFRS 101 Presentation of Financial Statements

The Amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The Amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 112 Income Taxes

The Amendments specify how an entity should account for deferred tax on transactions such as leases and decommissioning obligation.

2. **BASIS OF PREPARATION** *(cont'd)*

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective *(cont'd)*

2.3.1 The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs are summarised below. *(cont'd)*

Amendments to MFRS 112 Income Taxes *(cont'd)*

In specified circumstances, MFRS 112 exempts an entity from recognising deferred tax when it recognises assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which an entity recognises both an asset and a liability. The amendments clarify that the exemption does not apply and that entity is required to recognise deferred tax on such transactions.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries and associates used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.1 Basis of consolidation *(cont'd)*

(a) Subsidiaries and business combination *(cont'd)*

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate or a financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

(b) Associate

Associate is an entity over which the Group has significant influence, but not control, to the financial and operating policies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.1 Basis of consolidation *(cont'd)*

(b) Associate *(cont'd)*

Investment in an associate is accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

(c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associate are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.14(b).

3.3 Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.3 Revenue and other income *(cont'd)*

(a) Revenue from hotel operations

Hotel room revenue is recognised at a point in time when the services are rendered to the customer over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits until services are provided to the customer.

Revenue from the sale of goods or services is recognised at a point in time when the food and beverage, entertainment and retail goods is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage or retail goods.

(b) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease.

(c) Property development

The Group develops and sell residential and commercial properties. Contracts with customers may include multiple distinct promises to customers and therefore accounted for as separate performance obligations. In the contract with customer contains more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost plus margin approach.

Revenue from residential and commercial properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

Revenue from commercial properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred at a point in time as the Group's performance does not create an asset with an alternative use to the Group but the Group does not have an enforceable right to payment for performance completed to date. Revenue is recognised at a point in time when the legal title has passed to the customer.

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.3 Revenue and other income *(cont'd)*

(d) Other income

- Administrative charges receivable is recognised on an accrual basis.
- Interest income is recognised using the effective interest method.

(e) Management fee

Management fee is recognised upon completion of services rendered in accordance with the terms of the agreement entered into.

3.4 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

(b) Defined contribution plan

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

3.5 Borrowing costs

Borrowing costs are interests and other costs that the Group and the Company incur in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are 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, until such time as the assets are substantially ready for their intended use or sale.

The Group and the Company begin capitalising borrowing costs when the Group and the Company have incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

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.

3.6 Income tax

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

(a) Current tax

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

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.6 Income tax *(cont'd)*

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associate, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Where investment properties are carried at fair value in accordance with the accounting policy as disclosed in Note 3.9, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.6 Income tax *(cont'd)*

(c) Sales and services tax

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.7 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment were initially stated at cost. Land and building were subsequently shown at market value, based on valuations of external independent valuers, less subsequent accumulated depreciation and impairment losses, if any. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b).

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

(c) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Building	2%
Plant and machinery	5% to 10%
Motor vehicles	10%
Furniture, fittings and renovations	5% to 20%
Computers and office equipment	5% to 20%

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

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

(c) Depreciation *(cont'd)*

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

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

Property, plant and equipment (other than freehold land) are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b).

Freehold land and building are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on building and any accumulated impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold land and building does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

3.8 Leases

(a) Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets that do not meet the definition of investment property in Note 11(e) and lease liabilities in Note 24(b).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.8 Leases *(cont'd)*

(b) Lessee accounting *(cont'd)*

Right-of-use asset

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group and the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.8 Leases *(cont'd)*

(b) Lessee accounting *(cont'd)*

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When applies contract includes lease and non-lease components, the Group applies MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

3.9 Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair values of investment properties are recognised in profit or loss for the period in which they arise.

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property.

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. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property carried at fair value to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, any difference arising on the date of change in use between the carrying amount of the item immediately prior to the transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment.

3.10 Inventories

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

Costs of food and beverages include purchase price and the incidental expenses incurred. Costs of completed properties comprises all direct construction cost and land cost, and direct development expenditure which is determined by the specific identification basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.10 Inventories *(cont'd)*

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

Property under development

Cost includes:

- leasehold rights for land
- amounts paid to contractors for construction
- borrowing costs, planning and design costs, costs for site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs

The cost of inventory recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

3.11 Contract assets/(liabilities)

Contract asset is the right to consideration in exchange for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Group's future performance). The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(a).

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers.

3.12 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts.

3.13 Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.13 Financial instruments *(cont'd)*

(a) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The measurement which the Group and the Company classify their debt instruments:

- **Amortised cost**

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.14(a). Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

(ii) Financial liabilities

The Group and the Company classify their financial liabilities at amortised cost.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.13 Financial instruments *(cont'd)*

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset).

Trade date accounting refers to:

(i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
(ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

(d) Derecognition

A financial asset or a part of it is derecognised when, and only when:

(i) the contractual rights to receive cash flows from the financial asset expire, or
(ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.13 Financial instruments *(cont'd)*

(d) Derecognition *(cont'd)*

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Offsetting of financial instruments

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.14 Impairment of assets

(a) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income ("FVOCI"), contract assets and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 *Financial Instruments* which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.14 Impairment of assets *(cont'd)*

(a) Impairment of financial assets and contract assets *(cont'd)*

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the debtor;
- a breach of contract, such as a default of past due event;
- the lender(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statements of financial position.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.14 Impairment of assets *(cont'd)*

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and investment properties measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

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 non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. 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 CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.15 Share capital

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.16 Provisions

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

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

3.17 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. All Executives Directors of the Group, who are responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

3.18 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
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: Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.19 Earnings per share

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.20 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) 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. The Group engaged external valuer to determine the fair values. The valuation methods adopted by the valuer include sales comparison method, being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, terrain, size, present market trends and other differences, income approach, being the projected net income and other benefits that are the subject property can generate over the life of the property capitalised at market derived yields to arrive at the present value of the property. Judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the investment properties are disclosed in Note 12.

(b) Valuation of property, plant and equipment

Freehold land and building are carried at revalued amount. Revaluation of these assets is based on valuation performed by independent professional property valuers. The independent professional property valuers may exercise judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, market freehold rental and other factors used in their valuation process. Judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations may materially affect these estimates and the resulting valuation estimates. Any changes in these assumptions will have an impact on the carrying amounts of the revalued properties.

The carrying amounts of the property, plant and equipment are disclosed in Note 11.

(c) Net realisable value of inventories

The Group writes down its inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of inventories. Where expectations differ from the original estimates, the differences will impact the carrying amounts of inventories.

The carrying amounts of the inventories are disclosed in Note 16.

(d) Property development revenue and expenses

The Group recognised property development revenue and expenses in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS *(cont'd)*

(d) Property development revenue and expenses *(cont'd)*

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and expenses, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of property development costs, contract assets and contract liabilities are disclosed in Notes 16 and 19.

5. REVENUE

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Revenue from contract customers:				
Over time				
Property development	246,026	2,912,954	-	-
Interest income	1,110	50	-	-
At a point in time				
Hotel operations	12,951,603	7,899,645	-	-
Management fees	-	-	800,000	709,989
Sale of goods and services	-	12,688	-	-
Other income from hotel operations	9,685,626	5,335,857	-	-
Sale of completed properties	-	502,000	-	-
Revenue from other source:				
Rental income from investment property	2,820,169	4,236,184	-	-
	25,704,534	20,899,378	800,000	709,989

Transaction price allocated to the remaining performance obligations

As of 30 June 2022, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM23,619,754 and the entity will recognise this revenue as the building is completed, which is expected to occur over the next 12–36 months.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

6. SEGMENTAL INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by all executive directors for the purpose of making decisions about resource allocation and performance assessment.

(a) General information

The Group's operating business is classified according to the following operating divisions:

(i) Investment holding;
(ii) Leasing and financing;
(iii) Hospitality;
(iv) Investment properties;
(v) Property development; and
(vi) Others - inactive companies

(b) Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Inter-segment pricing is determined on negotiated basis.

<u>Segment profit</u>

Segment results is measured based on segment profit before tax that are reviewed by all executive directors. There are no significant changes from prior financial year in the measurement methods used to determine reported segment results.

<u>Segment assets</u>

The total of segment assets are measured based on all assets of a segment other than current and deferred tax assets.

<u>Segment liabilities</u>

The total of segment liabilities are measured based on all liabilities of a segment other than current and deferred tax liabilities.

(c) Geographical Information

No segmental information by geographical segment has been presented as the Group principally operates in Malaysia.

(d) Major customer

During the financial year, revenue from a major customer in the hotel operation segment represent approximately RM4,717,411 (2021: RM Nil) or 18% (2021: Nil) of the Group's revenue.

6. **SEGMENTAL INFORMATION** *(cont'd)*

The segmental information of the Group are as follows:

Group 30.6.2022	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Revenue:									
Revenue from external customers		-	1,110	22,637,229	2,820,169	246,026	-	-	25,704,534
Inter-segment revenue	(a)	800,000	-	18,677	28,367	-	-	(847,044)	-
		800,000	1,110	22,655,906	2,848,536	246,026	-	(847,044)	25,704,534
Results:									
Included in the measure of segment (loss)/profit are:									
Bad debts written off		(8,459)	-	-	-	-	(9,282)	17,741	-
Depreciation of property, plant and equipment		(11,135)	-	(2,316,757)	(83,722)	(210,786)	-	-	(2,622,400)
Deposits written off		-	(10,120)	-	-	-	-	-	(10,120)
Fair value adjustment on payable measured at amortised cost		-	-	-	-	271,652	-	-	271,652
Finance income		108,620	-	19,367	-	24,190	-	-	152,177
Finance costs		(969,450)	-	(2,150)	(211,031)	(1,772,912)	-	-	(2,955,543)
Gain on derecognition of an associate		1,775	-	-	-	-	-	-	1,775

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

6. SEGMENTAL INFORMATION *(cont'd)*

Group 30.6.2022	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Included in the measure of segment (loss)/profit are: (cont'd)									
Impairment losses on:									
- amounts owing by subsidiaries		(91,551)	-	-	-	-	-	91,551	-
- investment in subsidiaries		(32,089,450)	-	-	-	-	-	32,089,450	-
- trade receivables		-	-	-	(325,298)	-	-	-	(325,298)
Reversal of impairment losses on:									
- amounts owing by subsidiaries		32,079,766	-	-	-	-	-	(32,079,766)	-
- financing receivables		-	18,654	-	-	-	-	-	18,654
- trade receivables		-	-	-	2,824	-	-	-	2,824
- property, plant and equipment		-	-	7,579,356	-	-	-	-	7,579,356
Write-back of payables		9,282	-	-	-	-	70,471	(79,753)	-
Unallocated corporate expenses		(4,267,127)	(13,822)	(13,096,830)	(3,474,757)	(1,327,487)	(15,062)	847,044	(21,348,041)
Segment (loss)/profit		(4,437,729)	(4,178)	14,838,892	(1,243,448)	(2,769,317)	46,127	39,223	6,469,570

6. SEGMENTAL INFORMATION *(cont'd)*

Group 30.6.2022	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Income tax expense		-	-	(2,395,058)	-	-	-	-	(2,395,058)
(Loss)/Profit for the financial year		(4,437,729)	(4,178)	12,443,834	(1,243,448)	(2,769,317)	46,127	39,223	4,074,512
Assets:									
Additions to non-current assets		45,585	-	2,037,104	-	421,274	-	-	2,503,963
Segment assets	(b)	155,995,962	91,299	77,254,141	81,213,447	79,663,414	-	(150,251,994)	243,966,269
Liabilities:									
Segment liabilities	(c)	1,162,474	15,234,578	3,635,061	42,625,509	76,042,370	3,600	(62,218,541)	76,485,051

