MyTech Group

MYTECH GROUP BERHAD

(formerly known as Widetech (Malaysia) Berhad)

Registration No.: 198401001418 (113939-U)

ANNUAL REPORT 2022

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Lim Kim Huat
Executive Chairman

Tan Sri Dato' Cheng Joo Teik
Executive Director

Choo Weng Wah
Executive Director

Dato' Douglas Cheng Heng Lee
Executive Director

Datuk Dr Ng Bee Ken
Non-Independent Non-Executive Director
(Re-designated as Non-Independent Non-Executive Director on 30.5.2022)

Lim Sze Yean
Senior Independent Non-Executive Director
(Re-designated as Senior Independent Non-Executive Director on 30.5.2022)

Chen Keng Sam
Independent Non-Executive Director

AUDIT COMMITTEE

Lim Sze Yean
Chairman of Audit Committee
Senior Independent Non-Executive Director
(Re-designated as Chairman on 30.5.2022)

Datuk Dr Ng Bee Ken
Non-Independent Non-Executive Director
(Re-designated as member on 30.5.2022)

Chen Keng Sam
Independent Non-Executive Director

NOMINATION COMMITTEE

Chen Keng Sam
Chairman of Nomination Committee
Independent Non-Executive Director
(Re-designated as Chairman on 5.7.2022)

Datuk Dr Ng Bee Ken
Non-Independent Non-Executive Director
(Re-designated as member on 5.7.2022)

Lim Sze Yean
Senior Independent Non-Executive Director

REMUNERATION COMMITTEE

Lim Sze Yean
Chairman of Remuneration Committee
Senior Independent Non-Executive Director

Datuk Dr Ng Bee Ken
Non-Independent Non-Executive Director

Chen Keng Sam
Independent Non-Executive Director

SECRETARIES

Lim Seck Wah
(MAICSA 0799845)
(SSM PC No: 202008000054)

Tang Chi Hoe (Kevin)
(MAICSA 7045754)
(SSM PC No: 202008002054)

REGISTERED OFFICE

Level 15-2 Bangunan Faber
Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No: 603-26924271
Fax No: 603-27325388

SHARE REGISTRAR

Mega Corporate Services Sdn Bhd
[198901010682 (187984-H)]
Level 15-2 Bangunan Faber
Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No: 603-26924271
Fax No: 603-27325388

AUDITORS

Grant Thornton Malaysia PLT
(201906003682 & LLP0022494-LCA)
Chartered Accountants (AF 0737)
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKERS

CIMB Bank Berhad
Maybank Berhad
Public Bank Berhad
RHB Asset Management Sdn Bhd

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : MYTECH
Stock Code : 7692

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Eighth Annual General Meeting ("**AGM**") of the Company will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 30 August 2022 at 12.00 noon for the following purposes:

AGENDA

1. To table the Audited Financial Statements for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon.

2. To approve the payment of Directors' allowances and benefits up to RM70,000 from this AGM until the Thirty-Ninth AGM. **Ordinary Resolution 1**

3. To re-elect the following Directors retiring by rotation pursuant to Article 86 of the Company's Constitution:

   (i) Dato' Lim Kim Huat **Ordinary Resolution 2**

   (ii) Tan Sri Dato' Cheng Joo Teik **Ordinary Resolution 3**

4. To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolution:

5. **AUTHORITY TO ISSUE SHARES**

   "THAT pursuant to Section 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to issue shares in the Company, at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed twenty per centum (20%) of the total number of issued shares of the Company at the time of submission to the authority AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **Ordinary Resolution 5**

BY ORDER OF THE BOARD

LIM SECK WAH (MAICSA 0799845) (SSM PC No: 202008000054)
TANG CHI HOE (KEVIN) (MAICSA 7045754) (SSM PC No: 202008002054)

COMPANY SECRETARIES

29 July 2022
Kuala Lumpur

NOTICE OF ANNUAL GENERAL MEETING
(Cont'd)

NOTES:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Thirty-Eighth AGM, the Company shall be requesting the Record of Depositors as at 23 August 2022. Only a depositor whose name appears on the Record of Depositors as at 23 August 2022 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

2. A proxy may but need not be a member of the Company. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy in a poll and the first named proxy shall be entitled to vote on a show of hands.

3. Where a member is an authorised nominee as defined under the Central Depositories Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.

6. The Form of Proxy shall be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

7. Explanatory Notes:

   Ordinary Resolution 5
   Authority to Issue Shares

   The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 75 and 76 of the Act at the forthcoming Thirty-Eighth AGM of the Company. The previous mandate was not utilised and no proceeds were raised.

   *Bursa Malaysia Securities Berhad ("**Bursa Securities**") had vide its directive letter dated 16 April 2020, allowed a listed corporation to seek higher general mandate under paragraph 6.03 of the Main Market Listing Requirements of Bursa Securities from the existing 10% to not more than 20% of the total number of issued shares (excluding treasury shares) ("20% General Mandate") until 31 December 2021, subject to compliance with applicable legal requirements and the Company's Constitution, and thereafter, the 10% general mandate will be reinstated unless further extension is granted by Bursa Securities.*

   Bursa Securities had subsequently vide its directive letter dated 23 December 2021 extended the implementation period of the 20% General Mandate by way of private placement until 31 December 2022 ("Extended 20% General Mandate"), subject to the following :-

   (i) The listed corporation which has obtained shareholders' approval for the 20% General Mandate at a general meeting in 2021 but has not utilised it to issue new securities on or before the 31 December 2021; or
   (ii) A listed corporation which has not sought shareholders' approval for the 20% General Mandate at a general meeting in 2021.

NOTICE OF ANNUAL GENERAL MEETING
(Cont'd)

NOTES: (cont'd)

The Extended 20% General Mandate is not available to a listed corporation, which has fully or partly utilised the 20% General Mandate to issue new securities on or before the 31 December 2021. Such listed corporation will be subjected to the reinstated 10% limit under paragraph 6.03(1) of Main Market Listing Requirements in 2022.

The Company did not issue any new shares under the 20% General Mandate granted by the shareholders at its Thirty-Seventh AGM held on 28 October 2021, hence, no proceeds was raised therefrom.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/ diversification proposals involves the issue of new shares, the Directors would have to convene a general meeting to seek approval of the shareholders.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue and allot shares at any time to such persons/corporations in their absolute discretion for the purpose of possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions. The Directors are of the view that the 20% General Mandate is in the best interest of the Company and its shareholders as it will enable the Company to raise higher fund more speedily during this challenging period.

The Directors are of the view that the Extended 20% General Mandate is in the best interest of the Company and its shareholders as it will enable the Company to raise higher fund more speedily additional funds expediently during this challenging period.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad) is principally engaged in investment holding, provision of management services and rental of properties. The principal activities of its subsidiaries include manufacturing of precision springs, providing financing services and hotel operations.

GROUP PERFORMANCE REVIEW

For the financial year ended 31 March 2022, the Group registered lower revenue of RM10.697 million, as compared to RM11.825 million in the financial year ended 31 March 2021 ("FY2021") amidst a challenging operating environment triggered by the prolonged Covid-19 pandemic, along with international border closures and domestic travel restrictions.

Despite the lower revenue, the Group achieved pre-tax profit of RM1.841 million, as opposed to pre-tax loss of RM1.213 million in FY2021. The lower performance in FY2021 was primarily due to the disposal of our associate, Goldshore Capital Limited, on 31 March 2021, which resulted in a net loss of RM3.109 million after taking into account its profit contribution of RM1.817 million, one-off write off on the amount due from associate of RM5.439 million and a gain on disposal of associate of RM0.513 million.

BUSINESS OPERATIONS REVIEW

a) MANUFACTURING SEGMENT

Overview

Wire Master Spring Sdn Bhd ("WMS") was incorporated in 1990 and strives to be a reputable manufacturer of precision springs of various shapes and sizes. The Company is ISO 9001 and ISO 14001 certified.

Performance Review

In light of the harsh market condition during the prolonged pandemic, the manufacturing division achieved a revenue of RM10.011 million, as compared to RM10.873 million in FY2021. Armed with a strong skilled technical team support, WMS was able to remain competitive by fulfilling various customers' design and required specifications and catered to niche market.

Despite a lower revenue in the current financial year, this division reported a higher pre-tax profit of RM2.763 million compared to RM2.472 million in FY2021, attributed mainly to costs saving initiatives undertaken to lower operating costs, such as reduced manpower and deferred maintenance and capital expenditure. Additionally, WMS investment in solar energy contributed to a 57% savings in electricity.

Business Strategy and Future Prospects

In the wake of rising production costs brought on by the recent increase in minimum wages in May 2022 coupled with higher raw material costs arising from the depreciation of the Ringgit Malaysia, WMS will continue to optimizing our supply chain to remain vigilant in cost and identifying new ways of working to enhance operational efficiencies improvement to deliver satisfactory operational performance.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

BUSINESS OPERATIONS REVIEW (cont'd)

b) HOTEL SEGMENT

Overview

Lao-Malaysia Investments Group ("LMIG"), a 75% owned subsidiary of Asia Pacific Winning Limited, was incorporated in Laos. It is principally engaged in the operation of Hotel Riveria in Khamouanne Province, Thakhek, Laos.

Performance Review

Overall, the onset of the Covid-19 pandemic continued to adversely impact the hotel operations with intermittent domestic travel restrictions and lockdown, along with prolonged international border closures resulting in weak and unprecedented business conditions.

LMIG recorded a lower revenue of RM0.312 million, as opposed to RM0.570 million in FY2021. Correspondingly, a lower pre-tax loss of RM0.406 million was registered compared to RM0.344 million in FY2021. During the financial year under review, LMIG remained vigilant in cost management such as reduced manpower and deferred maintenance and capital spending to conserve cashflow.

Business Strategy and Future Prospects

Following the gradual opening of international borders in various countries, Laos fully reopened its borders to international tourists on 9 May 2022. The Board remain cautious about the near-term outlook of the hotel division as international travel and tourism recovery remains uncertain due to lingering cautious travel sentiment. In addition, soaring inflation in Laos and depreciation of its local currency are hampering its economic recovery. Nevertheless, LMIG will strive to achieve a better performance in the next financial year by stepping up efforts to undertake various marketing and promotion activities to remain competitive.

Against a relentless challenging operating environment, LMIG will continue to adopt prudent cost control and efficiency measures towards cushioning the rising costs, whilst emphasising top priority in occupational health and safety in the premises to restore confidence and maintain the quality of our products offering to achieve long term sustainability.

LOOKING FORWARD

While the gradual opening of international borders in various countries is a major step forward to global economic recovery, it is expected to be uneven as uncertainties remain in anticipation of surging inflation, threat of intermittent new Covid-19 outbreaks, interest rate hikes and negative impact from the Russian-Ukraine war. To remain competitive in a changing environment, we are embracing digital transformation and innovative ways of working.

Going forward, the Group foresees a continued challenging business and operating environment. Confronted with a cautious market sentiment, the Group will strive to remain resilient by continuing its efforts on enhancing cost and operational efficiencies for business sustainability, whilst ensuring high quality of our products and services offering.

Notwithstanding the economic and political volatilities, the Board will continue cautiously in its effort to identify and explore new and potential viable investments to further grow and enhance shareholders value.

PROFILE OF DIRECTORS

DATO' LIM KIM HUAT
Malaysian, Male, Aged 62
Executive Chairman

Dato' Lim Kim Huat was appointed to the Board of Directors ("the Board") on 26 February 2004 as Non-Independent Non-Executive Director and subsequently, assumed the position of Executive Chairman on 25 July 2006.

Dato' Lim is a certified public accountant by profession and is a member of The Malaysian Institute of Certified Public Accountants. He started his career with PricewaterhouseCoopers in Kuala Lumpur in 1980 before moving on to the commercial sector. Through his involvement as senior management personnel with various companies in Malaysia, Dato' Lim has extensive exposures and experience in diverse industries such as manufacturing, trading, property development, leisure & entertainment and food services.

Dato' Lim is currently the Managing Director of AbleGroup Berhad, a public listed company and director of the following public companies:-

1. Golden Agro Plantation (Mukah) Berhad
2. Purerich Realty Berhad
3. Lone Pine Resorts Berhad

TAN SRI DATO' CHENG JOO TEIK
Malaysian, Male, Aged 76
Executive Director

Tan Sri Dato' Cheng Joo Teik was appointed to the Board on 6 December 2006.

Tan Sri Dato' Cheng has extensive experience in the commercial and service industry, including a remarkable career in a national airline as well as in the hospitality, entertainment and gaming sectors. As Group Executive Director of GPL Group, which specialises in the management of hotels, restaurants, recreational clubs, entertainment and gaming activities both locally and internationally, he was instrumental in implementing various internal controls and risk-controlled procedures for the group of companies in ensuring management and operational efficiency.

Tan Sri Dato' Cheng is an active member of civil society, as he constantly and continuously supports various philanthropic and charitable organisations and has contributed extensively to fund raising and welfare activities to aid vulnerable communities.

Tan Sri Dato' Cheng does not hold any directorship in other public listed corporation. He is director of the following public companies:-

1. Purerich Realty Bhd
2. Lone Pine Resorts Berhad

PROFILE OF DIRECTORS
(Cont'd)

DATO' DOUGLAS CHENG HENG LEE
Malaysian, Male, Aged 46
Executive Director

Dato' Douglas was appointed to the Board on 16 July 2021.

Dato' Douglas is an advocate and solicitor. He is a graduate of the University of Melbourne, where he attained a Bachelor of Commerce and Law.

He was a former Managing Director of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad), a position he held until 6 December 2006. He had previously served as a fund manager to an asset management company, which is part of a local banking group.

Dato' Douglas also serves as a director in several companies, which operates across diverse industries including property management, gaming management and F&B, as well as a regional chain of franchised sport venues.

In addition to the director positions held above, Dato' Douglas is also active in the F&B and lifestyle entertainment segments. He is a key player behind Malaysia's largest integrated lifestyle entertainment hub.

Dato' Douglas does not hold any directorship in other public company or listed corporation.

CHOO WENG WAH
Malaysian, Male, Aged 40
Executive Director

Mr Choo Weng Wah was appointed to the Board on 1 June 2021.

Mr Choo graduated from University Malaya and has over 10 years of experience in Private Equity. He was most recently with Iris Corporation Berhad from 2018 - 2021. Prior to that, he was with Caprice Capital from 2013 - 2018.

He started his career as a Management Associate in Hong Leong Group Securities. In 2008, he joined Deloitte Consulting (SEA) specialising in Strategy & Operations management consulting. In 2011, he was attached with Maybank Private Equity as a member of Maybank-MEACP Clean Energy Fund which was the first Clean Energy fund within SEA. He was involved in negotiating and reviewing fund agreements and the incorporation and management of onshore and offshore fund and investment structures. In addition, he was also involved in the divestments of a few investments within Maybank Private Equity.

Mr Choo does not hold any directorship in other public company or listed corporation.

PROFILE OF DIRECTORS
(Cont'd)

DATUK DR NG BEE KEN
Malaysian, Male, Aged 67
Non-Independent Non-Executive Director

Datuk Dr Ng Bee Ken was appointed to the Board on 22 June 2009. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee.

Datuk Dr Ng holds a Bachelor of Law (Honours) from University of Wales, Cardiff, Wales and a Master of Laws from King's College, University of London. He is also a Barrister-at-Law of Lincoln's Inn, London, an Advocate & Solicitor of the High Court of Malaya and a certified mediator. He is presently the managing partner of the law firm Azri, Lee Swee Seng & Co.

He also holds Doctor of Divinity from Millennium International University in conjunction with Asia Pacific Seminary, Master of Science (Corporate Communication) from Universiti Putra Malaysia and is an Associate of the Association of Costs and Executive Accountants, England.

Datuk Dr Ng is currently an Independent Non-Executive Director of Pertama Digital Berhad, Yong Tai Berhad and Talam Transform Berhad.

LIM SZE YEAN
Malaysian, Male, Aged 49
Senior Independent Non-Executive Director

Mr Lim Sze Yean was appointed to the Board on 1 June 2021. Mr. Lim is the Chairman of the Audit Committee and Remuneration Committee, a member of Nomination Committee.

He graduated with a Master Degree in Business Administration from Rutherford University in 2006. He is a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of The Association of Chartered Certified Accountants. He is also currently an Associate Member of the Chartered Tax Institute of Malaysia (CTIM) and The Institute of Internal Auditors Malaysia (IIA), and a member of ASEAN CPA.

He has more than 15 years of experience in various areas of finance, including corporate finance, internal controls and risk management. He started his career as a senior auditor, and in the course of his career, has served several public listed companies as Group Finance General Manager, Group Finance Director and Chief Financial Officer.

In October 2016, Mr Lim joined Cuscapi Berhad as Finance Director and was promoted to Chief Financial Officer on 1 April 2017. He also holds the office of Director in several subsidiaries of Cuscapi Berhad.

Mr Lim does not hold any directorship in other public company or listed corporation.

PROFILE OF DIRECTORS
(Cont'd)

CHEN KENG SAM
Malaysian, Male, aged 56
Independent Non-Executive Director

Mr Chen Keng Sam was appointed to the Board on 22 May 2017. He is the Chairman of Nomination Committee, a member of the Remuneration Committee and Audit Committee.

Mr Chen holds a Bachelor of Economic from Monash University, Australia. Mr Chen was previously attached to Public Finance Berhad in 1989 before moving on to Hume Industries Berhad and Mesiniaga Berhad. He is well versed in the equities market, having been a remisier since 1996.

Mr Chen does not hold any directorship in other public company or listed corporation.

