



mobilia®

MOBILIA HOLDINGS BERHAD

Registration No. 202001004249 (1360569-P)

ANNUAL REPORT
2022



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CORPORATE PROFILE



Mobilia Holdings Berhad (“**Mobilia Holdings**” or the “**Company**”) was incorporated in Malaysia on 6 February 2020 under Companies Act 2016 (“the Act”) as a private company limited by shares under the name of Mobilia Holdings Sdn. Bhd. and converted into a public limited company and assumed our present name as Mobilia Holdings Berhad on 11 June 2020. Mobilia Holdings had successfully listed its shares on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 23 February 2021, and subsequently transferred to the Main Market of Bursa Securities on 3 November 2022.

Mobilia Holdings and its subsidiaries (“**Mobilia**” or the “**Group**”) are principally involved in investment holding, design, manufacturing and sale of furniture and furniture parts. Our furniture operations are based in Muar, Johor and our products are sold locally and overseas countries in Asia, North America, Europe, South America and Australasia.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datin Siah Li Mei

(Independent Non-Executive
Chairman)

Quek Wee Seng

(Managing Director)

Quek Wee Seong

(Executive Director)

Tajul Arifin Bin Mohd Tahir

(Independent Non-Executive
Director)

Lim See Tow

(Independent Non-Executive
Director)

Yap Ee Ling

(Independent Non-Executive Director)
(Appointed on 17 August 2022)

Quek Yan Song

(Alternate Director to
Quek Wee Seng)

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Lim See Tow

Members

Tajul Arifin Bin Mohd Tahir

Yap Ee Ling

(Appointed as Committee Member
on 17 August 2022)

Datin Siah Li Mei

(Ceased as Committee Member
on 17 August 2022)

REMUNERATION COMMITTEE

Chairman

Tajul Arifin Bin Mohd Tahir

Members

Lim See Tow

Yap Ee Ling

(Appointed as Committee Member
on 17 August 2022)

Datin Siah Li Mei

(Ceased as Committee Member
on 17 August 2022)

NOMINATING COMMITTEE

Chairman

Yap Ee Ling

(Appointed as Committee Chairman
on 17 August 2022)

Datin Siah Li Mei

(Ceased as Committee Chairman
on 17 August 2022)

Members

Tajul Arifin Bin Mohd Tahir

Quek Wee Seng

COMPANY SECRETARIES

Ng Mei Wan

SSM Practicing Certificate

No.: 201908000801

MIA Member No.: 28862

Tan Hui Khim

SSM Practicing Certificate

No.: 201908000859

License Secretary No.: LS 0009936

REGISTERED OFFICE

No. 7 (1st Floor)

Jalan Pesta 1/1

Taman Tun Dr. Ismail 1

Jalan Bakri

84000 Muar, Johor

Tel. No. : (606) 954 1705

Fax. No. : (606) 954 1707

HEAD/MANAGEMENT OFFICE

Lot 2782, GRN 92507,

Jalan Kempas 1,

Mukim Jalan Bakri,

84200 Muar, Johor

Tel. No. : (606) 989 2075

Fax. No. : (606) 986 2076

Email : investor@mobiliainternational.com

Website : www.mobiliainternational.com

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad

HSBC Amanah Malaysia Berhad

Maybank Islamic Berhad

AmBank Islamic Berhad



AUDITORS

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) &
AF1018

8, Jalan Pesta 1/1

Taman Tun Dr. Ismail 1

Jalan Bakri

84000 Muar, Johor

Tel. No. : (606) 9524 328

Fax. No. : (606) 9527 328

SHARE REGISTRAR

Aldpro Corporate Services Sdn Bhd

202101043817 (1444117-M)

B-21-1, Level 21, Tower B

Northpoint Midvalley City

No. 1 Medan Syed Putra Utara

59200 Kuala Lumpur

Tel. No. : (603) 9770 2200

Fax. No. : (603) 9770 2239

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Name : MOBILIA

Stock Code : 0229

CORPORATE STRUCTURE



Note:

- ⁽¹⁾ Mobilia Design Sdn. Bhd. commenced members' voluntary winding up on 12 June 2020 and will be dissolved upon completion of the members' voluntary winding up.

MANAGEMENT DISCUSSION AND ANALYSIS

1. OVERVIEW OF OUR GROUP'S BUSINESS AND OPERATIONS

Mobilia is one of the leading home furniture manufacturers in Malaysia, principally involved in the design and manufacturing of home furniture. We manufacture a range of wood-based furniture, including wooden upholstered furniture. Our home furniture can be categorised into three main categories, namely dining room furniture, living room furniture and bedroom furniture, with examples of each categories as follows:

Dining room furniture

Dining tables, dining chairs, bar chairs and bar tables



Living room furniture

Sofas, television cabinets, cabinets, sideboards, shelves, benches, stools, study desks and table sets



Bedroom furniture

Bed frames, night stands, dressers, chest drawers and mirrors



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Presently, our manufacturing plants are located at Muar, Johor. Other than the existing manufacturing facilities, we had completed the construction 2 blocks of single-storey detached factory buildings namely Factory Blocks B and C ("Phase 2") in year 2022, which are expected to increase the our production capacity upon full operation. The construction of a block of three-storey detached office building ("Phase 1B") allows our Group to set up showroom and designated design & development ("D&D") centre upon full completion. We have invested approximately RM1.80 million on additional machineries in year 2022. Additional manufacturing plants coupled with machine automation are expected to support business growth and expansion in the long term, providing our Group with more flexible capacities in producing products of various designs as well as increasing the ability to customise the products based on customers' requirements.

Our customers are primarily agent, distributors and retailers. We place main focus on the export market as the export market provides us access to a larger number of customers globally. This also reduces our dependency risk on certain market or country and allows us to diversify our business across multiple markets and countries. We exports to more than 30 countries across America, Asia, Europe and Australasia.

On 3 November 2022, Mobilia Holdings has completed the transfer of the listing and quotation of the entire issued share capital and the outstanding warrants from ACE Market to the Main Market of Bursa Securities. The successful transfer marks another remarkable milestone in our Group's journey subsequent to its listing on the ACE Market of Bursa Securities on 23 February 2021.

Corporate Development

Our Group had on 18 March 2022 entered into a conditional Sales of Shares Agreement for the acquisition of the entire equity interest of H & S Usaha Jati Sdn. Bhd. for a total cash consideration of RM9.25 million. The acquisition enabled our Group to secure a piece of freehold land ("Land") measuring 4.4894 hectares located within 0.7km from our existing manufacturing plant in Muar, Johor. Our Group intends to use the Land to construct additional manufacturing facility in the future to support our business expansion, with is no definite timeline as at to-date . The acquisition was completed on 20 June 2022.

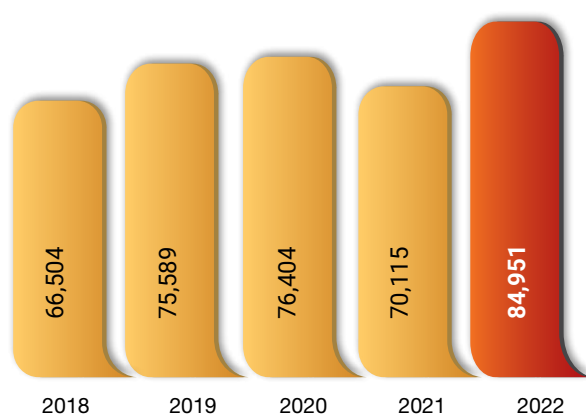
MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

2. GROUP FINANCIAL HIGHLIGHTS

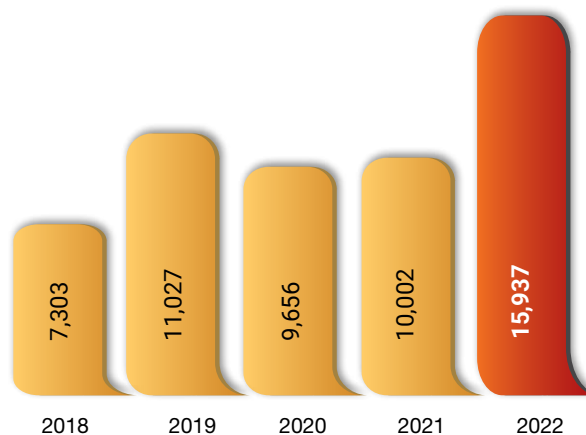
Financial Year Ended 31 December ("FYE")	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Revenue	66,504	75,589	76,404	70,115	84,951
Profit before tax	7,303	11,027	9,656	10,002	15,937
Profit after tax	6,243	8,420	8,655	8,035	11,763
Shareholders' equity	22,658	23,578	32,233	53,368	61,631
Net profit attributable to equity holders	6,243	8,420	8,655	8,035	11,763
Weighted average number of shares in issue ('000) *	640,000	640,000	640,000	691,288	700,000
Basic earnings per share (sen) *	0.98	1.32	1.35	1.16	1.68

* Basic earnings per share for the financial years 2018 to 2020 were calculated based on total number of shares in issue of 340,000,000 ordinary shares as at 31 December 2020. For comparative purpose, the basic earnings per share of the Group for the financial years 2018 to 2020 have been retrospectively adjusted to reflect the bonus issue of 3 for every 4 existing ordinary shares which was completed on 5 November 2021.

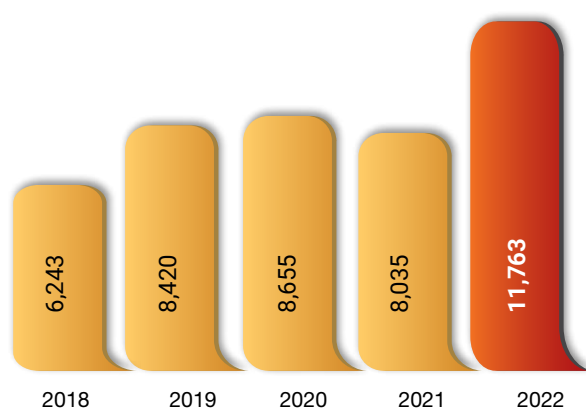
REVENUE (RM'000)



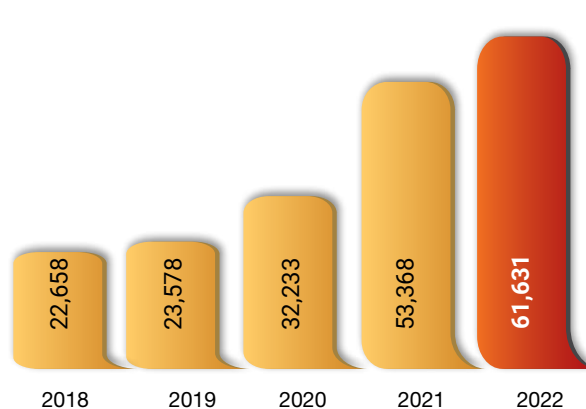
PROFIT BEFORE TAX (RM'000)



PROFIT AFTER TAX (RM'000)



SHAREHOLDERS' EQUITY (RM'000)



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Revenue

In FYE 2022, our Group reported a revenue growth of approximately RM14.84 million or 21.16% from RM70.12 million in FYE 2021 to RM84.95 million in FYE 2022. The revenue growth was mainly attributable to higher sales volume in the first half of year 2022 coupled with strengthening of USD against RM for the financial year ended 31 December 2022.

During the FYE 2022, revenue from overseas markets accounted for approximately RM59.54 million or 70.09% of our total revenue while revenue from domestic markets accounted for the remaining RM25.41 million or 29.91%. The American market was the primary revenue generator with a reported revenue contribution of approximately RM34.55 million. Asia excluding Malaysia is the second largest export market with sales contribution of 21.55% of total revenue, followed by Europe and Australasia.

Profit Before Tax ("PBT")

Our PBT increased by approximately RM5.94 million or 59.34% from RM10.00 million in FYE 2021 to RM15.94 million in FYE 2022. The improvement in PBT was mainly due to higher revenue contribution and strengthening of the United States Dollar ("USD") against the RM during the FYE 2022 which has also contributed to the increase in realised gain in foreign exchange.

Profit After Tax ("PAT")

Our PAT increased by approximately RM3.73 million or 46.40% from RM8.04 million in FYE 2021 to RM11.76 million in FYE 2022. The increase in PAT was mainly due to the higher revenue contribution as compared to FYE 2021 with the absence of disruptions to the Group's manufacturing activities where manufacturing operations were temporarily suspended as a result of Covid-19 infection of Mobilia International Sdn Bhd's employees, a wholly-owned subsidiary of Mobilia as well as the implementation of various stages of Movement Control Order by the Malaysian government in FYE 2021.

Financial Position and Liquidity

Our financial position remained healthy along with the business expansion. The average trade receivable turnover decreased from 51 days as at 31 December 2021 to 41 days as at 31 December 2022, which was within our credit terms granted to customers which ranges from cash term to 150 days.

The average trade payables turnover period decreased from 50 days as at 31 December 2021 to 46 days as at 31 December 2022. The decrease in average trade payable was mainly attributable to the decrease in purchases towards the end of FYE 2022, which has resulted to lower closing trade payable balances as at 31 December 2022. The lower trade payable balance coupled with lower total purchases in 2022 had resulted in lower average trade payable turnover period.

The inventory turnover period as at 31 December 2022 remained consistent to the inventory turnover period as at 31 December 2021, which was 85 days.

Our cash and cash equivalents as at 31 December 2022 decreased by approximately RM2.35 million to approximately RM20.75 million as compared to previous year. Our total borrowings increased by approximately RM5.53 million to RM32.20 million as at 31 December 2022 compared to FYE 2021. This was mainly due to the additional term loan of approximately RM8.61 million for a piece of vacant land namely Lot 1145 and new machineries. Hence, we reported a gearing ratio 0.52 times as at 31 December 2022 as compared to 0.50 times as at 31 December 2021.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

For cash flow movement, the net cash used to purchase property, plant and equipment reported at RM11.45 million in FYE 2022. The capital expenditure incurred in the FYE 2022 was mainly due to construction of factory, office and showroom, and purchase of plant and machinery amounting to RM7.15 million and RM1.80 million respectively. The cash used for financing activities involves repayment of banker's acceptance, term loans and hire purchase which amounted to RM23.90 million.

Our Group remains prudent in maintaining a healthy financial position that will enable us to execute our strategic plans and maximise our shareholders' value.

3. ANTICIPATED OR KNOWN RISKS

Fluctuations of foreign exchange rate

For the FYE 2022, approximately 93.00% of our Group's total revenue were denominated in USD. As majority of our sales are denominated in USD, any significant change in foreign currency exchange rate may affect our Group's financial results.

We maintain foreign currency accounts to receive proceeds of our sales and payment for imports in USD. To a certain extent, we may also enter into foreign currency forward contracts with banking institutions to sell the USD received from our customers at agreed exchange rates to RM for fixed periods of time to reduce the foreign currency exposure risk.

Fluctuation in the prices of direct materials

Our main raw materials consist of rubberwood and other wood materials such as laminated boards, veneer boards, medium density boards and particle boards. The prices of these raw materials may fluctuate according to the level of demand and supply at that point in time. Such fluctuation may affect our financial performance.

It is our practice to look for multiple sources of supply to maintain competitive prices. Some of our purchases of raw materials are made upon receipt of confirmed orders from our customers to minimise the impact of any adverse price fluctuations in our main raw materials. Our suppliers regularly keep us abreast of the supply condition and price trend of our raw materials to ensure that we are aware and are prepared for any price fluctuation of the raw materials.

Changes in political, economic and regulatory conditions

We have exported our products to countries in North America, South America, Asia, Europe and Australasia. As we continue to expand our business and export markets, our business operations are expected to be increasingly affected by political, economic, legal and social conditions in Malaysia as well as countries that we export our furniture to. Risks that we are exposed to include, among others, changes in government or regulatory policies such as tax rates and interest rates, uncertainties in economic conditions, global inflationary issues, changes in political leadership and wars.