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

6. SEGMENTAL INFORMATION *(cont'd)*

Group 30.6.2021	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Revenue:									
Revenue from external customers		-	50	13,235,502	4,236,184	3,414,954	12,688	-	20,899,378
Inter-segment revenue	(a)	709,989	-	12,272	70,226	-	-	(792,487)	-
		709,989	50	13,247,774	4,306,410	3,414,954	12,688	(792,487)	20,899,378
Results:									
Included in the measure of segment loss are:									
Depreciation of property plant and equipment		(104,414)	-	(4,786,591)	(617,613)	(226,422)	-	-	(5,735,040)
Fair value loss on investment properties		-	-	-	(19,998,300)	-	-	-	(19,998,300)
Finance income		-	-	-	-	210,973	-	-	210,973
Finance costs		(2,165,895)	-	(10,178)	(211,031)	(2,548,253)	-	-	(4,935,357)
Gain on disposal of property, plant and equipment		53,968	-	-	-	-	-	-	53,968
Gain on lease modification		-	-	-	-	763	-	-	763
Impairment losses on:									
- amounts owing by subsidiaries		(737,613)	-	-	-	-	-	737,613	-
- investment in subsidiaries		(94,403,536)	-	-	-	-	-	94,403,536	-
- property, plant and equipment		-	-	(27,332,041)	-	-	-	-	(27,332,041)

6. SEGMENTAL INFORMATION *(cont'd)*

Group 30.6.2021	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Included in the measure of segment loss are: (cont'd)									
Inventories written down		-	-	-	-	(43,877,604)	-	-	(43,877,604)
Inventories written off		-	-	(7,114)	-	-	-	-	(7,114)
Property, plant and equipment written off		(183)	-	-	-	-	-	-	(183)
Rent concession income		-	-	-	-	1,000	-	-	1,000
Reversal of impairment losses:									
- trade receivables		-	-	-	-	6,619	-	-	6,619
- other receivables		-	-	-	-	20,817	-	-	20,817
Unallocated corporate expenses		(4,470,060)	(17,406)	(13,451,878)	(5,435,369)	(4,019,967)	(37,382)	792,487	(26,639,575)
Segment loss		(101,117,744)	(17,356)	(32,340,028)	(21,955,903)	(47,017,120)	(24,694)	95,141,149	(107,331,696)

6. SEGMENTAL INFORMATION *(cont'd)*

Group 30.6.2021	Note	Investment holding RM	Leasing and financing RM	Hospitality RM	Investment properties RM	Property development RM	Others RM	Adjustments and elimination RM	Total RM
Income tax credit		-	-	6,913,742	-	-	-	-	6,913,742
Loss for the financial period		(101,117,744)	(17,356)	(25,426,286)	(21,955,903)	(47,017,120)	(24,694)	95,141,149	(100,417,954)
Assets:									
Additions to non-current assets		7,216	-	93,709	-	6,521	-	-	107,446
Segment assets	(b)	99,793,928	31,729	70,450,864	84,923,807	28,377,388	17,697	(112,448,457)	171,146,956
Liabilities:									
Segment liabilities	(c)	24,491,873	15,170,830	3,635,061	37,427,655	78,256,022	67,424	(62,631,268)	96,417,597

6. SEGMENTAL INFORMATION *(cont'd)*

Reconciliation of reportable segment revenue is as follows:

(a) Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

(b) Reconciliation of assets

	Group	
	2022	2021
	RM	RM
Tax assets	-	572,189
Segment assets	243,966,269	171,146,956
	243,966,269	171,719,145

(c) Reconciliation of liabilities

	Group	
	2022	2021
	RM	RM
Deferred tax liabilities	5,900,034	4,048,734
Segment liabilities	76,485,051	96,417,597
	82,385,085	100,466,331

7. FINANCE COSTS, NET OF FINANCE INCOME

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021
	RM	RM	RM	RM
Finance income:				
- Housing development account	1,522	3,140	-	-
- Current accounts	130,977	-	108,620	-
- Deposits placed with licensed banks	7,149	201,648	-	-
- Overdue interests on trade receivables	12,529	6,185	-	-
	152,177	210,973	108,620	-

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

7. FINANCE COSTS, NET OF FINANCE INCOME *(cont'd)*

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Finance costs:				
- Term loans	(2,595,880)	(4,692,774)	-	-
- Bank overdrafts	(251,392)	(211,031)	-	-
- Lease liabilities	(15,604)	(31,552)	-	(2,471)
- Trade payable	(92,667)	-	-	-
- Amount owing to a subsidiary	-	-	(969,450)	(2,163,424)
	(2,955,543)	(4,935,357)	(969,450)	(2,165,895)
	(2,803,366)	(4,724,384)	(860,830)	(2,165,895)

8. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been (charged)/credited in arriving at profit/(loss) before tax:

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Auditors' remuneration:				
- Statutory audit				
- current year/period	(201,000)	(191,000)	(102,000)	(102,000)
- prior year	-	2,500	-	-
- Non-statutory audit	(86,000)	(6,000)	(86,000)	(6,000)
Bad debts written off	-	-	(8,459)	-
Depreciation of property, plant and equipment	(2,622,400)	(5,735,040)	(11,135)	(104,414)
Deposits written off	(10,120)	-	-	-
Employee benefits expenses (Note a)	(8,045,796)	(10,695,371)	(2,460,945)	(3,147,420)
Fair value adjustment on payable measured at amortised cost	271,652	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

8. PROFIT/(LOSS) BEFORE TAX *(cont'd)*

Other than disclosed elsewhere in the financial statements, the following items have been (charged)/credited in arriving at profit/(loss) before tax: *(cont'd)*

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Fair value loss on investment properties	-	(19,998,300)	-	-
Gain on derecognition of an associate	1,775	-	1,775	-
Gain on disposal of property, plant and equipment	-	53,968	-	53,968
Gain on lease modification	-	763	-	-
Impairment losses on:				
- amounts owing by subsidiaries	-	-	(91,551)	(737,613)
- investment in subsidiaries	-	-	(32,089,450)	(94,403,536)
- trade receivables	(325,298)	-	-	-
- property, plant and equipment	-	(27,332,041)	-	-
Inventories written down	-	(43,877,604)	-	-
Inventories written off	-	(7,114)	-	-
Property, plant and equipment written off	-	(183)	-	(183)
Rent concession income	-	1,000	-	-
Reversal of impairment losses:				
- amount owing by subsidiaries	-	-	32,079,766	-
- financing receivables	18,654	-	-	-
- trade receivables	2,824	6,619	-	-
- other receivables	-	20,817	-	-
- property, plant and equipment	7,579,356	-	-	-
Expenses relating to short-term leases:				
- equipment	(17,538)	(21,164)	-	-
- parking	(3,240)	-	(3,240)	-
Expenses relating to low-value assets:				
- equipment	(10,230)	(13,314)	(8,564)	(12,726)
Rental income	-	2,100	-	-
Write-back of payables	-	-	9,282	-

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

8. PROFIT/(LOSS) BEFORE TAX *(cont'd)*

(a) Employee benefits expenses:

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021
	RM	RM	RM	RM
Wages and salaries	5,278,844	6,995,378	803,389	936,101
Defined contribution plans	635,777	888,421	98,427	114,492
Defined benefit plans	81,357	118,666	7,815	9,671
Other staff related costs	369,958	332,352	50,782	14,516
	6,365,936	8,334,817	960,413	1,074,780
Directors' fees	216,000	266,967	216,000	266,967
Directors' other emoluments	1,463,860	2,093,587	1,284,532	1,805,673
	1,679,860	2,360,554	1,500,532	2,072,640
Total	8,045,796	10,695,371	2,460,945	3,147,420

9. INCOME TAX EXPENSE/(CREDIT)

The major components of income tax credit for the financial year/period ended 30 June 2022 and 30 June 2021 are as follows:

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021	Financial year from 1.7.2021 to 30.6.2022	Financial period from 1.1.2020 to 30.6.2021
	RM	RM	RM	RM
Statements of comprehensive income				
Current income tax:				
Adjustment in respect of prior years	572,189	-	-	-
Deferred tax: (Note 25)				
Origination/(Reversal) of temporary differences	1,670,659	(7,115,316)	-	-
Adjustment in respect of prior years	152,210	201,574	-	-
	1,822,869	(6,913,742)	-	-
Income tax expense/(credit)	2,395,058	(6,913,742)	-	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (30.6.2021: 24%) of the estimated assessable profit for the financial year/period.

9. INCOME TAX EXPENSE/(CREDIT) *(cont'd)*

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense/(credit) are as follows:

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Profit/(Loss) before tax	6,469,570	(107,331,696)	(4,412,239)	(101,096,149)
Taxation at applicable statutory tax rate of 24% (30.6.2021: 24%)	1,552,697	(25,759,607)	(1,058,937)	(24,263,076)
Tax effects arising from:				
- non-deductible expenses	1,151,029	17,936,796	8,048,137	23,737,142
- non-taxable income	(1,883,185)	(13,947)	(7,701,798)	-
- utilisation of previously unrecognised tax losses	(1,427)	-	-	-
- deferred tax assets not recognised on tax losses and temporary differences	851,545	721,442	712,598	525,934
- adjustment in respect of current income tax of prior years	572,189	-	-	-
- adjustment in respect of deferred tax of prior years	152,210	201,574	-	-
Income tax expense/(credit)	2,395,058	(6,913,742)	-	-

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**	**Financial year from 1.7.2021 to 30.6.2022**	**Financial period from 1.1.2020 to 30.6.2021**
	RM	**RM**	**RM**	**RM**
Deductible temporary differences	25,067	116,350	-	-
Unutilised tax losses	211,304,271	207,707,815	40,555,172	37,596,045
Unutilised capital allowances	750,969	713,985	687,216	677,191
Net deferred tax assets	212,080,307	208,538,150	41,242,388	38,273,236
Potential deferred tax assets not recognised at 24% (30.6.2021: 24%)	50,899,275	50,049,156	9,898,173	9,185,576

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

9. INCOME TAX EXPENSE/(CREDIT) *(cont'd)*

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendment to Section 44(5F) of Income Tax Act 1967, the time limit on the carried forward unutilised tax losses has been extended to maximum 10 consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Any unutilised tax losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2019 to 2028).

The unutilised tax losses are available for offset against future taxable profits of the Group and the Company up to the following financial years:

	Group		**Company**	
	30.6.2022	**30.6.2021**	**30.6.2022**	**30.6.2021**
	RM	**RM**	**RM**	**RM**
2025	-	202,906,870	-	33,813,096
2026	-	1,356,678	-	1,138,325
2027	-	1,753,694	-	1,309,880
2028	202,900,928	1,690,573	33,813,096	1,334,744
2029	1,356,678	-	1,138,325	-
2030	1,753,694	-	1,309,880	-
2031	1,690,573	-	1,334,744	-
2032	3,602,398	-	2,959,127	-
	211,304,271	207,707,815	40,555,172	37,596,045

10. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per share are based on the loss for the financial year/period attributable to owners of the Company and the weighted average number of ordinary shares during the financial year/period, calculated as follows:

	Group	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**
Profit/(Loss) attributable to owners of the Company		
Profit/(Loss) for the financial year/period (RM)	4,074,512	(100,417,954)
Weighted average number of ordinary shares for basic earnings/(loss) per share (unit)	827,733,401	325,230,108
Basic earnings/(loss) per ordinary share (sen)	0.49	(30.88)

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

10. EARNINGS/(LOSS) PER SHARE *(cont'd)*

Diluted earnings/(loss) per ordinary share

Diluted earnings/(loss) per share are based on the profit/(loss) for the financial year/period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	Financial year from 1.7.2021 to 30.6.2022	**Financial period from 1.1.2020 to 30.6.2021**
Profit/(Loss) attributable to owners of the Company		
Profit/(Loss) for the financial year/period (RM)	4,074,512	(100,417,954)
Weighted average number of ordinary shares for basic earnings/(loss) per share (unit)	827,733,401	325,230,108
Effect of dilution from warrants	96,145,857	-
Weighted average number of ordinary shares for diluted earnings/(loss) per share	923,879,258	325,230,108
Diluted earnings/(loss) per ordinary share (sen)	0.44	(30.88)