Notes to the Directors' Profile:

1. Save as disclosed above, Tan Sri Dato' Cheng Joo Teik and Dato' Douglas Cheng Heng Lee are father and son, both are substantial shareholders of the Company.
2. None of the Directors of the Company have family relationships with any other Directors and/or major shareholders of the Company.
3. None of the Directors have been charged on any convictions of offences within the past 5 years other than traffic offences, if any, and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.
4. The Group has entered into recurrent related party transactions with party in which the Directors of the Company, namely, Tan Sri Dato' Cheng Joo Teik and Dato' Douglas Cheng Heng Lee have deemed indirect substantial financial interest as disclosed in note 22 of Financial Statements section of this annual report.
5. Save for the abovementioned disclosure, none of the other Directors have conflict of interest with the Company.
6. The details of Directors' attendance of Board Meetings during the financial year ended 31 March 2022 are disclosed on page 28 of this Annual Report.

PROFILE OF KEY SENIOR MANAGEMENT

DATO' LIM KIM HUAT
Malaysian, Male, Aged 62
Executive Chairman

Dato' Lim Kim Huat's profile is available on page 8.

FOO TOON CHAI
Malaysian, Male, Aged 52
Executive Director (Subsidiary)

Mr. Foo Toon Chai started his career in MyTech Group in 1992. In 2003, he was promoted to Deputy General Manager and subsequently to General Manager of the manufacturing division in 2005 before assuming the current position of Executive Director of a subsidiary in 2017.

Mr. Foo holds an Advanced Diploma in Marketing from University of Abertay Dundee, Scotland.

He also holds a Master of Business Administration from Southern Pacific University.

Mr. Foo has more than 20 years of experience in the senior management of manufacturing industry.

None of the above Key Senior Management has any:-

- directorships in the Company, public companies and public listed companies except for Dato' Lim Kim Huat, who is the Executive Chairman of the Company, Managing Director of AbleGroup Berhad, a public listed company and director of the following public companies:-
  1. Golden Agro Plantation (Mukah) Berhad
  2. Purerich Realty Berhad
  3. Lone Pine Resorts Berhad
- family relationship with any Directors and/or major shareholders of the Company;
- personal interest or conflict of interest with the Company;
- conviction for offences within the past five (5) years other than traffic offences (if any); and
- public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 March 2022.

AUDIT COMMITTEE REPORT

The Board of Directors of MYTECH GROUP BERHAD (formerly known as Widetech (Malaysia) Berhad) ("Board") is pleased to present the Audit Committee Report for the financial year ended 31 March 2022.

COMPOSITION AND MEETINGS

Composition

The Audit Committee composition comprising 3 Directors, where 2 members are Independent Non-Executive Directors and 1 member is Non-Independent Non-Executive Director. The chairman of the Audit Committee is an Independent Non-Executive Director and was elected among the member of the Audit Committee. There is no alternate director appointed as member of Audit Committee.

The chairman of the Audit Committee member is a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of The Association of Chartered Certified Accountants and possess such qualifications and experience as approved by the Bursa Malaysia Securities Berhad ("**Bursa Securities**").

To be in line with the Malaysian Code on Corporate Governance, the chairman of Audit Committee is not chairman of the Board. The Chairman of the Board is not a member of the Audit Committee.

As at the date of this Annual Report, the Audit Committee comprises three (3) Directors as follows:

Lim Sze Yean (Chairman) (re-designated as Chairman on 30.5.22)	-	Senior Independent Non-Executive Director
Datuk Dr Ng Bee Ken (re-designated as member on 30.5.22)	-	Non-Independent Non-Executive Director
Chen Keng Sam	-	Independent Non-Executive Director

The Audit Committee members possess a wide range of necessary skills to discharge their duties and are financially literate and have sufficient understanding of the company's business and operation.

The Audit Committee members have been undertaking continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Meetings

The Audit Committee met six (6) times during the financial year ended 31 March 2022 and the details of attendance of the Audit Committee are as follows:

Name of Audit Committee	Attendance
Lim Sze Yean (appointed as member on 1.7.21 and re-designated as Chairman on 30.5.22)	4/4
Datuk Dr Ng Bee Ken	6/6
Chen Keng Sam	6/6
Dato' Lim Sin Khong (resigned on 1.7.21)	2/2
Kong Sin Seng (resigned on 1.7.21)	2/2

Details of the members of the Audit Committee are contained in the Profile of Directors set out on pages 10 to 11 of this Annual Report.

AUDIT COMMITTEE REPORT
(Cont'd)

TERMS OF REFERENCE

The terms of reference of the Audit Committee is made publicly available on the Company's website at http://www.mytechgroup.com.my.

SUMMARY OF WORKS OF THE AUDIT COMMITTEE

In accordance with the terms of reference of the Audit Committee, the following activities were undertaken by the Audit Committee during the financial year ended 31 March 2022, including the deliberation on and review of:

(a) the unaudited quarterly financial statements of the Group to ensure that they are in compliance with the requirements of relevant authorities, prior to submission to the Board for their approval and release of the Group's results to Bursa Securities.

(b) the annual audited financial statements of the Group and of the Company prior to submission to the Board of Directors for consideration and approval.

(c) the External Auditors' report in relation to audit and accounting issues arising from the audit; matters arising from the audit of the Group in meetings with the External Auditors without the presence of the executive Board members and management.

(d) the internal audit plan, the internal audit report and the recommendations arising from the reviews conducted by the outsourced internal auditor.

(e) the related party transactions and potential conflict of interest situation that may have arisen within the Company or Group.

(f) the re-appointment of External Auditors and their audit fees, before the recommendation to the Board of Directors for approval.

INTERNAL AUDIT FUNCTION

During the financial year ended 31 March 2022, the Group's internal audit function was outsourced to an independent professional firm to review and improve its existing internal control process and to assist in identifying and managing the Group's risks and the control procedures to manage those risks.

During the financial year under review, the Internal Auditors carried out an independent internal audit review on the Inventory Management of the subsidiary, Wire Master Spring Sdn. Bhd., based on the approved internal audit plan to assess the adequacy and effectiveness of internal controls within the Group.

The total cost incurred for the internal audit service for the financial year was RM16,000.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad) ("**MyTech**" or "**the Company**") is committed to instill corporate conscience through excellence in Corporate Governance ("**CG**") standards at all times. This includes accountability and transparency which is observed throughout MyTech and its subsidiaries ("**the Group**") as a fundamental part of building a sustainable business and discharging its responsibilities to protect and enhance shareholders value and the financial performance of the Group. The Board is pleased to report on how the Company and the Group have applied the principles set out in the Malaysian Code on Corporate Governance ("**MCCG**") and the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad.

BOARD LEADERSHIP AND EFFECTIVENESS

1.1 Composition of the Board

The Board currently comprises of seven (7) members; four (4) Executive Directors (including the Executive Chairman), two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The profiles of the Directors are set out on pages 8 to 11 of this Annual Report.

The Board comprises of highly respectable and professional persons and represent a diverse background of knowledge, expertise and experience. With their combined experiences and knowledge, they provide sound advice and judgment for the benefit of the Company and its shareholders. The mixed skills and experience are vital for the successful performance of the Company.

The Executive Directors are responsible for implementing the policies and decisions of the Board and overseeing the operations of the Group. The Non-Executive Directors play a pivotal role in ensuring that the strategies proposed by the executive management are for the benefits of the stakeholders and bring forth a balanced, unbiased and independent judgment on all aspects of the Group's strategies and performance.

All Board members participated actively, including the Independent Non-Executive Directors and Non-Independent Non-Executive Director on any proposal brought up by the Management. There is no individual or small group of individuals dominate the Board's decision making processes.

1.2 Board Responsibilities

1.2.1 Functions of the Board and Management

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group's business operations whilst providing effective oversight of Management's performance and resources in place, risk assessment and controls over business operations to meet the Company's goals and objective.

The Board delegates and confers some of its authorities and discretion to the Chairman, Executive Directors, and Management as well as on properly constituted Board Committees comprising of both Independent Non-Executive Directors and Non-Independent Non-Executive Director. The Chairman is not a member of Audit Committee, Nomination Committee and Remuneration Committee.

There is a clear division of responsibilities between the Chairman of the Board and the Executive Directors. The Chairman sets vision and mission, strategic planning at the Board level, whilst the Executive Directors, are responsible for the implementation of the Group's mission, strategy and policies laid down and execute the decision-making.

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.2 Board Responsibilities (cont'd)

1.2.1 Functions of the Board and Management (cont'd)

The Chairman is responsible for the Group's future business and strategy plan, setting goal to achieve the mission and vision. He provides leadership and governance of the Board, ensuring its effectiveness and assumes the formal role as the leader in chairing all Board meetings and shareholders' meetings. He leads the Board in overseeing Management and principally ensures that the Board fulfills its obligations and as required under the relevant legislations.

Some of the specific responsibilities of the Chairman include:-

i) Manage Board meetings and boardroom dynamics by promoting the culture of openness and debate where Directors are encouraged to provide their views;
ii) Work closely with the Executive Directors to ensure provision of accurate, timely and clear information to facilitate the Board to perform effectively, able to make informed decisions and to monitor the effective implementation of the Board's decisions;
iii) To provide his view and decision objectively;
iv) Ensure meetings of the shareholders are conducted in an open and proper manner with appropriate opportunity for them to ask questions; and
v) As Group's official spokesperson.

The duties of Executive Directors include implementation of decisions and policies approved by Board. The business issues and decisions are reserved and subject to the Board. The Board oversees and manages the Group's day-to-day business, and makes strategic decisions. Each Executive Director is responsible for the respective business unit. There is no overlapping of each role and duty.

The role of Management is to support the Executive Directors to implement and execute the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

The Board Committees are made up of the Audit Committee ("**AC**"), Nomination Committee ("**NC**") and Remuneration Committee ("**RC**"); and are entrusted with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference. At each Board meeting, minutes of the Board Committee meetings are presented to keep the Board informed. The Chairman of the relevant Board Committees also reports to the Board on key issues deliberated by the Board Committees at their respective meetings.

In general, the Non-Executive Directors are independent from Management. Their roles are to check and constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have direct access to the Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.2 Board Responsibilities (cont'd)

1.2.1 Functions of the Board and Management (cont'd)

The following matters reserved for the Board's approval (including changes to any such matters) except where they are expressly delegated to a Committee of the Board:-

(A) Strategy and Management

1. Responsibility for the overall strategic direction and strategic plans for, and the overall management of the Group.

2. Approval of the Group's long-term objectives and sustainability strategy.

3. Approval of the annual operating and capital expenditure budgets and any material changes thereto.

4. Review of performance in the light of the Group's strategy, objectives, business plans, borrowings from financial institution, budgets and ensuring that any necessary corrective action is taken.

5. Oversight of the Group's operations ensuring:

   (a) competent and prudent management
   (b) sound planning
   (c) adequate system of internal control
   (d) adequate accounting and other records
   (e) compliance with statutory and regulatory obligations

6. Expansion of the Group's activities into new business or geographical areas.

7. Decision to cease to operate all or any material part of the Group's business or to cease to operate in any country that would result in the Group no longer having a presence in that country.

8. Any matters materially affecting the Group's overall reputation, including its brand and values.

(B) Structure and Capital

Changes relating to Group's capital structure including:
1. Share split, capital reduction, issuance of unsecured securities
2. New share issues (except pursuant to approved option scheme)
3. Establishment of employees' share and/or performance option scheme(s)

(C) Financial Reporting and Controls

1. Approval of the announcements of the interim and final results.
2. Approval of MyTech's audited financial statement and annual report.
3. Approval of any significant changes in accounting policies or practices.

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.2 Board Responsibilities (cont'd)

1.2.1 Functions of the Board and Management (cont'd)

The following matters reserved for the Board's approval (including changes to any such matters) except where they are expressly delegated to a Committee of the Board (cont'd):-

(D) Investment

Approval of major investment proposal, such as expansion of the Group's activities into new business, acquisitions, disposals and other contractual commitments entered into by the Group (not in the ordinary course of business).

(E) Communication

1. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
2. Approval of all circulars, prospectuses and listing particulars.

(F) Board Membership and Other Appointments

1. Following recommendations from the Nomination Committee, changes to the structure, size and composition of the Board (including appointment, re-designation, resignation and removal).

2. Establishment of Board committees, membership and terms of reference.

3. Review the continuation in office of directors at the end of their term of office, when they are due for retirement by rotation and consider recommendation of Nomination Committee on the continuation of office of directors.

4. Appointment or removal of Company Secretary.

5. Appointment, reappointment or removal of external auditors and determination of their remuneration, upon recommendation from the Audit Committee.

(G) Remuneration

Review and approve the remuneration package for the Executive Directors upon recommendation from Remuneration Committee.

(H) Internal Controls and Governance

1. Review of the Group's internal controls and risk management, including the effectiveness of the system of internal controls, and consider significant risk issues referred to it.

2. Review of the Group's compliance with the Code on Corporate Governance.

3. Approve prosecution, defence and settlement of major litigation involving more than 10% of the Group's latest audited net profit or otherwise material to the interests of the Group.

4. Review of the performance of the Board, its Committees and individual Directors.

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.2 Board Responsibilities (cont'd)

1.2.2 Roles and Responsibilities in Discharging Fiduciary and Leadership Functions

The Board has discharged its responsibilities in the best interests of the Company. The following are among the key responsibilities of the Board:

(a) Reviewing and Adopting the Company's Strategic Plans

The Board has in place a strategy planning process, whereby the Executive Director presents and proposes to the Board the Management's business plans for the ensuing year for the Board's review and approval. The Board will deliberate both Management's and its own perspectives, and challenge the Management's views and assumptions to ensure the best outcome.

(b) Overseeing the Conduct of the Company's Business

Executive Directors are responsible for the day-to-day management of the business and operations of the Group in respect of both its regulatory and commercial functions. They are supported by the Management.

The Management's performance, under the leadership of the Executive Director, is assessed by the Board through monitoring of the success in delivering the approved targets and business plans against the performance of the Group.

(c) Identifying Principal Risks and Ensuring the Implementation of Appropriate Internal Controls and Mitigation Measures

The AC, with the assistance from the internal audit, advises the Board to beef up the internal control system through a check and balance and highlight on the high risk register faced by the Group and the adequacy of risk monitoring and control throughout the organisation. The AC reviews the action plan implemented and makes relevant recommendations to the Board to manage risks and improve the internal control system.

(d) Succession Planning

The Board has entrusted the NC and RC with the responsibilities to review candidates for the Board and key management positions and to determine remuneration packages for these appointments, as well as to formulate nomination, selection, remuneration and succession policies for the Group.

(e) Overseeing the Development and Implementation of a Shareholder Communications Policy for the Company

The Company strongly believes that effective and timely communication is essential in maintaining good relations with the shareholders, investors and investment community.

In addition to the above, shareholders and investors can make inquiries about investor relations matters with designated management personnel directly responsible for investor relations matters via dedicated e-mail addresses available at the corporate website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.2 Board Responsibilities (cont'd)

1.2.2 Roles and Responsibilities in Discharging Fiduciary and Leadership Functions (cont'd)

The Board has discharged its responsibilities in the best interests of the Company. The following are among the key responsibilities of the Board (cont'd):-

(f) Reviewing the Adequacy and Integrity of Management Information and Internal Control System of the Company

The Board is ultimately responsible for the adequacy and integrity of the Company's internal control system. Details pertaining to the Company's internal control system and the reviews of its effectiveness are set out in the Statement on Risk Management and Internal Control of this Annual Report.

1.3 Company Secretaries

The Company Secretaries are qualified officers and meets the provision in Companies Act 2016. The Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and apprised by the Company Secretaries on relevant regulatory requirements, codes or new statutes issued from time to time, issued by the regulatory authorities. The Company Secretaries are MAICSA member, experienced and competent on statutory and regulatory requirements.

The Company Secretaries' roles are to:

a) Support the Board and Board Committees;
b) Update and advise the Board and its Committees on the Companies Act 2016, Company's Constitution, corporate governance and compliance with MMLR;
c) Maintenance of statutory records;
d) Serve notice to Directors and principal officers reminding them on trading in the Company's shares, during closed period in accordance with the MMLR;
e) Ensure the quarterly financial results and all other relevant announcements are released to Bursa Securities on a timely basis;
f) Play an important role in the annual general meeting and extraordinary general meetings in ensuring that the due processes and proceedings are in place and properly managed. During the meeting, the Company Secretaries will assist the Chairman and the Board in the conduct of the meetings and ensure the minutes are properly recorded, particularly questions and issues raised by the shareholders; and
g) Attend all Board and Board Committee meetings and ensure that all meetings are properly convened, accurate and proper records of the proceedings, and resolutions passed are taken and maintained in the statutory register of the Company.

The Company Secretaries also work closely with the Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and the Senior Management.

1.4 Supply of Information

The Board is supplied with timely information in the form and of a quality appropriate to enable it to discharge its duties. A structured agenda and comprehensive Board papers are circulated to all Directors at least three (3) days before meetings. Exceptions may be made for certain ad-hoc or urgent instances when Directors consent to shorter notice.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.4 Supply of Information (cont'd)

The Board recognizes that the decision-making process is highly contingent on the quality of information furnished. As such, all Directors have unrestricted access to any information pertaining to the Company and the Group. All the Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and effective discharge of Board's responsibilities. Where necessary, the Board may seek independent professional advice and information in the furtherance of their duties at the Company's expenses, so as to ensure the Directors are able to make independent and informed decisions. Minutes of each Board and Board Committee meeting and circular resolutions of the Board are kept at the registered office and are accessible by any Director during office hours.

BOARD CHARTER

The Board has adopted a Board Charter which defines the roles and responsibilities of the Board, its Committees, individual Directors and the Management. It also serves as a guide to Board members and senior management on the functions of the Board.

The Board Charter also defines the issues and decisions that are reserved for the Board. The Board Charter is available on the Company's corporate website at http://www.mytechgroup.com.my.

The Board Charter which was last reviewed on 4 July 2022, shall be reviewed regularly or where the need arises, and/or updated from time to time to reflect changes to the Board's practices and amendments to the relevant rules, requirements and regulations.

CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics was last reviewed on 4 July 2022 and will be reviewed periodically.

The Code of Conduct and Ethics is available on the Company's corporate website at http://www.mytechgroup.com.my.