Although we will continue to comply with the legal and regulatory frameworks in Malaysia and the countries in which our customers operate, there is no assurance that future introduction of new law or other economic, political and regulatory conditions will not have adverse effect on our business, operation achievement and financial performance.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Dependence on availability of foreign workers

The manufacturing works for furniture is labour intensive. As it is increasingly difficult to hire local manufacturing workers, our Group is reliant on foreign workers to carry out the manufacturing activities. Our foreign workers mainly originate from Bangladesh, Myanmar and Nepal.

Any changes to foreign worker visa policies in Malaysia or in the countries which our foreign workers are from or any suspension on the intake of foreign workers in Malaysia may result in difficulties for our Group to maintain a sufficient foreign labour workforce which, may affect our manufacturing operations and in turn, adversely affect our overall financial performance. In addition, our Group's anticipated business growth is also subject to the expansion in our manufacturing operations, which would require a subsequent increase in foreign labour to meet increased manufacturing activities. Further, the costs of foreign labour may continue to increase in the future. Any increase in the levy rate for foreign workers will increase our cost for labour which consequently may increase our cost of sales.

Presently, our Group has not faced any difficulties in renewing the working permits for our existing foreign workers, and we are not aware of any changes to the general validity of the working permits issued lately. Further, we also have adopted automated equipment and machinery in our manufacturing process in order to reduce the dependence on manual labour.

4. FUTURE PROSPECTS AND OUTLOOK OF OUR GROUP

The Group expects to face the challenges of global economic uncertainties, global inflationary pressure and increased wages in the following quarters. The relatively strong USD against RM is expected to partially cushion the negative impact as majority of the Group's revenue are denominated in USD.

In view of the above, the Group will continue to place marketing efforts to expand customer base and export markets, design and development efforts to expand range of home furniture, as well as maintaining a stable supply chain and efficient manufacturing operations. The Group will take necessary measures to meet the challenges ahead, and monitor the business and financial performance closely.

Barring any unforeseen circumstances, the Group expects the financial performance for the financial year 2023 to be satisfactory.

5. DIVIDEND POLICY

Our Group does not have a fixed dividend policy. Our Group's ability to distribute dividend is subject to various factors, such as profit recorded, availability of adequate reserves and cash flows, operating cashflow requirements and financial commitments.

On 8 July 2022, the Company paid a dividend of approximately 0.50 sen per ordinary share to its shareholders amounting to RM3.50 million.

BOARD OF DIRECTORS



We, Board of Directors would like to thank our shareholders, business associates, customers, regulators and relevant authorities for their steadfast support to the Group. It is our hope that they will continue to work with us especially during this period of uncertainty. My heartiest thanks to the management and staff of the Group for the loyalty, commitment and dedication to ensure the Group runs smoothly while we work together to grow to greater heights of success.

BOARD OF DIRECTORS' PROFILES



DATIN SIAH LI MEI

Independent Non-Executive Chairman
Malaysian, Age 56
Female

Date of appointment as Director	: 15 June 2020
Length of service as director since appointment	: 2 year 10 months
Board Committee(s) Membership:	: Chairman of the Board of Director
Academic/Professional Qualification(s)	: Bachelor of Laws (Hons) from University of Buckingham, England in 1989
Present Directorship(s) in other Public and/or Listed Companies	: NA

Working experience:

In 1990, she was admitted as an Advocate and Solicitor of the High Court of Malaya. She was the chairperson of the Conveyancing Practice Sub-Committee for the 2014/2015 term and thereafter a member of Conveyancing Practice Sub-Committee from 2015 to 2018 and 2020 to 2021 on the Malacca Bar Committee.

She began her career in 1990 by joining Nik Hussain & Partners (now known as Chee Siah Le Kee & Partners) as Legal Assistant and was appointed as Managing Partner of Chee Siah Le Kee & Partners in 2015, a position she assumes to present date. To date, she has around 32 years of working experience in legal practice, where her legal expertise spans across the areas of banking and finance, real estate, property development as well as corporate and business. She is an external examiner for the Faculty of Law for Multimedia University, Melaka for the years of 2021/2022 until 2023/2024.

She does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

She has not been convicted of any offences within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.

Time committed:

Board meetings' attendance in financial year ended ("FYE") 2022: 6/6

BOARD OF DIRECTORS' PROFILES (Cont'd)



QUEK WEE SENG

Managing Director
Malaysian, Age 53
Male

Date of appointment as Director	: 15 June 2020
Length of service as director since appointment	: 2 year 10 months
Board Committee(s) Membership:	: Member of Nominating Committee
Academic/Professional Qualification(s)	: NA
Present Directorship(s) in other Public and/ or Listed Companies	: NA

Working experience:

He oversees the overall business operations as well as the formulation and implementation of our Group's strategic direction and business expansion strategies.

With his in-depth valuable experience in furniture industry over the years, he has led to the co-founding of Sern Kou Furniture Industries Sdn Bhd ("Sern Kou Industries") in year 1992, a furniture manufacturing company. He was also the Executive Director of Sern Kou Resources Berhad when it was listed on the Second Board of Malaysia Securities Exchange Berhad (now known as Bursa Securities), overseeing the productions operations and product development activities. On 3 February 2010, he resigned from the Board of Directors of Sern Kou Resources Berhad with the intention to pursue his own business interest.

He and his brother, Quek Wee Seong completed the acquisition of equity stake in Mobilia International Sdn. Bhd. ("Mobilia International") through Nutracraft Sdn. Bhd. ("Nutracraft") on 6 April 2015 and became a Director in Mobilia Design Sdn. Bhd. ("Mobilia Design") in year 2017. In 2020, he was re-designated as our Group's Managing Director and assumed his current responsibilities.

Quek Wee Seng is the father of Quek Yan Song, who is our Business Development Manager and also an Alternate Director to Quek Wee Seng. He is also the brother to Quek Wee Seong who is our Executive Director and a substantial shareholder of Mobilia. Quek Wee Seng is also a director and major shareholder of Exelient Sdn. Bhd. ("Exelient"), a substantial shareholder of Mobilia.

He has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 6/6

BOARD OF DIRECTORS' PROFILES (Cont'd)



QUEK WEE SEONG

Executive Director
Malaysian, Age 51
Male

Date of appointment as Director	: 15 June 2020
Length of service as director since appointment	: 2 year 10 months
Board Committee(s) Membership:	: NA
Academic/Professional Qualification(s)	: NA
Present Directorship(s) in other Public and/or Listed Companies	: NA

Working experience:

He oversees the entire manufacturing operations of our Group, from wood preparation to assembly of furniture, as well as functions associated to manufacturing operations such as machining, purchasing and warehousing.

Over the years, he accumulated extensive experience and knowledge in managing the company spanning a wide ranging of industries. He and his brother, Quek Wee Seng completed the acquisition of equity stake in Mobilia International through Nutracraft on 6 April 2015 and became a Director in Mobilia Design in year 2017. He was then appointed as Director of Mobilia International on 6 April 2015 and assumed his current responsibilities.

Quek Wee Seong is also a director and major shareholder of Exelient, a major shareholder of Mobilia.

Quek Wee Seong is the brother to Quek Wee Seng who is our Managing Director and a substantial shareholder of Mobilia. He is also the uncle to Quek Yan Song who is our Business Development Manager and also an Alternate Director to Quek Wee Seng. Quek Wee Seong is also a director and substantial shareholder of Exelient, a major shareholder of Mobilia.

He has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 6/6

BOARD OF DIRECTORS' PROFILES (Cont'd)



TAJUL ARIFIN BIN MOHD TAHIR

Independent Non-Executive Director
Malaysian, Age 56
Male

Date of appointment as Director	: 15 June 2020
Length of service as director since appointment	: 2 year 10 months
Board Committee(s) Membership:	: Chairman of Remuneration Committee Member of Nominating Committee Member of Audit and Risk Management Committee
Academic/Professional Qualification(s)	: Bachelor of Science in Business Administration from Saint Louis University, USA in 1989.
Present Directorship(s) in other Public and/or Listed Companies	: 5 Pillars Capital Berhad Mestron Holdings Berhad Space Capital Berhad Ageson Berhad

Working experience:

Upon graduation, he worked as a freelancer for part time jobs in the fields of hospitality and food and beverage in USA between 1989 and 1991.

He joined MIDF Consultancy and Corporate Services Sdn Bhd (now known as Tricor Investor & Issuing House Services Sdn Bhd) as Public Issue Officer in 1991 and was promoted to Assistant Manager in 1996 and Manager in 2002 where he was involved in managing a team of public issue officers in carrying out the daily operational activities.

In 2008, he was further promoted to Associate Director where he was responsible for the company's business growth.

In 2016, he left Tricor Investor & Issuing House Services Sdn Bhd and has been providing freelance consulting services on marketing matters since then. In 2018, he co-founded 5 Pillars Ventures Sdn Bhd, a venture capital management company licensed and registered by the Securities Commission Malaysia, to undertake venture capital activities in Malaysia. As a co-founder, he manages the overall business operations of the company.

He does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

He has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 6/6

BOARD OF DIRECTORS' PROFILES (Cont'd)



LIM SEE TOW

Independent Non-Executive Director
Malaysian, Age 48
Female

Date of appointment as Director	: 15 June 2020
Length of service as director since appointment	: 2 year 10 months
Board Committee(s) Membership:	: Chairman of Audit and Risk Management Committee Member of Remuneration Committee
Academic/Professional Qualification(s)	: Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College, Malaysia in 1999 Obtained Association of Chartered Certified Accountants ("ACCA") accreditation in 2000 Member of the Malaysian Institute of Accountants("MIA") since 2003
Present Directorship(s) in other Public and/or Listed Companies	: Yew Lee Pacific Group Bhd Seng Fong Holdings Berhad Cloudpoint Technology Berhad

Working experience:

In 1999, she began her career as Audit Assistant in Deloitte PLT and was involved in financial audit for companies spanning various industries before she left in 2003.

In 2004, she joined TAP Partners Sdn Bhd as a Consultant. Over the years, she held several positions in TAP Partners Sdn Bhd and was involved in project management for clients' corporate exercises including IPO, merger and acquisitions, reverse takeovers, fund raising and corporate restructuring. She also advised clients on matters pertaining to improvements of their operational management and corporate governance practices. In 2005, she was seconded to Antah Holding Berhad as Head of Finance and Special Project, where she was in charge of the restructuring exercise of Antah Holding Berhad prior to the reverse takeover by Sino Hua-An International Berhad in 2007. She was an Associate Director in TAP Partners Sdn Bhd before she left in 2006.

Upon leaving TAP Partners Sdn Bhd in 2006, she joined Clear Water Developments Sdn Bhd as Chief Operating Officer, a position she assumes till December 2022. Her responsibilities include overall operations management and planning of property development projects, including feasibility studies, land purchase negotiation, project design and conceptualisation, appointment of contractors as well as strategising marketing and pricing strategies.

She does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

She has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 6/6

BOARD OF DIRECTORS' PROFILES (Cont'd)



YAP EE LING

Independent Non-Executive Director
Malaysian, Age 47
Female

Date of appointment as Director	: 17 August 2022
Length of service as director since appointment	: 8 months
Board Committee(s) Membership:	: Chairman of Nominating Committee (Appointed on 17 August 2022) Member of Remuneration Committee (Appointed on 17 August 2022) Member of Audit and Risk Management Committee (Appointed on 17 August 2022)
Academic/Professional Qualification(s)	: Bachelor of Laws (Hons) from University of Glamorgan
Present Directorship(s) in other Public and/or Listed Companies	: Cloudpoint Technology Berhad DC Healthcare Holdings Berhad

Working experience:

She was called to the Malaysian Bar and admitted as an Advocate and Solicitor of the High Court of Malaya in 2000. She began her career with Lee Hishammuddin (now known as Lee Hishammuddin Allen & Gledhill) as Legal Assistant in 2001. During her tenure there, her main areas of practice included corporate, conveyancing and banking. In 2004, she left Lee Hishammuddin and joined Mazlan & Associates as Legal Assistant, and subsequently in 2009, she was made a Partner. During this time, her main areas of practice consisted of corporate and commercial laws including restructuring, initial public offerings, mergers and acquisitions, joint ventures, carrying out due diligence audits and drafting commercial contracts. In 2014, she left Mazlan & Associates and co-founded Ilham Lee in 2015, a law firm, where she remains as a Partner till to date.

She does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

She has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 1/1

BOARD OF DIRECTORS' PROFILES (Cont'd)



QUEK YAN SONG

Alternate Director to Managing Director
Malaysian, Age 28
Male

Date of appointment as Alternate Director : 15 June 2020

Length of service as director since appointment : 2 year 10 months

Board Committee(s) Membership: : NA

Academic/Professional Qualification(s) : Bachelor of Business (Marketing) at RMIT University, Australia in 2017

Present Directorship(s) in other Public and/ or Listed Companies : NA

Working experience:

He is mainly responsible for managing the overall sales and marketing and business development activities of our Group, including the D&D of new home furniture.

Upon completing his studies in RMIT University, he joined Mobilia International as Management Trainee in various departments. In the same year, he was promoted to Business Development Executive focusing on sales and marketing activities and D&D activities, including conceptualising and developing new furniture designs based on feedbacks received from customers and through participation in trade exhibitions and events.

In 2019, he was promoted to Business Development Manager, a position he assumes to present date. He continues to be groomed by Quek Wee Seng and the key senior management to gradually undertake the overall leadership of our Group in the future. In 23 February 2021, he was appointed as an Alternate Director to Managing Director Mr Quek Wee Seng.

Quek Yan Song is the son to Quek Wee Seng who is our Managing Director and a substantial shareholder of Mobilia. He is also the nephew to Quek Wee Seong who is our Executive Director and a Substantial shareholder of Mobilia.

He has not been convicted of any offences within the past five (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.

Time committed:

Board meetings' attendance in FYE 2022: 6/6

KEY MANAGEMENT'S PROFILES



TAN LEY WUN

Group Accountant
Malaysian, Age 43
Female

Date of appointment to current position	: 1 March 2020
Length of service in the group of companies	: 5 years 9 months
Committee(s) Membership	: Member of Risk Management committee Member of Internal Audit Control committee
Academic/Professional Qualification(s)	: Bachelor of Arts in Accounting from University of Hertfordshire, United Kingdom in 2000 Member of the ACCA in 2005 and fellow member of ACCA in 2010 and member of MIA in 2017
Present Directorship(s) in other Public and/ or Listed Companies	: NA

Working experience:

She began her career as Audit Assistant in SC Lim & Co (now known as SC Lim, Ng & Co) in 2000 and joined Wang Nutrition (M) Sdn Bhd in 2004 as Finance Manager covering financial reporting, budgeting and cash flow management.

In 2006, she joined T.A. Furniture Industries Sdn Bhd (a wholly-owned subsidiary of TAFI Industries Berhad, a company listed on the Main Market of Bursa Securities) as Internal Auditor and undertook the role as Assistant Business Development Manager in year 2010. She continued her journey as the Accountant of Vitally Sdn Bhd in year 2010 before joining Mobilia International Sdn. Bhd. ("Mobilia International"). She was responsible for accounting and finance functions, including financial reporting and planning, taxation, treasury management, corporate affairs and internal audit and control.

She presently does not hold any other directorships in other companies.

Notes:

- She has no family relationship with any Director and/or major shareholder of Mobilia.
- She does not have any conflict of interest with Mobilia.
- She has not been convicted for any offences within the past 5 years. There were no public sanctions or penalties imposed on her by any regulatory bodies during the financial year.