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

11. PROPERTY, PLANT AND EQUIPMENT

Group 2022	Note	Freehold land RM	Building RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and renovation RM	Computers and office equipment RM	Construction work-in-progress RM	Right-of-use assets RM	Total RM
Cost/Valuation										
At 1 July 2021										
- At cost		-	-	3,335,598	1,367,966	5,442,507	1,527,261	-	388,572	12,061,904
- At valuation		3,916,467	116,558,739	-	-	-	-	-	-	120,475,206
		3,916,467	116,558,739	3,335,598	1,367,966	5,442,507	1,527,261	-	388,572	132,537,110
Additions		-	-	-	-	1,005,645	160,917	1,146,039	191,362	2,503,963
Written off		-	-	-	-	-	(15,264)	-	-	(15,264)
Reclassification		-	-	136,072	-	-	-	-	(136,072)	-
Adjustment on revaluation		568,614	-	-	-	-	-	-	-	568,614
At 30 June 2022		4,485,081	116,558,739	3,471,670	1,367,966	6,448,152	1,672,914	1,146,039	443,862	135,594,423
Accumulated Depreciation										
At 1 July 2021		-	23,005,013	3,045,643	1,367,966	4,863,688	734,015	-	252,400	33,268,725
Depreciation charge for the financial year	8	-	2,147,970	77,815	-	238,332	132,231	-	167,665	2,764,013
Adjustment		-	-	(113,213)	-	(28,353)	(47)	-	-	(141,613)
Written off		-	-	-	-	-	(15,264)	-	-	(15,264)
Reclassification		-	-	136,072	-	-	-	-	(136,072)	-
At 30 June 2022		-	25,152,983	3,146,317	1,367,966	5,073,667	850,935	-	283,993	35,875,861
Accumulated Impairment Loss										
At 1 July 2021		429,566	28,040,627	-	-	-	-	-	-	28,470,193
Reversal during the financial year	8	(429,566)	(7,149,790)	-	-	-	-	-	-	(7,579,356)
At 30 June 2022		-	20,890,837	-	-	-	-	-	-	20,890,837
Carrying Amount										
At 30 June 2022										
- At cost		-	-	325,353	-	1,374,485	821,979	1,146,039	159,869	3,827,725
- At valuation		4,485,081	70,514,919	-	-	-	-	-	-	75,000,000
		4,485,081	70,514,919	325,353	-	1,374,485	821,979	1,146,039	159,869	78,827,725

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

11. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Group		Freehold land	Building	Plant and machinery	Motor vehicles	Furniture, fittings and renovation	Computers and office equipment	Right-of-use assets	Total
2021	**Note**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
Cost/Valuation									
At 1 January 2020									
- At cost		-	-	3,335,598	1,202,458	5,361,171	1,505,432	869,217	12,273,876
- At valuation		4,983,423	116,558,739	-	-	-	-	-	121,542,162
		4,983,423	116,558,739	3,335,598	1,202,458	5,361,171	1,505,432	869,217	133,816,038
Additions		-	-	-	-	85,211	22,235	-	107,446
Disposals		-	-	-	-	(3,200)	-	(335,717)	(338,917)
Written off		-	-	-	-	(675)	(406)	-	(1,081)
Reclassification		-	-	-	165,508	-	-	(165,508)	-
Lease modification		-	-	-	-	-	-	20,580	20,580
Adjustment on revaluation		(1,066,956)	-	-	-	-	-	-	(1,066,956)
At 30 June 2021		3,916,467	116,558,739	3,335,598	1,367,966	5,442,507	1,527,261	388,572	132,537,110
Accumulated Depreciation									
At 1 January 2020		-	18,404,010	2,786,943	1,202,458	4,530,972	477,677	447,305	27,849,365
Depreciation charge for the financial period	8	-	4,601,003	258,700	-	336,591	256,561	282,185	5,735,040
Disposals		-	-	-	-	(3,200)	-	(308,739)	(311,939)
Written off		-	-	-	-	(675)	(223)	-	(898)
Reclassification		-	-	-	165,508	-	-	(165,508)	-
Adjustment on revaluation		-	-	-	-	-	-	(2,843)	(2,843)
At 30 June 2021		-	23,005,013	3,045,643	1,367,966	4,863,688	734,015	252,400	33,268,725
Accumulated Impairment Loss									
At 1 January 2020		-	1,138,152	-	-	-	-	-	1,138,152
Charge for the financial period	8	429,566	26,902,475	-	-	-	-	-	27,332,041
At 30 June 2021		429,566	28,040,627	-	-	-	-	-	28,470,193
Carrying amount									
At 30 June 2021									
- At cost		-	-	289,955	-	578,819	793,246	136,172	1,798,192
- At valuation		3,486,901	65,513,099	-	-	-	-	-	69,000,000
		3,486,901	65,513,099	289,955	-	578,819	793,246	136,172	70,798,192

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

11. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Company 2022	Note	Motor vehicles RM	Furniture, fittings and renovation RM	Computers and office equipment RM	Total RM
Cost					
At 1 July 2021		1,061,889	4,946	75,779	1,142,614
Additions		-	1,381	44,204	45,585
Written off		-	-	(15,264)	(15,264)
At 30 June 2022		1,061,889	6,327	104,719	1,172,935
Accumulated Depreciation					
At 1 July 2021		1,061,889	4,946	60,056	1,126,891
Depreciation charge for the financial year	8	-	52	11,083	11,135
Written off		-	-	(15,264)	(15,264)
At 30 June 2022		1,061,889	4,998	55,875	1,122,762
Carrying Amount					
At 30 June 2022		-	1,329	48,844	50,173

Company 2021	Note	Motor vehicles RM	Furniture, fittings and renovation RM	Computers and office equipment RM	Right-of-use assets RM	Total RM
Cost						
At 1 January 2020		896,381	8,821	68,969	501,225	1,475,396
Additions		-	-	7,216	-	7,216
Disposals		-	(3,200)	-	(335,717)	(338,917)
Reclassification		165,508	-	-	(165,508)	-
Written off		-	(675)	(406)	-	(1,081)
At 30 June 2021		1,061,889	4,946	75,779	-	1,142,614
Accumulated Depreciation						
At 1 January 2020		896,357	8,821	50,363	379,773	1,335,314
Depreciation charge for the financial period	8	24	-	9,916	94,474	104,414
Disposals		-	(3,200)	-	(308,739)	(311,939)
Reclassification		165,508	-	-	(165,508)	-
Written off		-	(675)	(223)	-	(898)
At 30 June 2021		1,061,889	4,946	60,056	-	1,126,891
Carrying Amount						
At 30 June 2021		-	-	15,723	-	15,723

11. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

(a) Freehold land and building

The freehold land and building was carried at revalued amounts of RM75,000,000 and RM69,000,000 as at 30 June 2022 and 30 June 2021 respectively.

Fair value information

The carrying amount of freehold land and building carried at valuation are categorised as follows:

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2022				
Freehold land and building	-	-	75,000,000	75,000,000
2021				
Freehold land and building	-	-	69,000,000	69,000,000

The fair values of freehold land and building were determined by external and independent property valuers, with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The freehold land and building (at valuation) of the Group are for own use.

Transfer between levels of fair value hierarchy

There are no transfers between levels of fair values hierarchy during the financial year/period ended 30 June 2022 and 30 June 2021.

Level 3 fair value

Fair value of freehold land and building have been derived using the profit method. The profit method entails estimating the gross annual income that can be derived from the running of the property as a business concern. The net annual income is then arrived at by deducting therefrom the operating costs and outgoings incidental to the running of the business and ownership of the property, allowing a margin of profit for the running of the business. The net annual income so arrived at is then capitalised at a suitable rate of return consistent with the type and quality of investment to arrive at the market value.

(b) Had the revalued freehold land and building been carried at historical cost less accumulated depreciation, the net carrying amount of the land and building that would have been included in the financial statements of the Group are as follows:

	Group 2022 RM	Group 2021 RM
Freehold land	**3,916,467**	**3,916,467**
Building	**90,486,390**	**93,553,726**

(c) Assets pledged as security

The freehold land and building with a carrying amount of RM75,000,000 (2021: RM69,000,000) have been pledged as securities for credit facilities granted to a subsidiary as disclosed in Note 24.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

11. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

(d) Impairment loss and subsequent reversal

In the previous financial period, an impairment loss of RM27,332,041 was recognised in profit or loss under other expenses, representing the impairment of freehold land and building in the hospitality segment to its recoverable amount, as a result of revaluation.

During the financial year, the Group reassessed the recoverable amount of the freehold land and building and RM7,579,356 of the loss was reversed and recognised in profit or loss under other income.

The recoverable amounts of freehold land and building as at 30 June 2022 and 30 June 2021 were based on valuation performed by independent valuer.

(e) Right-of-use assets

The Group and the Company lease several assets including office buildings, plant and machinery and motor vehicles.

Information about leases for which the Group and the Company are lessee is presented below:

Group	Office buildings	Plant and machinery	Motor vehicles	Total
	RM	RM	RM	RM
Carrying amount				
At 1 January 2020	187,067	113,393	121,452	421,912
Depreciation	(119,675)	(68,036)	(94,474)	(282,185)
Disposals	-	-	(26,978)	(26,978)
Lease modification	23,423	-	-	23,423
At 30 June 2021	90,815	45,357	-	136,172
Additions	191,362	-	-	191,362
Depreciation	(122,308)	(45,357)	-	(167,665)
At 30 June 2022	159,869	-	-	159,869

Company	Motor vehicles
	RM
Carrying amount	
At 1 January 2020	121,452
Additions	-
Depreciation	(94,474)
Disposals	(26,978)
At 30 June 2021	-

The Group leases buildings for its office space. The leases for office space generally have lease term between 2 to 3 years (2021: 2 to 3 years).

The Group leases plant and machinery for its hospitality operations. The leases for plant and machinery generally have lease term of 3 years (2021: 3 years).

12. INVESTMENT PROPERTIES

	Group 2022 RM	Group 2021 RM
Shopping complex, at fair value		
At beginning of the financial year/period	62,593,700	82,592,000
Fair value loss	-	(19,998,300)
At end of the financial year/period	62,593,700	62,593,700

Details of the Group's investment properties are as follows:

Descriptions	Location	Existing use
Shopping complex, including foodcourt, office/amusement area and supermarket	Kota Sri Mutiara Complex, Jalan Sultan Yahya Petra, 15150 Kota Bharu Kelantan.	Generate rental income

The following are recognised in profit or loss in respect of investment properties:

	Group 2022 RM	Group 2021 RM
Rental income	2,625,656	3,941,317
Direct operating expenses	(2,367,980)	(3,594,029)

Fair value information

Fair value of investment properties are categorised as follows:

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2022				
Shopping complex	-	-	62,593,700	62,593,700
2021				
Shopping complex	-	-	62,593,700	62,593,700

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

12. INVESTMENT PROPERTIES *(cont'd)*

Transfer between levels of fair value hierarchy

There are no Level 1 or Level 2 investment properties during the financial year/period ended 30 June 2022 and 30 June 2021.

Level 3 fair value

Fair value of investment properties have been derived using the sales comparison approach. Sales prices of comparable buildings in close proximity are adjusted for differences in location, size, age and condition of the building, floor level, tenure, title restrictions and other relevant characteristics to arrive at the market value.

Valuation process applied by the Group

The fair value of investment properties is determined by an external independent property valuer, C H Williams Talhar & Wong Sdn. Bhd., a member of the Institute of Valuers in Malaysia, with appropriate recognised professional qualifications and experience in the location and category of property being valued. The valuation company provides the fair value of the Group's investment property portfolio yearly. Changes in Level 3 fair values are analysed by the Group yearly after obtaining the valuation report from the valuation company. There has been no change to the valuation technique during the financial year.

Highest and best use

In estimating the fair value of the investment properties, the highest and best use of the investment properties are their current use.