WHISTLEBLOWING POLICY

The Whistleblowing Policy was last reviewed on 4 July 2022 and will be reviewed periodically.

The Whistleblowing Policy available on the Company's corporate website at http://www.mytechgroup.com.my.

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

The Anti-Bribery & Anti-Corruption Policy was last reviewed on 4 July 2022 and will be reviewed periodically.

The Anti-Bribery & Anti-Corruption Policy is available on the Company's corporate website at http://www.mytechgroup.com.my.

BOARD COMMITTEE

Nomination Committee ("NC")

The NC was established on 26 February 2004 and comprises 2 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director.

The composition of NC and their attendance records of NC meetings are as follows:-

Name of Director	Position	Meeting Attendance
Chen Keng Sam *(Independent Non-Executive Director)* *(re-designated as Chairman on 5.7.2022)*	Chairman	3/3
Datuk Dr Ng Bee Ken *(Non-Independent Non-Executive Director)* *(re-designated as member on 5.7.2022)*	Member	3/3
Lim Sze Yean *(Senior Independent Non-Executive Director)* *(appointed on 1.7.2021)*	Member	1/1
Dato' Lim Sin Khong *(Independent Non-Executive Director)* *(resigned on 1.7.2021)*	Member	2/2

The terms of reference of NC are uploaded on the corporate website at http://www.mytechgroup.com.my.

The main duties of NC as follows:-

1. Develop, Maintain and Review Criteria for Recruitment and Appointment

The NC is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis.

The Board will have the ultimate responsibility and final decision on the appointment. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company while it determines the skills matrix needed to support the strategic direction and needs of the Company.

Management shall then engage broadly to develop a pool of interested potential candidates meeting the skills, expertise, personal qualities and diversity requirements for both the Board and the Committee appointments.

The NC evaluates and matches the criteria of the candidate, and will consider diversity, including gender, where appropriate, and recommends to the Board for appointment.

Consideration will be given to those individuals possessing the identified skill, talent and experience.

The NC will contact those persons identified to determine the interest in serving the Company. This communication will ensure that prospective Board members have clarity regarding the nominating process as well as Director/ Board profiles, roles and responsibilities, expectations of time commitments and other information as required.

According to the Constitution of the Company, all Directors are required to submit themselves for re-election at intervals of not more than three (3) years. The Constitution also state that one-third (1/3) of the Board members shall retire from office at the Annual General Meeting ("**AGM**") and shall be eligible for re-election at the same AGM.

BOARD COMMITTEE (cont'd)

Nomination Committee ("NC") (cont'd)

The main duties of NC as follows (cont'd):-

1. Develop, Maintain and Review Criteria for Recruitment and Appointment (cont'd)

Any person appointed as a Director, either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the conclusion of the next annual general meeting, and shall be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at that meeting.

The Company shall then provide orientation and on-going education to the Board.

In making the selection, the Board is assisted by the NC to consider the following aspects and will not be limited to Directors' Fit and Proper Policy:

1. Probity, personal integrity and reputation – the person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.

2. Competence and capability – the person must have the necessary skills, ability and commitment to carry out the role.

The NC has evaluated the skills, competency, knowledge, social exposure, experience, professionalism and integrity of Dato' Douglas Cheng Heng Lee, Choo Weng Wah and Lim Sze Yean, and recommended to the Board for their appointment as Directors to fill the vacancies resulted from the resignation of Tan Sri Datuk Chu Sui Kiong, Tan Boon Seng, Loh Suan Phang, Kong Sin Seng and Dato' Lim Sin Khong from the Board. Based on the evaluations, the Board approved the appointment of Directors.

The new Directors are sourced through business network of the Board members. Dato' Douglas Cheng Heng Lee is the son of Tan Sri Dato' Cheng Joo Teik.

2. Annual Assessment

The Board with assistance of NC, to review and evaluate the Board performance, Board composition, performance and contribution of each Director and Board Committees on an annual basis.

The NC will review performance and contribution of each member of Audit Committee and Audit Committee as a whole on an annual basis.

The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board and the Board Committees, and the Chairman's role and responsibilities.

For Individual (Self & Peer) Assessment, the assessment criteria include integrity and ethics, governance, strategic perspective, adding value, judgment and decision-making, teamwork, communication and commitment.

The NC reviews and assess annually the tenure of each Director, independence and re-election of Director. The review and assessment shall be based on fit and proper criteria, contingent on satisfactory evaluation of the Director's performance and contribution to the Board, and will not limited to the Directors' Fit and Proper Policy.

The results of the assessment would form the basis of the NC's recommendation to the Board for the re-election of Directors at the next AGM. Based on the assessments and upon recommendation by the NC, the Board has approved and recommended the re-election of Directors for the shareholders' approval at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD COMMITTEE (cont'd)

Nomination Committee ("NC") (cont'd)

The main duties of NC as follows (cont'd):-

3. Gender Diversity Policy

The Board acknowledges the recommendations of the MCCG on the establishment of a gender diversity policy. The Board has yet to formalise a policy on gender diversity but will advocate non-discrimination of any form, whether based on age, race, religion or gender, throughout the group. This includes the selection of Board members and senior management. The Company believes in providing equal opportunity to candidates with merit.

The Board, through the NC will consider the female representation when a vacancy arises. However, the appointment of a new Board member and senior management will not be guided solely by gender but will take into account the skills, experience, expertise, character, time commitment, integrity and other qualities in meeting the needs of the Company.

Remuneration Committee ("RC")

The composition of RC and their attendance records of RC meetings are as follows:-

Name of Director	Position	Meeting Attendance
Lim Sze Yean *(Senior Independent Non-Executive Director)* *(appointed as Chairman on 1.7.2021)*	Chairman	n/a
Datuk Dr Ng Bee Ken *(Non-Independent Non-Executive Director)*	Member	1/1
Chen Keng Sam *(Independent Non-Executive Director)*	Member	1/1
Dato' Lim Sin Khong *(Independent Non-Executive Director) (resigned on 1.7.2021)*	Chairman	1/1

The terms of reference of RC are uploaded on the corporate website at http://www.mytechgroup.com.my.

The main duties and responsibilities of RC as follows:-

1. Remuneration Policies and Procedures

The RC and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interest of shareholders, and that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to attract and to retain persons of high calibre.

The RC is responsible to recommend to the Board the remuneration framework for Directors necessary to attract, retain and motivate the Directors which are reflective of the Directors' experience and level of responsibilities.

It is the ultimate responsibility of the entire Board to approve the remuneration of the Executive Directors and none of the Executive Directors participate in any way in determining their individual remuneration. The remuneration and entitlements of the Non-Executive Directors is a matter of the Board of Directors as a whole, with individual Directors abstaining from decisions in respect of their remuneration.

BOARD COMMITTEE (cont'd)

Remuneration Committee ("RC") (cont'd)

The main duties and responsibilities of RC as follows (cont'd):-

1. **Remuneration Policies and Procedures (cont'd)**

Details of the Directors' remunerations, fees and benefits payable to the Directors for the financial year ended 31 March 2022 are as follows:

MYTECH	Salary	Bonus	Fee	Allowance	Benefit-in-kind	Total
Executive Director						
Dato' Lim Kim Huat	-	-	-	-	-	-
Tan Sri Dato' Cheng Joo Teik	-	-	-	-	-	-
Choo Weng Wah (appointed on 1.6.21)	67,508	-	-	-	-	67,508
Dato' Douglas Cheng Heng Lee (appointed on 16.7.2021)	-	-	-	-	-	-
Tan Sri Datuk Chu Sui Kiong (resigned on 8.6.21)	-	-	-	-	-	-
Tan Boon Seng (resigned on 8.6.21)	-	-	-	-	-	-
Loh Suan Phang (resigned on 14.6.21)	-	-	-	-	-	-
Non-Executive Director						
Datuk Dr Ng Bee Ken	-	-	-	18,000	-	18,000
Chen Keng Sam	-	-	-	12,000	-	12,000
Lim Sze Yean (appointed on 1.6.2021)	-	-	-	10,000	-	10,000
Dato' Lim Sin Khong (resigned on 1.7.2021)	-	-	-	3,000	-	3,000
Kong Sin Seng (resigned on 1.7.2021)	-	-	-	3,000	-	3,000
SUBSIDIARIES						
Executive Director						
Dato' Lim Kim Huat	-	-	-	96,000	-	96,000
Tan Sri Dato' Cheng Joo Teik	-	-	-	96,000	-	96,000
Choo Weng Wah	110,345	19,687	-	-	-	130,032
Dato' Douglas Cheng Heng Lee	-	-	-	68,000		68,000
Foo Toon Chai	312,811	77,750	-	-	-	390,561
Tan Sri Datuk Chu Sui Kiong	-	-	-	11,404	-	11,404
Tan Boon Seng	-	-	-	18,133	-	18,133
Loh Suan Phang	-	-	-	32,000	-	32,000
Total	**490,664**	**97,437**	**-**	**367,537**	**-**	**955,638**

BOARD COMMITTEE (cont'd)

Remuneration Committee ("RC") (cont'd)

The main duties and responsibilities of RC as follows (cont'd):-

1. Remuneration Policies and Procedures (cont'd)

The senior management comprises of Dato' Lim Kim Huat and Mr Foo Toon Chai. Details of the key senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000 for the financial year ended 31 March 2022 are as follows:

Range of Remuneration (RM)	Name
50,000 and below	-
50,001 to 100,000	Dato' Lim Kim Huat
100,001 to 150,000	-
150,001 to 200,000	-
200,001 to 250,000	-
250,001 to 300,000	-
300,001 to 350,000	-
350,001 to 400,000	Foo Toon Chai

Reinforce Independence

1. Annual Assessment of Independence

The Board, through the NC, shall assess the independence of Independent Directors annually. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

2. Tenure of Independent Directors

The tenure of an independent director does not exceed a term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent director.

If the Board intends to retain an independent director beyond nine (9) years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

The NC will assess the independence of the Independent Director based on the assessment criteria developed by the NC, and recommended to the Board for recommendation to shareholders for approval. Justification for the Board's recommendation would be provided to shareholders.

3. Separation of the Positions of the Chairman and the Chief Executive Officer ("CEO")

Currently, the Company does not have a CEO. The Chairman leads the Board to ensure its effectiveness whereas the Executive Directors are responsible for the efficient and effective management of the business and operations of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD COMMITTEE (cont'd)

Sustainability of Business

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact on the environmental, social, health and safety, staff welfare and governance aspects are taken into consideration. The Board takes heed of go green and energy saving by implementing several measures on sustainability.

The Board together with the Management takes responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets.

The Board works with the management on the sustainable business practices that will have a positive impact on the economy, environment, the community, employees, shareholders and other stakeholders. The Board and the management also oversee the Group's sustainability practices and is assisted by the respective Head of Department of the Group.

Access to Information and Advice

The Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and effective discharge of Board's responsibilities.

Good practices have been observed for timely dissemination of meeting agenda, including the relevant Board and Board Committee papers to all Directors prior to the Board and Board Committee meetings, to give effect to Board decisions and to deal with matters arising from such meetings. The Executive Directors and/or other relevant Board members furnish comprehensive explanation on pertinent issues and recommendations by Management. The issues are then deliberated and discussed thoroughly by the Board prior to decision making.

In addition, the Board members are updated on the Company's activities and its operations on a regular basis. All Directors have access to all information of the Company on a timely basis in an appropriate manner and quality necessary to enable them to discharge their duties and responsibilities.

Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda as and when required. Besides direct access to Management, Directors may obtain independent professional advice at the Company's expense, if considered necessary, in furtherance of their duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

BOARD COMMITTEE (cont'd)

Foster Commitment

1.1 Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board Meetings, as set out in the table below:

Name of Director	Attendance (As at 31/03/2022)
Dato' Lim Kim Huat	4/4
Tan Sri Dato' Cheng Joo Teik	4/4
Choo Weng Wah (appointed on 1.6.2021)	3/3
Dato' Douglas Cheng Heng Lee (appointed on 16.7.2021)	3/3
Datuk Dr Ng Bee Ken	4/4
Chen Keng Sam	4/4
Lim Sze Yean (appointed on 1.6.2021)	3/3
Tan Sri Datuk Chu Sui Kiong (resigned on 8.6.2021)	1/1
Tan Boon Seng (resigned on 8.6.2021)	1/1
Loh Suan Phang (resigned on 14.6.2021)	1/1
Kong Sin Seng (resigned on 1.7.2021)	1/1
Dato' Lim Sin Khong (resigned on 1.7.2021)	1/1

To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, the Directors must not hold directorships in more than five (5) public listed companies and shall notify the Chairman before accepting any new directorship.

To facilitate the Directors' time planning, an annual meeting schedule is prepared, prearranged in the final quarter of each year and circulated to the Board, as well as the tentative closed periods for dealings in securities by Directors based on the targeted date of announcements of the Group's quarterly results.

1.2 Training

In compliance with MMLR, the Directors are mindful that they shall attend appropriate training which may be required from time to time to keep abreast with the current developments of the industry as well as the new statutory and regulatory requirements. The Board identifies the training needs of the Company's Directors based on feedback provided by the NC during the annual board evaluation. The Directors will continue to attend appropriate training or education to fulfill the MMLR.

All Directors had completed the Mandatory Accreditation Programme ("**MAP**") as prescribed by Bursa Securities. The Company will continue to identify suitable training for the Directors to equip and update themselves with the necessary knowledge in discharging their duty and responsibilities as Directors.

The Directors are encouraged to attend briefing, conferences, forums, trade fairs (locally and internationally), seminars and training to keep abreast with the latest developments in the industry and to enhance their skills and knowledge.

During the financial year, the Board members have been continuously updated by the Company Secretaries on changes to Malaysian Code of Corporate Governance 2021, statutory and regulatory requirements. The Board was also briefed by the External Auditors on changes to the Malaysian Financial Reporting Standards that may affect the Group's financial statements.

During the financial year, the seminars attended by the Directors were as follows:

i) Securities Commission Malaysia's Audit Oversight Board's Conversations with Audit Committee
ii) AMLA, Financial Services & Prevention of Market Misconduct in Digital Economy

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Compliance with Applicable Financial Reporting Standards

The Board is committed to provide a balanced, clear and meaningful assessment of the financial performance and prospects of the Company via all disclosures and announcements made.

The Board is assisted by the AC to oversee and scrutinise the process and quality of the financial reporting which includes reviewing and monitoring the integrity of the financial statements and the appropriateness of the Company's accounting policies to ensure accuracy, adequacy and completeness of the report, as well as in compliance with the relevant accounting standards.

2. Assessment of Suitability and Independence of External Auditors

The AC is responsible for reviewing audit, recurring audit-related and non-audit services provided by the external auditors. These recurring audit-related and non-audit services comprise regulatory reviews and reporting, interim reviews, tax advisory and compliance services.

The terms of engagement for services provided by the external auditors are reviewed by the AC prior to submission to the Board for approval.

The AC has reviewed the provision of non-audit services by the external auditors during the year and concluded that the provision of these services did not compromise the external auditors' independence and objectivity as the amount of the fees paid for these services was not significant when compared to the total fees paid to the external auditors.

Details of statutory audit, audit-related and non-audit fees paid/payable in the financial year ended 31 March 2022 to the external auditors are set out below:-

Fees paid/payable to Grant Thornton Malaysia PLT (RM)			
Description	**Company**	**Subsidiary**	**Total**
Audit Fees	22,000	30,700	52,700
Non-Audit Fees	4,000	-	4,000
Total	26,000	30,700	56,700

Having satisfied itself with Messrs Grant Thornton Malaysia PLT's performance, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

3. Framework to Manage Risks

The Board oversees, reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls.

The AC oversees the risk management framework of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks.

The Company continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

4. Internal Audit Function

The Company has outsourced its internal audit function to a professional service firm namely PKF Risk Management Sdn Bhd to assist the AC in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The Statement on Risk Management and Internal Control set out on page 32 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 31 March 2022.

CORPORATE REPORTING AND RELATIONSHIP WITH SHAREHOLDERS

Corporate Disclosure Policy and Procedures

The Board shall ensure that all communications to the public are timely, factual, accurate, complete, broadly disseminated and where necessary, filed with regulators in accordance with applicable laws.

The Executive Directors and the management team are responsible for determining the materiality of the information and ensuring timely, complete and accurate disclosure of material information to the investing public in accordance with securities laws and stock exchange rules and regulations, monitoring compliance with this policy and overseeing the disclosure controls and procedures.

Sufficient information would be provided to the Company Secretaries for drafting of the necessary announcement.

The Board is mindful that information which is expected to be material must be announced immediately, and that the confidential information should be handled properly to avoid leakage and improper use of such information.

Leverage on Information Technology for Effective Dissemination of Information

MyTech's website provides all the relevant corporate information and it is accessible by the public. The Company's website includes all announcements made by MyTech as well as its financial results.

Through the Company's website, the stakeholders are able to direct queries to the Company.

Relationship between Company and Shareholders

1. Encourage Shareholder Participation at General Meetings

In an effort to encourage greater shareholders' participation at general meetings, the Board takes cognisance in serving longer than the required minimum notice period for AGMs, when possible. The Chairman shall ensure that the Board is accessible to shareholders and an open channel of communication is cultivated.

MyTech prepares the Annual Report and Notice of AGM with regard to, amongst others, details of the AGM, their entitlement to attend the AGM, the right to appoint proxy and also the qualification of proxy.

The Company allows a shareholder to appoint a proxy who may not be a member of the Company. If the proxy is not a member of the Company, he/she need not be an advocate, an approved company auditors or a person approved by the Registrar of Companies.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

CORPORATE REPORTING AND RELATIONSHIP WITH SHAREHOLDERS (cont'd)

2. Effective Communication and Proactive Engagement

At the 37th AGM and extraordinary general meeting ("**EGM**") held on fully virtual basis on 28 October 2021, all Directors, the Chairman of NC, RC and AC, Management and external auditors were present virtually to respond to the shareholders' queries.