KEY MANAGEMENT'S PROFILE

(Cont'd)



KHOO AI LEE

Human Resource and Administration Director
Malaysian, Age 56
Female

Date of appointment to current position	: 1 January 2020
Length of service in the group of companies	: 11 years 8 months
Committee(s) Membership	: Chairman of ISO committee Chairman of Risk Management committee Chairman of Internal Audit Control committee Member of Safety & Health committee
Academic/Professional Qualification(s)	: Bachelor of Art in Management from Walsh University, Ohio, United States of America in 1993
Present Directorship(s) in other Public and/or Listed Companies	: NA

Working experience:

She began her career in 1993 as Marketing Manager in Seng Fong Trading Sdn Bhd and promoted as Finance Manager in 1997. In 2000, she left Seng Fong Trading Sdn Bhd and took a career break.

In 2002, she resumed her career as Administration Manager in Sern Kou Industries Sdn. Bhd. ("Sern Kou Industries") and left as Group Senior Manager, where she supervises the implementation of quality control and human resource functions in 2008 for another career break. Her last position was Corporate Mass Communication Manager of Perspektif Masa Sdn Bhd, managing internal and external communications with stakeholders as well as public relation in 2010.

In 2011, she joined Mobilia International as Manager and continued her career journey in Mobilia prior promoted as Human Resource and Administration Director in 2020, a position she assumes to present. She is responsible for all matters pertaining to human resource, including recruitment and managing employees' welfare and relations. She also works closely with our key senior management to establish and maintain our Group's organisational structure to ensure communication efficiency within our Group.

She presently does not hold any other directorships in other companies.

Notes:

- She has no family relationship with any Director and/or major shareholder of Mobilia.
- She does not have any conflict of interest with Mobilia.
- She has not been convicted for any offences within the past 5 years. There were no public sanctions or penalties imposed on her by any regulatory bodies during the financial year.

KEY MANAGEMENT'S PROFILE (Cont'd)



KU YONG YEE

Manager
Malaysian, Age 46
Male

Date of appointment to current position	: 9 October 2017
Length of service in the group of companies	: 5 years 4 months
Committee(s) Membership	: Member of ISO committee Member of Risk Management committee Member of Internal Audit Control committee Member of Safety & Health committee
Academic/Professional Qualification(s)	: Bachelor of Commerce in Management and Marketing from Curtin University of Technology, Australia in 2000
Present Directorship(s) in other Public and/or Listed Companies	: NA

Working experience:

He is responsible for our Group's purchasing and inventory management.

Upon completing his tertiary education, he joined Chongee Enterprise Sdn Bhd as Senior Purchasing Executive. In 2004, he joined Gold Wheel Industries Supply Sdn Bhd as General Manager where he was tasked to oversee the daily operations of the company, and also responsible for the company's business transition from trading to manufacturing of industrial spare parts.

He was the Purchasing Manager of Sern Kou Industries for 10 years before joining Best-Beteck Furniture Sdn Bhd as Senior Manager where he oversaw the daily operations of the company covering matters related to sales and marketing, purchasing and human resource.

In 2017, he left Best-Beteck Furniture Sdn Bhd and joined Mobilia International as Manager, a position he assumes to present.

He presently does not hold any other directorships in other companies.

Notes:

- He has no family relationship with any Director and/or major shareholder of Mobilia.
- He does not have any conflict of interest with Mobilia.
- He has not been convicted for any offences within the past 5 years. There were no public sanctions or penalties imposed on him by any regulatory bodies during the financial year.

KEY MANAGEMENT'S PROFILE

(Cont'd)



WONG ENG CHUAN

Factory Manager
Malaysian, Age 52
Male

Date of appointment to current position	: 1 January 2011
Length of service in the group of companies	: 12 years 7 months
Committee(s) Membership	: Member of ISO committee Member of Risk Management committee Member of Internal Audit Control committee Member of Safety & Health committee
Academic/Professional Qualification(s)	: NA
Present Directorship(s) in other Public and/ or Listed Companies	: NA

Working experience:

He oversees the overall factory operations including, amongst others, production schedule and workforce management, and machinery and equipment maintenance.

With around 6 years of working experience since 1987 in the furniture manufacturing industry, he acquired extensive knowledge on furniture manufacturing workflows and factory management. In 1994, he joined Sern Kou Industries as Supervisor and with 14 years of employment with Sern Kou Industries, he was promoted to Factory Manager in 2008 where he oversaw the overall factory operations.

In 2010, he joined Mobilia International as Production Supervisor and promoted as Factory Manager in 2011 and assumed his current responsibilities.

He presently does not hold any other directorships in other companies.

Notes:

- He has no family relationship with any Director and/or major shareholder of Mobilia.
- He does not have any conflict of interest with Mobilia.
- He has not been convicted for any offences within the past 5 years. There were no public sanctions or penalties imposed on him by any regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT

The Group's Board together with Key Management take responsibility for the governance of sustainability in the Group which may include setting the Group's sustainability strategies, priorities and targets. In connection therewith, we are committed to establish and maintain an effective Sustainability Management System which is supported by underlying internal controls, risk management practices, clear accountability reporting process.

The Board would strive to ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to its internal and external stakeholders and annual review of the Group's performance in addressing the Group's material sustainability risks and opportunities moving forward.

The foundation of our sustainability approach includes having global standards, processes and tools in place to manage the safety of our people, the surrounding community and the environment. In the long run, we aim to continuously improve the way we operate to prevent incidents, identify, mitigate and minimise the adverse environmental and social impacts across our community.

Sustainability Governance

The Board and Management shall continue to dedicate leadership and maintain a high standard of sustainability governance to drive continuous and long-term growth for all of its stakeholders. Matters relating to sustainability governance will be discussed and assessed by the Group during the risk review meetings at subsidiaries' level and findings of the assessment will be presented at the Audit and Risk Management Committee ("ARMC") meetings of Mobilia.

Anti-Bribery and Corruption Practices

The Group adopted a zero-tolerance approach to bribery and corruption and the Anti-Bribery and Corruption Policy was established to provide guidance on how to recognise and deal with bribery and corruption issues to ensure the Group's businesses are conducted in an honest, ethical and transparent manner. This policy is accessible through the corporate website: www.mobiliainternational.com and the objectives is clearly stated in it.

Code of Conduct and Ethics

Ethics and integrity in conducting business are vital as our practices to ensure a sustainable and ethical business conduct within the Group. To adhere to the highest standards, all Directors and employees are to comply with the Code of Conduct and Ethics ("the Code") in Mobilia's employee handbook.

The Code sets out the fundamental principles and guidelines for all employees to uphold high ethical business standards and apply these values in all aspects of the Group's business and its shareholders. Each employee, upon employment within the Group, signed on their appointment letter pledging their agreement on the ethical business conduct.

Whistleblowing Policy

A Whistleblowing policy is in place with the aim to provide a platform for our employees and any concerned stakeholders to report on any suspected misconduct, wrongdoings, corruption, corporate misbehaviour and fraudulent activities.

Complaints can be made to the ARMC by submitting the Whistleblowing Report Form or email to whistleblowing@mobiliainternational.com as stipulated in the Whistleblowing Policy. Whistleblowers' identities are kept in confidence to the extent possible to facilitate independent investigations for appropriate remedial and follow up actions.

The Whistleblowing policy is available on our corporate website www.mobiliainternational.com.

SUSTAINABILITY STATEMENT (Cont'd)

STAKEHOLDER ENGAGEMENT

At Mobilia, we strongly believe that effective communication and engagement with our key stakeholders are essential to develop a solid understanding of stakeholders' demands and to ensure that they are addressed in a flexible and mutually beneficial manner. We maintain formal and informal management systems to engage with, listen to, and learn from our stakeholders and incorporate their inputs into the formulation of our sustainability strategies.

Our stakeholder engagements in FYE 2022 include, and are not limited to the following:

Stakeholder	Engagement activities	Frequency	Discussion topics
Investors	• Company website • Quarterly financial report • Annual report • AGM • Announcements and advertisement, if any	Regularly / Annually	• Corporate Overview • Business prospects • Regulatory compliance
Employees	• Meetings • Interactions within operating units and management • Performance appraisal	Regularly / Annually	• Group policies and procedures • Career development and training • Employees Safety and working environment • Group performance
Customers	• Field visits/ visual discussion and meeting • Marketing materials • Corporate announcement and publication • Feedback	On-going	• Product quality inspection and control • Product pricing • Product design, development and innovation • Reliable service and on-time delivery
Suppliers	• Meeting and discussions • Supplier performance selection	On-going / Annually	• Introduction/update of latest policies • Supplier evaluation annually • In coming quality checking
Regulatory authorities & government	• On-site inspections • Discussions and consultations	Ad hoc basis	• Regulatory compliance • Human capital development and labor practices • Corporate governance • Risk management

SUSTAINABILITY STATEMENT (Cont'd)

Material Sustainability Matters

Our Group endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship, and social responsibility. Sustainable business practices have formed an integral part of the Group's day-to-day operation and it is one of the keys to ensure the Group's long-term goals and continuity are achievable. The governance structure in relation to the Group's sustainability statement is guided by the Sustainability Reporting Guide issued by Bursa Malaysia Securities, with necessary adjustment based on the nature and scale of the businesses of the Group.

Economic Impact

Internship Placement Programme

Our responsibilities to the society go beyond delivering sustainable long-term value to our shareholders. In a wider context, we are also responsible for developing the communities surrounding our operations. In this regard, the Group has been actively empowering the local community by welcoming interns under our internship placement programme from various higher learning institutions and universities in Malaysia. In 2022, the Group welcomed 4 interns to participate in our internship placement programme. Further details on the internship trainee program are as follow:

Internship Trainee Program	2019-2020	2020-2021	2021-2022
Number of junior executives employed	8	4	4

The Group had for several years participated in the Furniture Technology Certification programme jointly organised by the Malaysian Furniture Council ("MFC"), VTAR Institute and Department of Skills Development ("JPK"). The programme is in accordance with the National Occupational Skill Standard ("NOSS") implemented by JPK which aims to provide our country with more local workers with professional knowledge and technical skills related to the furniture industry while solving the problem of youth unemployment due to skills mismatch.

Although this programme has not been offered since last two years by MFC, VTAR Institute and JPK, Mobilia is steadfast to participate in such programmes when the opportunity arises as part of our effort to drive a shared and sustainable economic growth.

While we actively pursue new product and market developments, continuous investment (approximately RM1.80 million in 2022) in machine automation projects as well as upgrading of machines is Mobilia's priority to improve productivity and optimise efficiencies in the production operation.

Customer Satisfaction

Our Group recognises that customers satisfaction is one of the key factors underlying our Group's operations' long-term sustainability. We uphold the belief that customers' rights should be preserved, and we are continuously endeavouring to create value-for-money for our customers.

We believe the Group's long-term business is built mainly on the trust and confidence of customers. Therefore, feedback from customers such as customer satisfaction survey form and non-conformance report are documented for future improvement on the development of products and services.

SUSTAINABILITY STATEMENT (Cont'd)

In this reporting period, we successfully completed an annual audit for ISO 9001:2015 by Certification Partner Global FZ LLC as well as maintaining the annual Forest Stewardship Council® Chain of Custody by SCS Global Services' certification of approval. It is a testimony to our commitment to produce high quality, environmentally and socially responsible product that meet customers and regulatory requirements for the sustainable growth of the business.

Supply Chain Management

The Group continues to support local businesses by procuring from suppliers and contracting services locally, of which more than 90% of procurement is used to engage the services of local suppliers in 2022. We believe that a strong local supply chain through a productive partnership is vital to the growth of our business. We select partners who share our work ethics and values and who are willing to provide quality products and services in a responsible manner.

Raw material purchase	FY2020	FY2021	FY2022
Local (%)	89.55	90.06	91.90
Oversea (%)	10.45	9.94	8.10

By such support, we believe that we can positively contribute to the local economy.

In cases where local suppliers are not suitable, we will source internationally. Where outsourcing is practised, we will ensure that the products conform to our sustainable policies. To mitigate supply chain disruption, our business divisions will have periodic review meetings with active suppliers/vendors besides having alternative and/or multiple suppliers/vendors.

Regulatory Compliance

Our Group believes that strict compliance with all relevant laws and regulations is a requisite to promote an ethical and responsible society. To this end, our Group strives to comply with all the relevant laws and regulations applicable to our business operations. Our Group's commitment to proper compliance with laws and regulations has proven to be favourable and value-enhancing for our shareholders and stakeholders.

Environmental Impact

Mobilia endeavour to integrate the best sustainability practices and compliance across business operations to reduce adverse environmental impact on the ecosystem. We continue to factor in environmental considerations in our businesses. Our environmental commitment includes to address our own impact, support our suppliers and clients and raise our employees' awareness of "green" issues.

Waste Management

We recognise the importance of environmental protection for the long-term sustainability of our businesses. Various initiatives have been taken to promote recycling habits and responsible waste management among our employees. We installed recycling bins to encourage employees to segregate their office waste into recyclable and non-recyclable wastes to be more environmentally friendly. We also monitor the usage of paper products in daily operation, which helps the environment and reduces wastage and keeps our work environment tidy and safe for employees. All the employees are encouraged to copy or print documents on double sided, reuse and recycle A4 paper which helps to reduce greenhouse gas emission.

SUSTAINABILITY STATEMENT (Cont'd)

The Group has decided to publish the annual report electronically and reduce the number of printed hard copies as part of our efforts to protect the environment. We thank you all our shareholders for collaborating with the Group in the effort by downloading the soft copy of this annual report via our corporate website: www.mobiliainternational.com.

We have appointed a qualified waste contractor for wood waste and scheduled waste management as a long-term initiative to encourage responsible waste disposal. In our own operations, with the adoption of our Safety and Health policy, we embarked on a journey to strengthen and standardise our environmental management across all our operation plants. In line with this practice, two employees were enrolled for a certified safety officer course, and they will be responsible for ensuring that all our operations always comply with relevant environmental laws and regulations.

Energy Efficiency

The global commitment and acceleration of efforts to transition to a net zero economy. We have evaluated our operations to enhance energy efficiency to reduce our carbon footprint to support cleaner and sustainable growth.

The table below shows the electricity consumption from 2020 to 2022.

	FY2020	FY2021	FY2022
Total Electricity Consumption (kWh)	1,770,311	1,589,741	1,676,961

Our electricity consumption has seen a significant reduction in 2021 compared to the previous year as a result of energy-saving initiatives, measures arising from COVID-19 pandemic such as work from home and closure of offices/factories and reduction in business activities due to the pandemic.

For future investment in our new facility at Lot 1145, environmental criteria will be considered in the planning phase, particularly on the energy consumption for lighting, cooling, operating forklifts and other handling equipment. We aim to increase energy efficiency and choose lower carbon sources of energy where possible. Hence, energy efficient lighting is used which includes the installation of smart LED system, “turn on only when needed” and “turn off at night” policies are adopted, and air-conditioning system are carefully calibrated.

Social Impact

Mobilia's aims to strike a balance between our organisation's growth and our responsibility in adding value to our society. Therefore, we remained steadfast and continued to support our local underprivileged communities. In FYE 2022, we fulfilled our social obligations by contributed financial aid for terminally ill and poor needy patients. This programme was launched with the collaboration of the Medical Social Department with Malaysian Association Help for The Poor Terminally Ill and Persekutuan Orang Pekak Malaysia.

Employee recognition is a key part of our approach to retain talent. It is the foundation of cultivating a culture of self-improvement in the workplace that will have boost staff morale and productivity. Employee recognition includes our focus on promoting internal mobility across markets and organisational units, which enables our employees to gain new experiences. We also offer job openings internally to foster career progression and recruit externally only if no suitable internal applications are received.