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2022	**2021**
	RM	**RM**
Unquoted shares, at cost		
At beginning of the financial year/period	197,753,003	197,753,003
Additions	40,000,001	-
Less: Impairment loss	(133,951,378)	(101,861,928)
At end of the financial year/period	103,801,626	95,891,075

The movement in allowance for impairment loss of investment in subsidiaries are as follows:

	Company	
	2022	**2021**
	RM	**RM**
At beginning of the financial year/period	(101,861,928)	(7,458,392)
Impairment loss for the financial year/period	(32,089,450)	(94,403,536)
At end of the financial year/period	(133,951,378)	(101,861,928)

13. INVESTMENT IN SUBSIDIARIES *(cont'd)*

Details of the subsidiaries, which are incorporated in Malaysia, are as follows:

Name of Company	Effective Equity Interest 2022 %	2021 %	Principal activities
Direct subsidiaries			
Eastern Biscuit Factory Sdn. Bhd.	100	100	Property development, investment in properties and hotel operations
FBO Land (Setapak) Sdn. Bhd.	100	100	Property development and establishment of a platform that act as an agent on behalf of the vendors, reseller or in any other capacity to facilitate, process, resell and conclude the order for the company or other vendors consumers.
FBO Properties Sdn. Bhd.	100	100	Dormant
Perfect Diamond Capital Sdn. Bhd.	100	100	Investment holding
EBF Land Sdn. Bhd.	100	100	Investment holding
Meta Bright Sdn. Bhd.	100	-	Investment holding
Indirect subsidiaries			
Subsidiary of Eastern Biscuit Factory Sdn. Bhd.			
FBO Land (Serendah) Sdn. Bhd.	100	100	Property investment
Subsidiary of Perfect Diamond Capital Sdn. Bhd.			
Rimaflex Sdn. Bhd.	100	100	Money lending
Subsidiary of EBF Land Sdn. Bhd.			
Exquisite Properties Sdn. Bhd.	100	100	Dormant

(i) Acquisition of a subsidiary

2022

On 8 March 2022, the Company had acquired a new subsidiary, Meta Bright Sdn. Bhd.("MBSB") with an issued and paid-up capital of 1 ordinary share of RM1. The intended principal activity of MBSB is to carry out business of an investment company.

(ii) Subscription for additional interests in a subsidiary

2022

FBO Land (Setapak) Sdn. Bhd.
On 30 June 2022, the Company had subscribed an additional 40,000,000 ordinary shares at the price of RM1.00 each in the share capital of a subsidiary, FBO Land (Setapak) Sdn. Bhd. by way of capitalising the amount owing to the Company of RM40,000,000.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

14. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Unquoted shares, at cost				
At beginning of the financial year/period	400,000	400,000	400,000	400,000
Derecognition of an associate	(400,000)	-	(400,000)	-
At end of the financial year/period	-	400,000	-	400,000
Less: Share of post-acquisition result				
At beginning of the financial year/period	(400,000)	(400,000)	-	-
Derecognition of an associate	400,000	-	-	-
At end of the financial year/period	-	(400,000)	-	-
Less: Impairment losses				
At beginning of the financial year/period	-	-	(400,000)	(400,000)
Derecognition of an associate	-	-	400,000	-
At end of the financial year/period	-	-	-	(400,000)
	-	-	-	-

Details of the associate which is incorporated in Malaysia, is as follows:

Name of Company	Effective Equity Interest 2022 %	Effective Equity Interest 2021 %	Principal activities
P.A. Projects Sdn. Bhd. #	-	20	Design, supply, fabricating and installation of aluminium products

Audited by an auditor other than Baker Tilly Monteiro Heng PLT.

The investment in the associate has been fully impaired in the previous financial years.

In previous financial period, the Group's share of accumulated losses in the associate is restricted to the Group's cost of investment in the associate. Accordingly, the Group has excluded its previous period's share of profit of the associate amounting to RM131,513 from its financial statements.

As at the end of previous financial period, the cumulative unrecognised share of losses of the associate is RM3,957,728.

14. INVESTMENT IN AN ASSOCIATE (cont'd)

(a) Summarised financial information of material associate in the previous financial period

The following table illustrates the summarised financial information of the Group's material associate in the previous financial period:

	Group 2021 RM
Assets and liabilities	
Current assets	316,259
Non-current assets	5
Current liabilities	(19,447,948)
Net liabilities	(19,131,684)
Results:	
Total comprehensive income	657,565

(b) Derecognition of investment in P.A. Projects Sdn. Bhd.

On 30 April 2022, the Company ceased to have significant influence over the investment in P.A. Projects Sdn. Bhd. resulted from the dilution of its interests in the investment. Consequently, the Company recognised its remaining 2% interests in P.A. Projects Sdn. Bhd. as other investment at fair value of RM1,775.

15. OTHER INVESTMENTS

	Group and Company	
	2022 RM	2021 RM
Financial assets designated at fair value through other comprehensive income ("FVOCI")		
At fair value:		
- Quoted equity securities		
International Equities Corporation Ltd.		
At beginning of the financial year/period	1,674,911	1,537,818
Fair value (loss)/gain on equity instruments designated at fair value through other comprehensive income	(47,751)	137,093
At end of the financial year/period	1,627,160	1,674,911
- Unquoted equity securities		
P.A Project Sdn. Bhd.	1,775	-
	1,628,935	1,674,911

The Group and the Company hold non-controlling interests in equity securities designated at fair value through other comprehensive income. This investment was irrevocably designated at fair value through other comprehensive income as the Group and the Company consider this investment as strategic long-term investment and the volatility of market prices of these investments would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

16. INVENTORIES

	Group	
	2022	2021
	RM	RM
At Net Realisable Value		
Property under development		
- Leasehold land at cost	317,351	317,351
- Development costs	9,531,012	9,564,012
	9,848,363	9,881,363
Leasehold land	7,000,000	7,000,000
Completed properties	880,012	880,012
	17,728,375	17,761,375
At Cost		
Property under development		
- Leasehold land at cost	34,004,176	-
- Development costs	735,114	-
	34,739,290	-
Completed properties	9,703,843	9,703,843
Food and beverages	190,147	177,849
	44,633,280	9,881,692
	62,361,655	27,643,067

The cost of inventories of the Group recognised as an expense during the financial year/period was RM3,058,118 (2021: RM48,951,671).

In previous financial period, the Group has transferred its costs of property under development to leasehold land as follows:

	Group	
	2022	2021
	RM	RM
Carrying amount:		
At beginning of the financial year/period	7,000,000	-
Transfer from property under development costs	-	50,790,998
Written down	-	(43,790,998)
At end of the financial year/period	7,000,000	7,000,000

16. INVENTORIES *(cont'd)*

The cost of inventories of the Group recognised as an expense in cost of in previous financial period are as follows:

	Group 2021 RM
Inventories written down	(43,877,604)
Inventories written off	(7,114)
	(43,884,718)

17. FINANCING RECEIVABLES

	Group 2022 RM	Group 2021 RM
Non-current:		
Financing receivables	16,215	4,412
Less: Unearned interest	(975)	(250)
	15,240	4,162
Current:		
Financing receivables	16,648,898	16,631,083
Less: Unearned interest	(592,326)	(590,441)
	16,056,572	16,040,642
Less: Impairment losses	(16,016,984)	(16,035,638)
	39,588	5,004
Total financing receivables (non-current and current)	54,828	9,166

The movement in the impairment losses of financing receivables is as follows:

	Group 2022 RM	Group 2021 RM
At beginning of the financial year/period	(16,035,638)	(16,035,638)
Reversal of impairment losses	18,654	-
At end of the financial year/period	(16,016,984)	(16,035,638)

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

18. TRADE AND OTHER RECEIVABLES

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Trade receivables	(a)	3,340,793	2,301,765	-	-
Less: Impairment losses		(1,173,732)	(851,258)	-	-
		2,167,061	1,450,507	-	-
Amounts owing by subsidiaries	(c)	-	-	62,154,637	47,818,403
Less: Impairment losses		-	-	(15,768,176)	(47,818,403)
		-	-	46,386,461	-
Other receivables	(b)	4,692,177	4,749,816	-	99
Less: Impairment losses		(4,584,459)	(4,584,459)	-	-
		107,718	165,357	-	99
Deposits	(d)	1,528,848	175,247	2,580	1,780
Prepayments	(e)	119,841	209,818	44,484	39,247
GST claimable		2,469	2,469	-	-
Total trade and other receivables		3,925,937	2,003,398	46,433,525	41,126

(a) Trade receivables

The trade credit terms granted to the customers ranging from 7 to 90 days (2021: 7 to 90 days). Other credit terms are assessed and approved on a case by case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2022	2021
	RM	RM
At beginning of the financial year/period	(851,258)	(857,877)
Charge for the financial year/period		
- Individually assessed	(325,298)	-
Reversal of impairment losses	2,824	6,619
At end of the financial year/period	(1,173,732)	(851,258)

The information about the credit exposures are disclose in Note 29(b)(i).

18. TRADE AND OTHER RECEIVABLES *(cont'd)*

(b) Other receivables

Included in the other receivables is an amount of RM1,600,000 (2021: RM1,600,000) owing by a single debtor which represents the total consideration for the disposal of plant and machinery. An allowance for impairment loss of RM1,600,000 (2021: RM1,600,000) has been made for this receivable.

The Group's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	Group	
	2022	2021
	RM	RM
At beginning of the financial year/period	(4,584,459)	(4,605,276)
Reversal of impairment losses	-	20,817
At end of the financial year/period	(4,584,459)	(4,584,459)

(c) Amounts owing by subsidiaries

Amounts owing by subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand in cash.

The amounts owing by subsidiaries that are impaired at the reporting date and the reconciliation of movement in the impairment of amounts owing by subsidiaries are as follows:

	Company	
	2022	2021
	RM	RM
At beginning of the financial year/period	(47,818,403)	(47,080,790)
Charge for the financial year/period		
- Individually assessed	(91,551)	(737,613)
Reversal of impairment losses	32,079,766	-
Written off	62,012	-
At end of the financial year/period	(15,768,176)	(47,818,403)

(d) Deposits

Included in deposit of the Group is an amount of RM1,227,788 (2021: RM Nil) refundable deposit paid by a subsidiary to the contractor for the development of solar photovoltaic generation facilities at customers' site.

(e) Prepayments

In previous financial period, included in prepayments of the Group was a down payments made to suppliers of RM103,200 for the purchase of plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

19. CONTRACT ASSETS/(LIABILITIES)

	Group 2022 RM	Group 2021 RM
Contract assets relating to property development contracts	2,335,034	-
Contract liabilities relating to property development contracts	(25,124,355)	(3,004,381)

(a) Significant changes in contract balances

Group	2022 Contract assets increase/ (decrease) RM	2022 Contract liabilities (increase)/ decrease RM	2021 Contract assets increase/ (decrease) RM	2021 Contract liabilities (increase)/ decrease RM
Revenue recognised that was included in contract liabilities at the beginning of the financial year/period	-	-	-	3,812,954
Increases due to consideration received/ receivable from customers, but revenue not recognised	-	(22,119,974)	-	(2,837,900)
Increase due to cost incurred, but yet to recognised	2,335,034	-	-	-
	2,335,034	(22,119,974)	-	975,054

(b) Revenue recognised in relation to contract balances

	Group 2022 RM	Group 2021 RM
Revenue recognised that was included in contract liabilities at the beginning of the financial year	-	3,812,954

Revenue recognised that was included in the contract liability balance at the beginning of the year represented primarily revenue from the sale of property development contracts when percentage of completion increases.

20. DEPOSITS PLACED WITH LICENSED BANKS

Included in the deposits placed with licensed banks of the Group, are deposits pledged to the financial institutions for banking facilities granted to a subsidiary as follows:

(i) Amounts of RM620,668 (2021: RM617,633) which earn interest at rates of 1.75% (2021: 1.75%) per annum.

(ii) Amounts of RM3,762,310 (2021: RM3,693,081) marginal deposits as disclosed in Notes 24(a) and 24(c) respectively.

(iii) Amounts of RM140,000 (2021: RM Nil) are held under lien for bank guarantee facilities in favour of Tenaga Nasional Berhad.