The Notice and agenda of 37th AGM together with Form of Proxy were given to shareholders at least twenty-eight (28) days before the AGM. Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolutions to facilitate a better understanding and evaluation of issues involved.

In compliance with the MMLR and MCCG recommendation, all the resolutions passed by the shareholders at the last AGM and EGM were voted by way of remote participating via poll and with electronic voting to facilitate greater participants. Shareholders participated remotely at the last AGM and EGM.

From the Company's perspective, the AGM also serves as a forum for Directors and Management to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from shareholders during and at the end of shareholders' meeting and ensures their queries are responded in a proper and systematic manner.

COMPLIANCE STATEMENT

The Board strives to ensure that the Company complies with Principles and Best Practice of MCCG. The Board will endeavour to improve and enhance the corporate governance from time to time.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of MyTech Group Berhad is pleased to present below its Statement on Risk Management and Internal Control which outlines the nature and scope of the risk management and internal controls of the Group, excluding associated company, during the financial year ended 31 March 2022. This Statement has been prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance, with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD'S RESPONSIBILITY

The Board continues its overall responsibility and commitment towards establishing an effective systems of risk management and internal control to safeguard the shareholders' interests and the Group's assets. In this respect, the responsibility of reviewing the adequacy and integrity of internal control system has been delegated to the Audit Committee, which is empowered by its terms of reference to seek an assurance on the adequacy and integrity of internal control system through reports it receives from independent reviews conducted by the internal audit function and Management.

In view of the inherent limitations in any system of internal control, the Board recognises that such internal control system put into effect by Management can only manage, rather than eliminate, all risks to achieve the Group's corporate objectives or goals. Accordingly, internal control system can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

On a day-to-day basis, respective key management staff and Heads of Department are responsible for managing and reviewing risks of their departments. They are required to continuously monitor, review, update and identify new risks that may emerge from time to time through the use of a checklist of sources of risks.

The risks identification process includes consideration of both internal and external environmental factors. Having identified the risks, their potential impact and the likelihood of occurrence, these risks are further narrowed down to key risks.

Periodic management meetings, attended by Heads of Department and key management staff are held in which key risks and appropriate mitigating action plans and control strategies are also discussed. Key risks relating to the Group's strategic and business plans are escalated to the Board at their scheduled meetings.

The three (3) key risk areas identified in the financial year ended 31 March 2022 according to the potential impact to the Group are:

1. Regulatory risk

   The Group recognises the potential impact of any changes in laws and regulations to the Group's operations. The Group ensures compliance by keeping abreast with latest listing requirements, rulings and regulations of local and government authorities and assess their impact to the Group's operations.

2. Market risk

   The Group recognises the potential impact of the global and local economic condition to the Group's revenue and profitability. Some of the market risks identified are economic recession and political unrest. The Group embraces the changes and strives for continuous quality excellence and innovation to remain relevant in the marketplace.

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

RISK MANAGEMENT FRAMEWORK (cont'd)

The three (3) key risk areas identified in the financial year ended 31 March 2022 according to the potential impact to the Group are (cont'd):

3. Operational risk

   The Group recognises the importance of customer satisfaction and quality excellence through continuous quality improvement in our products and services offering.

   Our manufacturing division is ISO 9001 certified, which ensures continuous compliance to stringent operating policies and procedures, and enhancement of our quality management system.

The abovementioned risk management practices of the Group serve as an on-going process to identify, evaluate, manage, monitor and communicate significant risks. The Board formulates the Group's business strategies and re-evaluate the existing risk management practises, and where appropriate and necessary, revise such practises accordingly.

INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to a professional service firm, whose resources comprise of experienced degree holders and professionals from related disciplines, to assist the Board and Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The scope of review of outsourced internal audit function is determined by Audit Committee with feedback from the Executive Management.

During the financial year ended 31 March 2022, the internal audit function carried out an internal audit review on a subsidiary focusing on the adequacy of its Inventory Management. The results of the reviews were presented to the Audit Committee at one of its scheduled meetings. In addition, follow-up visits will also be conducted to ascertain the status of implementation of agreed management action plans.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Other key elements of the Group's internal control system are:

1. A well defined organisational structure with clear lines of accountability, which has a documented delegation of authority that sets out decisions that need to be taken and the appropriate authority levels of management, including matters that require the Board's approval.

2. The Audit Committee reviews quarterly financial reports, annual financial statements and the internal audit report on a periodic basis. Discussions with Management were held to deliberate on actions that are required to be taken to address internal control matters and risks identified by outsourced internal audit function.

3. The Audit Committee reviewed and discussed with the External Auditors their scope of work, audit plans and reporting requirements prior to the commencement of their audit of the Group. The external auditors provide assurance in the form of their statutory audit for the financial statements. Further areas for improvement during the course of the statutory audit by the external auditors are brought to the attention of the Audit Committee through management letters, or discussed at Audit Committee meetings.

4. The Executive Directors are closely involved in the running of business and operations of the Group and they report to the Board on significant changes in business and external environment, which affect operations of the Group at large.

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

OTHER KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

Other key elements of the Group's internal control system are (cont'd):

5. Experienced and dedicated teams of personnel across key functional units.

6. Scheduled periodic management meetings are held to discuss the Group's performance, business operations issues, potential risks and control issues, as well as to formulate appropriate measures to address them to ensure business goals and targeted financial performance are closely monitored.

7. Established internal policies and procedures for key business units within the Group.

8. One of the Group's operations is ISO 9001:2015 and ISO 14001:2015 certified. Such certifications are subject to annual audit conducted by external ISO auditors to ensure continuous compliance and enhancement of the respective management system.

9. Regular site visits are conducted by the Executive Director and management team to the business units to ensure operations are running smoothly.

10. Whistleblowing policy is in place to provide an avenue to report suspected improprieties relating to fraud and unlawful conduct, abuse and non-adherence to Group's policy and procedures.

11. Anti-Bribery policy is in place whereby the Group enforced a strict zero tolerance approach to all forms of bribery and corruption in compliance of applicable law and regulations pertaining to anti-bribery and corruption practices.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the Executive Directors and the management team that the Group's risk management and internal control system are operating adequately and effectively in all material aspects, including systems for compliance with applicable laws, regulations, rules, directives and guidelines. The Board is of the view that the risk management and internal control system is satisfactory and no material internal control failures nor have any of the reported weaknesses resulted in material losses or contingencies during the financial year under review.

The Board will strive for continous improvement and enhancement in the Group's risk management and internal control system by putting in place appropriate action plans, where necessary, to ensure the acheivement of the Group's business objectives.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements of the Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the 2022 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

This Statement was approved by the Board of Directors on 15 July 2022.

SUSTAINABILITY STATEMENT

The Board of Directors of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad) recognises the importance of good sustainability practices to the long term business growth and success of the Group in a safe, caring and sustainability environment. The Board upholds its commitments to observe responsible and sustainable business practices benefitting to the economy, environment, the community, our employees, our shareholders and other stakeholders.

The Board oversees the Group's sustainability practices and is assisted by the respective Head of Department of the Group.

The scope for this report covers our manufacturing arm, Wire Master Spring Sdn Bhd, which is the key contributor to the Group's earnings for the financial year ("FY") ended 31 March 2022.

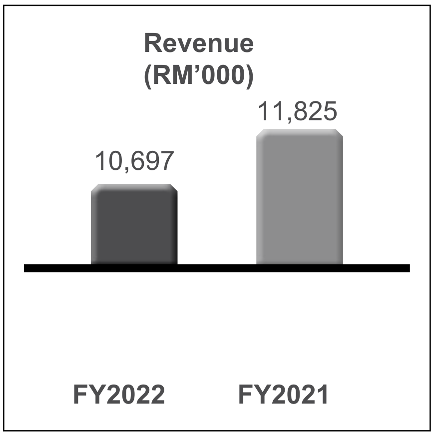
The identified key sustainability matters that greatly impacted the stakeholders' assessment and decisions are organised into economic, social and environmental considerations in line with Bursa Malaysia Sustainability Guidelines.

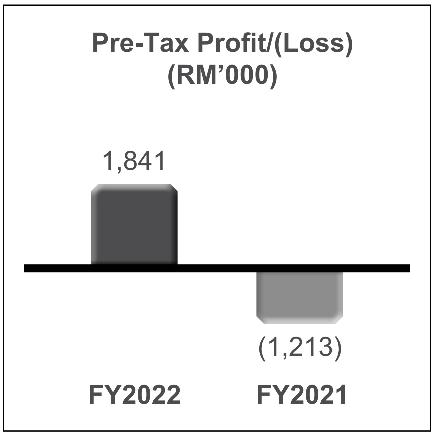
Economic

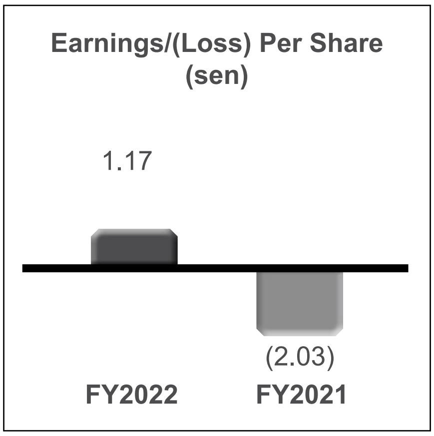
The Board recognises the need to create long term positive economic value for our stakeholders.

Amidst a challenging business environment, the Group continues to operate effectively through prudent cost management whilst enhancing operational efficiencies and maintaining the quality of our products and services offerings.

The table below highlights the Group's economic performance in FY2022:







Environment

The Group acknowledges the need for environmental conservation and protection to mitigate any adverse impact to the environment.

Over the years, the Group has established environmental initiatives at workplace by encouraging our staff to adopt a paperless environment, recycling and energy conservation practices.

Our manufacturing division is ISO14001 certified and complies with environmental laws and regulations. Hazardous waste is properly stored and handled by authorised vendor for proper disposal.

Our manufacturing division is equipped with a solar panel system in our commitment in reducing carbon footprint and increasing the use of green clean renewable energy.

The Group endeavour to continually reduce the environmental footprint of our business activities through efficient use of resources and minimising wastages in the course of conducting our businesses.

SUSTAINABILITY STATEMENT
(Cont'd)

Social

i) Our People

The Board recognises the importance of our staff's contributions to the success of the Group.

As part of our efforts to equip and enhance our staff of different levels with the necessary knowledge and skills, the Group continuously provides training from time to time.

ii) Workplace Diversity

The Group embraces diversity and equal opportunity at the workplace. We do not condone any form of discrimination practices against race, age or gender in the provision of employment and development opportunities.

iii) Occupational Safety & Health

The Group places utmost priority in the safety and well-being of our staff, business associates and customers by adopting industry best practices on health and safety. The Group emphasises the importance of creating a working environment that is safe, secure and free from harassment, threats and violence.

In the light of the prolonged Covid-19 pandemic, the Group has enhanced proper preventive measures and stringent hygiene standards to safeguard our staff, business associates and customers to mitigate any related risks and ensure minimal operations disruptions, if any.

iv) Our Operations

The Group is committed to increase customer satisfaction and quality excellence through continuous quality improvement in our products and services offering.

Our manufacturing division is ISO 9001 certified, which ensures continuous compliance and enhancement of our quality management system.

v) Our Society

Not forgetting the society at large, both the Board and staff embrace the value of CSR and continue to extend their support to various charitable organisations by way of donations for the needy.

CONCLUSION

The Board is committed to continually improve its integration of sustainability and social responsibility initiatives into the Group's business operations to ensure that our businesses operate in an efficient, ethical and responsible manner.

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds

The Company did not undertake any fund raising exercise during the financial year under review.

2. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving directors' and major shareholders' interests during the financial year ended 31 March 2022.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In Respect Of The Audited Financial Statements

The Directors are required to prepare the financial statements that give a true and fair view of the state of affairs of the Company and of the Group at the end of each financial year and of the results and cashflow for that year. The financial statements must be prepared in compliance with the Companies Act 2016 in Malaysia and with applicable approved accounting standards.

In preparing the financial statements of the Company and of the Group for the financial year ended 31 March 2022, the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for ensuring that the Company and the Group maintained accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and that the financial statements comply with the requirements of the Companies Act 2016 in Malaysia. The Directors have the general responsibility for taking reasonable measures to prevent and detect fraud and other irregularities in order to safeguard the assets of the Company and of the Group.

CORPORATE STRUCTURE

MyTech Group Berhad

- 96% — **WIRE MASTER SPRING SDN BHD**
  Manufacturing of precision springs
- 100% — **GW PREMIUM CAPITAL SDN BHD**
  Providing financing services
- 100% — **ASIA PACIFIC WINNING LIMITED**
  Investment holding
  - 75% — **LAO-MALAYSIA INVESTMENTS GROUP**
    Hotel operations
- 100% — **PROBUSINESS INVESTMENTS LIMITED**
  Investment holding
- 100% — **GOLDWEALTH CAPITAL SDN BHD**
  Dormant
- 100% — **MYEZ DISCOVERY SDN BHD**
  Dormant

FINANCIAL STATEMENTS

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022.

Principal activities

The principal activities of the Company and its subsidiaries are as follows:-

Company	-	Investment holding
	-	Provision of management services
	-	Rental of properties
Subsidiaries	-	The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

There have been no significant changes in the nature of principal activities of the Company and its subsidiaries.

Financial results

	Group RM	Company RM
Profit/(Loss) for the financial year attributable to:-		
Owners of the Company	1,262,123	(2,839,718)
Non-controlling interests	(31,190)	-
	1,230,933	(2,839,718)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

There was no dividend proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend any dividend to be paid for the financial year under review.

Directors

The name of the Directors of the Company in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Dato' Lim Kim Huat
Tan Sri Dato' Cheng Joo Teik
Datuk Dr. Ng Bee Ken
Chen Keng Sam
Choo Weng Wah
Lim Sze Yean
Dato' Douglas Cheng Heng Lee

DIRECTORS' REPORT
for the financial year ended 31 March 2022
(Cont'd)

Subsidiaries	**Name of Directors**
Wire Master Spring Sdn. Bhd.	Tan Sri Dato' Cheng Joo Teik Dato' Lim Kim Huat Foo Toon Chai Dato' Douglas Cheng Heng Lee Choo Weng Wah
Goldwealth Capital Sdn. Bhd.	Tan Sri Dato' Cheng Joo Teik Tan Sri Datuk Chu Sui Kiong Dato' Lim Kim Huat Tan Boon Seng Loh Suan Phang
GW Premium Capital Sdn. Bhd.	Tan Sri Dato' Cheng Joo Teik Dato' Lim Kim Huat
Probusiness Investments Limited	Tan Sri Dato' Cheng Joo Teik Dato' Lim Kim Huat
MYEZ Discovery Sdn. Bhd.	Tan Sri Dato' Cheng Joo Teik Dato' Lim Kim Huat Dato' Douglas Cheng Heng Lee Choo Weng Wah

Directors' remuneration

During the financial year, the fees and other benefits received and receivable by the Directors of the Company are as follows:-

	Incurred by the Company RM	**Incurred by the subsidiaries RM**	**Group RM**
Directors' salaries and other emoluments	106,000	785,109	891,109
Directors' other benefits	7,508	57,021	64,529
	113,508	842,130	955,638

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT
for the financial year ended 31 March 2022
(Cont'd)

Directors' interests in shares

According to the register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests in the ordinary shares of the Company and its related corporation of those who were Directors as at year end are as follows:-

	Number of ordinary shares				
	Balance at 01.04.2021/ At date of appointment*	**Bought**	**Shares Split^**	**(Sold)**	**Balance at 31.03.2022**
The Company					
Direct interest					
Tan Sri Dato' Cheng Joo Teik	200,000	-	800,000	-	1,000,000
Dato' Lim Kim Huat	271,749	-	1,086,996	-	1,358,745
Dato' Douglas Cheng Heng Lee*	2,467,500	-	9,870,000	-	12,337,500
Choo Weng Wah*	200,000	-	800,000	(150,000)	850,000
Indirect interest					
Tan Sri Dato' Cheng Joo Teik @	9,604,866	4,842,058	57,787,696	-	72,234,620
Subsidiary					
Direct interest					
Tan Sri Dato' Cheng Joo Teik					
- Wire Master Spring Sdn. Bhd.					
- *own*	1	-	-	-	1

@ Deemed interest through Gain Millen Sdn. Bhd. and his son in accordance with Section 59 (11) (c) of the Companies Act 2016.
^ Share split of every one (1) existing ordinary share into five (5) ordinary shares ("Subdivided Share").

By virtue of his interest in the ordinary shares of the Company, Tan Sri Dato' Cheng Joo Teik is also deemed to be interested in the ordinary shares of the subsidiary during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 31 March 2022 had any interest in the ordinary shares of the Company and its related corporations during the financial year.

DIRECTORS' REPORT
for the financial year ended 31 March 2022
(Cont'd)

Issue of shares and debentures

During the financial year, the Company increased its issued and paid-up ordinary shares through a subdivision of one (1) existing ordinary share into five (5) ordinary shares on 22 November 2021. As a result, the issued ordinary shares of the Company as of the date was increased from 44,753,400 shares to 223,767,000 ("the Split Shares").

There were no debentures issued during the financial year.

Options granted over unissued shares

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

Indemnity and insurance for Directors and officers

The amount of indemnity coverage and insurance premium paid for Directors and officers of the Company during the financial year amounted to RM15,000,000 and RM17,930 respectively.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

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

(b) 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 have 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:-

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

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) 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; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

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

DIRECTORS' REPORT
for the financial year ended 31 March 2022
(Cont'd)

Other statutory information (cont'd)

In the opinion of the Directors:-

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

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

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

Significant events during the financial year

The significant events during the financial year are disclosed in Note 27 to the financial statements.