Mobilia has filled up vacant positions with those who have most embodied our corporate values, especially for employees at management level. Our Mobility Guidelines is to provide guidance to support employees as they move along with the company, and we also celebrate employees who have most embodied our corporate values through the Mobilia Loyalty Awards. Mobilia recognises employees who have committed 10 years of service to the company. We promote these simple ways of showing appreciation to our staffs as staff recognition can have a big impact on staff morale and productivity.

SUSTAINABILITY STATEMENT (Cont'd)

Loyalty Awards	FY2020	FY2021	FY2022
Number of Recipients	7	2	2

Mobilia also introduced a career comeback program to recruit and retain retired people who have been on career break but are keen to re-enter the workforce for more flexible working environment. Initiatives to support this program include having part-time options as well as flexible working hours.

Career comeback program	FY2020	FY2021	FY2022
Number of comeback hires/ retired staff retained	2	2	2

We have also obtained PERAKUAN PENGINAPAN for our workers' dormitories in accordance with the Minimum Standards of the Workers Housing and Facilities Act No. 446 (Amendment 2019). The approved building accommodates over 600 workers.

Labour Practice and Human Rights

Our employees are one of our most valuable assets. We are committed to fair employment practices, uphold human rights principles and invest in developing and training our people. At the Group, we strive to foster an inclusive and performance-driven work environment to attract, retain and develop our talents. We are an equal opportunity employer and have instituted a fair system to ensure equal opportunities and non-preferential treatment for all employees. There is no preference or prejudice towards religion, age, ethnicity, race, or gender. Employees are required to observe and adhere to all relevant Group policies and practices. As of 31 December 2022, the Group has a total number of 417 employees. Staff turnover has been maintained below the target rate.

We continue to engage our workplace innovation and implement initiatives to achieve our long term goal of improving collaboration and workplace. Employee engagement initiatives are organised throughout the year to forge stronger bonds among employees and enhance communication between management and staff.

	FY2020	FY2021	FY2022
Employee Turnover (%)	1.17	1.29	2.95

The increase in employee turnover in FY2022 is mainly due to the lifting of Covid-19 pandemic restrictions, enabling foreign workers who had deferred return to their country of origin in FY2020 and FY2021 to be able to return to their country of origin.

Learning & Development

In a rapidly evolving industry, continuous learning is essential to ensure our Group implements the latest practices and technologies and to address key gaps in employees' behaviour, technical and functional skills/knowledge. To encourage and support our employees to develop their fullest potential and have a fulfilling career, the Group places priority on on-the-job training and development programmes.

SUSTAINABILITY STATEMENT (Cont'd)

In 2022, Mobilia has provided various types of training to enhance the skills and knowledge of employees and amongst others. The following table shows training attended in 2022 by each department.

DEPARTMENT	EXTERNAL TRAINING	INTERNAL TRAINING
HUMAN RESOURCE	Key changes: Amendments to Malaysia's Employment Act 1955	Foreign Worker Employment Contact Briefing
	Leading Through Engagement	Understanding about Human Resources SOP and Policy
	Key changes: Amendments to Malaysia's Employment Act 1955	
	Digitalize Your Workforce Through Cloud Technology	
ACCOUNT	Effective Strategic Planning, Implementation and Management	Understanding about account job description and SOP
		Budget on USD fund reserve
	Corporate Reporting: What Else Is Next?	Management analysis & discussion – GP Analysis
	Share Buy Back: A Regulatory Perspective	Scope of trade credit insurance
	Enhancing Your E-Mail and Business Writing Techniques	
	Leading Through Engagement	
PURCHASING		More effective way on warehouse arrangement
		Updating on purchasing department SOP
D&D		Understanding about R&D job description and SOP
		Updating on R&D Department SOP
MARKETING		Understanding about marketing job description and SOP
		Understanding global market trend
		-Assembly products
		-Identify materials
MANAGEMENT		-Understanding job description and SOP
		Products Briefing
	Yuan Ji Business Coaching Course (Advance Level)	Restrictive Area Training
	Yuan Ji Business Coaching Course (Intermediate Level)	Understanding about Management Department job description and SOP Policy
	Yuan Ji Business Coaching Course (Primary Level)	
SHIPPING	Leading Through Engagement	
		Understanding about Shipping Department SOP and Policy
IT		Understanding about IT job description and SOP

SUSTAINABILITY STATEMENT (Cont'd)

DEPARTMENT	EXTERNAL TRAINING	INTERNAL TRAINING
SAFETY	Course for Certified Environmental Professional in Scheduled Waste Management (CePSWaM)	
	Safe Chemical Handling	
	Course for Certified Environmental Professional In Bag Filter Operation (CePBFO)	
BUSINESS DEVELOPMENT		Understanding about costing job description and SOP
STORE		Updating on store SOP
		Enhancement Training Carton Marking Checking
		Quantity, Moisture Content, Measurement & Weight for Incoming Raw Material
		Training On Incoming Inspection on Hardware Surface Condition
		Enhancement Training Coating Material Colour Code Matching
QUALITY CONTROL		Train Furniture Performance Test Standard
		Quality Control Department OJT
PRODUCTION		Production OJT
		Understanding about production SOP
		Sample Department OJT

Besides departmental external and internal training, the Group had organised the following training attended by Mobilia staffs from all divisions in relation to:

- Understanding Of SOP ISO 9001;
- Threat Awareness Programme;
- Cyber Security Training;
- Office Safety and Fire Evacuation;
- Code Of Conduct and Ethics And Anti-Bribery and Corruption.

We continue to engage our workforce and implement initiatives to achieve our long-term goal of improving collaboration and workplace innovation. Employee engagement initiatives are organised throughout the year to forge stronger bonds among employees and enhance communication between management and staff.

Occupational Health and Safety

Employees are our most important assets and health and safety in the workplace remain a top priority at Mobilia. Our occupational health and safety focus on workplace safety and covers risks related to people and the environment including transportation, storage and handling of dangerous goods and hazardous materials. We have established a working Health, Safety and Environment ("HSE") committee whereby committee members are selected by their respective Administration and Operation divisions to work together with the local HSE plans as well as implementation of HSE policy, procedures and best practice across sites. Training and education are important elements in ensuring all employees are aware of health and safety requirements and taking responsibility for their own well-being and the safety of others. All employees receive comprehensive HSE induction training on top of any job-specific training that is required.

SUSTAINABILITY STATEMENT (Cont'd)

Training is conducted at all divisions to ensure the implementation of the Health and Safety Management System is in place and the requirements of the system are met. We are committed to taking all the necessary precautions to prevent harm to anyone operating at any of our facilities through adequate safety procedures, including the provision of signage, safety equipment and personal protective gear. We implement hazard control program which includes safety inspection checklist in guiding staff on best practices when handling potentially dangerous machines.

In the past three years, our reported injury cases at the Group level have been maintained at a low level. The Group strives to continue to maintain its health and safety standards and drive continuous improvement in our occupational, health and safety performance.

The following table shows the incidence of injuries from 2020 to 2022.

Reported Injury	FY2020	FY2021	FY2022
Number of Cases	7	1	3

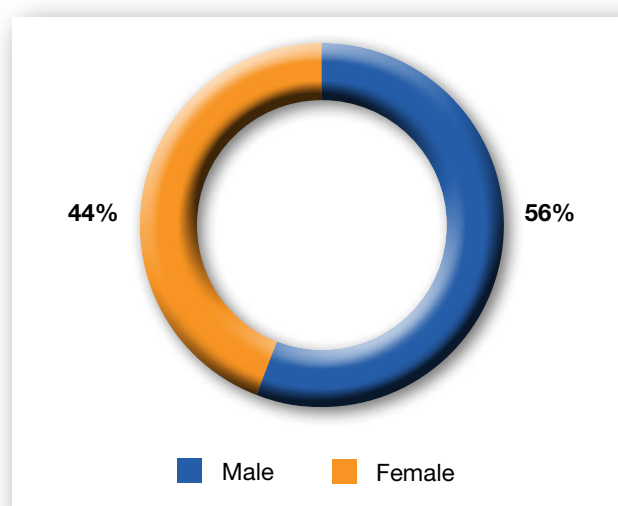
* Note: All above stated injuries are categorised as minor injury.

Workforce Diversity

In our Group, we believe that people should have access to the same opportunities regardless of their ethnicity, religion, gender, marital status or age. We value diversity and inclusion and are committed to the principle of equal employment opportunity. Our hiring policies ensure equal employment opportunities for all. New hires are considered based on individual competencies as well as organisational requirements and job fit. Our local employment statistics illustrate the following diversity of our workforce.

Gender	Executive	Non-Executive	Total	Percentage (%)
Male	33	6	39	56
Female	19	12	31	44
Total	52	18	70	100

* Note: Above data are based on local workforce as at 31 December 2022.

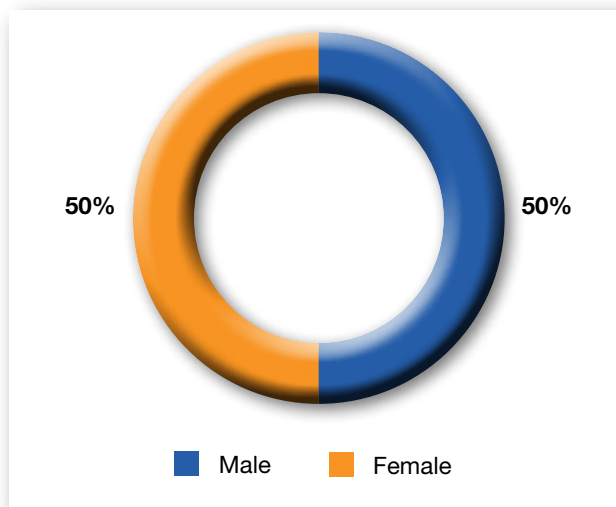


SUSTAINABILITY STATEMENT (Cont'd)

The Board also believes that diversity leads to the consideration of all facets of an issue and, consequently, better decisions and performance. Hence, the appointment of Board members not only takes into consideration the objective criteria and merit but also gives due regard for diversity in skills, experience, age, cultural background and gender. The Board has included gender balance as one of the main criteria for appointment of new directors to promote the representation of women in the composition of the Board. Currently, we have three (3) women directors representing 50% of the Board of six (6) members.

Gender	Executive	Non-Executive	Total	Percentage (%)
Male	2	1	3	50
Female	0	3	3	50
Total	2	4	6	100

* Note: Above data are based on Board of Director as at 31 December 2022.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Securities and Practice Note 9 of MMLR of Bursa Securities, the Board is pleased to present this Corporate Governance (“CG”) Overview Statement to provide shareholders and investors with an overview of the CG practices of the Group during the FYE 31 December 2022. This statement is to be read together with the Group’s Corporate Governance Report 2022 which is available on the corporate website at www.mobiliainternational.com.

This CG Overview Statement takes guidance from the three key principles as set out in the Malaysian Code on Corporate Governance issued on 28 April 2021 (“MCCG”), namely Board Leadership and Effectiveness, Effective Audit and Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board’s Roles and Responsibilities

The Group recognises the important role played by the Board in the stewardship of the Group’s direction and operations, and ultimately, the enhancement of long-term shareholders’ value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Board has adopted a Board Charter to clearly delineate the roles of the Board, Board Committees and Management in order to provide a structured guidance for Directors and Management regarding their responsibilities of the Board, its Committees and Management, including the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Group as well as boardroom activities.

The salient features of the Board Charter are also accessible by the public through the corporate website at www.mobiliainternational.com. The Board shall review the Board Charter periodically so as to ensure consistency with the prevailing regulations, listing requirement of Bursa Malaysia and the MCCG.

Various committees were established to assist the Board in discharging its duties and responsibilities effectively, namely Audit and Risk Management Committee (“ARMC”), Remuneration Committee (“RC”) and Nominating Committee (“NC”).

To ensure balance, accountability and a greater capacity for independent decision-making, the roles of the Board Chairman and the Managing Director (“MD”) are distinct and separated with a clear division of responsibilities between the Board Chairman and the MD.

The Board Chairman upholds the highest standards of integrity and provides coherent leadership in representing the Company’s vision and mission, while the MD is responsible for developing the Group’s objectives and strategies for approval by the Board having regard to the Group’s responsibilities to its various stakeholders. The role of the Executive Directors is to act as a steering committee and to collaborate with the Management in articulating the Group’s vision, mission, values and strategies; while the Management team are responsible for the implementation of the strategies and manage the day-to-day running of the business in line with the Company’s goals and policies.

The Independent Non-Executive Directors act independently of management and do not participate in any business dealings. They provide a broader view and independent assessment to the Board’s decision-making process by acting as an effective check and balance.

The Company Secretaries have the requisite credentials and is suitably qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016. The Company Secretaries play a significant role in supporting the Board to ensure that all governance matters and Board procedures are followed and that the applicable laws and regulations and the MCCG are complied with. These include obligations of Directors relating to disclosure of interests and disclosure of any conflicts of interest in transaction within the Group.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

(Cont'd)

The Company Secretaries organise and attend all Board and Board Committees meetings. Meeting notice and agenda will be circulated to all Directors at least 7 days in advance. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries by way of minutes of meetings and circulated to Board accordingly.

The Board and Board committees met six times during the FYE 2022, where it deliberated upon and considered a variety of matters including the Group's financial results, major investments and strategic decisions and the business plan and direction of the Group.

The members of the Board and Board Committees have fulfilled their roles and responsibilities in the FYE 2022, through their attendance at the meetings of the Company as set out in the table below: -

	Board	ARMC	NC	RC
Managing/Executive Directors				
Quek Wee Seng (Managing Director)	6/6	–	2/2	–
Quek Wee Seong (Executive Director)	6/6	–	–	–
Alternate Director				
Quek Yan Song	6/6	–	–	–
Independent Non-Executive Directors				
Datin Siah Li Mei ⁽¹⁾ (Chairman)	6/6	4/4	2/2	1/1
Tajul Arifin Bin Mohd Tahir	6/6	5/5	2/2	1/1
Yap Ee Ling ⁽²⁾	1/1	1/1	–	–
Lim See Tow	6/6	5/5	–	1/1

Note:

1. Datin Siah Li Mei has been ceased as committee chairman of NC, members of ARMC and RC on 17 August 2022.
2. Ms Yap Ee Ling has been appointed as the Independent Non-Executive Director of the Company and appointed as the committee chairman of NC, members of ARMC and RC on 17 August 2022.

Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics (“the Code”) for Directors and employees towards their customers, business partners, communities and shareholders. The Management and employees are expected to observe high standards of integrity and fair dealing in carrying out day-to-day duties and operation of the Group.

The Code is accessible through the corporate website at www.mobiliainternational.com and it will be reviewed periodically to remain relevant and appropriate.

Anti-bribery and Corruption Policy

The Group has adopted a zero-tolerance approach to bribery and corruption and the Anti-Bribery and Corruption Policy was established to provide guidance on how to recognise and deal with bribery and corruption issues to ensure the Group's businesses are conducted in honest, ethical and transparent manner. This policy is accessible through the corporate website at www.mobiliainternational.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Whistle Blowing Policy

The Group has in place a Whistleblowing Policy to eradicate unethical behaviour in the workplace, and as an avenue for any person to raise concerns in good faith without fear of reprisal. It is available for download from the corporate website at www.mobiliainternational.com.

Governing Sustainability

The Board of the Company has taken steps to integrate sustainability issues as core of its strategic formulation. The Board is supported by the Management Support Team, which enables the Board to assess and ensure that sustainability governance is structured and functioning through the various level of management. The Board noted that the Company has adopted materiality assessment process, which is guided by Bursa Securities' Sustainability Reporting Guide and Toolkits and ensure that the stakeholder communication methods are regularly assessed, through information requests to ensure that the communication are transparent and effective.