21. CASH AND BANK BALANCES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Cash and bank balances	26,815,569	1,865,740	4,064,924	400,717
Cash held under Housing Development Account	249,590	248,068	-	-
	27,065,159	2,113,808	4,064,924	400,717

The housing development accounts which held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 comprise monies received from purchasers, are for the payment of property development expenditure incurred and are restricted from use in other operations.

22. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		← Amounts →	
	2022	2021	2022	2021
	Unit	Unit	RM	RM
Issued and fully paid (no par value):				
At beginning of the financial year/period	356,709,727	324,281,570	133,877,051	129,878,659
Issued during the financial year/period	1,209,098,043	32,428,157	47,790,680	3,998,392
At end of the financial year/period	1,565,807,770	356,709,727	181,667,731	133,877,051

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

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

22. SHARE CAPITAL *(cont'd)*

During the financial year, the Company:

(i) issued 64,856,312 new ordinary shares at an issue price of RM0.1059 per ordinary share through private placement for a total consideration of RM6,868,283; and

(ii) issued renounceable rights issue of 1,144,241,731 new ordinary shares on the basis of 19 Rights Shares for every 7 existing shares at an issue price of RM0.07 each, together with 782,901,982 free detachable warrants on the basis of 13 warrants for every 19 rights shares subscribed for.

In the previous financial period, the Company issued 32,428,157 new ordinary shares at a price of RM0.1233 per ordinary share pursuant to private placement.

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

23. OTHER RESERVES

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Capital reserve	(a)	110,238,037	110,238,037	110,238,037	110,238,037
Revaluation reserve	(b)	540,183	-	-	-
Fair value reserve of financial assets at FVOCI	(c)	1,167,250	1,215,001	1,167,250	1,215,001
Warrant reserve	(d)	37,970,746	-	37,970,746	-
		149,916,216	111,453,038	149,376,033	111,453,038

(a) Capital reserve

Capital reserve arose from the par value reduction exercise undertaken by the Company in year 2009. It represents surplus arising after the off-setting of the Company's issued and paid up capital against its accumulated losses at the date when the reduction of share capital became effective.

The capital reduction reserve is a non-distributable reserve.

(b) Revaluation reserve

The revaluation reserve represents the surplus arising from revaluation of freehold land and building. This amount is presented net of deferred tax liability arising from revaluation reserve.

(c) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income ("FVOCI") until the investments are derecognised or impaired.

23. OTHER RESERVES *(cont'd)*

(d) Warrant reserve

The warrants were constituted under the Deed Poll dated 3 January 2022.

The salient features of the Warrants 2022/2032 are as follows:

(i) Each warrant shall entitle the registered holder of the warrants to subscribe for one (1) new share at any time during the exercise period at the exercise price of RM0.085 subject to adjustments in accordance with the provisions of the Deed Poll;

(ii) The close of business on the warrants is ten (10) years from and including the date of issuance of the warrants and ending on the date preceding the 10th anniversary at the date of issuance, or if such is not a market day, then it shall be the market day immediately preceding the said non-market day;

(iii) The warrants may be exercised at any time on or before the expiry date falling Ten (10) years (2022/2032) from the date of issue of the warrants on 18 February 2022. Warrants which have not been exercised by the Maturity Date will lapse and cease to be valid for any purpose;

(iv) The warrants shall as between the warrant holders rank pari passu and rateably in all aspects amongst themselves;

(v) The new shares to be issued arising from the exercise of the exercise rights represented by the warrants, shall upon allotment and issuance rank equally in all respects with the existing ordinary shares, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new shares;

(vi) The holders of the warrants are not entitled to any voting rights or to participate in any form of distribution and/or offer of further securities in the Company other than winding up, compromise or arrangement of the Company as set out in the Deed Poll governing the warrants until and unless such holders of the warrants exercise their warrants into new shares; and

(vii) The warrants are quoted on the Main Market of Bursa Securities on 18 February 2022. The number of warrants remained unexercised at the end of the financial year are as follows:

	2022/2032 Number of warrants of RM0.085 each			
	1.7.2021 Unit	**Issued Unit**	**Exercised Unit**	**30.6.2022 Unit**
Number of unexercised warrants	-	782,901,982	-	782,901,982

The fair value of warrants is measured using the binomial option pricing model with the following inputs:

Fair value of warrants and assumptions	
Fair value at grant date (RM)	0.0485
Warrant life (years)	10
Risk-free rate (%)	3.66
Expected dividend (%)	-
Expected volatility (%)	47.13

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

24. LOANS AND BORROWINGS

		Group	
		2022	2021
	Note	RM	RM
Current:			
Bank overdrafts	(a)	648,598	7,754,644
Lease liabilities	(b)	90,858	256,242
Term loans	(c)	1,692,745	1,956,056
		2,432,201	9,966,942
Non-current:			
Lease liabilities	(b)	94,073	12,733
Term loans	(c)	19,988,010	46,522,807
		20,082,083	46,535,540
Total loans and borrowings:			
Bank overdrafts	(a)	648,598	7,754,644
Lease liabilities	(b)	184,931	268,975
Term loans	(c)	21,680,755	48,478,863
		22,514,284	56,502,482

(a) Bank overdrafts

Bank overdrafts bear profit rate ranging from 6.72% (2021: 6.47%) per annum.

The bank overdrafts of the Group are secured by way of:

(i) First party first legal charge over a subsidiary's property as disclosed in Note 11;
(ii) First party second legal charge over the freehold land and building as disclosed in Note 11;
(iii) Marginal deposit as disclosed in Note 20; and
(iv) Corporate guarantee of the Company.

24. LOANS AND BORROWINGS *(cont'd)*

(b) Lease liabilities

The interest rate implicit in the leases is at a rate of 8.00% (2021: 8.00%).

	Group	
	2022	**2021**
	RM	**RM**
Minimum lease payments:		
Not later than one year	100,700	264,360
Later than one year and not later than five years	99,000	12,800
	199,700	277,160
Less: Future finance charges	(14,769)	(8,185)
Present value of minimum lease payments	184,931	268,975
Present value of minimum lease payments:		
Not later than one year	90,858	256,242
Later than one year and not later than five years	94,073	12,733
	184,931	268,975
Less: Amount due within 12 months	(90,858)	(256,242)
Amount due after 12 months	94,073	12,733

(c) Term loans

In previous financial period, the term loans 1 and 2 of a subsidiary of RM91,187 and RM11,546,760 respectively were Islamic term loans which bore profit rate of 6.47% each per annum. Term loan 1 was repayable by monthly instalments of RM8,000 and term loan 2 was repayable by monthly instalments of RM70,000 and were secured and supported as follows:

(i) First party first legal charge over the freehold land and building of a subsidiary as disclosed in Note 11; and
(ii) Corporate guarantee of the Company.

In previous financial period, the term loan 3 of a subsidiary of RM16,852,906 was Islamic term loan which bores profit rate of 6.47% per annum. It was repayable by monthly instalments of RM93,000 and was secured as follows:

(i) First party second legal charge over the freehold land and building of a subsidiary as disclosed in Note 11;
(ii) Marginal deposit as disclosed in Note 20; and
(iii) Corporate guarantee of the Company.

Term loan 4 of a subsidiary of RM21,680,755 (2021: RM19,988,010) is Islamic term loan which bears profit rate of 7.22% (2021: 6.97%) per annum. It is repayable by monthly instalments of RM39,227 and is secured as follows:

(i) First party second legal charge over the freehold land and building of a subsidiary as disclosed in Note 11;
(ii) Marginal deposit as disclosed in Note 20; and
(iii) Corporate guarantee of the Company.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

25. DEFERRED TAX LIABILITIES

	Group	
	2022	2021
	RM	RM
At beginning of the financial year/period	4,048,734	11,015,824
Recognised in profit or loss during the financial year/period (Note 9)	1,822,869	(6,913,742)
Deferred tax relating to revaluation reserve	28,431	(53,348)
At end of the financial year/period	5,900,034	4,048,734

The component of deferred tax liabilities as at the end of the financial year are as follows:

	Group	
	2022	2021
	RM	RM
Deferred tax liabilities		
Temporary differences between net carrying amount and corresponding tax written down values in relation to property, plant and equipment	5,871,603	4,048,734
Surplus arising from revaluation of freehold land	28,431	-
	5,900,034	4,048,734

26. TRADE AND OTHER PAYABLES

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Non-current:					
Trade payable	(a)	2,800,009	-	-	-
Current:					
Trade payables	(b)	13,761,420	9,737,628	-	-
Other payables	(c)	3,394,678	4,729,903	428,065	1,031,038
Accruals	(d)	3,948,827	5,853,954	612,265	53,270
Amounts owing to subsidiaries	(e)	-	-	16,768	14,778,595
Amounts owing to directors	(f)	239,202	12,540,000	-	8,540,000
Deposits received		2,890,276	2,237,249	-	-
Total trade and other payables (current)		24,234,403	35,098,734	1,057,098	24,402,903
Total trade and other payables (non-current and current)		27,034,412	35,098,734	1,057,098	24,402,903

26. TRADE AND OTHER PAYABLES *(cont'd)*

(a) Long-term trade payable is measured at amortised cost at imputed interest rate at 2.75% per annum.

(b) Trade payables

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

(c) Other payables

In previous financial period, included in other payables was an amount owing a former director of RM800,000 which was non-trade in nature, unsecured, interest-free and repayable upon demand, as and when the amount and timing of repayment will not adversely affect the cash flows of the Group and of the Company to meet their obligations as and when they fall due.

(d) Accruals

Included in the accruals of the Group is an amount of RM1,942,836 (2021: RM1,942,836) in respect of anticipated loss arising from late deliveries of completed property development projects to the buyers.

(e) Amounts owing to subsidiaries

Amounts owing to subsidiaries are non-trade in nature, unsecured and bear interest at a rate of 6.97% (2021: 6.47%) per annum.

(f) Amounts owing to directors

Amounts owing to directors of RM239,202 (2021: RM12,540,000) are non-trade in nature, unsecured, interest-free and repayable upon demand, as and when the amount and timing of repayment will not adversely affect the cash flows of the Group and of the Company to meet their obligations as and when they fall due.

(g) For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 29(b)(ii).

27. PROVISIONS FOR LIABILITIES

	Provision for strata-title application costs RM
Group	
At beginning/end of the financial year/period	1,812,000

Provision for strata-title application costs

This was in respect of an strata-title application costs for a project of a subsidiary which had been completed in prior years.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

28. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

(i) Entities having significant influence over the Group;
(ii) Subsidiaries as disclosed in Note 13;
(iii) Associate as disclosed in Note 14;
(iv) Entities in which directors have substantial financial interests; and
(v) Key management personnel of the Group's and the Company's holding company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group	
	2022	**2021**
	RM	**RM**
Entities in which a director has substantial financial interests		
Talam Mesra Sdn. Bhd.		
Rental paid/payable	72,000	108,000
Inland World Sdn. Bhd.		
Development rights paid/payable	8,000,000	-

	Company	
	2022	**2021**
	RM	**RM**
Subsidiaries		
Eastern Biscuit Factory Sdn. Bhd.		
Management fee	400,000	709,989
FBO Land (Setapak) Sdn. Bhd.		
Management fee	400,000	-
Exquisite Properties Sdn. Bhd.		
Write-back of payable	9,282	-
FBO Properties Sdn. Bhd.		
Bad debts written off	(8,459)	-

28. RELATED PARTIES *(cont'd)*

(b) Significant related party transactions *(cont'd)*

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 18 and 26.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to a subsidiary as disclosed in Note 31.

(c) Key management personnel compensation

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Executive Directors				
Salaries and allowances	1,278,248	1,842,700	1,114,633	1,577,700
Other emoluments	153,212	217,887	137,499	194,973
	1,431,460	2,060,587	1,252,132	1,772,673
Non-Executive Directors				
Allowances	32,400	33,000	32,400	33,000
Fees	216,000	266,967	216,000	266,967
Total directors' remuneration	1,679,860	2,360,554	1,500,532	2,072,640

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Key management personnel				
- Salaries and allowances	357,000	288,000	357,000	288,000
- Defined contribution	42,840	34,560	42,840	34,560
- Socso contribution	1,771	1,385	1,771	1,385
	401,611	323,945	401,611	323,945

The estimated monetary values of directors' and key management personnel benefit-in-kind are RM8,800 and RM9,900 respectively (2021: RM8,800 and RM9,900 respectively).