Auditors

The total amount of fees paid to or receivable by the Auditors, Grant Thornton Malaysia PLT, as remuneration for their services as Auditors of the Company and its subsidiaries for the financial year ended 31 March 2022 amounted to RM22,000 and RM30,700 respectively.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT, as permitted under Section 289 of the Companies Act 2016 in Malaysia. No payment has been made to indemnify Grant Thornton Malaysia PLT for the financial year ended 31 March 2022.

The Auditors, Grant Thornton Malaysia PLT have indicated their willingness to continue in office.

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

....)
TAN SRI DATO' CHENG JOO TEIK)
)
)
)
) DIRECTORS
)
)
)
....)
DATO' LIM KIM HUAT)

Kuala Lumpur
15 July 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 RM	2021 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	9,387,889	10,075,130
Right-of-use assets	5	1,306,395	1,467,193
Receivables, deposits and prepayment	10	22,214	-
Total non-current assets		10,716,498	11,542,323
Current assets			
Inventories	9	2,723,936	2,274,159
Receivables, deposits and prepayments	10	1,998,242	3,357,939
Cash and cash equivalents	11	25,088,464	22,649,581
Total current assets		29,810,642	28,281,679
Total assets		40,527,140	39,824,002
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	44,885,567	44,885,567
Reserves	13	(7,761,203)	(9,054,441)
Total equity attributable to owners of the Company		37,124,364	35,831,126
Non-controlling interests	14	(744,174)	(693,300)
Total equity		36,380,190	35,137,826
LIABILITIES			
Non-current liabilities			
Borrowings	15	1,609,273	1,942,331
Deferred tax liabilities	8	665,000	441,000
Total non-current liabilities		2,274,273	2,383,331
Current liabilities			
Payables and accruals	16	1,477,286	1,802,475
Borrowings	15	315,458	335,340
Tax payable		79,933	165,030
Total current liabilities		1,872,677	2,302,845
Total liabilities		4,146,950	4,686,176
Total equity and liabilities		40,527,140	39,824,002

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 RM	2021 RM
Revenue	17	10,697,356	11,825,150
Changes in manufactured inventories		363,278	88,965
Raw materials and consumables used		(3,646,858)	(4,311,925)
Staff costs	18	(3,099,563)	(3,173,049)
Depreciation of property, plant and equipment	4	(1,021,487)	(896,531)
Depreciation of rights-of-use assets	5	(85,509)	(85,777)
Operating expenses		(7,028,744)	(8,955,959)
Finance income	19	375,523	479,866
Other operating income		369,168	2,082,308
Net movement of impairment loss on receivables		4,996,283	15,597
Operating profit/(loss)		1,919,447	(2,931,355)
Finance costs	19	(78,716)	(98,084)
Share of profit on associate		-	1,816,733
Profit/(Loss) before tax	19	1,840,731	(1,212,706)
Tax expense	20	(609,798)	(1,025,030)
Profit/(Loss) for the financial year		1,230,933	(2,237,736)
Other comprehensive income/(loss)			
Item that will be reclassified subsequently to profit or loss			
- Exchange translation differences		11,431	(172,380)
Total comprehensive income/(loss) for the financial year		1,242,364	(2,410,116)
Profit/(Loss) for the financial year attributable to:-			
Owners of the Company		1,262,123	(2,193,807)
Non-controlling interests		(31,190)	(43,929)
		1,230,933	(2,237,736)
Total comprehensive income/(loss) attributable to:-			
Owners of the Company		1,293,238	(2,417,251)
Non-controlling interests		(50,874)	7,135
		1,242,364	(2,410,116)
Basic earnings/(loss) per ordinary share (sen)	21	1.17	(2.03)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Attributable to owners of the Company					
		Non-distributable				
	Share capital RM	Exchange fluctuation reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
At 1 April 2020	44,885,567	5,115,261	(11,752,451)	38,248,377	(700,435)	37,547,942
Total comprehensive loss for the financial year	-	(223,444)	(2,193,807)	(2,417,251)	7,135	(2,410,116)
At 31 March 2021	44,885,567	4,891,817	(13,946,258)	35,831,126	(693,300)	35,137,826
Total comprehensive income for the financial year	-	31,115	1,262,123	1,293,238	(50,874)	1,242,364
At 31 March 2022	44,885,567	4,922,932	(12,684,135)	37,124,364	(744,174)	36,380,190

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 RM	2021 RM
Cash flows from operating activities		
Profit/(Loss) before tax	1,840,731	(1,212,706)
Adjustments for:-		
Provision for obsolete inventories	32,332	22,364
Impairment loss on receivables	3,717	-
Bad debts written off	5,003,466	5,439,429
Depreciation of property, plant and equipment	1,021,487	896,531
Depreciation of right-of-use assets	85,509	85,777
(Gain)/Loss on disposal of property, plant and equipment	(200)	2,750
Gain on disposal of associate	-	(512,920)
Interest expense	78,716	98,084
Interest income	(375,523)	(479,866)
Property, plant and equipment written off	-	8
Reversal of impairment loss on receivables	(5,000,000)	(15,597)
Reversal of provision for obsolete inventories	(22,195)	(60,725)
Share of result of associate	-	(1,816,733)
Unrealised loss on foreign exchange	101,920	27,177
Operating profit before changes in working capital	2,769,960	2,473,573
Changes in working capital:-		
Associates	-	(281,753)
Inventories	(459,914)	(1,023,147)
Payables and accruals	(335,966)	464,158
Receivables, deposits and prepayments	1,339,779	(1,238,223)
Cash generated from operations	3,313,859	394,608
Tax refunded	40,970	-
Tax paid	(511,865)	(240,000)
Net cash from operating activities	2,842,964	154,608

CONSOLIDATED STATEMENT OF CASH FLOWS
for the financial year ended 31 March 2022
(Cont'd)

	2022 RM	2021 RM
Cash flows from investing activities		
Interest received	375,523	479,866
Proceeds from disposal of property, plant and equipment	200	3,100
Purchase of property, plant and equipment	(243,790)	(1,719,507)
Proceed from disposal of an associate	-	4
Net cash from/(used in) investing activities	131,933	(1,236,537)
Cash flows from financing activities		
Repayment of lease liabilities	(49,097)	(67,110)
Repayment of term loans	(303,843)	(287,092)
Interest paid	(78,716)	(98,084)
Net cash used in financing activities	(431,656)	(452,286)
Net increase/(decrease) in cash and cash equivalents	2,543,241	(1,534,215)
Effect of exchange rate changes	(104,358)	(37,269)
Cash and cash equivalents at 1 April	22,649,581	24,221,065
Cash and cash equivalents at 31 March (Note 11)	25,088,464	22,649,581

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	2022 RM	2021 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,799,233	4,938,064
Investments in subsidiaries	6	1,475,005	3,975,004
Total non-current assets		6,274,238	8,913,068
Current assets			
Receivables, deposits and prepayments	10	572,457	3,111,479
Cash and cash equivalents	11	23,469,579	21,599,769
Total current assets		24,042,036	24,711,248
Total assets		30,316,274	33,624,316
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	44,885,567	44,885,567
Reserves	13	(24,867,480)	(22,027,762)
Total equity		20,018,087	22,857,805
LIABILITIES			
Non-current liability			
Borrowings	15	1,609,273	1,942,331
Total non-current liability		1,609,273	1,942,331
Current liabilities			
Payables and accruals	16	8,373,456	8,537,937
Borrowings	15	315,458	286,243
Total current liabilities		8,688,914	8,824,180
Total liabilities		10,298,187	10,766,511
Total equity and liabilities		30,316,274	33,624,316

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 RM	2021 RM
Revenue	17	657,212	665,925
Staff costs	18	(429,948)	(367,704)
Depreciation of property, plant and equipment	4	(143,831)	(145,002)
Operating expenses		(22,469,271)	(1,017,397)
Other operating income		240,702	-
Finance income	19	375,519	479,861
Finance costs	19	(74,121)	(90,871)
Reversal of impairment loss on receivables		21,504,020	404,322
Impairment loss on investment in subsidiaries		(2,500,000)	-
Loss before tax	19	(2,839,718)	(70,866)
Tax expense	20	-	-
Loss for the financial year		(2,839,718)	(70,866)
Other comprehensive income		-	-
Total comprehensive loss for the financial year		(2,839,718)	(70,866)

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Share capital RM	Accumulated losses RM	Total RM
At 1 April 2020	44,885,567	(21,956,896)	22,928,671
Total comprehensive loss for the financial year	-	(70,866)	(70,866)
At 31 March 2021	44,885,567	(22,027,762)	22,857,805
Total comprehensive loss for the financial year	-	(2,839,718)	(2,839,718)
At 31 March 2022	44,885,567	(24,867,480)	20,018,087

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 RM	2021 RM
Cash flows from operating activities		
Loss before tax	(2,839,718)	(70,866)
Adjustments for:-		
Gain on disposal of property, plant and equipment	(200)	-
Depreciation of property, plant and equipment	143,831	145,002
Interest expense	74,121	90,871
Bad debts written off	22,016,597	-
Impairment loss on receivables	512,577	-
Reversal of impairment loss on receivables	(22,016,597)	(404,322)
Unrealised (gain)/loss on foreign exchange	(240,502)	652,607
Interest income	(375,519)	(479,861)
Impairment loss on investment in subsidiaries	2,500,000	-
Operating loss before changes in working capital	(225,410)	(66,569)
Changes in working capital:-		
Receivables, deposits and prepayments	(426)	2,299
Payables and accruals	(45,195)	(1,978)
Net cash used in operating activities	(271,031)	(66,248)
Cash flows from investing activities		
Additional of investment in subsidiary	(1)	-
Interest received	375,519	479,861
Repayment from/(Advances to) subsidiaries	2,267,373	(972,721)
Purchase of property, plant and equipment	(5,000)	-
Proceeds from disposal of property, plant and equipment	200	-
Net cash from/(used in) investing activities	2,638,091	(492,860)
Cash flows from financing activities		
Interest paid	(74,121)	(90,871)
Repayment to subsidiaries	(119,286)	-
Repayment of term loans	(303,843)	(287,092)
Net cash used in financing activities	(497,250)	(377,963)
Net increase/(decrease) in cash and cash equivalents	1,869,810	(937,071)
Cash and cash equivalents at 1 April	21,599,769	22,536,840
Cash and cash equivalents at 31 March (Note 11)	23,469,579	21,599,769

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

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur and the principal place of business of the Company is located at K-09-01, Block K, No.2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur.

The Company is principally engaged as an investment holding company, provision of management services and rental of properties. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

There have been no significant changes in the nature of principal activities of the Company and its subsidiaries except a subsidiary is under Members' Voluntary Liquidation.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 15 July 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 Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of Companies Act 2016 in Malaysia.

2.2 Basis of measurement

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market 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.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1	-	Quoted (unadjusted) market prices in active markets for identical assets.
Level 2	-	Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3	-	Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 Adoption of new standards/amendments/improvements to MFRSs

The Group and the Company have consistently applied the accounting policies set out in Note 3 to all periods presented in these financial statements.

At the beginning of the current financial year, the Group and the Company adopted new standards/ amendments/improvements to MFRSs which are mandatory for the current financial periods beginning on or after 1 April 2021.

Initial application of the new standards/amendments/improvements to the standards did not have material impact to the financial statements.

2.5 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective in the respective financial period.

<u>Effective for financial period beginning on or after 1 January 2022</u>

- Amendments to MFRS 3 Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contract – Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 – 2020

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards issued but not yet effective (cont'd)

Effective for financial period beginning on or after 1 January 2023

- MFRS 17 Insurance Contracts*
- Amendments to MFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9*
- Amendments to MFRS 17 Insurance Contracts*
- Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101 Presentation of Financial Statements – Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Deferred to a date to be determined by the MASB

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

* *Not applicable to the Group's and the Company's operations.*

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company upon their first adoption.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty

Information about significant judgement, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:-

Useful lives of depreciable assets

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over their estimated useful lives. Management estimated the useful lives of property, plant and equipment and right-of-use assets to be within 3 to 52 years and reviews the useful lives of depreciable assets at end of each reporting period. At 31 March 2022, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's and the Company's assets.

The carrying amount of the Group and the Company's property, plant and equipment and right-of-use assets at the end of the reporting period is disclosed in Note 4 and Note 5 to the financial statements.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to economical and technology changes which may cause selling prices to change rapidly, and the Group's profit to change.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty (cont'd)

Information about significant judgement, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction and plantation sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECLs on the Group's trade receivables is disclosed in Note 10 to the financial statements.

Income taxes and deferred tax liabilities

Estimation is involved in determining the Group's and the Company's provision for income taxes and deferred tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters are different from the amounts that were initially recognised, such difference will impact the income tax and deffered tax provisions in the year in which such determination is made.

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies.

Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with MFRS 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unimpaired balance of goodwill on acquisition and exchange differences.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Goodwill

Goodwill represents the excess of the cost of acquisition and the amount recognised for non-controlling interests over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate and jointly controlled entities and at the date of acquisition. If the cost of acquisition is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Goodwill arising on the acquisition of subsidiaries is presented separately in the statement of financial position while goodwill arising on the acquisition of associate is included within the carrying amount of investment in associate.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and, whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including goodwill, with the recoverable amount of the unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in the profit or loss.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operations within that unit is disposed off, the goodwill associated with the operations disposed off is included in the carrying amount of the operations when determining the gain or loss on disposal of the operations. Goodwill disposed off in these circumstances is measured based on the relative fair values of the operations disposed off and portion of the cash-generating unit retained.

3.3 Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company.

Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if that results in a deficit balance.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. Besides, the Group considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investment in subsidiaries, which is eliminated on consolidation is stated at cost in the Company's financial statements. Where an indication of impairment exists, the carrying amount of the subsidiaries is assessed and written down immediately to their recoverable amount. The cost of investments includes transaction costs.

Upon the disposal of investment in a subsidiary, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

3.5 Associates

Associates are entities in which the Group has significant influence, but no control, over their financial and operating policies.

The Group's investments in associates are accounted for using the equity method. Under the equity method, investment in an associate is carried in the statements of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The share of the result of an associate is reflected in profit or loss. Any change in after comprehensive income of those investees is presented as part of the Group's other comprehensive income. When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investment 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.

Where there has been a change recognised directly in the equity of an associate, the Group recognises its share of any changes and discloses this, when applicable, in the statements of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associates are prepared as of the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of the associates in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. The Group determines at each end of the reporting period whether there is any objective evidence that the investments in the associate are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and their carrying value and recognise the amount in the "share of profit of associates" in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Associates (cont'd)

Upon loss of significant influence over an associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decrease 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.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

3.6 Property, plant and equipment and depreciation

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group's and the Company's and the cost of the item can be measured reliably. All property, plant and equipment are stated at historical cost less accumulated depreciation and less any impairment losses.

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

Depreciation of property, plant and equipment is provided on the straight line method in order to write off the cost of each asset over its estimated useful life.

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

Buildings	2%
Building improvement and electrical installation	10%
Plant, machinery, factory equipment and tools	20%
Hotel equipment, furniture, fixtures, club and office equipment	12.5%-33.3%
Motor vehicles	20%
Solar system	2%

The residual values, useful life and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.7.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.7.1.1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:-

Leasehold land	Over the lease period of 52 years
Motor vehicles	5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.9 Impairment of non-financial assets.

3.7.1.2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Leases (cont'd)

3.7.1 Group as a lessee (cont'd)

3.7.1.3 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.7.2 Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8 Inventories

Inventories of raw materials and finished goods are value at lower of cost and net realisable value. Cost of raw materials is determined on the weighted average basis.

Cost of finished goods include the cost of materials, direct labour and proportion of the manufacturing overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimates costs to completion and costs to be incurred in marketing, selling and distribution.

3.9 Impairment of non-financial assets

At each reporting date, the Group and the Company review carrying amounts of its non-financial assets to determine whether there is any indication of impairment. Non-financial assets is tested for impairment at least once annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount of the asset or a cash-generating unit is less than its carrying amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

In assessing value in use, estimated future cash flows are discounted to 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. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. An impairment loss is recognised as an expense in profit or loss immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of non-financial assets (cont'd)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

All reversals of impairment losses are recognised as income immediately in profit or loss unless the asset is carried at revalued amount, in which case the reversal in excess of impairment loss previously recognised through profit or loss is treated as revaluation increase. After such a reversal, depreciation charge is adjusted in future periods to allocate the revised carrying amount of the asset, less any residual value, on a systematic basis over its remaining useful life.

3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.10.1 Financial assets

<u>Initial recognition and measurement</u>

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which and the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. 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.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's and the Company's business model for managing financial assets refers to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.1 Financial assets (cont'd)

Initial recognition and measurement (cont'd)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group and the Company's financial assets at amortised cost include trade receivables, other receivables, deposits, and cash and cash equivalents.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:-

- The rights to receive cash flows from the asset have expired
  Or
- The Group and the Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; 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 has transferred control of the asset

When the Group and the Company have transferred their rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has 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 its 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.1 Financial assets (cont'd)

Impairment

The Group and the Company recognise an allowance for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets, and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balances and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, 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 historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events 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.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether the financial assets carried at amortised cost and debt securities at fair value through other comprehensive income 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 the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or 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 sources 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 or the Company's procedures for recovery amounts due.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.1 Financial assets (cont'd)

Impairment (cont'd)

The gross carrying amount of a financial asset is written off (either partially or 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 sources 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 or the Company's procedures for recovery amounts due.

3.10.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade payables, other payables, accruals and borrowings.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement 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.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, banks balances and short term demand deposits which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

3.12 Tax expense

Tax expense comprises current tax and deferred tax. Current tax 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.

3.12.1 Current tax

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

3.12.2 Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Borrowing costs

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised as part of the cost of those assets during the period of time that is required to complete and prepare the assets for their intended use.

All other borrowing costs are expensed in the year in which they are incurred.