The Group Risk Management Framework set out the approach to the identification, analysing, responding, monitoring, and reporting of risks. The Board will then regularly review performance against the risk tolerance limits. The Board is briefed by the Risk Management Committee on the risk highlighted and ensure that the Management has put in place actions to mitigate risks and controls to maintain the risk exposures within the acceptable levels as approved by Board.

The Sustainability Statement attached in this report provides an overview of our sustainability performance, our endeavors and commitment as well as the overall impact to the economic, environment and social.

Directors' Fit and Proper Policy

Following the amendments to the MMLR of Bursa Securities, the Board adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is available on the Company's website at www.mobiliainternational.com.

II. Board Composition

The composition of the Board is in compliance with the MMLR of Bursa Securities and the MCCG, whereby four out of six Directors are Independent Non-Executive Directors, accounting for 66.67% of the Board composition. In addition, the Board currently has three female Independent Non-Executive Directors, representing 50% of the Board, which meets the gender equality principles as set out in the MCCG.

Ms Yap Ee Ling, an Independent Non-Executive Director was appointed as Chairman of NC on 17 August 2022. The appointment of Directors and Key Management is based on objective criteria, merit and besides gender diversity, due regard is placed for diversity in skills, experience, age and cultural background. Collectively, the existing Board composition brings a wide range of business and financial experience from legal, business administration, corporate investor and advisory services, accounting and finance background relevant to the direction of the Group.

The NC conducts an annual review of its size and composition, mix of skills, experience, assessment of Independent Directors and succession plans; as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the performance, commitment, ability and contribution of each individual Director. The Board was satisfied and believes that the current composition of the Board brings the requisite mix of skills and core competencies required for the Board to discharge its duties effectively.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

(Cont'd)

During the financial year under review and up to the date of this report, the Directors attended the following trainings programmes to ensure that they keep abreast of various issues faced in the challenging business environment which the Group operates in.

Directors	Courses / Training Programmes Attended
Datin Siah Li Mei	- What Should Investor Relations Know About Section 17A -MACC Act 2009? - Real Property Gains Tax - Strata Management: Critical Issues Faced by Developer / JMB / MC
Quek Wee Seng	- Keys to Effective Shareholders Engagement via Annual General Meeting - What Should Investor Relations Know About Section 17A -MACC Act 2009?
Quek Wee Seong	- Keys to Effective Shareholders Engagement via Annual General Meeting - What Should Investor Relations Know About Section 17A -MACC Act 2009?
Tajul Arifin Bin Mohd Tahir	What Should Investor Relations Know About Section 17A -MACC Act 2009?
Lim See Tow	- What Should Investor Relations Know About Section 17A -MACC Act 2009? - Latest Development on Budget 2022 & Are You Risk for Tax Audit and Investigation? - Malaysia Audit Oversight Board (AOB) Conversation with Audit Committees - Sustainability Management & Reporting - Anti-Bribery & Anti-Corruption - A session with Bursa Malaysia on ESG – Perspective of a PLC and Regulator - Tax Law – Topical Tax Issues - Companies Legislation and Companies Commission of Malaysia- Company Law and Practice - Companies Commission of Malaysia – Company Law and Practice - Insolvency Law Restructuring - Digital Assets and NFTs – Investment Fraud - Environment Social Governance (ESG) – Emergent Themes around ESG Confirmation - Financial Fraud and Enforcement Trends - Conversation with Audit Committees
Yap Ee Ling	- Bar Council Industrial and Employment Law Committee Employment Webinar Series: Employment Act – Latest Amendments 2022 - Bar Council Corporate and Commercial Law Committee Conference: Session with Bursa Malaysia - An Afternoon with Bursa Malaysia: ESG – Perspective of a PLC and Regulator - Securities Commission Malaysia's Audit Oversight Board's Conversation with Audit Committees - Bursa Malaysia Mandatory Accreditation Programme
Quek Yan Song	- What Should Investor Relations Know About Section 17A -MACC Act 2009? - Yuan Ji Business Coaching Course (Primary Level) - Yuan Ji Business Coaching Course (Intermediate Level) - Yuan Ji Business Coaching Course (Advance Level)

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

III. RC

The Board has in place a remuneration policy which aims to attract and retain Directors and Key Management in pursuing good corporate governance and hence ensuring sustainability of the Group.

The RC evaluates the remuneration package of Executive Directors and recommends for the Board's approval. Non-Executive Directors' fees are determined by the Board as a whole with the Directors concerned abstaining from deliberations and voting on decisions in respect of his/her fee. Directors who are shareholders are abstained from voting at Annual General Meeting ("AGM") to approve their fees.

For the FYE 2022, a summary remuneration of the Directors as set out below:

Directors' remuneration and material benefits in-kind

FYE 2022	Salaries RM'000	Director Fees RM'000	Bonus/ Ex gratia payment RM'000	EPE, EIS and SOC SO RM'000	Allowances and Benefits-in- kind RM'000	Total RM'000
<u>Executive Directors</u>						
Quek Wee Seng	312.0	–	187.5	60.9	32.2	592.6
Quek Wee Seong	306.0	–	98.2	49.5	32.2	485.9
<u>Non-Executive Directors</u>						
Datin Siah Li Mei	–	42.0	–	–	4.2	46.2
Tajul Arifin bin Mohd Tahir	–	42.0	–	–	4.2	46.2
Lim See Tow	–	42.0	–	–	4.2	46.2
Yap Ee Ling	–	15.8	–	–	0.7	16.5
<u>Alternate Director</u>						
Quek Yan Song	60.0	–	17.7	11.1	8.4	97.2

Key Management's remuneration and benefits

The Board is in the opinion that it is not in the best interest of the Company to make such disclosure on the remuneration of the Key Management personnel due to the confidentiality and sensitivity of their remuneration package, and concerns over potential poaching by competitors and head hunters.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

The ARMC comprises of three Independent Non-Executive Directors and is chaired by an Independent Non-Executive Director, Ms Lim See Tow. She is a member of MIA and is in compliance with the Paragraph 15.09(1) (c)(i) of the MMLR of Bursa Securities. The position of the Board Chairman and ARMC Chairman are held by different individuals, allowing the Board to objectively review the ARMC's findings and recommendations.

To assist the Board in reviewing the financial information and to ensure compliance with applicable financial reporting standards, all the ARMC members continuously undertake professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

Details of activities carried out by ARMC are disclosed on page 40 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

II. Risk Management and Internal Control

The Board fulfils its responsibilities in the risk governance and oversight functions through its ARMC in assessing and monitoring the efficacy of the risk management controls and measures taken, and the adequacy and effectiveness of the internal controls through internal audit function.

On-going reviews are performed by the Key Management on a yearly basis to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. Meanwhile, the Group's internal audit function is outsourced to an independent professional service provider to provide an independent appraisal over the system of internal control of the Group and reported to the ARMC.

The Board is of the view that the risk management and internal control systems that are in place is adequate and effective to safeguard shareholders' investment and the Group's assets, and the interest of customers, employees and other stakeholders. The details of the Risk Management and Internal Control framework and activities are set out in the Statement on Risk Management and Internal Control of this Annual Report.

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

I. Communication with Stakeholders

The Company recognises the importance of communicating with its shareholders through Annual Report, AGM, press conferences and announcements via Bursa Securities would enable comprehensive, timely and accurate disclosures of material information to the regulators, shareholders and other stakeholders.

The Alternate Director to MD is the designated spokesperson for all matters relating to the Group and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board.

The Company has set up a website to facilitate dialogue with its investors and shareholders with the intention of giving investors and shareholders a clear and complete picture of the Company's performance and position, its policies on governance, the environment and social responsibilities. Investors and shareholders are welcomed to direct their concerns and queries to the designated person via call or email as stated in the corporate website.

An Investor Relations and Corporate Disclosure Policy was established to promote effective engagement, fair and accurate information disclosure to employees, stakeholders and the general public.

The Board will consistently consider various approaches to develop a strategic corporate reporting that presents a balanced assessment of the Group's position and prospects in various financial and non-financial information to shareholders, investors and regulatory authorities.

II. Conduct of General Meeting

The AGM provides a principal forum for dialogue and interaction between the Board and its shareholders and investors. The Company dispatched its Notice of AGM to shareholders at least twenty-eight days before the AGM. This will provide the shareholders sufficient time to consider the resolutions and make necessary arrangement to attend and participate either in person, by corporate representative, by proxy or by attorney.

The Board Chairman and Committee members including the ARMC, RC, NC, the external auditors, and other advisers (where applicable) of the Company would commit themselves to be present at the AGM. The shareholders are encouraged to raise their questions during the Question & Answer ("Q&A") session in the upcoming AGM with regards to the Group's activities and prospects as well as to communicate their expectations and concerns.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

The Company always makes sure that its meeting is held at an accessible location but not in remote areas in order to encourage shareholders to attend and participate in the meeting. In view of the Covid-19 outbreak and in the line with the MCGG's Practice 13.3, the Company had leveraged technology to facilitate greater shareholder's participation by conducting the Second AGM held on 30 May 2022 on virtual basis through live streaming and online remote voting via Remote Participation and Voting facilities.

COMPLIANCE STATEMENT

The Board believes that the Company has adopted the principles and recommendations of the MCGG 2021 in all material aspects, save as disclosed therein, for the FYE 2022.

This Corporate Governance Overview Statement was approved by the Board of Directors on 13 April 2023.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

1. COMPOSITION AND ATTENDANCE

The Audit and Risk Management Committee (“ARMC”) comprises three (3) members who are Independent Non-Executive Directors of our Company. The current composition of ARMC meets the requirement of Paragraph 15.09 and 15.10 of Main Market Listing Requirements (“Listing Requirements”) of Bursa Securities as well as Practice Note 9.4 of the MCCG.

The ARMC held five meetings during the financial year ended 31 December 2022. The members of the ARMC and the record of attendance are as follows:

Name	Designation	Attendance
Lim See Tow (Independent Non-executive Director)	Chairman	5/5
Tajul Arifin Bin Mohd Tahir (Independent Non-executive Director)	Member	5/5
Datin Siah Li Mei (Independent Non-executive Chairman) (Ceased on 17 August 2022)	Member	4/4
Yap Ee Ling (Independent Non-executive Director) (Appointed on 17 August 2022)	Member	1/1

The Terms of Reference (“**TOR**”) of the ARMC will be reviewed from time to time to ensure its effectiveness and relevance to the Board’s objectives. The TOR of the ARMC is available on our corporate website: www.mobiliainternational.com.

2. SUMMARY OF ACTIVITIES

The main activities carried out by the ARMC are summarised as below:

2.1 Examine the Group’s financial reporting

- review of unaudited quarterly financial results, audited financial statements and annual report of the Group and the Company to ensure that financial statements are prepared in compliance with applicable Malaysian Financial Reporting Standards, prior to recommending for approval by the Board and release of the unaudited quarterly financial results to Bursa Securities.
- review of significant adjustments arising from audit, changes in accounting policies and practices, compliance with applicable financial reporting standard, listing requirements and other legal requirements.

2.2 External Audit

- review the audit plan, audit reports, external auditor’s evaluation of system of internal control, issues arising from interim and final external audits, external auditor’s management letter and management’s response, with the external auditors, and report the same to the Board.
- review the external auditor’s terms of engagement, independence, objectivity, remuneration and cost-effectiveness and to make recommendations to the Board for the appointment, re-appointment or termination of the external auditors, and to consider any questions of resignation or dismissal including whether there is reason (supported by grounds) to believe that the external auditors are not suitable for reappointment.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

2.3 Internal Control and Risk Management

- review the adequacy of the audit scope and coverage, functions, competency and resources of the internal audit function, internal audit program, processes, the results of the internal audit program, processes or investigation undertaken, performance of the internal audit function and appointment, termination or resignation of the internal auditors.
- review and assess the Company's policies, processes and procedures for the oversight and management of risks and internal control.
- review of key risks and identification and assessment of new key risks which may affect the Group directly or indirectly, and relevant actions to mitigate such risks if necessary.
- review the adequacy and effectiveness of the enterprise risk management framework ("ERM").

2.4 Related Party Transactions

- review the related party transactions and situations where a conflict of interest may arise within the Group or Company, including any transaction, procedure or course of conduct that raises questions of management integrity, and to consider the appropriateness of such transactions before recommending them to the Board for approval.

2.5 Others

- review of application of Corporate Governance principles and ensure that the Group is in compliance with the best practices set out under the MCCG.
- review and provide recommendation for Corporate Governance Overview Statements, Corporate Governance Report, ARMC Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis Statement, and the Sustainability Report to the Board for approval.
- review the Anti-Bribery and Corruption Policy for Board's approval.
- review of ordinary dividend payment for approval by the Board.
- review the ARMC's TOR from time to time.

Through the review and assessment by NC, the Board was satisfied that the ARMC has effectively discharged its duties, functions and responsibilities in accordance with the TOR.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

3. INTERNAL AUDIT FUNCTION

Internal audit function provides ARMC an independent review and assessment of the Group's approach in maintaining sound governance, risk management and internal control system as well as achieving effectiveness and efficiency in accordance with the Group's policies and prescribed laws and regulations. The Group has appointed an external independent internal auditor ("**Internal Auditor**" or "**IA**"), Tricor Axcelasia Sdn Bhd to carry out the internal audit function. The Internal Auditor adopts a risk-based approach and performs its work as guided by the International Professional Practices Framework (IPPF) in all material respect.

The internal audit plan for financial year 2022 has taken into consideration the corporate risk profile, input from senior management of the Company and ARMC, and was approved by the ARMC. The scope of review carried out by the IA on internal control of group are as follows:

- Human Resource function covering recruitment, resignation, termination, grievance procedures, and training & development.
- Gap analysis on the adoption of principles and practices of MCCG 2021 covering board and leadership effectiveness, effective audit and risk management, effective audit and risk management, integrity in corporate reporting and meaningful relationship with stakeholders.

The professional fee incurred for the internal audit function for the financial year 2022 was RM25,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the MMLR of Bursa Securities, the Board is pleased to provide the following Statement on Risk Management and Internal Control of the Group, which has been prepared in accordance with the paragraph 41 and 42 of the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” and Practice 10.1 and 10.2 of the MCCG. This statement outlines the nature and scope of internal control and risk management of the Group for the financial year ended 31 December 2022.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility to establish and maintain a sound system of risk management and internal control as well as review its adequacy and integrity to safeguard shareholders’ investment and the Group’s assets.

Notwithstanding that, in view of the inherent limitations in any system of risk management and internal control, this system is designed to manage the Group’s risks within an acceptable level, rather than eliminate the risk of failure to achieve the business objectives of the Group. Therefore, the system can only provide reasonable but not absolute assurance against material misstatement, financial loss or fraudulent activities.

During the financial year under review, the Board have reviewed the adequacy and effectiveness of the risk management and internal control system of the Group and concluded that the system has been operating adequately and effectively, in all material aspects.

RISK MANAGEMENT FRAMEWORK

Our Group recognises that commitment to risk management contributes to sound management practice and good corporate governance as it improves decision making and enhances outcomes and accountability. Our Group has engaged an external independent consultant (“Consultant”) for establishment of ERM. The ERM framework is in line with ISO31000:2018 principles and generic guidelines on risk management covering the governance structure, risk policy, risk assessment process, integration of risk management into operations and promote of risk ownerships for accountability.

The Board approves and oversees the Group’s ERM Framework while ARMC are tasked to review the implementation of risk management process, provide guidance and monitor effectiveness of mitigation action plans taken by the Senior Management on an on-going basis.