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

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

(i) Amortised cost
(ii) Fair value through other comprehensive income ("FVOCI")

	Carrying amount RM	Amortised cost RM	FVOCI RM
2022			
Financial assets			
Group			
Other investments	1,628,935	-	1,628,935
Financing receivables	54,828	54,828	-
Trade and other receivables (exclude prepayments and GST claimable)	3,803,627	3,803,627	-
Deposits placed with licensed banks	5,173,296	5,173,296	-
Cash and bank balances	27,065,159	27,065,159	-
	37,725,845	36,096,910	1,628,935
Company			
Other investments	1,628,935	-	1,628,935
Trade and other receivables (exclude prepayments)	46,389,041	46,389,041	-
Cash and bank balances	4,064,924	4,064,924	-
	52,082,900	50,453,965	1,628,935
Financial liabilities			
Group			
Trade and other payables	27,034,412	27,034,412	-
Loans and borrowings	22,514,284	22,514,284	-
	49,548,696	49,548,696	-
Company			
Trade and other payables	1,057,098	1,057,098	-

29. FINANCIAL INSTRUMENTS *(cont'd)*

(a) Categories of financial instruments *(cont'd)*

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: *(cont'd)*

	Carrying amount RM	Amortised cost RM	FVOCI RM
2021			
Financial assets			
Group			
Other investments	1,674,911	-	1,674,911
Financing receivables	9,166	9,166	-
Trade and other receivables (exclude prepayments and GST claimable)	1,791,111	1,791,111	-
Deposits placed with licensed banks	4,310,714	4,310,714	-
Cash and bank balances	2,113,808	2,113,808	-
	9,899,710	8,224,799	1,674,911
Company			
Other investments	1,674,911	-	1,674,911
Trade and other receivables (exclude prepayments)	1,879	1,879	-
Cash and bank balances	400,717	400,717	-
	2,077,507	402,596	1,674,911
Financial liabilities			
Group			
Trade and other payables	35,098,734	35,098,734	-
Loans and borrowings	56,502,482	56,502,482	-
	91,601,216	91,601,216	-
Company			
Trade and other payables	24,402,903	24,402,903	-

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

29. FINANCIAL INSTRUMENTS *(cont'd)*

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risk and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risk and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade receivables) and from their financing activities, including deposits with banks and financial institutions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contracts assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group and the Company apply the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables and contracts assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

29. FINANCIAL INSTRUMENTS *(cont'd)*

(b) Financial risk management *(cont'd)*

(i) Credit risk *(cont'd)*

Trade receivables and contract assets *(cont'd)*

The information about the credit risk exposure on the Group's and Company's trade receivables and contracts assets are as follows:

Group	Gross carrying amount at default RM
2022	
Contract assets	2,335,034
Trade receivables	
Current	1,330,012
1-30 days past due	258,802
31-60 days past due	220,015
61-90 days past due	76,812
91-120 days past due	61,147
>121 days past due	220,273
	2,167,061
Impairment losses	
- Individually assessed	1,173,732
	3,340,793
	5,675,827
2021	
Trade receivables	
Current	656,724
1-30 days past due	290,100
31-60 days past due	176,090
61-90 days past due	77,069
91-120 days past due	47,872
>121 days past due	202,652
	1,450,507
Impairment losses	
- Individually assessed	851,258
	2,301,765

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

29. FINANCIAL INSTRUMENTS *(cont'd)*

(b) Financial risk management *(cont'd)*

(i) Credit risk *(cont'd)*

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities, deposits placed with licensed banks, and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit-impaired amounts owing by subsidiaries and other receivables, the Group and the Company consider these financial assets to be of low credit risk, for which no material loss allowance is required.

Refer to Note 3.14(a) for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to a subsidiary. The Company monitors the results of the subsidiary and its repayments on an on-going basis. The maximum exposure to credit risks amounts to RM22,329,353 (2021: RM56,233,507) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 29(b)(ii). As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to a subsidiary's secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from differences of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

29. **FINANCIAL INSTRUMENTS** *(cont'd)*

(b) **Financial risk management** *(cont'd)*

(ii) **Liquidity risk** *(cont'd)*

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

		Contractual cash flows			
	Carrying amount	**Within 1 Year**	**1 - 5 Years**	**> 5 Years**	**Total**
	RM	**RM**	**RM**	**RM**	**RM**
2022					
Group					
Financial liabilities					
Trade and other payables	27,034,412	24,281,932	3,024,132	-	27,306,064
Loans and borrowings	22,514,284	2,031,565	11,921,000	16,574,887	30,527,452
	49,548,696	26,313,497	14,945,132	16,574,887	57,833,516
Company					
Trade and other payables	1,057,098	1,057,098	-	-	1,057,098
Financial guarantee contract	-	22,329,353	-	-	22,329,353
	1,057,098	23,386,451	-	-	23,386,451
2021					
Group					
Financial liabilities					
Trade and other payables	35,098,734	35,098,734	-	-	35,098,734
Loans and borrowings	56,502,482	12,284,871	27,596,800	37,879,740	77,761,411
	91,601,216	47,383,605	27,596,800	37,879,740	112,860,145
Company					
Trade and other payables	24,402,903	24,402,903	-	-	24,402,903
Financial guarantee contract	-	56,233,507	-	-	56,233,507
	24,402,903	80,636,410	-	-	80,636,410

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

29. FINANCIAL INSTRUMENTS *(cont'd)*

(b) Financial risk management *(cont'd)*

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's other investment.

The Group's and the Company's financial assets that are not denominated in their functional currencies are as follows:

	Group and Company Functional currencies RM
2022	
Other investment	
Australian Dollar	1,627,160
2021	
Other investment	
Australian Dollar	1,674,911

The Group's and the Company's principal foreign currency exposure relates mainly to Australian Dollar ("AUD").

The following table demonstrates the sensitivity to a reasonably possible change in the AUD, with all other variables held constant on the Group's and the Company's total equity and profit/(loss) for the financial year.

	Change in rate	Effect on profit/(loss) for the financial year/period RM	Effect on equity RM
2022			
- AUD	10%	-	162,716
	-10%	-	(162,716)
2021			
- AUD	10%	-	167,491
	-10%	-	(167,491)

29. FINANCIAL INSTRUMENTS *(cont'd)*

(b) Financial risk management *(cont'd)*

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit/(loss) for the financial year.

	Change in rate	Effect on profit/(loss) for the financial year/period RM	Effect on equity RM
Group			
2022	+1%	(169,703)	(169,703)
	- 1%	169,703	169,703
2021	+1%	427,375	427,375
	- 1%	(427,375)	(427,375)

(v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments outside Malaysia are listed on Australian Securities Exchange ("ASX") in Australia.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably possible change in ASX, with all other variables held constant on the Group's and the Company's total equity and profit/(loss) for the financial year.

	Change in rate	Effect on profit/(loss) for the financial year/period RM	Effect on equity RM
Group			
2022	+1%	-	16,272
	- 1%	-	(16,272)
2021	+1%	-	16,749
	- 1%	-	(16,749)

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

29. FINANCIAL INSTRUMENTS *(cont'd)*

(c) Fair value measurement

The carrying amounts of cash and bank balances, deposits placed with licensed banks, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

The carrying amounts of long-term floating rate term loans are reasonable approximation of fair values as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (2021: no transfer in either directions).

	Carrying amount	Fair value of financial instruments carried at fair value			
	Total	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM	RM
Group and Company					
2022					
Financial asset					
Other investments	1,628,935	1,627,160	-	1,775	1,628,935
2021					
Financial asset					
Other investments	1,674,911	1,674,911	-	-	1,674,911

Level 3 fair value

Fair value of financial instruments carried at fair value

The management is of the view that the cost represents the appropriate estimate of fair value due to the insufficiency of the availability of the more recent information to measure fair value as well as the wide range of possible fair value measurements.

30. COMMITMENTS

The Group has made commitments for the following capital expenditures:

	2022	2021
	RM	RM
Property, plant and equipment approved and contracted for	2,680,957	928,800
Property, plant and equipment approved but not contracted for	340,596	-
	3,021,553	928,800

31. FINANCIAL GUARANTEES

	2022 RM	2021 RM
Corporate guarantee to banks in respect of banking facilities granted to a subsidiary	22,329,353	56,233,507

32. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Group and the Company manage their capital structure by monitoring the capital and net debt on an on-going basis. To maintain the capital structure, the Group and the Company may adjust the dividend payment to shareholders.

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

The Group and the Company monitor using gearing ratio. The gearing ratio is calculated as total debts divided by total equity. The gearing ratio at 30 June 2022 and 30 June 2021 are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Trade and other payables	27,034,412	35,098,734	1,057,098	24,402,903
Loans and borrowings	22,514,284	56,502,482	-	-
Total debts	49,548,696	91,601,216	1,057,098	24,402,903
Total equity	161,581,184	71,252,814	154,922,085	73,620,649
Debts-to-equity ratio	31%	129%	1%	33%

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

33. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) On 18 August 2020, the Group announced that its wholly-owned subsidiary, FBO Land (Setapak) Sdn. Bhd. ("FBO") had entered into a conditional sale and purchase agreement ("CSPA") with Inland World Sdn. Bhd. ("IWSB"). The CSPA lays out the agreement for FBO to purchase all rights, title, benefits, interests, covenants, undertakings, duties, liabilities and obligations of IWSB under the Joint Venture Agreement (as defined herein) which are to be transferred to and/or assumed by FBO pursuant to the CSPA, for a purchase consideration of RM8.0 million.

For information, IWSB had on 18 September 2018 enter into a joint venture agreement with Sabah Urban Development Corporation Sdn. Bhd. ("SUDC") ("Joint Venture Agreement") to collaborate in the development of a 14,059.82 square feet land, situated in Damai, in the district of Kota Kinabalu, Sabah, which is managed by SUDC on behalf of Perbadanan Pembangunan Ekonomi Sabah (the registered owner of the land) ("SEDCO"). In the Joint Venture Agreement, IWSB will develop, construct and manage a building consisting of, inter alia a 16-storey building with 2-storey shoplot, 5-storey carpark, 1-storey private facilities and 8-storey commercial units ("Project") on the said piece of land.

IWSB had on 28 October 2020, 2 February 2021 and 5 May 2021 issued a written request to FBO to request for an extension of time until 15 February 2021, 16 May 2021 and 16 November respectively to obtain/fulfil the conditions precedent of the CSPA.

On 21 October 2021, the CSPA is deemed completed and had become unconditional and that the parties to the CSPA have agreed to vary the payment obligations in the CSPA in that the obligation of the Purchaser to pay the Purchase Consideration be extended to on or before 31 March 2022.

(b) On 12 August 2021, the Company increased its issued and paid up ordinary share capital from RM133,877,051 to RM140,745,334 by way of issuance of 64,856,312 new ordinary shares at a price of RM0.1059 each through private placement.

(c) On 14 February 2022, the Company increased its issued and paid-up ordinary share capital from RM140,745,334 to RM181,667,731 by way of Rights Issue of 1,144,241,731 new ordinary shares on the basis of 19 Rights Shares for every 7 existing shares at an issue price of RM0.07 each, together with 782,901,982 free detachable Warrants on the basis of 13 Warrants for every 19 Rights Shares subscribed for.

(d) On 8 March 2022, the Company had acquired a new subsidiary, Meta Bright Sdn. Bhd. ("MBSB") with an issued and paid-up capital of 1 ordinary share of RM1. The intended principal activity of MBSB is to carry out business of an investment company.

33. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR *(cont'd)*

(e) On 18 March 2022, the Group proposes to undertake the following:

(i) FBO Land (Setapak) Sdn. Bhd. (a wholly-owned subsidiary of the Company) had entered into a conditional sale and purchase agreement ("CSPA") with the Company, Top Land Resources Sdn. Bhd., Mentiga Development & Construction Sdn. Bhd. and Leading Ventures Sdn. Bhd. ("LV"), to acquire 92 commercial units comprising the ground and first floor within 46 stratified 2-storey shop/offices within Bandar Tun Razak Business Park, 26400 Bandar Tun Abdul Razak Jengka, Maran, Pahang Darul Makmur ("Properties"), for a total purchase consideration of RM24,800,000 ("Purchase Consideration") which will be satisfied via the issuance of 381,538,461 new ordinary shares in the Company at an issue price of RM0.065 each, subject to the terms and conditions of the CSPA.

All the conditions precedent have been fulfilled on 15 July 2022 in accordance to the terms and conditions of the CSPA and the CSPA has become unconditional.

The acquisition had been completed on 8 August 2022 following the issuance and allotment of RM381,538,461 consideration shares to security stakeholder and LV in accordance to the CSPA.

(ii) Proposed capital reduction exercise comprising the proposed reduction from the capital reserve account of the Company and proposed reduction in the share capital of the Company, pursuant to Section 116 of the Companies Act, 2016 to reduce the share capital of the Company.

On 22 September 2022, the Company announced that the High Court of Malaya had granted the order confirming the proposed capital reduction. Accordingly, the proposed capital reduction has been lodged to Companies Commission of Malaysia on 30 September 2022 and taken effect and deemed completed on 30 September 2022.

(iii) Proposed diversification of the existing principal activities of the Company and its subsidiaries to include renewable energy and energy efficiency related technology and businesses.

(f) On 30 June 2022, the Company had subscribed an additional 40,000,000 ordinary shares at the price of RM1.00 each in the share capital of a subsidiary, FBO Land (Setapak) Sdn. Bhd. by way of capitalising the amount owing to the Company of RM40,000,000.

(g) On 30 June 2022, the Company's wholly-owned subsidiary, FBO Properties Sdn. Bhd. had applied for struck-off from the Register of Companies under Section 550 of Companies Act 2016.

(h) On 13 July 2022, the Group had entered into the following agreements:

(i) FBO Land (Setapak) Sdn. Bhd. ("FBO Land") (a wholly-owned subsidiary of the Company) had entered into a leasing agreement whereby Top Land Resources Sdn. Bhd. agrees to lease the properties from FBO Land for a period of 5 years with a guaranteed rental return of 5% per annum (equivalent to RM103,333.33 per month, which will be paid in cash on a monthly basis, computed based on 5% of the Purchase Consideration).

(ii) FBO Land (Setapak) Sdn. Bhd. had entered into a Stakeholder agreement with Top Land Resources Sdn. Bhd. and Leading ventures Sdn. Bhd. to appoint Messrs. Ching, Elaine & Co to take custody of 114,461,538 Consideration Shares equivalent to RM7.44million, based on the RM0.065 Issue Price being aggregate of 25% of the Purchase Consideration (i.e. 5% guaranteed rental return for 5 years), as collateral to FBO Land for the guaranteed rental return by Top Land Resources Sdn. Bhd. and 5% of the Purchase Consideration (i.e. 5% guaranteed rental return for 1 year) as security deposit for the due performance of Top Land Resources Sdn. Bhd. of all the terms of the Lease Agreement.

(i) On 8 August 2022, the Company increased its issued and paid up ordinary share capital from RM181,667,731 to RM207,671,509 by way of issuance of 381,538,461 new ordinary shares of RM0.065 each pursuant to the acquisition of 92 commercial units comprising the ground and first floor within 46 stratified 2-storey shop/offices within Bandar Tun Razak Business Park, 26400 Bandar Tun Abdul Razak Jengka, Maran, Pahang Darul Makmur, for a total purchase consideration of RM24,800,000.

NOTES TO THE FINANCIAL STATEMENTS
(cont'd)

33. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR *(cont'd)*

(j) On 30 August 2022, Leading Ventures Sdn. Bhd. ("LV" or the Offeror") had via direct business transactions acquired 369,120,100 ordinary shares in the Company, representing 18.96% of the total issued shares in the Company. Following the Shares Acquisition, LV's shareholding the Company increased from 625,481,024 ordinary shares (representing approximately 32.12% of the total issued shares) to 994,601,124 ordinary shares, representing approximately 51.07% of the total issued shares in the Company.

Dato' Lee Wai Mun, DIMP., JP., the Executive Director of the Company is the sole director and sole shareholder of LV, and is thus deemed as the ultimate offeror for the Offer ("Ultimate Offeror")

Pursuant to Section 218(2) of the Capital Markets and Services Act, 2007 and Paragraph 4.01(a) of the Securities Commission Malaysia's Rule on Take-overs, Mergers and Compulsory Acquisitions, LV is obligated to extend a mandatory take-over offer to acquire:

(i) all the remaining shares not already owned by the Ultimate Offeror, Offeror and persons acting in concert ("PAC") with them, as well as such number of new Company's shares that may be issued and allotted prior to the Closing Date arising from the exercise of the outstanding warrants 2022/2032 for a cash consideration of RM0.070 per Offer Share.

(ii) all the remaining Warrants which are not already owned by the Ultimate Offeror, Offeror and PACs for a cash consideration of RM0.005 per Offer Warrant.

34. COMPARATIVE FIGURES

In previous financial period, the Group and the Company changed their financial year end from 31 December to 30 June and made up their financial statements for the 18 months period from 1 January 2020 to 30 June 2021. Accordingly, comparative figures for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable with those for the current financial year.

STATEMENT BY DIRECTORS
Pursuant to section 251(2) of the Companies Act 2016

We, **LEE CHEE KIANG** and **TAN CHIN HONG**, being two of the directors of Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.), do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 66 to 150 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022 and of their financial performance and cash flows for the financial year then ended.

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

LEE CHEE KIANG
Director

TAN CHIN HONG
Director

Kuala Lumpur

Date: 13 October 2022

STATUTORY DECLARATION
Pursuant to Section 251(1) of the Companies Act 2016

I, **TAN CHIN HONG**, being the director primarily responsible for the financial management of Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.), do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 66 to 150 are 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.

TAN CHIN HONG

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 13 October 2022.

Before me,

HADINUR MOHD SYARIF (No. W761)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Meta Bright Group Berhad
(Formerly known as Eastland Equity Bhd.)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Meta Bright Group Berhad (formerly known as Eastland Equity Bhd.), which comprise the statements of financial position as at 30 June 2022 of the Group and of the Company, and the statements of 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 66 to 150.

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

Group

Investment properties and property, plant and equipment (Notes 4(a), 4(b), 11 and 12 to the financial statements)

The Group has significant balances of investment properties and property, plant and equipment. The Group's policy is to measure investment properties at fair value and property, plant and equipment (comprising freehold land and building) carried at valuation subsequent to their initial recognition. The Group estimated the fair value of the investment properties and valuation of property, plant and equipment based on information provided and the valuation performed by an external independent valuer.

We focused on this area because the estimation of fair value of investment properties and valuation of property, plant and equipment requires significant judgement in key assumptions used.

Our response:

Our audit procedures included, among others:

- considering the competence, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- reading the valuation reports and discussing with external valuer on their valuation approach and the significant judgements made; and
- understanding the relevance of the key input data used by the external valuers.

INDEPENDENT AUDITORS' REPORT

To the Members of Meta Bright Group Berhad
(Formerly known as Eastland Equity Bhd.)
(Incorporated in Malaysia)
(cont'd)

Key Audit Matters *(cont'd)*

Inventories (Notes 4(c) and 16 to the financial statements)

We focused on this area because the review of carrying value of certain inventories at lower of cost and net realisable value by the Group are major source of estimation uncertainty.

Our response:

Our audit procedures included, among others:

- considering the competence, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- comparing the Group's assumptions to externally derived data, if any, as well as discussing with external valuer on their assessment of the fair value of the leasehold land; and
- discussing with directors on whether the inventories have been written down to their net realisable value.

Revenue and corresponding costs recognition for property development activities (Notes 4(d), 5, 16 and 19 to the financial statements)

The amount of revenue and corresponding costs of the Group's property development activities is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of construction costs incurred for works performed to date bear to the estimated total costs for each project (input method).

We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. The estimated total revenue and costs are affected by a variety of uncertainties that depend of the outcome of future events.

Our response:

Our audit procedures included, among others:

- reading the terms and conditions of sample of agreements with customers;
- understanding the Group's process in preparing project budget and the calculation of the progress towards complete satisfaction of performance obligation; and
- checking the mathematical computation of recognised revenue and corresponding costs for the projects during the financial year.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

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.

INDEPENDENT AUDITORS' REPORT

To the Members of Meta Bright Group Berhad
(Formerly known as Eastland Equity Bhd.)
(Incorporated in Malaysia)
(cont'd)

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 the 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.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITORS' REPORT

To the Members of Meta Bright Group Berhad
(Formerly known as Eastland Equity Bhd.)
(Incorporated in Malaysia)
(cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements *(cont'd)*

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

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

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Dato' Lock Peng Kuan
No. 02819/10/2022 J
Chartered Accountant

Kuala Lumpur

Date: 13 October 2022

PROPERTIES OWNED BY THE COMPANY AND ITS SUBSIDIARIES

Registered Beneficial Owner	Description and existing use	Location	Tenure	Land Area/ Floor Area	Age of Building (Year)	Net Book Value RM	Date of Acquisition/ Revaluation
Eastern Biscuit Factory Sdn. Bhd.	Shopping Centre with basement carpark and a 4 star Hotel	Kota Sri Mutiara Jalan Sultan Yahya Petra 15150 Kota Bharu, Kelantan	Freehold	8,068 square metres	24	137,593,700	30/6/2022
Eastern Biscuit Factory Sdn. Bhd.	Completed condominium 12 units Completed shoplots 20 units	Kota Sri Mutiara Jalan Sultan Yahya Petra 15150 Kota Bharu, Kelantan	Freehold	23,221 square feet	24	4,078,536	30/6/2022
Eastern Biscuit Factory Sdn. Bhd.	Ongoing development project	Mukim Kuala Lemal Jajahan Pasir Mas Kelantan	Leasehold (Expiring on 22 July 2074)	48,201 square feet	N/A	9,848,363	27/04/2009
Eastern Biscuit Factory Sdn. Bhd.	Land held for sales	Mukim Kuala Lemal Jajahan Pasir Mas Kelantan	Leasehold (Expiring on 22 July 2074)	196,721 square feet	N/A	7,000,000	30/6/2022
Eastern Biscuit Factory Sdn. Bhd.	Completed shop houses 17 units 2-storey	Mukim Kuala Lemal Jajahan Pasir Mas Kelantan	Leasehold (Expiring on 22 July 2074)	27,980 square feet	6	6,505,310	15/5/2016
FBO Land (Setapak) Sdn. Bhd.	Ongoing development project	Damai, Kota Kinabalu, Sabah	Leasehold (Expiring on 31 December 2081)	1,306 square metres	N/A	34,739,290	23/9/2022
FBO Land (Setapak) Sdn. Bhd.	Completed shop/ offices 46 units 2-storey	Mukim Chenor Daerah Maran Pahang	Leasehold (Expiring on 22 October 2101)	99,505 square feet	3	24,800,000	8/8/2022

ANALYSIS OF SHAREHOLDINGS
As at 30 September 2022

Issued and Paid-up Capital	:	140,353,769 divided into 1,947,346,231 shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share
No. of Shareholders	:	15,332

DISTRIBUTION OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2022

Size of Shareholdings	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Issued Share Capital
1 to 99 shares	7,739	50.476%	322,838	0.017%
100 to 1,000 shares	4,324	28.202%	1,257,655	0.065%
1,001 to 10,000 shares	1,674	10.918%	7,757,569	0.398%
10,001 to 100,000 shares	1,152	7.514%	46,083,451	2.366%
100,001 to 97,367,311 shares	440	2.870%	897,287,153	46.077%
97,367,312 and above	3	0.020%	994,637,565	51.077%
TOTAL	**15,332**	**100%**	**1,947,346,231**	**100%**

DIRECTORS' SHAREHOLDINGS AS AT 30 SEPTEMBER 2022 (as per Register of Directors' Shareholdings)

Name of Directors	No. of Shares (Direct)	%	No. of Shares (Indirect)	%
Dato' Lee Wai Mun, DIMP., JP.	-	-	994,601,124*	51.075
Lee Chee Kiang	93,736,800	4.814	-	-
Tan Chin Hong	-	-	18,333,928**	0.941
Phang Kiew Lim	-	-	-	-
Mohamed Akwal Bin Sultan Mohamad	-	-	-	-
Masleena Binti Zaid	-	-	-	-
Ong Lu Yuan	1,198,800	0.062	-	-

NOTES:

* Deemed interest by virtue of his interest in Leading Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

** Indirect interest by virtue of his directorship and shareholding in Prestige Pavilion Sdn. Bhd. and Danhwa Holding Sdn. Bhd. and deemed Interest by virtue of shares held by his sister, Ms Adeline Tan Wan Chen and his brother, Tan Chin Hao.