3.14 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Group and the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best es-timate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time of money is material, provision are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.15 Foreign currency translations

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit or loss with the exception of all monetary items that forms part of a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising in translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Foreign currency translations (cont'd)

Foreign operations

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combination before 1 April 2011 (the date when the Group and the Company first adopted MFRSs) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations are translated to RM at exchange rates at the date of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the profit or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in foreign currency translation reserve in equity.

3.16 Revenue

The Group is in the business of manufacturing precision springs, hotel, financing and insurance agency. Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

3.16.1 Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods are transferred to the customer.

3.16.2 Hotel income

Hotel income is recognised when the relevant services are provided.

3.16.3 Insurance commission

Insurance commission is recognised as it accrues.

3.16.4 Interest income from financing receivables

Interest income from financing receivables is recognised as income over the period of instalment payments calculated using the effective interest rate method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Revenue (cont'd)

3.16.5 Other revenue

3.16.5.1 Interest income

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

3.16.5.2 Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

3.16.5.3 Management fees

Management fees is recognised upon rendering services.

3.17 Employee benefits

3.17.1 Short-term employee benefits

Wages, salaries, bonuses and social security contributions are summarised as expenses in the year in which the associated services are rendered by the employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are summarised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are summarised when the absences occurred.

3.17.2 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recognised as expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

3.18 Contingent liabilities

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.19 Equity, reserves and distributions to owners

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Share capital represents the nominal value of shares that have been issued.

Accumulated losses include all current year's profit and prior periods' losses.

All transactions with owners of the Company are recorded separately within equity.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified to make strategic decisions. Additional disclosures on each of these segments are shown in Note 23 to the financial statements.

Segment revenues, expenses and result include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the Group in an arm's length transaction. These transfers are eliminated on consolidation.

3.21 Sales and services tax

Expenses and assets are recognised net of the amount of sales and services tax, except:-

- When the sales tax incurred on a purchase of assets or services is not recoverable from the tax 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

- When receivables and payables are stated with the amount of sales and services tax included

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.22 Related parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

A party is related for an entity if:-

(a) A person or a close member of that person's family is related to the Group if that person:-

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the ultimate holding company of the Group, or the Group.

(b) An entity is related to the Group if any of the following conditions applies:-

- (i) the entity and the Group are members of the same group.
- (ii) one entity is an associate or joint venture of the other entity.
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefits of employees of either the Company or an entity related to the Company;
- (vi) the entity is controlled or jointly-controlled by a person identified in (a) above;
- (vii) a person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity or of the parents of the entity; or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parents of the Group.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings, building improvement and electrical installation RM	Plant, machinery, factory equipment and tools RM	Hotel equipment, furniture, fixtures, club and office equipment RM	Motor vehicles RM	Solar system RM	Total RM
Cost						
At 1 April 2020	16,867,551	4,751,546	4,377,772	205,017	-	26,201,886
Additions	44,447	646,310	539,150	-	489,600	1,719,507
Disposals	-	(7,800)	-	-	-	(7,800)
Written off	-	(162,260)	(352,903)	-	-	(515,163)
Translation differences	(247,157)	-	(431,330)	(4,141)	-	(682,628)
At 31 March 2021	16,664,841	5,227,796	4,132,689	200,876	489,600	26,715,802
Additions	-	206,180	37,610	-	-	243,790
Reclassification from right-of-use assets (Note 5)	-	-	-	246,250	-	246,250
Disposals	-	-	(4,000)	-	-	(4,000)
Translation differences	84,661	-	(312,651)	1,488	-	(226,502)
At 31 March 2022	16,749,502	5,433,976	3,853,648	448,614	489,600	26,975,340

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

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

Group	Buildings, building improvement and electrical installation RM	Plant, machinery, factory equipment and tools RM	Hotel equipment, furniture, fixtures, club and office equipment RM	Motor vehicles RM	Solar system RM	Total RM
Accumulated depreciation and impairment loss						
At 1 April 2020	9,332,028	3,306,506	4,111,232	180,138	-	16,929,904
Depreciation for the financial year	230,518	514,321	135,925	14,951	816	896,531
Disposals	-	(1,950)	-	-	-	(1,950)
Written off	-	(162,256)	(352,899)	-	-	(515,155)
Translation differences	(237,707)	-	(426,814)	(4,137)	-	(668,658)
At 31 March 2021	9,324,839	3,656,621	3,467,444	190,952	816	16,640,672
Depreciation for the financial year	233,931	584,321	184,668	8,775	9,792	1,021,487
Reclassification from right-of-use assets (Note 5)	-	-	-	160,062	-	160,062
Disposals	-	-	(4,000)	-	-	(4,000)
Translation differences	83,673	-	(315,935)	1,492	-	(230,770)
At 31 March 2022	9,642,443	4,240,942	3,332,177	361,281	10,608	17,587,451
Net carrying amount						
At 31 March 2022	7,107,059	1,193,034	521,471	87,333	478,992	9,387,889
At 31 March 2021	7,340,002	1,571,175	665,245	9,924	488,784	10,075,130

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

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

Company	Buildings RM	Furniture, fixtures and office equipment RM	Total RM
Cost			
At 1 April 2020	6,615,548	1,425,723	8,041,271
Written off	-	(493)	(493)
At 31 March 2021	6,615,548	1,425,230	8,040,778
Additions	-	5,000	5,000
Disposal	-	(4,000)	(4,000)
At 31 March 2022	6,615,548	1,426,230	8,041,778
Accumulated depreciation			
At 1 April 2020	1,566,732	1,391,473	2,958,205
Depreciation for the financial year	132,311	12,691	145,002
Written off	-	(493)	(493)
At 31 March 2021	1,699,043	1,403,671	3,102,714
Depreciation for the financial year	132,311	11,520	143,831
Disposal	-	(4,000)	(4,000)
At 31 March 2022	1,831,354	1,411,191	3,242,545
Net carrying amount			
At 31 March 2022	4,784,194	15,039	4,799,233
At 31 March 2021	4,916,505	21,559	4,938,064

(i) Security

The buildings of the Group and of the Company with the carrying amount of RM4,784,194 (2021: RM4,916,505) are pledged for banking facilities (Note 15).

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

5. RIGHT-OF-USE ASSETS

Group	Leasehold land RM	Motor vehicles RM	Total RM
Cost			
At 1 April 2020	2,000,962	246,250	2,247,212
Translation differences	(41,750)	-	(41,750)
At 31 March 2021	1,959,212	246,250	2,205,462
Reclassification to property, plant and equipment (Note 4)	-	(246,250)	(246,250)
Translation differences	15,000	-	15,000
At 31 March 2022	1,974,212	-	1,974,212
Accumulated depreciation			
At 1 April 2020	601,508	61,562	663,070
Charge for the financial year	36,527	49,250	85,777
Translation differences	(10,578)	-	(10,578)
At 31 March 2021	627,457	110,812	738,269
Charge for the financial year	36,259	49,250	85,509
Reclassification to property, plant and equipment (Note 4)	-	(160,062)	(160,062)
Translation differences	4,101	-	4,101
At 31 March 2022	667,817	-	667,817
Net carrying amount			
At 31 March 2022	1,306,395	-	1,306,395
At 31 March 2021	1,331,755	135,438	1,467,193

The above motor vehicles were under lease arrangement.

6. INVESTMENTS IN SUBSIDIARIES

	Note	Company 2022 RM	Company 2021 RM
Unquoted shares, at cost	6.1	3,975,005	3,975,004
Less: Accumulated impairment loss			
At beginning of financial year		-	-
Impairment loss recognised	6.2	(2,500,000)	-
At end of financial year		(2,500,000)	-
		1,475,005	3,975,004

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

6. INVESTMENTS IN SUBSIDIRIES (CONT'D)

Details of the subsidiaries are as follows:-

Name of subsidiaries	Place of incorporation and business	Equity ownership interest 2022	Equity ownership interest 2021	Principal activities
Wire Master Spring Sdn. Bhd.	Malaysia	96%	96%	Manufacturing of precision springs
Goldwealth Capital Sdn. Bhd. *	Malaysia	100%	100%	Dormant
GW Premium Capital Sdn. Bhd.	Malaysia	100%	100%	Providing financing services
Probusiness Investments Limited #@	British Virgin Islands	100%	100%	Investment holding
MYEZ Discovery Sdn. Bhd.	Malaysia	100%	-	Travel agency and tour operator activities
Subsidiary of Probusiness Investments Limited				
- Asia Pacific Winning Limited @	British Virgin Islands	100%	100%	Investment holding
Subsidiary of Asia Pacific Winning Limited				
- Lao-Malaysia Investments Group @	Republic of Laos	75%	75%	Hotel operations

* The subsidiary is under Members' Voluntary Liquidation.
# The subsidiary ceased gaming operations in prior financial year.
@ Companies not required to be audited in their country of incorporation. The financial statements have been audited for consolidation purpose.

6.1 *Increase in investment in subsidiaries*

During the financial year, the Company acquired 1 ordinary share, representing 100% equity interest in MYEZ Discovery Sdn. Bhd. for a total cash consideration of RM1.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

6.2 *Impairment loss on investment in subsidiaries*

During the financial year, at Company level, the impairment loss amounting to RM2,500,000 (2021: RMNil) was mainly attributable to a subsidiary that is in "others" segment.

The impairment loss recognised was due to irrecoverable cost of investment.

The recoverable amount of the subsidiary is RMNil as at 31 March 2022 and is determined based on value in use.

The impairment loss was recognised in the statement of profit or loss and other comprehensive income of the Company.

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:-

	Wire Master Spring Sdn. Bhd.	Lao-Malaysia Investments Group	Total
2022			
NCI percentage of ownership interests and voting interest (%)	4%	25%	
Carrying amount of NCI (RM)	365,193	(1,109,367)	(744,714)
Profit/(Loss) allocated to NCI (RM)	70,223	(101,413)	(31,190)
2021			
NCI percentage of ownership interests and voting interest (%)	4%	25%	
Carrying amount of NCI (RM)	294,970	(988,270)	(693,300)
Profit/(Loss) allocated to NCI (RM)	41,980	(85,909)	(43,929)

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below:-

	Wire Master Spring Sdn. Bhd. RM	Lao-Malaysia Investments Group RM	Total RM
2022			
Financial position as at 31 March			
Non-current assets	5,399,871	1,044,846	6,444,717
Current assets	5,572,684	285,381	5,858,065
Non-current liabilities	(665,000)	-	(665,000)
Current liabilities	(1,177,728)	(7,054,003)	(8,231,731)
Net assets/(liabilities)	9,129,827	(5,723,776)	3,406,051
Summary of financial performance for the financial year ended 31 March			
Profit/(Loss) for the financial year	1,755,583	(405,652)	1,349,931
Other comprehensive loss	-	(78,737)	(78,737)
Total comprehensive income/(loss)	1,755,583	(484,389)	1,271,194
Included in the total comprehensive income is:-			
Revenue	10,011,492	312,352	10,323,844
Summary of cash flows for the financial year ended 31 March			
Net cash inflow/(outflow) from			
- operating activities	2,842,964	(332,616)	2,510,348
- investing activities	131,933	(14,582)	117,351
- financing activities	(431,656)	322,151	(109,505)
Net cash inflow/(outflow)	2,543,241	(25,047)	2,518,194

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below (cont'd):-

	Wire Master Spring Sdn. Bhd. RM	Lao-Malaysia Investments Group RM	Total RM
2021			
Financial position as at 31 March			
Non-current assets	6,080,347	1,080,205	7,160,552
Current assets	5,842,500	420,214	6,262,714
Non-current liabilities	(441,000)	-	(441,000)
Current liabilities	(4,107,603)	(6,739,806)	(10,847,409)
Net assets/(liabilities)	7,374,244	(5,239,387)	2,134,857
Summary of financial performance for the financial year ended 31 March			
Profit/(Loss) for the financial year	1,049,488	(343,635)	705,853
Other comprehensive income	-	204,255	204,255
Total comprehensive income/(loss)	1,049,488	(139,380)	910,108
Included in the total comprehensive income is:-			
Revenue	10,872,542	569,739	11,442,281
Summary of cash flows for the financial year ended 31 March			
Net cash inflow/(outflow) from			
- operating activities	862,785	12,140	874,925
- investing activities	(1,712,754)	(3,653)	(1,716,407)
- financing activities	652,363	38,182	690,545
Net cash (outflow)/inflow	(197,606)	46,669	(150,937)

7. INVESTMENT IN ASSOCIATES

Disposal of an associate

On 31 March 2021, Probusiness Investments Limited, a subsidiary of the Company entered into a Share Sale Agreement for the disposal of all its RM720,000 ordinary shares or 40% equity interests in Goldshore Capital Limited to a third party for a total cash consideration of USD1.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

8. DEFERRED TAXATION

8.1 Deferred tax (assets)/liabilities

The deferred tax (assets)/liabilities as at reporting date are made up of temporary difference arising from:-

	At 1 April 2020 RM	Recognised in profit or loss RM	At 31 March 2021 RM	Recognised in profit or loss RM	At 31 March 2022 RM
Group					
Carrying amount of qualifying property, plant and equipment in excess of their tax base	(145,000)	586,000	441,000	224,000	665,000
	(145,000)	586,000	441,000	224,000	665,000
		Note 20		**Note 20**	

8.2 Deferred tax assets not recognised

Deferred tax assets have not been recognised in respect of the following temporary differences due to the uncertainty of recoverability by the Company and its subsidiaries:-

	Group 2022 RM	Group 2021 RM
Unabsorbed tax losses	(1,700,000)	(1,789,000)
Unutilised capital allowances	(317,000)	(317,000)
Property, plant and equipment	7,000	6,000
	(2,010,000)	(2,100,000)

	Company 2022 RM	Company 2021 RM
Unabsorbed tax losses	(218,000)	(335,000)
Unutilised capital allowances	(256,000)	(256,000)
Property, plant and equipment	7,000	6,000
	(467,000)	(585,000)

8. DEFERRED TAXATION (CONT'D)

8.2 Deferred tax assets not recognised (cont'd)

The unabsorbed tax losses and unutilised capital allowances which can be carried forward to offset against future taxable profit amounted to approximately RM1,700,000 (2021: RM1,789,000) and RM317,000 (2021: RM317,000) for the Group and RM218,000 (2021: RM335,000) and RM256,000 (2021: RM256,000) for the Company.

Deferred tax assets have not been recognised in respect of these items as the Company and the subsidiaries may not have sufficient taxable profits to be used to offset or realise in the near future.

Pursuant to Section 8 of the Finance Act 2021 (Act 822), the time frame to carry forward current tax losses for year of assessment 2019 and subsequent years of assessment has been extended from 7 to 10 consecutive years of assessment. Unabsorbed tax losses accumulated up to the year of assessment 2018 can now be carried forward for 10 consecutive years of assessment until the years of assessment 2028.

With effect from the Year of Assessment ("YA") 2019, the ability to carry forward unabsorbed tax losses is restricted to a maximum period of 10 consecutive YAs.

The unabsorbed tax losses of the Group are available for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidance issued by the tax authority as follows:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Utilisation period				
Indefinite	310,000	311,000	249,000	250,000
Expiring in year of assessment 2029	1,672,000	1,789,000	218,000	335,000
Expiring in year of assessment 2033	28,000	-	-	-
	2,010,000	2,100,000	467,000	585,000

9. INVENTORIES

	Group	
	2022 RM	**2021 RM**
Raw materials	1,914,014	1,827,515
Finished goods	809,922	446,644
	2,723,936	2,274,159
Recognised in profit and loss:-		
Inventories recognised as cost of sales	3,107,302	4,086,357
Provision for obsolete inventories	32,332	22,364
Reversal of provision for obsolete inventories *	(22,195)	(60,725)

* The reversal of inventories written down was made during the year when the related inventories were sold out.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

10. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Non-current					
Trade					
Trade receivables/Total non-current receivables		22,214	-	-	-
Current					
Trade					
Trade receivables		1,599,902	2,521,368	-	-
Less : Impairment losses		(13,590)	(9,706)	-	-
		1,586,312	2,511,662	-	-
Non-trade					
Amounts due from subsidiaries		-	-	471,614	19,515,082
Less : Impairment losses		-	-	-	(16,504,020)
	10.1	-	-	471,614	3,011,062
Other receivables	10.2	1,096	5,374,017	-	5,000,000
GST receivable		478	478	37	37
Deposits		360,847	424,914	82,729	82,729
Prepayments		49,509	46,868	18,077	17,651
Less : Impairment losses		-	(5,000,000)	-	(5,000,000)
		411,930	846,277	100,843	100,417
Total current receivables		1,998,242	3,357,939	572,457	3,111,479

The movement in impairment losses in trade receivables are as follows:-

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Trade				
Brought forward	9,706	21,597	-	-
Impairment loss recognised	3,717	-	-	-
Reversal of impairment loss	-	(11,500)	-	-
Translation differences	167	(391)	-	-
Carried forward	13,590	9,706	-	-

The normal trade credit terms granted by the Group to the trade receivables range from 30 to 120 days (2021: 30 to 120 days).

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

10. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

The movement in impairment losses in non-trade receivables are as follows:-

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-trade				
Brought forward	5,000,000	5,004,097	21,504,020	21,908,342
Impairment loss recognised	-	-	512,577	-
Reversal of impairment loss	(5,000,000)	(4,097)	(22,016,597)	(404,322)
Carried forward	-	5,000,000	-	21,504,020

10.1 Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, interest free and repayable on demand. The increased in impairment loss of the Company is mainly arising from increased in advances to subsidiaries during the financial year. The reversal for expected credit loss of the Company is mainly arising from written off of amount due from subsidiary during the financial year.

10.2 Other receivables

Included in other receivables of the Group and the Company is an amount of RMNil (2021: RM5,000,000) due from third parties which are unsecured, interest free and repayable on demand. The reversal for expected credit loss of the Group and Company is mainly arising from written off of other receivable during the financial year.

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Short-term deposits with licensed banks and financial institutions	21,225,539	21,450,830	21,225,539	21,450,830
Cash and bank balances	3,862,925	1,198,751	2,244,040	148,939
	25,088,464	22,649,581	23,469,579	21,599,769

The interest rate of short-term deposits with licensed banks ranging from 1.88% to 2.40% (2021: 1.83% to 2.96%) per annum.