The Group has appointed a consultant, Tricor Axcelasia Sdn Bhd in establishing a risk management policy statement, formalising ERM framework and facilitating the risk assessment of the Group. Risk assessments are conducted on various activities including processes, systems, operations and commercial activities to ensure that these are aligned with our objectives and goals. Any risks or opportunities arising from these assessments will be identified, analysed and reported to the management. A risk register containing strategic, operational, financial and compliance risks of the business are maintained and reported on a yearly basis to the Board via the ARMC. Review will be carried out to monitor the implementation and effectiveness of the risk management process, including the development of an appropriate risk management culture across the Group.

The principal steps of managing the risks assessed in the risk register consists of:

- (a) Identifying the risks to achieving strategic and operational objectives;
- (b) Determining the risk owner;
- (c) Assessing the impact and likelihood of the risk before taking account of any existing controls to derive the gross risk;

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

- (d) Determining and identifying the existing controls in place, and the effectiveness of such controls in managing the impact and likelihood of the risk;
- (e) Assessing the impact and likelihood of the risk after taking account of existing controls to derive the residual/net risk; and
- (f) Determining additional control improvements / management actions / mitigation plans to further manage the risk.

The ARMC has reviewed, approved and recommended the ERM framework and risk assessment prepared by the Consultant for the notation of the Board.

The on-going risk management process of the Group to identify, evaluate and manage risks are in place for the year under review and is up to the date of approval in this statement. The Board shall continue to evaluate the Group's risk management process to ensure it remains relevant to the Group's requirements.

INTERNAL CONTROL FUNCTION

Internal audit function provides the ARMC independent review and assessment of the Group's approach in maintaining sound governance, risk management and internal control system as well as achieving effectiveness and efficiency in accordance with the Group's policies and prescribed laws and regulations. The responsibility for reviewing the adequacy and integrity of the internal control system has been delegated by the Board to the ARMC.

The Group has appointed an Internal Auditor, Tricor Axcelasia Sdn Bhd to assist the ARMC in assessing the adequacy and effectiveness of the Group's internal control system.

The Internal Auditor adopt a risk-based approach and performs its work as guided by, in all material respect, the International Professional Practices Framework (IPPF).

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control system include:

- A well-defined organisational structure with clear reporting line and delegation of authorities.
- A clearly defined operating procedures that set out the policies, procedures and practices adopted by the Group are properly documented and communicated to staff in order to ensure clear accountabilities. The formal standard operating policies and procedures in place are reviewed regularly and updated to ensure that it continue to support the business activities in tandem with the growth of the Group.
- Financial results are reviewed by the Board and the ARMC on a quarterly basis.
- Executive directors and head of departments meet regularly to discuss on the operational and corporate issues.
- The Board oversee the Group's activities, operations and significant changes in the business and external environment which may result in significant risks on a quarterly basis.

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

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Securities the external auditors have reviewed this statement on risk management and internal control in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 (Revised) issued by the MIA for inclusion in the Annual Report of the Group for the financial year ended 31 December 2022. AAPG 3 does not require the external auditors to consider whether the statement on risk management and internal control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditor is also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that cause them to believe the Statement on Risk Management and Internal Control intended to be included in the Annual Report has not been prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

CONCLUSION

The Board is of the view that the Group's risk management and internal control systems are satisfactory, and that there were no significant internal control deficiencies or weakness that has resulted in material losses or contingencies during the financial year under review. The Board has received assurance from the MD and Chairman of Risk Management Committee and Chairman of Internal Audit Control Committee that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

The Group believes that the system must evolve continuously and will continuously monitor, and when necessary, put in place appropriate action plans to enhance the Group's internal control and risk management system to meet the changing and challenging business environment.

This Statement is made accordance with the resolution of the Board dated 13 April 2023.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING (“IPO”)

The utilisation of proceeds disclosed below should be read in conjunction with the Prospectus of the Company dated 3 February 2021. As at 31 December 2022, the utilisation of gross proceeds from the IPO amounting to RM13.80 million is outlined as follows:

Details of Use of Proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Balance RM'000	Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾
(1) Capital expenditure					
(a) Construction of office and showroom (Phase 1B)	2,500	(2,500)	–	–	Within 24 months
(b) Construction of Factory Blocks B and C (Phase 2)	3,300	(3,300)	–	–	Within 24 months
(c) Purchase of machineries ⁽³⁾	1,300	(893)	(407)	–	Within 24 months
	7,100	(6,693)	(407)	–	
(2) Repayment of borrowings	1,800	(1,800)	–	–	Within 1 month
(3) Working capital ⁽²⁾	1,900	(2,405)	505	–	Within 1 month
(4) Estimated listing expenses ⁽²⁾	3,000	(2,902)	(98)	–	Within 1 month
	13,800	(13,800)	–	–	

Notes:

- From the date of listing of the Company on the ACE Market of Bursa Securities on 23 February 2021.
- The surplus amount to defray listing expenses were reallocated as working capital utilisation of the Group.
- The surplus amount for purchase of machineries was reallocated as working capital utilisation of the Group.

2. AUDIT AND NON-AUDIT FEES

The fees payable to the external auditors, Crowe Malaysia PLT in relation to the audit and non-audit services rendered to the Company and its subsidiaries for FYE 2022 are as follows:

	The Company RM ('000)	The Group RM ('000)
Audit fees	30	75
Non audit fees		
- Auditor of the Company	5	5
- Member firms of the auditor of the Company	16	29

3. MATERIAL CONTRACTS

There was no material contract entered into by the Group involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS

In the course of preparing the annual financial statements for the Group and the Company, the Directors are collectively responsible for ensuring that these financial statements are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia, the provisions of the Act and the MMLR of Bursa Securities.

It is the responsibility of the Directors to ensure that the financial statements for each financial year present a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and the results and cash flows of the Group and the Company for the financial year.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Act. The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

The Board, after due consideration, is satisfied that the financial statements for the financial year ended 31 December 2022 have been prepared by adopting appropriate accounting policies which are applied consistently. Based on that, the Board are able to ensure the judgments and estimates made are reasonable and relevant to financial statements. The Board also considers that the relevant approved accounting standards have been followed and confirms that the financial statements have been prepared on a going concern basis.



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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after tax for the financial year	11,762,323	3,518,929

DIVIDENDS

Dividends paid or declared by the Company since 31 December 2021 is as follows:

The Company declared an interim dividend of approximately 0.50 sen per ordinary share amounting to RM 3,499,998 for the financial year ended 31 December 2022 on 30 May 2022 and subsequently paid on 8 July 2022.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company except for the Warrants.

DIRECTORS' REPORT (Cont'd)

WARRANTS

Warrants 2021/2024

As at 31 December 2022, the summary of the movements of warrants is as follows:

Issue date	Expiry date	At 01.01.2022	Number of warrants		At 31.12.2022
			Issued	Exercised	
11.11.2021	08.11.2024	174,999,136	–	–	174,999,136

The ordinary shares issued from the exercise of Warrants shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividend, right, allotment and/or other distribution declared, made, or paid prior to the relevant date of allotment and issuance of the new shares arising from the exercise of Warrants. Further details on the Warrants are detailed in Note 14 to the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

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

DIRECTORS' REPORT (Cont'd)

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities 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.

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

HOLDING COMPANY

The Company is a subsidiary of Exelient Sdn. Bhd., a company incorporated in Malaysia, which is also regarded by the directors as the ultimate holding company.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:

Quek Wee Seng	
Quek Wee Seong	
Lim See Tow	
Datin Siah Li Mei	
Tajul Arifin Bin Mohd Tahir	
Quek Yan Song	(Alternate to Quek Wee Seng)
Yap Ee Ling	(Appointed on 17.08.2022)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report are similar to those disclosed above.

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares, options over unissued shares or debentures of the Company and its related corporations during the financial year are as follows:-

The Company

		At	Number of Ordinary Shares			At
		01.01.2022	Bought	Sold	Adjustment	31.12.2022
Quek Wee Seng	- Direct	3,080,000	-	-	-	3,080,000
	- Indirect ⁽¹⁾	484,294,475	-	-	-	484,294,475
Quek Wee Seong	- Direct	3,080,000	-	-	-	3,080,000
	- Indirect ⁽²⁾	483,840,000	-	-	-	483,840,000

		At	Number of Warrants			At
Warrants 2021/2024		01.01.2022	Entitled	Disposed	Exercised	31.12.2022
Quek Wee Seng	- Direct	370,000	-	-	-	370,000
	- Indirect ⁽¹⁾	42,571,918	-	-	-	42,571,918
Quek Wee Seong	- Direct	770,000	-	-	-	770,000
	- Indirect ⁽²⁾	42,058,300	-	-	-	42,058,300

Holding company - Exelient Sdn. Bhd. ("ESB")

		At	Number of Ordinary Shares		At
		01.01.2022	Bought	Sold	31.12.2022
Quek Wee Seng		500,001	-	-	500,001
Quek Wee Seong		500,001	-	-	500,001

Notes :

- (1) Deemed interest by virtue of his wife, Leong Yok Moy, his father, Quek Gim Hong @ Keh Gim Hong, his brother Quek Wee Seong and his direct interests in ESB.
- (2) Deemed interest by virtue of his father, Quek Gim Hong @ Keh Gim Hong, his brother, Quek Wee Seng and his direct interests in ESB.

By virtue of their shareholdings in ESB, Quek Wee Seng and Quek Wee Seong are deemed to have interests in shares of the Company and its subsidiaries during the financial year to the extent that ESB has an interest, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

**DIRECTORS'
REPORT
(Cont'd)****DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 31 to the financial statements.

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	The Group RM	The Company RM
Directors		
Executive directors:-		
Salaries, bonuses and other benefits	992,819	8,400
Defined contribution plan	118,547	–
	1,111,366	8,400
Non-executive directors:-		
Fees	141,750	141,750
Salaries, bonuses and other benefits	16,215	16,215
	157,965	157,965
Total directors' remuneration	1,269,331	166,365
Estimated monetary value of benefits-in-kind	64,400	–

INDEMNITY AND INSURANCE COST

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 35 to the financial statements.

DIRECTORS'
REPORT
(Cont'd)**AUDITORS**

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	74,500	30,000
Non-audit fees	5,000	5,000
	79,500	35,000

Signed in accordance with a resolution of the directors dated 13 April 2023.

Quek Wee Seng

Quek Wee Seong

STATEMENT BY DIRECTORS

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

We, Quek Wee Seng and Quek Wee Seong, being two of the directors of Mobilia Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 59 to 111 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2022 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 13 April 2023.

Quek Wee Seng

Quek Wee Seong

STATUTORY DECLARATION

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

I, Tan Ley Wun, membership number : 43087 being the officer primarily responsible for the financial management of Mobilia Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 59 to 111 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Tan Ley Wun at Muar in the
Johor Darul Takzim on this 13 April 2023

Tan Ley Wun

Before me

Lim Pei Ling (No. J238)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MOBILIA HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Mobilia Holdings Berhad, which comprise the statements of financial position as at 31 December 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 59 to 111.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report.

Carrying Amount of Inventories Refer to Note 9 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
The Group held inventories with carrying amount of RM13,284,810 as at 31 December 2022. The carrying amount of inventories is stated at the lower of cost and net realisable value. According to the Group's inventory write-down policy, the Group determines the amount of write-down for slow moving or obsolete inventories based upon the age of the slow moving inventories.	Our procedures included, amongst others:- - Reviewed the net realisable value of inventories. - Evaluated the reasonableness and adequacy of the allowances for obsolete and slow-moving inventories. - Reviewed the ageing analysis of inventories and tested its reliability.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOBILIA HOLDINGS BERHAD (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 misstatements, 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 or 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 intends to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOBILIA HOLDINGS BERHAD (Cont'd)

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public communication in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Gan Hwee Ling
03516/08/2024J
Chartered Accountant

Muar, Johor Darul Takzim
Date: 13 April 2023

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

		The Group		The Company	
	Note	2022 RM	2021 RM Restated	2022 RM	2021 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	6	60,712,729	42,447,158	–	–
Right-of-use assets	7	–	6,016	–	–
Investment in subsidiaries	8	–	–	32,843,720	23,596,000
		60,712,729	42,453,174	32,843,720	23,596,000
CURRENT ASSETS					
Inventories	9	13,284,810	15,076,270	–	–
Trade receivables	10	7,892,959	11,274,426	–	–
Other receivables, deposits and prepayments	11	2,036,933	2,101,039	5,112,150	4,306,502
Short-term investments	12	3,548,402	5,049,215	–	–
Current tax assets		50,370	33,986	–	15,000
Fixed deposits with licensed banks	13	8,379,854	7,650,000	6,205,527	7,000,000
Cash and bank balances		9,479,792	11,060,473	224,752	1,838,139
		44,673,120	52,245,409	11,542,429	13,159,641
TOTAL ASSETS		105,385,849	94,698,583	44,386,149	36,755,641
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	36,696,001	36,696,001	36,696,001	36,696,001
Re-organisation reserve	15	(22,496,000)	(22,496,000)	–	–
Retained profits		47,430,667	39,168,342	21,312	2,381
TOTAL EQUITY		61,630,668	53,368,343	36,717,313	36,698,382
NON-CURRENT LIABILITIES					
Borrowings	16	24,663,335	18,813,701	6,993,918	–
Deferred tax liabilities	18	2,918,556	1,753,000	–	–
		27,581,891	20,566,701	6,993,918	–
CURRENT LIABILITIES					
Trade payables	19	3,322,755	5,708,681	–	–
Other payables and accruals	20	5,300,466	7,187,129	37,924	57,259
Borrowings	16	7,541,319	7,861,541	628,244	–
Lease liabilities	17	–	6,188	–	–
Current tax liabilities		8,750	–	8,750	–
		16,173,290	20,763,539	674,918	57,259
TOTAL LIABILITIES		43,755,181	41,330,240	7,668,836	57,259
TOTAL EQUITY AND LIABILITIES		105,385,849	94,698,583	44,386,149	36,755,641

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

		The Group		The Company	
	Note	2022 RM	2021 RM Restated	2022 RM	2021 RM
REVENUE	21	84,950,774	70,114,762	5,100,000	1,500,000
OTHER INCOME		1,777,994	1,181,146	–	–
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		1,789,905	2,699,393	–	–
RAW MATERIALS USED		(39,968,160)	(38,038,379)	–	–
DEPRECIATION		(2,576,031)	(2,127,541)	–	–
STAFF COSTS	23	(19,468,011)	(15,728,484)	(166,365)	(159,245)
FINANCE COSTS	24	(1,074,252)	(861,196)	(146,202)	–
OTHER EXPENSES		(9,757,008)	(7,419,935)	(1,390,280)	(1,289,834)
RESULTS FROM OPERATING ACTIVITIES		15,675,211	9,819,766	3,397,153	50,921
INTEREST INCOME		261,135	181,882	177,358	72,857
PROFIT BEFORE TAX	25	15,936,346	10,001,648	3,574,511	123,778
INCOME TAX EXPENSE	26	(4,174,023)	(1,966,246)	(55,582)	–
PROFIT AFTER TAX AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		11,762,323	8,035,402	3,518,929	123,778
EARNINGS PER SHARE (RM)	27				
Basic		0.02	0.01		
Diluted		N.A	N.A		

Note:

N.A - Not applicable. There are no dilutive potential equity instruments that would effect to the basic earnings per share.