ANALYSIS OF SHAREHOLDINGS
As at 30 September 2022
(cont'd)

SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2022 (as per Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of Shares (Direct)	%	No. of Shares (Indirect)	%
Leading Ventures Sdn Bhd	994,601,124	51.075	-	-
Dato' Lee Wai Mun, DIMP., JP.	-	-	994,601,124*	51.075

NOTES:

* Deemed interest by virtue of his interest in Leading Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

THIRTY LARGEST SHAREHOLDERS

No.	Name	Shareholdings No. of Shares	Shareholdings Percentage (%)
1	**LEADING VENTURES SDN BHD**	511,019,486	26.242
2	**LEADING VENTURES SDN BHD**	369,156,541	18.957
3	**MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD** LEADING VENTURES SDN. BHD.	114,461,538	5.878
4	**LEE CHEE KIANG**	93,736,800	4.814
5	**LEONG MAY LING**	77,100,000	3.959
6	**CHEONG POH CHOY**	74,971,946	3.850
7	**WONG KOK KUN**	69,223,718	3.555
8	**LIM WEN YEH**	63,407,548	3.256
9	**NG KAOI YUN**	51,239,500	2.631
10	**MAYBANK NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR RICKOH CORPORATION SDN. BHD.	33,428,571	1.717
11	**MELVINYEO KIANDEE**	31,970,714	1.642
12	**CHEW KENG SIEW**	24,811,428	1.274
13	**CGS-CIMB NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR PRESTIGE PAVILION SDN BHD (MY1661)	17,670,000	0.907
14	**TEY CHEE THONG**	15,785,714	0.811
15	**CHONG OI LING**	14,420,800	0.741
16	**LIM WEN YEH**	12,814,285	0.658
17	**1CARTABAN NOMINEES (TEMPATAN) SDN BHD** EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE BRANCH (BJSSHKBR-CL O L)	11,024,000	0.566
18	**POH SHIOW WOAN**	10,792,821	0.554

ANALYSIS OF SHAREHOLDINGS
As at 30 September 2022
(cont'd)

THIRTY LARGEST SHAREHOLDERS *(cont'd)*

No.	Name	Shareholdings No. of Shares	Shareholdings Percentage (%)
19	**CHONG CHEE VUI**	9,680,000	0.497
20	**LING HUNG TAH**	9,614,800	0.494
21	**NG VUI KEE @ VICKY NG**	9,285,600	0.477
22	**CIMSEC NOMINEES (TEMPATAN) SDN BHD** CIMB FOR CHU SHENG TAUR (PB)	9,119,533	0.468
23	**ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR TAN SZE HONG (7001191)	9,100,000	0.467
24	**CIMSEC NOMINEES (TEMPATAN) SDN BHD** CIMB FOR CHU JAN TOW (PB)	8,734,813	0.449
25	**UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD** EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	8,559,799	0.440
26	**CGS-CIMB NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR YAP YOON SUN (MY3608)	8,500,000	0.436
27	**MAYBANK NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR THONG MENG CHIL	6,480,400	0.333
28	**TING DIEW WEI**	6,427,000	0.330
29	**TANG CHEE KONG**	4,400,000	0.226
30	**CGS-CIMB NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR HII JOON TECK (MQ0439)	4,071,100	0.209
	Total	**1,691,008,455**	**86.837**

ANALYSIS OF WARRANTS B HOLDINGS
As at 30 September 2022

No. of Warrants B Issued	:	782,901,982
No. of Warrants B Exercised	:	-
No. of Warrants B Unexercised	:	782,901,982
Issue date	:	14 February 2022
Maturity date	:	13 February 2032
Rights of Warrants B Holder	:	The Warrants do not confer on their holders any voting rights or any right to participate in any form of distribution and/or offer of further securities in the Company until and unless such holders of Warrants exercise their Warrants for the new Shares in accordance with the provisions of the Deed Poll and such new Shares have been allotted and issued to such holders.

DISTRIBUTION OF WARRANTS B HOLDINGS AS AT 30 SEPTEMBER 2022

Size of Warrants B Holdings	No. of Warrants B Holders	Percentage of Warrants B Holders	No. of Warrants	Percentage of Issued Warrants
Less than 100	55	12.731%	2,730	0.000%
100 to 1,000	22	5.093%	10,036	0.001%
1,001 to 10,000	64	14.815%	310,334	0.040%
10,001 to 100,000	146	33.796%	6,945,813	0.887%
100,001 to 39,145,099 (*)	139	32.176%	390,737,961	49.909%
39,145,100 and above (**)	6	1.389%	384,895,108	49.163%
TOTAL	**432**	**100%**	**782,901,982**	**100%**

DIRECTORS' WARRANTS B HOLDINGS AS AT 30 SEPTEMBER 2022 (as per Register of Directors' Warrants B Holdings)

Name of Directors	No. of Warrants B (Direct)	%	No. of Warrants B (Indirect)	%
Dato' Lee Wai Mun, DIMP., JP	-	-	157,299,015*	20.092
Lee Chee Kiang	46,868,831	5.987	-	-
Masleena Binti Zaid	-	-	-	-
Mohamed Akwal Bin Sultan Mohamad	-	-	-	-
Ong Lu Yuan	620,442	0.079	-	-
Phang Kiew Lim	-	-	-	-
Tan Chin Hong	-	-	-	-

Notes:

* Deemed interest by virtue of his interest in Leading Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

ANALYSIS OF WARRANTS B HOLDINGS
As at 30 September 2022
(cont'd)

THIRTY LARGEST WARRANTS B HOLDERS

No.	Name	Warrants Holdings No. of Warrants B	Percentage (%)
1	**LEADING VENTURES SDN BHD**	157,299,015	20.092
2	**LEONG MAY LING**	52,752,631	6.738
3	**LEE CHEE KIANG**	46,868,831	5.987
4	**CHEONG POH CHOY**	44,117,551	5.635
5	**WAN CHEE KONG**	42,113,644	5.379
6	**LIEW YEN HUEI**	41,743,436	5.332
7	**LEE MEI ZHEN**	38,322,384	4.895
8	**SIM LI YIN**	36,953,963	4.720
9	**WONG KOK KUN**	36,269,752	4.633
10	**NG KAOI YUN**	34,210,526	4.370
11	**LIM WEN YEH**	31,703,773	4.050
12	**TAN MAI PENG**	21,894,736	2.797
13	**MAYBANK NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR RICKOH CORPORATION SDN. BHD.	16,714,285	2.135
14	**ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR LUI YUEN QIU (7001122)	16,530,300	2.111
15	**MELVINYEO KIANDEE**	15,985,356	2.042
16	**EPSILON MANAGEMENT SDN BHD**	13,458,647	1.719
17	**CHEW KENG SIEW**	12,405,713	1.585
18	**TA NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR EPSILON MANAGEMENT SDN BHD	10,984,285	1.403
19	**ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD** PLEDGED SECURITIES ACCOUNT FOR CHEOK LEE HAR (7001135)	10,400,000	1.328
20	**UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD** EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	8,600,000	1.098
21	**TEY CHEE THONG**	6,472,856	0.827
22	**LIM WEN YEH**	6,407,142	0.818
23	**LING HUNG TAH**	4,807,400	0.614
24	**CHONG OI LING**	4,613,494	0.589
25	**CHONG CHEE VUI**	4,485,000	0.573
26	**TING DIEW WEI**	4,389,252	0.561
27	**POH SHIOW WOAN**	3,909,784	0.499
28	**LUI YUEN QIU**	2,424,600	0.310
29	**CHEOK LEE HAR**	2,185,000	0.279
30	**ONG CHEE SIONG**	2,000,000	0.255
	Total	**731,023,356**	**93.374**

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Meta Bright
正源 Group 集团

META BRIGHT GROUP BERHAD

(Formerly known as Eastland Equity Bhd.)
(Registration No. 200001013359 (515965-A))
(Incorporated in Malaysia)

PROXY FORM
(Before completing the form please refer to the notes below)

No. of shares held	CDS Account No. of Authorised Nominee

I/We ______________________________ NRIC/Passport/Co. No. ____________________
(FULL NAME IN BLOCK LETTERS)

of ____
(ADDRESS)

Email Address ______________________________ Tel No. ____________________

being a member of **META BRIGHT GROUP BERHAD *(Formerly known as Eastland Equity Bhd.)***, hereby appoint:

Proxy 1 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			
Email :			

Proxy 2 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			
Email :			

or failing him/her, the Chairman of the Meeting, as my/our proxy(ies) to vote for me/us and on my/our behalf at the Twenty-Second ("**22nd**") Annual General Meeting ("**AGM**") of the Company, to be held at Merbok Room, Level 6, The Grand Renai Hotel, Kota Sri Mutiara, Jalan Sultan Yahya Petra, 15150 Kota Bharu, Kelantan, Malaysia on Thursday, 24 November 2022 at 10.00 a.m. or any adjournment thereof.

My/our proxy(ies) shall vote as follows:

No.	Resolutions	For	Against
	Ordinary Resolutions		
1.	To re-elect Mr Phang Kiew Lim as Director		
2.	To re-elect Puan Masleena Binti Zaid as Director		
3.	To approve the Directors' Fees and Benefits Payable to the Directors of an amount up to RM500,000 for the period from the date of the 22nd AGM until the date of the next AGM, to be paid monthly in arrears		
4.	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration		
5.	To authorise the Directors to allot and issue shares		
6.	To approve proposed renewal of Shareholders' mandate for recurrent related party transactions of a revenue or trading nature		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this ______________ day of ______________ 2022

____
Signature of Shareholder or Common Seal

Fold This Flap For Sealing

Notes:

1. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to attend, participate, speak and vote on his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote shall have the same rights as the members to speak at the meeting.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee who holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, 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. The Proxy Form shall be signed by the appointer or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
5. The original instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.

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AFFIX POSTAGE
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META BRIGHT GROUP BERHAD
(Formerly known as Eastland Equity Bhd.)
(Registration No. 200001013359 (515965-A))

c/o BOARDROOM SHARE REGISTRARS SDN. BHD.
GROUND & 11TH FLOOR, MENARA SYMPHONY
NO. 5, JALAN PROF. KHOO KAY KIM
SEKSYEN 13
46200 PETALING JAYA
SELANGOR DARUL EHSAN
MALAYSIA

1st Fold Here

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. To make available a Record of Depositor as at 18 November 2022 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. All the resolutions set out in the Notice of the AGM will be put to vote by way of poll pursuant to Clause 78 of the Company's Constitution.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 26 October 2022.

www.mbgb.my

META BRIGHT GROUP BERHAD
(formerly known as Eastland Equity Bhd.)
[200001013359 (515965-A)]

V06-07-03A, Signature 2,
Lingkaran SV, Sunway Velocity,
55100 Kuala Lumpur.

Tel : +603 9201 2893
Fax : +603 9201 3982