12. SHARE CAPITAL

	Group and Company			
	2022		2021	
	Number of shares Unit	Amount RM	Number of shares Unit	Amount RM
Issued and fully paid with no par value:-				
Ordinary shares				
At beginning of financial year	44,753,400	44,885,567	44,753,400	44,885,567
Shares split	179,013,600	-	-	-
At end of financial year	223,767,000	44,885,567	44,753,400	44,885,567

During the financial year, the Company increases its issued and paid-up ordinary shares through a subdivision of one (1) existing ordinary share into five (5) ordinary shares on 22 November 2021. As a result, the issued ordinary shares of the Company as of the date was increased from 44,753,400 shares to 223,767,000 ("the Split Shares"). The Split Shares exercise was approved by the shareholders on 28 October 2021. The Split Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 22 November 2021.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets.

13. RESERVES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Non-distributable					
Exchange fluctuation reserve	13.1	4,922,932	4,891,817	-	-
Accumulated losses		(12,684,135)	(13,946,258)	(24,867,480)	(22,027,762)
		(7,761,203)	(9,054,441)	(24,867,480)	(22,027,762)

13.1 Exchange fluctuation reserve

Exchange fluctuation reserve comprises of foreign currency differences arising from the translation of financial statements of foreign operations.

14. NON-CONTROLLING INTERESTS

The consists of minority shareholders' proportion of share capital and reserves of subsidiaries.

15. BORROWINGS

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Current					
Term loans - secured	15.3	315,458	286,243	315,458	286,243
Lease liabilities	15.4	-	49,097	-	-
		315,458	335,340	315,458	286,243
Non-current					
Term loans - secured	15.3	1,609,273	1,942,331	1,609,273	1,942,331
Total current and non-current borrowings		1,924,731	2,277,671	1,924,731	2,228,574

15.1 Securities

Group/Company

The term loans are secured by the Group's and the Company's buildings (Note 4) and rental proceeds derived from the buildings as described under a Deed of Assignment.

15.2 Interest rate

Group/Company

The term loans at the end of the reporting period bore effective interest rate at 3.58% (2021: 3.25%) per annum.

Group

The lease liabilities are subject to effective interest rate at 4.47% (2021: 4.47%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

15. BORROWINGS (CONT'D)

15.3 Terms and debt repayment schedule

	Year of maturity	Carrying amount RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	Over 5 years RM
Group						
2022						
Term loans - secured	2029	1,924,731	315,458	326,587	1,247,360	35,326
2021						
Term loans - secured	2029	2,228,574	286,243	299,006	979,239	664,086
Lease liabilities	2021	49,097	49,097	-	-	-
		2,277,671	335,340	299,006	979,239	664,086
Company						
2022						
Term loan - secured	2029	1,924,731	315,458	326,587	1,247,360	35,326
2021						
Term loan - secured	2029	2,228,574	286,243	299,006	979,239	664,086

15.4 Lease liabilities

Set out below is the movements of the lease liabilities during the financial year:-

	Group 2022 RM	Group 2021 RM
At 1 April	49,097	116,207
Accretion of interest	3,388	5,083
Payment of principal and interest	(52,485)	(72,193)
At 31 March	-	49,097
<u>Current liabilities</u>		
- less than 1 year	-	49,097

The following are the amount relating to lease liabilities recognised in profit or loss:-

	Group 2022 RM	Group 2021 RM
Interest expense on lease liabilities	3,388	5,083

15. BORROWINGS (CONT'D)

15.4 Lease liabilities (cont'd)

The followings are total cash outflow from leases:-

	Group	
	2022 **RM**	**2021** **RM**
Interest paid	3,388	5,083
Payment of principal portion of lease liabilities	49,097	67,110
	52,485	72,193

16. PAYABLES AND ACCRUALS

	Group		Company	
	2022 **RM**	**2021** **RM**	**2022** **RM**	**2021** **RM**
Trade				
Trade payables	507,242	690,431	-	-
Non-trade				
Amount due to subsidiaries	-	-	8,273,391	8,392,677
Non-trade				
Other payables	562,274	644,442	42,637	90,040
Accrued expenses	399,918	452,900	57,428	55,220
SST payable	7,852	14,702	-	-
	970,044	1,112,044	100,065	145,260
	1,477,286	1,802,475	8,373,456	8,537,937

The normal trade credit terms granted by trade payables range from 30 to 90 days (2021: 30 to 90 days).

The amount due to subsidiaries are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

17. REVENUE

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Revenue from contract with customers:-				
Sale of goods	10,011,492	10,872,542	-	-
Insurance commission	15,097	16,944	-	-
Interest income from financing receivables	1,203	-	-	-
Management fees	-	-	300,000	300,000
Hotel income	312,352	569,739	-	-
Rental income	357,212	365,925	357,212	365,925
	10,697,356	11,825,150	657,212	665,925
Timing of recognition:-				
- Satisfied at a point in time	10,696,153	11,825,150	657,212	665,925
- Satisfied over time	1,203	-	-	-
	10,697,356	11,825,150	657,212	665,925

18. STAFF COSTS

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Salaries, wages and other emoluments	2,798,849	2,877,859	375,809	308,341
Defined contribution plan	247,888	232,214	31,826	30,698
Social security contributions	26,322	31,485	1,539	1,847
Other benefits	26,504	31,491	20,774	26,818
	3,099,563	3,173,049	429,948	367,704

Included in the staff costs is the Directors' remuneration as below:-

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Executive Directors:-				
Salaries and other emoluments	845,109	779,621	60,000	-
Defined contribution plan	62,836	39,269	7,200	-
Social security contributions	1,693	923	308	-
	909,638	819,813	67,508	-

	Group and Company 2022 RM	Group and Company 2021 RM
Non-executive Directors:-		
Other emoluments	46,000	54,000

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

19. FINANCE INCOME, FINANCE COST AND PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Finance income are as follows:-				
- Interest income from cash and cash equivalents	375,523	479,866	375,519	479,861
Finance costs are as follows:-				
- Bank borrowings	74,121	90,871	74,121	90,871
- Lease liability	3,388	5,083	-	-
- Credit card commissions	1,207	2,130	-	-
	78,716	98,084	74,121	90,871
Profit/(Loss) before tax arrived at:-				
After charging/(crediting):-				
Audit fee				
- statutory audit	52,700	56,200	22,000	22,000
- other services	4,000	4,000	4,000	4,000
Bad debts written off	5,003,466	5,439,429	22,016,597	-
Realised loss on foreign exchange	33,646	30,682	-	-
Rental income from:				
- third parties	(104,478)	(107,027)	(104,478)	(107,027)

20. TAX EXPENSE

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Current tax				
- Current year	529,934	446,000	-	-
- Over provision in prior year	(144,136)	(6,970)	-	-
	385,798	439,030	-	-
Deferred tax (Note 8)				
- Current year	111,000	70,000	-	-
- Under provision in prior years	113,000	516,000	-	-
Total deferred tax recognised in the profit or loss (Note 8)	224,000	586,000	-	-
Total tax expense	609,798	1,025,030	-	-

Malaysia income tax is calculated at the statutory rate of 24% (2021: 24%) of the estimated taxable profits for the financial year.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

20. TAX EXPENSE (CONT'D)

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

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Profit/(Loss) before tax	1,840,731	(1,212,706)	(2,839,718)	(70,866)
Tax calculated using Malaysian tax rate of 24%	441,775	(291,049)	(681,532)	(17,008)
Gain of foreign subsidiaries not available for set-off	159,318	861,789	-	-
Non-deductible expenses	228,311	252,725	854,872	270,012
Tax exempt income	(166,870)	(266,425)	(145,020)	(212,204)
Movement of deferred tax assets not recognised	(21,600)	(41,040)	(28,320)	(40,800)
	640,934	516,000	-	-
- Over provision of current tax expense in prior year	(144,136)	(6,970)	-	-
- Under provision of deferred tax expense in prior years	113,000	516,000	-	-
Tax expense	609,798	1,025,030	-	-

21. BASIC EARNINGS/(LOSS) PER ORDINARY SHARE

The basic earnings/(loss) per share have been calculated based on the profit/(loss) attributable to owners of the Company and the weighted average number of shares in issue during the financial year.

	Group	
	2022 RM	**2021 RM**
Earnings/(Loss) attributable to owners of the Company (RM)	1,262,123	(2,193,807)
Weighted average number of ordinary shares in issue	108,021,220	108,021,220*

Note:

* The weighted average number of ordinary shares in issue had been adjusted retrospectively to reflect the Shares Split as through the Shares Split had been issued from the earlist period of these financial statements as required by MFRS 133 - Earnings Per Share.

The diluted earnings per share are not presented as there are no dilutive potential ordinary share.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

22. RELATED PARTIES DISCLOSURES

Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties include the following:-

(i) Subsidiaries of the Company.

(ii) Directors and key management personnel of the Company.

(iii) Machines Sdn. Bhd. ("MSB"), a Company in which a Director is deemed to have substantial financial interest.

The significant related party transactions of the Group and of the Company, other than those disclosed in the financial statements are as follows:-

(i) Transactions between the Company and its subsidiary:-

	2022 RM	2021 RM
Management fees receivable	300,000	300,000
Purchase from a subsidiary	5,203	3,705

The balances of amounts due from/(to) subsidiaries are disclosed in Note 10 and Note 16 to the financial statements.

(ii) Transactions with company in which certain Directors are deemed to have indirect substantial financial interest:-

	Group and Company	
	2022 RM	2021 RM
Rental receivable	252,734	258,898

22. RELATED PARTIES DISCLOSURES (CONT'D)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

The remuneration of key management personnel is same with the Directors' remuneration as disclosed in Note 18 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

23. SEGMENTAL INFORMATION – GROUP

(i) Business segments

For the management purposes, the Group is organised into business units based on their products and services, which comprises the following:-

Manufacturing	Manufacture of precision springs
Hotel	Hotel operations
Gaming	Management of gaming operations and provision of club equipment
Others	(i) Investment holding (ii) Provision of management services (iii) Provision of financing service (iv) Rental of properties

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

23. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) *Business segments (cont'd)*

2022	Manufacturing RM	Hotel RM	Others RM	Elimination RM	Consolidated RM
Revenue from external customers	10,011,492	312,352	373,512	-	10,697,356
Inter-segment revenue - Note (a)	-	-	300,000	(300,000)	-
Total revenue	10,011,492	312,352	673,512	(300,000)	10,697,356
Result:-					
Finance income	4	-	375,519	-	375,523
Depreciation of property, plant and equipment	(758,032)	(44,228)	(219,227)	-	(1,021,487)
Depreciation of right-of-use assets	(49,250)	(20,880)	(15,379)	-	(85,509)
Finance costs	(3,388)	(1,207)	(74,121)	-	(78,716)
Other non-cash expenses - Note (b)	(17,024,296)	(108,075)	17,253,833	(240,502)	(119,040)
Tax expense	(609,798)	-	-	-	(609,798)
Segment profit/(loss) - Note (c)	1,755,583	(405,652)	(9,400,127)	9,281,129	1,230,933
Assets:-					
Addition to non-current assets - Note (d)	224,208	14,582	5,000	-	243,790
Segment assets	7,901,652	1,330,227	31,295,261	-	40,527,140
Liabilities:-					
Unallocated liabilities	-	-	-	-	2,004,665
Segment liabilities	1,272,924	304,479	564,882	-	2,142,285

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

23. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) *Business segments (cont'd)*

	Manufacturing RM	Gaming RM	Hotel RM	Others RM	Elimination RM	Consolidated RM
2021						
Revenue from external customers	10,872,542	-	569,739	382,869	-	11,825,150
Inter-segment revenue - Note (a)	-	-	-	300,000	(300,000)	-
Total revenue	10,872,542	-	569,739	682,869	(300,000)	11,825,150
Result:-						
Finance income	5	-	-	479,861	-	479,866
Depreciation of property, plant and equipment	(607,328)	-	(68,805)	(220,398)	-	(896,531)
Depreciation of right-of-use assets	(49,250)	-	(21,148)	(15,379)	-	(85,777)
Finance costs	(5,083)	-	(2,130)	(90,871)	-	(98,084)
Other non-cash expenses - Note (b)	54,274	3,361	(33,612)	(5,579,116)	652,607	(4,902,486)
Tax expense	(1,025,030)	-	-	-	-	(1,025,030)
Segment profit/(loss) - Note (c)	1,049,488	-	(343,635)	(5,825,986)	2,882,397	(2,237,736)
Assets:-						
Addition to non-current assets - Note (d)	1,715,854	-	3,653	-	-	1,719,507
Segment assets	8,754,542	-	1,500,419	29,569,041	-	39,824,002
Liabilities:-						
Unallocated liabilities	-	-	-	-	-	2,442,701
Segment liabilities	1,325,452	-	312,433	605,590	-	2,243,475

23. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

Notes:-

(a) Inter-segment revenue are eliminated on consolidation.

(b) Other non-cash (expense)/income consist of the following items:-

	2022 RM	2021 RM
Provision for obsolete inventories	(32,332)	(22,364)
Reversal of provision for obsolete inventories	22,195	60,725
Impairment loss on receivables	(3,717)	-
Bad debts written off	(5,003,466)	(5,439,429)
Property, plant and equipment written off	-	(8)
Reversal of impairment loss on receivables	5,000,000	15,597
Gain/(Loss) on disposal of property, plant and equipment	200	(2,750)
Unrealised loss on foreign exchange	(101,920)	(27,177)
Gain on disposal of associate	-	512,920
	(119,040)	(4,902,486)

(c) The following items are added to/(deducted from) segment profit/(loss) to arrive at "Profit/(Loss) for the financial year" presented in the consolidated statement of profit or loss and other comprehensive income:-

	2022 RM	2021 RM
Consolidated profit/(loss) before interest and tax	1,543,924	(1,594,488)
Finance income	375,523	479,866
Finance costs	(78,716)	(98,084)
Tax expense	(609,798)	(1,025,030)
Segment profit/(loss)	1,230,933	(2,237,736)

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

23. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

(d) Additions to non-current assets consist of:-

	2022 RM	2021 RM
Property, plant and equipment	243,790	1,719,507

(ii) Geographical segments

Revenues and non-current assets information based on the geographical location of customers and assets respectively are as follows:-

	Malaysia RM	Laos RM	Consolidated RM
2022			
Revenue from external customers by location of customers	10,385,004	312,352	10,697,356
Non-current assets	9,671,652	1,044,846	10,716,498
Capital expenditure by location of assets	229,208	14,582	243,790
2021			
Revenue from external customers by location of customers	11,255,411	569,739	11,825,150
Non-current assets	10,462,118	1,080,205	11,542,323
Capital expenditure by location of assets	1,715,854	3,653	1,719,507

(iii) Information about a major customer

Revenue from a major customer amounted to RM5,692,739 (2021: RM5,560,288) arising from the sales by the manufacturing segment.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

24. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC") as follows:-

Group	**Carrying amount RM**	**AC RM**
2022		
Financial assets		
Receivables and deposits	1,970,469	1,970,469
Cash and cash equivalents	25,088,464	25,088,464
	27,058,933	27,058,933
Financial liabilities		
Payables and accruals	1,469,434	1,469,434
Borrowings	1,924,731	1,924,731
	3,394,165	3,394,165
2021		
Financial assets		
Receivables and deposits	3,310,593	3,310,593
Cash and cash equivalents	22,649,581	22,649,581
	25,960,174	25,960,174
Financial liabilities		
Payables and accruals	1,787,773	1,787,773
Borrowings	2,277,671	2,277,671
	4,065,444	4,065,444

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

24. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC") as follows (cont'd):-

Company	**Carrying amount RM**	**AC RM**
2022		
Financial assets		
Receivables and deposits	554,343	554,343
Cash and cash equivalents	23,469,579	23,469,579
	24,023,922	24,023,922
Financial liabilities		
Payables and accruals	8,373,456	8,373,456
Borrowings	1,924,731	1,924,731
	10,298,187	10,298,187
2021		
Financial assets		
Receivables and deposits	3,093,791	3,093,791
Cash and cash equivalents	21,599,769	21,599,769
	24,693,560	24,693,560
Financial liabilities		
Payables and accruals	8,537,937	8,537,937
Borrowings	2,228,574	2,228,574
	10,766,511	10,766,511

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and the Company's business whilst managing its credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's and the Company's exposure to credit risk arise primarily from receivables. It is the Group's and the Company's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group and the Company do not expect to incur material credit losses of its financial assets or other financial instruments.

The Group's and the Company's objective are to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company provide services only to recognised and creditworthy third parties. It is the Group's and the Company's policy that all customers who wish to trade on credit terms is subject to credit verifications procedures.

The areas where the Group and the Company are exposed to credit risk are as follows:-

(i) <u>Receivables</u>

The Group's and the Company's exposure to credit risk are influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Board of Directors has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's and the Company's standard payment and delivery terms and conditions are offered. The Group's and the Company's review include external rating, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Board of Directors.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows (cont'd):-

(i) Receivables (cont'd)

Set out below is the information about the credit risk exposure on the Group's and the Company's trade receivables using a provision matrix:-

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

	Gross carrying amount RM	Loss allowance RM	Net balance RM
2022			
Current	1,469,471	-	1,469,471
1 - 30 days	109,185	-	109,185
31 - 60 days	17,374	-	17,374
More than 90 days	26,086	(13,590)	12,496
	1,622,116	(13,590)	1,608,526
2021			
Current	2,296,438	-	2,296,438
1 - 30 days	169,737	-	169,737
31 - 60 days	21,013	-	21,013
61 - 90 days	15,058	-	15,058
More than 90 days	19,122	(9,706)	9,416
	2,521,368	(9,706)	2,511,662

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows (cont'd):-

(i) Receivables (cont'd)

The credit risk concentration profile of the total trade receivables of the Group as at the reporting date is as follows:

	Group			
	2022		2021	
	RM	% of total	RM	% of total
By country:				
Malaysia	1,580,439	98.25	2,479,532	98.72
Republic of Laos	28,087	1.75	32,130	1.28
	1,608,526	100.00	2,511,662	100.00

(ii) Intercompany balances

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The Company provides unsecured advances to subsidiaries and monitors their results regularly.