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Share capital RM	Non Distributable Re- organisation reserve RM	Distributable Retained profits RM	Total equity RM
The Group					
Balance at 1 January 2021		23,596,001	(22,496,000)	31,132,940	32,232,941
Profit after tax and total comprehensive income for the financial year		–	–	8,035,402	8,035,402
Contributions by and distributions to owners of the Company					
- Issuance of shares for public issue	14	13,800,000	–	–	13,800,000
- Share issuance expenses	14	(700,000)	–	–	(700,000)
Balance at 31 December 2021 / 1 January 2022		36,696,001	(22,496,000)	39,168,342	53,368,343
Profit after tax and total comprehensive income for the financial year		–	–	11,762,323	11,762,323
Distributions to owners of the Company					
- Dividends	28	–	–	(3,499,998)	(3,499,998)
Balance at 31 December 2022		36,696,001	(22,496,000)	47,430,667	61,630,668

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

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

	Note	Share capital RM	Distributable Accumulated losses RM	Total equity RM
The Company				
Balance at 1 January 2021		23,596,001	(121,397)	23,474,604
Profit after tax and total comprehensive income for the financial year		–	123,778	123,778
Contributions by and distributions to owners of the Company				
- Issuance of shares for public issue	14	13,800,000	–	13,800,000
- Share issuance expenses	14	(700,000)	–	(700,000)
Balance at 31 December 2021 / 1 January 2022		36,696,001	2,381	36,698,382
Profit after tax and total comprehensive income for the financial year		–	3,518,929	3,518,929
Distributions to owners of the Company - Dividends	28	–	(3,499,998)	(3,499,998)
Balance at 31 December 2022		36,696,001	21,312	36,717,313

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	The Group		The Company	
		2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before tax		15,936,346	10,001,648	3,574,511	123,778
Adjustments for:					
Depreciation of property, plant and equipment		2,570,015	2,113,100	–	–
Depreciation of right-of-use assets		6,016	14,441	–	–
Dividend income from a subsidiary		–	–	(5,100,000)	(1,500,000)
Gain on disposal of property, plant and equipment		(29,997)	(224,999)	–	–
Listing expenses		684,650	810,839	684,650	810,839
Property, plant and equipment written off		3,737	12,960	–	–
Unrealised loss on foreign exchange		(24,716)	29,745	–	–
Interest expenses		1,047,841	844,141	146,202	–
Interest income		(261,135)	(181,882)	(177,358)	(72,857)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES					
Inventories		19,932,757	13,419,993	(871,995)	(638,240)
Trade receivables		1,791,460	(5,279,735)	–	–
Other receivables, deposits and prepayments		3,381,467	(2,847,267)	–	–
Trade payables		98,496	826,414	(805,648)	(4,232,133)
Other payables and accruals		(2,385,926)	339,397	–	–
		(1,397,568)	26,046	(19,335)	(138,507)
CASH FROM/(FOR) OPERATIONS					
Interest received		21,420,686	6,484,848	(1,696,978)	(5,008,880)
Tax paid		261,135	181,882	177,358	72,857
		(3,016,101)	(1,438,128)	(31,832)	(15,000)
NET CASH FROM/(FOR) OPERATING ACTIVITIES					
		18,665,720	5,228,602	(1,551,452)	(4,951,023)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents	29	(9,247,720)	–	(9,247,720)	–
Deposit paid for purchase of property, plant and equipment	11(b)	(34,390)	(358,392)	–	–
Dividend received from a subsidiary		–	–	5,100,000	1,500,000
Proceeds from disposal of property, plant and equipment		30,000	225,000	–	–
Purchase of property, plant and equipment	30(a)	(11,452,678)	(3,084,163)	–	–
NET CASH (FOR)/FROM INVESTING ACTIVITIES					
		(20,704,788)	(3,217,555)	(4,147,720)	1,500,000

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

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

		The Group		The Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Dividends paid	28	(3,499,998)	–	(3,499,998)	–
Drawdown of bankers' acceptances	30(b)	20,187,882	11,067,733	–	–
Drawdown of term loans	30(b)	8,610,000	208,568	7,860,000	–
Increase in fixed deposit pledged		–	(650,000)	–	–
Interest paid	30(b)	(1,047,841)	(844,141)	(146,202)	–
Payment of listing expenses		(684,650)	(810,839)	(684,650)	(810,839)
Proceeds from issuance of ordinary shares		–	13,100,000	–	13,100,000
Repayment of bankers' acceptances	30(b)	(21,196,888)	(12,762,184)	–	–
Repayment of hire purchase payables	30(b)	(788,278)	(637,166)	–	–
Repayment of lease liabilities	30(b)	(6,188)	(14,438)	–	–
Repayment of term loans	30(b)	(1,911,327)	(1,602,400)	(237,838)	–
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(337,288)	7,055,133	3,291,312	12,289,161
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(2,376,356)	9,066,180	(2,407,860)	8,838,138
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		24,716	(29,745)	–	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		23,109,688	14,073,253	8,838,139	1
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	30(d)	20,758,048	23,109,688	6,430,279	8,838,139

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:

Registered office : No. 7 (1st Floor) Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri
84000 Muar
Johor Darul Takzim

Principal place of business : Lot 2782 GRN 92507
Jalan Kempas 1
Mukim Jalan Bakri
84200 Muar
Johor Darul Takzim

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 13 April 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. HOLDING COMPANY

The Company is a subsidiary of Exelient Sdn. Bhd., a company incorporated in Malaysia, which is also regarded by the directors as the ultimate holding company.

4. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 4.1 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (Including the Consequential Amendments)

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

4. BASIS OF PREPARATION (CONT'D)

- 4.2 The Group has not applied in advance the following accounting standards and/or interpretation (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

MFRSs and/or IC Interpretations (including the Consequential Amendments)		Effective date
MFRS 17	: Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16	: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17	: Insurance Contracts	1 January 2023
Amendment to MFRS 17	: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101	: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101	: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108	: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Critical accounting estimates and judgements

Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

(i) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Critical accounting estimates and judgements (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(ii) Write-down of inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 9 to the financial statements.

(iii) Impairment of trade receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 10 to the financial statements.

(iv) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimates. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(v) Purchase price allocation

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets (including goodwill) and liabilities, future net earnings due to the impact on future depreciation and amortisation expense and impairment tests. The fair values of the assets acquired and liabilities assumed under the business combinations made during the current financial year are disclosed in Note 29 to the financial statements.

Critical judgement made in applying accounting policies

In the process of applying the Group's accounting policies, the management is not aware of any judgements that have significant effects on the amounts recognised in the financial statements.

There are also no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group control an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also 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.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiary to ensure consistency of accounting policies with those of the Group.

5.2.1 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(a) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(b) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in the equity of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.2 Basis of consolidation (Cont'd)

5.2.1 Business combinations (Cont'd)

(c) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value of the initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

5.2.2 Business combinations under common control

A business combinations involving entity under common control is a business combinations in which all the combining entities or subsidiaries are ultimately controlled by the same party or parties both before and after the business combinations, and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years.

The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combinations to the extent of the continuation of the controlling party and parties' interests.

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as a merger deficit or merger reverse as applicable. The results of the subsidiaries being merged are included for the full financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.3 Functional and foreign currency

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Foreign currency transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

5.4 Financial instruments

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.4 Financial instruments (Cont'd)

(a) Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt instruments

(i) Amortised cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair value through other comprehensive income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair value through profit or loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.4 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Equity instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial liabilities

(i) Financial liabilities at fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value (excluding interest expense) of these financial liabilities are recognised in profit or loss.

(ii) Other financial liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.4 Financial instruments (Cont'd)

(c) Equity instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

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

5.5 Investment in subsidiaries

Investment in subsidiaries are stated at cost in the statements of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

On the disposal of the investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.6 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:

Buildings	2% - 10%
Office equipment, renovation, furniture and fittings	10% - 20%
Factory equipment, plant and machinery	10%
Motor vehicles	20%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment. Any changes are accounted for as a change in estimate.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.7 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

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

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

5.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises the purchase price, conversion costs and incidentals incurred in bringing the inventories to their present location and condition. The cost of conversion includes cost directly related to the units of production, and a proportion of fixed production overheads based on normal capacity of the production facilities.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

5.10 Impairment

(i) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost and trade receivables.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

(ii) Impairment of non-financial assets

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.10 Impairment (Cont'd)

(ii) Impairment of non-financial assets (Cont'd)

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

5.11 Employee benefits

(i) Short-term benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(ii) Defined contribution plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

5.12 Income taxes

(i) Current tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(ii) Deferred tax

Deferred tax is recognised using the liability method for all temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.12 Income taxes (Cont'd)

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

5.13 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

5.14 Earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributed to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible preference shares and share options granted to employee.

5.15 Borrowing costs

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

5.16 Fair value measurements

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

5.17 Revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Sale of furniture and furniture parts

Revenue from sale of furniture and furniture parts is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

5.18 Revenue from other sources and other operating income

(i) Dividend income

Dividend income from investments is recognised when the right to receive dividend payment is established.

(ii) Interest income

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

**NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Cont'd)**

6. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land RM	Buildings RM	Office equipment, renovation, furniture and fittings RM	Factory equipment, plant and machineries RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
At cost							
At 1 January 2022	12,422,959	16,494,218	592,719	15,971,649	3,768,692	1,368,387	50,618,624
Acquisition of a subsidiary	9,247,720	-	-	-	-	-	9,247,720
Additions	-	25,128	1,045,539	2,252,173	1,126,147	7,142,619	11,591,606
Reclassification	-	8,511,006	-	-	-	(8,511,006)	-
Disposals	-	-	-	-	(267,000)	-	(267,000)
Write off	-	-	(47,830)	-	-	-	(47,830)
At 31 December 2022	21,670,679	25,030,352	1,590,428	18,223,822	4,627,839	-	71,143,120
Less : Accumulated depreciation							
At 1 January 2022	-	548,587	443,325	5,413,279	1,766,275	-	8,171,466
Charge for the financial year	-	390,455	83,343	1,647,098	449,119	-	2,570,015
Disposals	-	-	-	-	(266,997)	-	(266,997)
Write off	-	-	(44,093)	-	-	-	(44,093)
At 31 December 2022	-	939,042	482,575	7,060,377	1,948,397	-	10,430,391
Carrying amount							
At 31 December 2022	21,670,679	24,091,310	1,107,853	11,163,445	2,679,442	-	60,712,729

**NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Cont'd)**

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

The Group		Freehold land RM	Buildings RM	Office equipment, renovation, furniture and fittings RM	Factory equipment, plant and machineries RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
At cost								
At 1 January 2021		12,423,158	15,649,248	644,194	14,683,803	2,980,926	445,377	46,826,706
Additions		-	902,709	25,516	2,134,086	1,519,924	923,010	5,505,245
Disposals		-	-	-	-	(732,158)	-	(732,158)
Write off		(199)	(57,739)	(76,991)	(846,240)	-	-	(981,169)
At 31 December 2021		12,422,959	16,494,218	592,719	15,971,649	3,768,692	1,368,387	50,618,624
Less : Accumulated depreciation								
At 1 January 2021		-	266,063	457,648	4,883,191	2,151,830	-	7,758,732
Charge for the financial year		-	317,082	61,687	1,387,729	346,602	-	2,113,100
Disposals		-	-	-	-	(732,157)	-	(732,157)
Write off		-	(34,558)	(76,010)	(857,641)	-	-	(968,209)
At 31 December 2021		-	548,587	443,325	5,413,279	1,766,275	-	8,171,466
Carrying amount								
At 31 December 2021		12,422,959	15,945,631	149,394	10,558,370	2,002,417	1,368,387	42,447,158

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

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

- (a) The following property, plant and equipment have been pledged to a licensed bank as security for banking facilities granted to the Group (Note 16):

	The Group	
	2022 RM	2021 RM
Carrying amount		
Freehold land	21,670,679	12,422,959
Buildings	24,047,850	15,897,251
Capital work-in-progress	–	1,368,387
Factory equipment, plant and machinery	5,132,152	5,391,979
Motor vehicle	352,067	–
	51,202,748	35,080,576

- (b) The following property, plant and equipment were acquired under hire purchase instalments plans (Note 16):

	The Group	
	2022 RM	2021 RM
Carrying amount		
Factory equipment, plant and machinery	1,202,549	1,422,426
Motor vehicle	2,130,368	1,651,365
	3,332,917	3,073,791

- (c) There is no property, plant and equipment in the Company throughout the current and previous financial year.

7. RIGHT-OF-USE ASSETS

	Office and showroom RM	Total RM
At 1 January 2021	20,457	20,457
Depreciation	(14,441)	(14,441)
At 31 December 2021/ 1 January 2022	6,016	6,016
Depreciation	(6,016)	(6,016)
At 31 December 2022	–	–

The Group has leased an office and showroom that run for 2 (2021: 2) years lease term, with an option to renew the lease after that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

8. INVESTMENT IN SUBSIDIARIES

	The Company	
	2022 RM	2021 RM
Unquoted shares, at cost		
At 1 January	23,596,000	23,596,000
Additions	9,247,720	–
At 31 December	32,843,720	23,596,000

Name of subsidiaries	Principal place of business/country of incorporation	Percentage of issued share capital held by parent		Principal activities
		31.12.2022 %	31.12.2021 %	
Subsidiaries of the Company				
Mobilia International Sdn. Bhd. (“MISB”)	Malaysia	100	100	Investment holding, design, manufacturing and sale of furniture and furniture parts.
H & S Usaha Jati Sdn. Bhd. (“H&S”)	Malaysia	100	–	Property investment holding company
Subsidiary of MISB				
Mobilia Design Sdn. Bhd.	Malaysia	100	100	Ceased business operations since 1 April 2020 and commenced members’ voluntary winding up on 12 June 2020.

On 20 June 2022, the Company acquired 100 ordinary shares in H&S, representing entire equity interest in H&S for a total cash consideration of RM 9,247,720. As a result, H&S become wholly-owned subsidiary of the Company.

9. INVENTORIES

	The Group	
	2022 RM	2021 RM
Raw materials	5,004,069	8,585,434
Work-in-progress	5,416,469	3,788,941
Finished goods	2,864,272	2,701,895
	13,284,810	15,076,270
Recognised in profit or loss:		
Inventories recognised as cost of sales	38,178,255	35,338,986

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

10. TRADE RECEIVABLES

The Group's normal trade terms granted to customers range from cash term to 150 days credit (2021: cash term to 90 days credit) from date of invoices.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amount owing by subsidiary	–	–	5,112,150	4,306,502
Deposits	1,007,675	758,900	–	–
Prepayments	775,621	631,242	–	–
Supplier deposits	176,559	462,905	–	–
Sundry receivables	77,078	247,992	–	–
	2,036,933	2,101,039	5,112,150	4,306,502

- (a) The amount owing by subsidiary is unsecured, interest-free and repayable on demand.
- (b) Included in supplier deposits is an amount of RM 34,390 (2021: RM 358,392) for purchase of property, plant and equipment.

12. SHORT-TERM INVESTMENTS

	The Group	
	2022 RM	2021 RM
Money market funds, at fair value	3,548,402	5,049,215

The money market funds represent investments in highly liquid money market instruments which are redeemable with one (1) day notice at known amounts of cash and are subject to an insignificant risk of changes in value.

13. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bear effective interest rates of 1.65% to 3.50% (2021: 1.65% to 2.20%) per annum and 3.50% (2021: 2.20%) per annum respectively. The fixed deposits have maturity period ranging from 3 to 12 months (2021: 5 to 12 months) and 3 months (2021: 5 months) respectively.
- (b) Included in the fixed deposits with licensed banks of the Group is an amount of RM 650,000 (2021: RM 650,000) pledged to a licensed bank as security for banking facilities granted to the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

14. SHARE CAPITAL

		The Group and The Company		
		2022		2021
	Number of shares	RM	Number of shares	RM
Issued and fully paid-up				
Ordinary shares				
At 1 January	699,999,992	36,696,001	340,000,000	23,596,001
Issuance of new share pursuant to:				
- Public issue (b)	–	–	60,000,000	13,800,000
- Share issuance expenses	–	–	–	(700,000)
- Bonus issues (c)	–	–	299,999,992	–
At 31 December	699,999,992	36,696,001	699,999,992	36,696,001

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (b) On 23 February 2021, the Company undertook a public issue of 60,000,000 new ordinary shares ("Public Issue") in conjunction with its initial public offering at an issuance price of RM 0.23 per ordinary share.
- (c) On 5 November 2021, the Company increased 299,999,992 new ordinary shares by way of bonus issues on the basis of 3 new ordinary share for every 4 existing ordinary share held.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

Warrants 2021/2024

A total 174,999,136 bonus warrants were issued by the Company on 11 November 2021 on the basis of one (1) warrant for every four (4) existing ordinary shares held. Each warrant entitles the holder the right to subscribe for one (1) new ordinary share of the Company at an exercise price of RM 0.28. The warrants will expire on 8 November 2024.