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable.

(iii) Other receivables

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due.

In managing its exposures to liquidity risk arises principally from its various payables, loans and borrowings, the Group and the Company maintain 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.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

The areas where the Group and the Company are exposed to liquidity risk are as follows:-

	Total carrying amount RM	Contractual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Group						
2022						
Unsecured:-						
Payables and accruals	1,469,434	1,469,434	1,469,434	-	-	-
Secured:-						
Borrowings	1,924,731	2,123,960	377,964	377,964	1,331,760	36,272
	3,394,165	3,593,394	1,847,398	377,964	1,331,760	36,272
2021						
Unsecured:-						
Payables and accruals	1,787,773	1,787,773	1,787,773	-	-	-
Secured:-						
Borrowings	2,277,671	2,634,743	430,449	377,964	1,133,892	692,438
	4,065,444	4,422,516	2,218,222	377,964	1,133,892	692,438

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk (cont'd)

The areas where the Group and the Company are exposed to liquidity risk are as follows (cont'd):-

	Total carrying amount RM	Contractual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Company						
2022						
Unsecured:-						
Payables and accruals	8,373,456	8,373,456	8,373,456	-	-	-
Secured:-						
Borrowings	1,924,731	2,123,960	377,964	377,964	1,331,760	36,272
	10,298,187	10,497,416	8,751,420	377,964	1,331,760	36,272
2021						
Unsecured:-						
Payables and accruals	8,537,937	8,537,937	8,537,937	-	-	-
Secured:-						
Borrowings	2,228,574	2,582,258	377,964	377,964	1,133,892	692,438
	10,766,511	11,120,195	8,915,901	377,964	1,133,892	692,438

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

To mitigate the Group's and the Company's exposure to foreign currency risk, the Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group. The currency giving rise to this risk is primarily US Dollar ("USD"), Chinese Renminbi ("RMB") and Singapore Dollar ("SGD").

The Group's and the Company's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period were:-

	Denominated in		
	USD RM	**SGD RM**	**RMB RM**
Group			
2022			
Cash and cash equivalents	404,079	-	-
Trade and other receivables	44,591	-	-
Trade and other payables	(1,172,533)	-	-
	(723,863)	-	-
2021			
Cash and cash equivalents	396,486	-	-
Trade and other receivables	268,449	-	136,831
Trade and other payables	(1,119,598)	(11,780)	(219,419)
	(454,663)	(11,780)	(82,588)
Company			
2021			
Amount due from a subsidiary	16,504,020	-	-

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Foreign currency risk (cont'd)

The following table demonstrates the sensitivity of the Group's profit for the financial year to a reasonably possible change in the USD, RMB and SGD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	— (Decrease)/Increase —	
	Profit/(Loss) for the year RM	**Equity RM**
Group		
2022		
USD/RM		
- Strengthened 0.12%	(869)	(869)
- Weakened 0.12%	869	869
2021		
USD/RM		
- Strengthened 0.32%	(1,455)	(1,455)
- Weakened 0.32%	1,455	1,455
RMB/RM		
- Strengthened 0.33%	(273)	(273)
- Weakened 0.33%	273	273
SGD/RM		
- Strengthened 0.16%	(19)	(19)
- Weakened 0.16%	19	19
Company		
2021		
USD/RM		
- Strengthened 0.12%	(19,805)	(19,805)
- Weakened 0.12%	19,805	19,805

Exposures to foreign exchange rates vary during the financial year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's and the Company's exposures to foreign currency risk.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's interest rate management objective are to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

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

	Group RM	Company RM
2022		
Fixed rate instrument		
Financial asset		
Short-term deposits with licensed banks and financial institutions	21,225,539	21,225,539
Floating rate instrument		
Financial liability		
Borrowings - Term loans	1,924,731	1,924,731

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(d) Interest rate risk (cont'd)

	Group RM	Company RM
2021		
Fixed rate instrument		
Financial asset		
Short-term deposits with licensed banks and financial institutions	21,450,830	21,450,830
Fixed rate instrument		
Financial liability		
Borrowings - Lease liabilities	49,097	-
Floating rate instrument		
Financial liability		
Borrowings - Term loans	2,228,574	2,228,574

The Group and the Company do not account for any fixed rate financial assets and liabilities through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

The following table illustrates the sensitivity of profit/(loss) and equity to a reasonable possible change in interest rates of +/- 50 basis point ("bp"). These changes considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Group and Company			
	Profit/(Loss) for the year		Equity	
	RM +50 bp	RM -50 bp	RM +50 bp	RM -50 bp
2022	9,624	(9,624)	9,624	(9,624)
2021	11,143	(11,143)	11,143	(11,143)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(e) Fair value of financial instruments

The table below analyses financial instruments carried at fair value for which fair value is disclosed together with their carrying amounts shown in the statements of financial position.

2022	Fair value of financial instrument not carried at fair value Level 2* RM	Carrying amount RM
Group		
Borrowings	2,123,960	1,924,731
Company		
Borrowings	2,123,960	1,924,731
2021		
Group		
Borrowings	2,634,743	2,277,671
Company		
Borrowings	2,582,258	2,228,574

* 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.

<u>Policy on transfer between levels</u>

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.

<u>Level 2 Fair Value</u>

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Reconciliation of liabilities arising from financing activities

Group	1 April 2021 RM	Cash flows RM	31 March 2022 RM
Repayment of lease liabilities	49,097	(49,097)	-
Repayment of term loans	2,228,574	(303,843)	1,924,731

Company			
Repayment to subsidiaries	8,392,677	(119,286)	8,273,391
Repayment of term loans	2,228,574	(303,843)	1,924,731

Group	1 April 2020 RM	Cash flows RM	31 March 2021 RM
Repayment of lease liabilities	116,207	(67,110)	49,097
Repayment of term loans	2,515,666	(287,092)	2,228,574

Company			
Repayment of term loans	2,515,666	(287,092)	2,228,574

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

26. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that it maintains a strong credit rating and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain and adjust the capital structure, the Group and the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

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

27. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(i) The World Health Organisation declared the 2019 Novel Coronavirus infection ("COVID-19") a pandemic on 11 March 2020. The Government of Malaysia imposed the Movement Control Order ("MCO") on 18 March 2020 and has subsequently entered into various phases of the MCO.

The Group and the Company have performed assessments on the overall impact of the situation on the Group's and the Company's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there is no material adverse effect on the financial statements for the financial year ended 30 March 2022.

Given the fluidity of the situation, the Group and the Company will continuously monitor the impact of the COVID-19 and take appropriate and timely measures to minimise the impact of the outbreak on the Group's and the Company's operations.

(ii) On 22 November 2021, the ordinary shares of the Company was increased from 44,753,400 shares to 223,767,000 shares ("the Split Shares"). The Split Share exercise was approved by the shareholders on 28 October 2021. The Split Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 22 November 2021.

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 46 to 114 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 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 Board of Directors.

…………………………………………..
TAN SRI DATO' CHENG JOO TEIK

………………………………….…….
DATO' LIM KIM HUAT

Kuala Lumpur
15 July 2022

STATUTORY DECLARATION

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

I, **Dato' Lim Kim Huat**, being the Director primarily responsible for the financial management of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad), do solemnly and sincerely declare that the financial statements set out on pages 46 to 114 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory this day of 15 July 2022.

……………………………………………
DATO' LIM KIM HUAT

Before me:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MYTECH GROUP BERHAD
(Formerly known as Widetech (Malaysia) Berhad)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad), which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 46 to 114.

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 of 31 March 2022, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the 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 judgment, 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.

<u>**Group**</u>

Impairment loss on trade receivables

<u>The risk</u>

The Group has trade receivables amounting to RM1,608,526 as disclosed in Note 25(a)(i) to the financial statements whereby the amounts are past due but not impaired. The key associate risk is the recoverability of billed trade receivables as management judgement is required in assessing the adequacy of impairment losses by considering the expected recoverability of the outstanding trade receivables.

<u>Our responses</u>

We have challenged management's assumptions in providing impairment losses on trade receivables. Our procedures include reviewing the ageing of trade receivables, testing the integrity of the ageing and assessed the recoverability of outstanding receivables through examination of subsequent receipts. We have also tested the operating effectiveness of the relevant control procedures that management has in place.

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Group (cont'd)

Valuation of inventories

The risk

The inventories balance amounting to RM2,723,936 as disclosed in Note 9 to the financial statements. Inventories are measured at the lower of cost and net realisable value ("NRV"). The Group estimates the NRV of inventories based on an assessment of expected sales prices. Changes in these assumptions could result in a material change in the carrying value of inventories and the financial performance of the Group.

Our responses

We have reviewed to ensure that the valuation of inventories is in accordance with MFRS 102, Inventories and ascertained those inventories are stated at the lower of cost and NRV. Management's assessment of NRV of the inventories were reviewed. We have reviewed the ageing of inventories and tested the subsequent sales. We have also considered the adequacy of the Group's disclosures in respect of inventories valuation.

We have also attended physical inventory counts in warehouse within the scope of our audit. We have performed our own sample counts and checked that the accounting records reflected these physical counts.

Revenue recognition

The risk

The Group's revenue recognition has been identified as a risk primarily due to significant volume of transactions and there is risk that revenue may be overstated because of fraud resulting from pressure that management may feel to achieve performance targets at the reporting period.

Our responses

We evaluated and tested the internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements. We also verified based on a sampling basis, the completeness of revenue captured by vouching to the customer's purchase order, sales invoices, delivery order and bank and/ or cash receipt. We understood and challenged the appropriateness of revenue recognition policies.

Company

We have determined that there are no key audit matters to be communicated in our report in relation to our audit of the financial statements of the Company.

INDEPENDENT AUDITORS' REPORT
to the Members of MyTech Group Berhad
(Formerly known as Widetech (Malaysia) Berhad)
(Cont'd)

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Report on the Audit of the Financial Statements (cont'd)

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):-

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT
to the Members of MyTech Group Berhad
(Formerly known as Widetech (Malaysia) Berhad)
(Cont'd)

Report on the Audit of the Financial Statements (cont'd)

Other Matter

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

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

CHAN LOO PEI
(NO: 03628/12/2023 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
15 July 2022

LIST OF PROPERTIES
AS AT 31 MARCH 2022

Location	Tenure	Land area / Gross Floor Area	Description, Approx. Age of Building & Year of Acquisition	Net Book Value as at 31 March 2022 (RM'000)
A. REGISTERED OWNER : MYTECH GROUP BERHAD (FORMERLY KNOWN AS WIDETECH (MALAYSIA) BERHAD)				
K-09-01 and K-09-02 Block K, No. 2 Jalan Solaris Solaris Mont' Kiara Kuala Lumpur Wilayah Persekutuan	Freehold	K-09-01 : 963.02 square metres K-09-02 : 787.6 square metres	Office Units 14 years 2008	4,784
B. REGISTERED OWNER : WIRE MASTER SPRING SDN BHD				
PT208 Bukit Minyak Industrial Park Mukim 13 Daerah Seberang Perai Tengah Pulau Pinang	Leasehold - 60 years expiring 2056	2.00 acres	2 storey factory 25 years 2004	3,141

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2022

Total Number of Issued Shares	223,767,000
Class of Shares	Ordinary shares
Voting Rights	One vote per ordinary share
Number of Shareholders	1,865

ANALYSIS BY SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	No. of Shares held	%
Less than 100 shares	27	717	0.00
100 to 1,000 shares	199	129,048	0.06
1,001 to 10,000 shares	1,005	5,582,695	2.49
10,001 to 100,000 shares	553	16,089,900	7.19
100,001 to less than 5% of issued shares	78	84,531,100	37.78
5% of issued shares and above	3	117,433,540	52.48
Total	1,865	223,767,000	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2022

	No. of Shares Held			
Name	Direct	%	Indirect	%
Gain Millen Sdn. Bhd.	59,897,120	26.77	-	-
Wong Thean Soon	67,186,420	30.03	4,466,840*	2.00
Tan Sri Dato' Cheng Joo Teik	1,000,000	0.45	72,234,620^	32.28
Dato' Douglas Cheng Heng Lee	12,337,500	5.51	-	-

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2022

		No. of Shares Held			
No.	Name	Direct	%	Indirect	%
1.	Dato' Lim Kim Huat	1,358,745	0.61	-	-
2.	Tan Sri Dato' Cheng Joo Teik	1,000,000	0.45	72,234,620^	32.28
3.	Dato' Douglas Cheng Heng Lee	12,337,500	5.51	-	-
4.	Choo Weng Wah	955,000	0.43	-	-
5.	Datuk Dr Ng Bee Ken	-	-	-	-
6.	Chen Keng Sam	-	-	-	-
7.	Lim Sze Yean	-	-	-	-

Notes:
* *Deemed interest through Asia Internet Holdings Sdn Bhd.*
^ *Deemed interest through Gain Millen Sdn Bhd and his son, Dato' Douglas Cheng Heng Lee.*

ANALYSIS OF SHAREHOLDINGS
as at 30 June 2022
(Cont'd)

THIRTY LARGEST SHAREHOLDERS AS AT 30 JUNE 2022

No.	Names	No. of Shares	%
1	GAIN MILLEN SDN BHD	59,897,120	26.77
2	AMSEC NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WONG THEAN SOON	38,382,000	17.15
3	AFFIN-HWANG NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WONG THEAN SOON	19,154,420	8.56
4	CIMSEC NOMINEES (TEMPATAN) SDN BHD - CIMB FOR WONG THEAN SOON (PB)	9,650,000	4.31
5	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR DOUGLAS CHENG HENG LEE	9,538,000	4.26
6	CHUA SENG YONG	9,194,500	4.11
7	SURIN UPATKOON	6,905,620	3.09
8	CIMB GROUP NOMINEES (ASING) SDN BHD - SNOWSHILL SECURITIES LIMITED	6,414,000	2.87
9	RHB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR ASIA INTERNET HOLDINGS SDN BHD	4,466,840	2.00
10	HO KOK MENG	3,694,545	1.65
11	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD - ON YAT SECURITIES (MALAYSIA) SDN BHD	3,550,000	1.59
12	CHIN SEOK YIN	3,462,500	1.55
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR DOUGLAS CHENG HENG LEE	2,784,500	1.24
14	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD - MAYBANK SECURITIES PTE LTD FOR WORLDPLUS VENTURE CORPORATION	2,096,500	0.94
15	CHIEW KOK BOO	2,083,000	0.93
16	LIM KIM HUAT	1,358,745	0.61
17	KENNETH TAN KENG HAN	1,146,400	0.51
18	LIM SUH HUA @ LIM YAK HUA	1,100,000	0.49
19	CIMSEC NOMINEES (TEMPATAN) SDN BHD - CIMB FOR CHENG JOO TEIK (PB)	1,000,000	0.45
20	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHOO WENG WAH	850,000	0.38
21	VASUDAVAN A/L V PONNUSAMY	790,000	0.35
22	KENANGA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR MUHAMMAD BADRI BIN MUKHTAR	752,500	0.34
23	AIX SHARES SDN BHD	660,000	0.29
24	YONG SING QUEEN	552,000	0.25
25	CHOONG SUAN HOW	519,750	0.23
26	CHOONG CHIA HWEI	510,000	0.23
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SARAVANAN A/L RAGAVAN	500,000	0.22
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD - WAI MUN FOO	500,000	0.22
29	KENANGA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR FAMI TAUFEQ BIN FAKARUDIN	450,000	0.20
30	SAI YEE @ SIA SAY YEE	400,000	0.18

MYTECH GROUP BERHAD
(formerly known as Widetech (Malaysia) Berhad)
[Registration No: 198401001418 (113939-U)]
(Incorporated in Malaysia)

No. of ordinary shares held

FORM OF PROXY

(Before completing this form please refer to the notes below)

I/We .... I/C No./Co. No./CDS A/C No ....
(Full name in block letters)

of ....
(Full address)

being a member/ members of MYTECH GROUP BERHAD (formerly known as Widetech (Malaysia) Berhad) hereby appoint the following person(s):-

Name of Proxy(ies)	NRIC No./ Passport No.	Phone Number	Email	Address	% of shares to be represented by proxy
Proxy 1					
Proxy 2					

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Eighth Annual General Meeting ("**AGM**") of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 30 August 2022 at 12.00 noon. My /our proxy/proxies is/are to vote as indicated below: -

ORDINARY RESOLUTIONS:-		**FIRST PROXY**		**SECOND PROXY**	
		For	**Against**	**For**	**Against**
1)	Payment of Directors' allowances and benefits up to RM70,000 from this AGM until the Thirty-Ninth AGM.				
2)	Re-election of Dato' Lim Kim Huat as Director				
3)	Re-election of Tan Sri Dato' Cheng Joo Teik as Director				
4)	Re-appointment of Messrs Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration				
5)	Authority to Directors to issue shares pursuant to Section 75 and 76 of the Companies Act 2016				

(Please indicate with a "√" or "X" in the space provided how you wish your vote(s) to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.) All votings will be conducted by way of poll.

Dated this day of

....
Signature/Common Seal

NOTES:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Thirty-Eighth AGM, the Company shall be requesting the Record of Depositors as at 23 August 2022. Only a depositor whose name appears on the Record of Depositors as at 23 August 2022 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
2. A proxy may but need not be a member of the Company. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy in a poll and the first named proxy shall be entitled to vote on a show of hands.
3. Where a member is an authorised nominee as defined under the Central Depositories Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
6. The Form of Proxy shall be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

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Affix Stamp
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MYTECH GROUP BERHAD
[Registration No.: 198401001418 (113939-U)]
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

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