The salient terms of the warrants 2021/2024 ("Warrant") are as follows:-

- (a) The Warrants are constituted by a Deed Poll dated 20 October 2021.
- (b) The Warrants are traded separately.
- (c) The Warrants can be exercised any time during the tenure of 3 years commencing from the date of issue on 11 November 2021. Warrants not exercised during the aforesaid period will lapse and cease to be valid.
- (d) Each Warrant entitles the registered holder to subscribe for one new ordinary share in the Company.
- (e) Subject to the provisions in the Deed Poll, the Exercise Price and the number of Warrants held by each warrant holder shall from time to time adjusted by the Company in consultation with the approved adviser and certified by the auditors appointed by the Company.
- (f) Subject to the provisions in the Deed Poll, the Company is free to issue shares to shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the warrant holders will not have any participating rights in such issues unless otherwise resolved by the Company in general meeting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

15. RE-ORGANISATION RESERVE

The re-organisation reserve arose from the differences between carrying value of the investment and the nominal value of the shares of a subsidiary upon consolidation under merger accounting principles.

16. BORROWINGS

	The Group		The Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
		Restated		
Current liabilities				
Secured - Bankers' acceptances	3,321,779	4,330,785	–	–
- Hire purchase payables	947,887	777,168	–	–
- Term loans	3,271,653	2,753,588	628,244	–
	7,541,319	7,861,541	628,244	–
Non-current liabilities				
Secured - Hire purchase payables	1,200,699	1,531,673	–	–
- Term loans	23,462,636	17,282,028	6,993,918	–
	24,663,335	18,813,701	6,993,918	–
	32,204,654	26,675,242	7,622,162	–
Total borrowings				
Secured - Bankers' acceptances	3,321,779	4,330,785	–	–
- Hire purchase payables	2,148,586	2,308,841	–	–
- Term loans	26,734,289	20,035,616	7,622,162	–
	32,204,654	26,675,242	7,622,162	–

(a) The borrowings are secured by the followings:

- (i) Freehold land and buildings of the Group (Note 6(a));
- (ii) Specific debenture over plant and machinery and motor vehicles of the Group (Note 6(a));
- (iii) Fixed deposit with a licensed bank (Note 13); and
- (iv) Corporate guarantee provided by the Company

(b) The borrowings of the Group at the end of the reporting period bear effective annual interest rates as follows:

	The Group		The Company	
	2022	2021	2022	2021
	%	%	%	%
Bankers' acceptances	2.81 - 3.58	1.90 - 2.00	–	–
Hire purchase payables	1.49 - 6.00	1.49 - 6.00	–	–
Term loans	3.19 - 5.95	3.00 - 4.95	4.00	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

17. LEASE LIABILITIES

	The Group	
	2022 RM	2021 RM Restated
At 1 January	6,188	20,626
Interest expense recognised in profit or loss (Note 24)	62	562
Repayment of principal (Note 30(b))	(6,188)	(14,438)
Repayment of interest expense (Note 30(b))	(62)	(562)
At 31 December	–	6,188
Analysed by:		
Current liabilities	–	6,188

18. DEFERRED TAX LIABILITIES

	The Group	
	2022 RM	2021 RM
At 1 January	1,753,000	1,530,000
Recognised in profit or loss (Note 26)	1,165,556	223,000
At 31 December	2,918,556	1,753,000

19. TRADE PAYABLES

The normal trade terms granted to the Group by suppliers range from cash term to 90 days credit (2021: cash term to 45 days credit).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amount owing to directors	51,640	66,198	–	–
Accruals	2,487,134	2,497,764	35,000	33,000
Customer deposits	1,264,803	2,482,592	–	–
Sales tax payable	35,947	46,845	–	–
Sundry payables	1,460,942	2,093,730	2,924	24,259
	5,300,466	7,187,129	37,924	57,259

- (a) The amount owing to directors is unsecured, interest-free and repayable on demand.
- (b) Included in sundry payables of the Group is an amount of RM 844,776 (2021: RM 1,271,709) payable for the purchase of property, plant and equipment.

21. REVENUE

Revenue of the Group comprises the followings:

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Revenue from contracts with customers				
<u>Recognised at a point in time</u>				
Sales of furniture and furniture parts	84,950,774	70,114,762	–	–
Revenue from other sources				
Dividend income	–	–	5,100,000	1,500,000
	84,950,774	70,114,762	5,100,000	1,500,000

The sales of furniture and furniture parts are further disaggregated according to geographical region in Note 32(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

22. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
(a) Directors				
Executive directors:-				
Salaries, bonuses and other benefits	992,819	833,760	8,400	18,545
Defined contribution plan	118,547	97,822	–	–
	1,111,366	931,582	8,400	18,545
Non-executive directors:-				
Fees	141,750	126,000	141,750	126,000
Salaries, bonuses and other benefits	16,215	14,700	16,215	14,700
	157,965	140,700	157,965	140,700
Total directors' remuneration	1,269,331	1,072,282	166,365	159,245
Estimated monetary value of benefits-in-kind	64,400	44,333	–	–
(b) Other key management personnel				
Salaries, bonuses and other benefits	720,595	599,830	–	–
Defined contribution plan	85,964	71,715	–	–
Total compensation for other key management personnel	806,559	671,545	–	–
Estimated monetary value of benefits-in-kind	3,000	3,000	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

23. STAFF COSTS

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Key management personnel compensation (excluding benefits-in-kind)	2,075,890	1,743,827	166,365	159,245
Other staff costs				
Salaries, bonuses and other benefits	16,983,829	13,635,485	–	–
Defined contribution plan	408,292	349,172	–	–
	17,392,121	13,984,657	–	–
	19,468,011	15,728,484	166,365	159,245

24. FINANCE COSTS

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Interest on:				
Bankers' acceptances	116,123	52,307	–	–
Hire purchase payables	94,612	109,992	–	–
Lease liabilities	62	562	–	–
Term loans	837,044	681,280	146,202	–
	1,047,841	844,141	146,202	–
Bankers' acceptances charges	26,411	17,055	–	–
	1,074,252	861,196	146,202	–

**NOTES TO THE
FINANCIAL STATEMENTS**
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Cont'd)

25. PROFIT BEFORE TAX

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
This is arrived at after charging:				
Auditors' remuneration				
- audit fees	74,500	68,000	30,000	28,000
- non-audit fees				
- auditor of the Company	5,000	5,000	5,000	5,000
- member firms of the auditors of the Company	28,900	14,800	16,400	2,400
Depreciation of property, plant and equipment	2,570,015	2,113,100	-	-
Depreciation of right-of-use assets	6,016	14,441	-	-
Listing expenses	684,650	810,839	684,650	810,839
Unrealised loss on foreign exchange	-	29,745	-	-
Rental expenses of office and showroom	7,500	-	-	-
Property, plant and equipment written off	3,737	12,960	-	-
And (crediting):				
Gain on disposal of property, plant and equipment	(29,997)	(224,999)	-	-
Gain on foreign exchange				
- realised	(1,463,975)	(804,619)	-	-
- unrealised	(24,716)	-	-	-
Interest income on financial assets measured at amortised cost	(261,135)	(181,882)	(177,358)	(72,857)
Fair value gain on financial assets measured at fair value through profit or loss	(49,206)	(49,215)	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

26. INCOME TAX EXPENSE

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current tax expense	3,121,440	1,821,000	40,440	–
(Over)/underprovision in previous financial year	(112,973)	(77,754)	15,142	–
	3,008,467	1,743,246	55,582	–
Deferred tax (Note 18):				
- Origination of temporary differences	635,556	223,000	–	–
- Underprovision in previous financial year	530,000	–	–	–
	1,165,556	223,000	–	–
	4,174,023	1,966,246	55,582	–

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

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Profit before tax	15,936,346	10,001,648	1,626,000	123,778
Tax at statutory income tax rate	3,825,000	2,401,000	858,000	30,000
Tax effect of non-deductible expense	605,996	502,000	382,440	330,000
Tax effect of non-taxable income	(9,000)	(51,000)	(1,200,000)	(360,000)
Utilisation of tax incentive	(665,000)	(808,000)	–	–
(Over)/underprovision in previous financial year:				
- current tax expense	(112,973)	(77,754)	15,142	–
- deferred tax expense	530,000	–	–	–
	4,174,023	1,966,246	55,582	–

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

27. EARNINGS PER SHARE

	The Group 2022	2021
Profit after tax attributable to owners of the Company (RM)	11,762,323	8,035,402
Weighted average number of ordinary shares in issues	699,999,992	691,287,663
Basic earnings per share (RM)	0.02	0.01

The effects of potential ordinary shares arising from the conversion of warrants were anti-dilutive and accordingly, it has been ignored in the calculation of diluted earnings per share. As a result, the diluted earnings per share is the same as basic earnings per share.

28. DIVIDENDS

	The Group and The Company 2022	2021
<u>In respect of financial year ended 31 December 2022</u>		
Interim dividend of 0.50 sen per ordinary share	(3,499,998)	–

29. ACQUISITION OF A SUBSIDIARY

On 20 June 2022, the Company acquired 100 ordinary shares in H & S Usaha Jati Sdn. Bhd. ("H&S"), representing entire equity interest in H&S for a total cash consideration of RM 9,247,720. As a result, H&S become wholly owned subsidiary of the Company.

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

	The Group 2022 RM
Property, plant and equipment	9,247,720
Cash balances	100
Net identifiable assets acquired	9,247,820
Less: Cash and cash equivalents of subsidiary acquired	(100)
	9,247,720

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

30. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment are as follows:

	The Group	
	2022 RM	2021 RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	11,591,606	5,505,245
Acquired through hire purchase arrangements	(628,023)	(1,277,023)
Cash paid in respect of acquisition in previous financial year	1,254,884	36,063
Unpaid balances included in sundry payables	(765,789)	(1,180,122)
Cash paid during the financial year	11,452,678	3,084,163

- (b) The reconciliation of liabilities arising from financing activities are as follows:

The Group

	Bankers' acceptances RM	Hire purchase payables RM	Term loans RM	Lease liabilities RM	Total RM
At 1 January 2022	4,330,785	2,308,841	20,035,616	6,188	26,681,430
<u>Changes in financing cash flows</u>					
Proceeds from drawdown	20,187,882	–	8,610,000	–	28,797,882
Repayment of borrowing principal	(21,196,888)	(788,278)	(1,911,327)	(6,188)	(23,902,681)
Repayment of borrowing interest	(116,123)	(94,612)	(837,044)	(62)	(1,047,841)
	(1,125,129)	(882,890)	5,861,629	(6,250)	3,847,360
<u>Non-cash changes</u>					
Acquisition of new lease	–	628,023	–	–	628,023
Finance charges recognised in profit or loss	116,123	94,612	837,044	62	1,047,841
	116,123	722,635	837,044	62	1,675,864
At 31 December 2022	3,321,779	2,148,586	26,734,289	–	32,204,654

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

30. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows: (Cont'd)

The Group

	Bankers' acceptances RM	Hire purchase payables RM	Term loans RM	Lease liabilities RM	Total RM
At 1 January 2021	6,025,236	1,668,984	21,429,448	20,626	29,144,294
<u>Changes in financing cash flows</u>					
Proceeds from drawdown	11,067,733	–	208,568	–	11,276,301
Repayment of borrowing principal	(12,762,184)	(637,166)	(1,602,400)	(14,438)	(15,016,188)
Repayment of borrowing interest	(52,307)	(109,992)	(681,280)	(562)	(844,141)
	(1,746,758)	(747,158)	(2,075,112)	(15,000)	(4,584,028)
<u>Non-cash changes</u>					
Acquisition of new lease	–	1,277,023	–	–	1,277,023
Finance charges recognised in profit or loss	52,307	109,992	681,280	562	844,141
	52,307	1,387,015	681,280	562	2,121,164
At 31 December 2021	4,330,785	2,308,841	20,035,616	6,188	26,681,430

The Company

	Term loans RM	Total RM
At 1 January 2022	–	–
<u>Changes in financing cash flows</u>		
Proceeds from drawdown	7,860,000	7,860,000
Repayment of borrowing principal	(237,838)	(237,838)
Repayment of borrowing interest	(146,202)	(146,202)
	7,475,960	7,475,960
<u>Non-cash changes</u>		
Finance charges recognised in profit or loss	146,202	146,202
	146,202	146,202
At 31 December 2022	7,622,162	7,622,162

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

30. CASH FLOW INFORMATION (CONT'D)

- (c) The total cash outflow for leases as a lessee are as follows:

	The Group	
	2022 RM	2021 RM
Payment of lease liabilities	6,188	14,438
Interest paid on lease liabilities	62	562
	6,250	15,000

- (d) The cash and cash equivalents comprise the following:

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Short-term investments	3,548,402	5,049,215	–	–
Fixed deposits with licensed banks	8,379,854	7,650,000	6,205,527	7,000,000
Cash and bank balances	9,479,792	11,060,473	224,752	1,838,139
	21,408,048	23,759,688	6,430,279	8,838,139
Less: Fixed deposit pledged to a licensed bank	(650,000)	(650,000)	–	–
	20,758,048	23,109,688	6,430,279	8,838,139

31. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly 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.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

31. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant related parties transactions and balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Subsidiary				
Dividend income	–	–	(5,100,000)	(1,500,000)

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

(c) Compensation of key management personnel

Key management personnel (include Executive Directors and Non-Executive Directors of the Company and certain members of senior management of the Group and of the Company) are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Details of the compensation for these key management personnel are disclosed in Note 22 to the financial statements.

32. OPERATING SEGMENTS

(a) Business segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely furniture manufacturing.

(b) Geographical information

In presenting the information on the basis of geographical segments, segmental information on non-current assets is not presented, as all non-current assets are located in Malaysia.

Segmental revenue is presented based on the geographical location of customers.

	The Group	
	2022 RM	2021 RM
Asia (excluding Malaysia)	18,307,021	11,493,562
Australasia	622,469	741,970
Europe	6,059,511	5,148,810
North America	33,702,073	27,487,553
South America	848,525	1,010,404
Malaysia	25,411,175	24,232,463
	84,950,774	70,114,762

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

32. OPERATING SEGMENTS (CONT'D)

(c) Major customers

The following are major customers with revenue equal to or more than 10% of Group revenue for the relevant reporting periods:

	The Group	
	2022 RM	2021 RM
Customer A	15,189,765	13,569,737
Customer B	16,588,370	16,275,000

33. CAPITAL COMMITMENT

	The Group	
	2022 RM	2021 RM
Construction of factory building	–	6,700,000
Purchase of property, plant and equipment	–	300,000
	–	7,000,000

34. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

34.1 Financial risk management policies

The Group's policies in respect of the major areas of treasury activity are as follows:

(a) Market risk

(i) Foreign currency risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:

Foreign currency exposure

The Group	USD RM	RM RM	Others RM	Total RM
2022				
Financial assets				
Trade receivables	6,846,278	1,046,681	–	7,892,959
Cash and bank balances	3,984,143	5,479,693	15,956	9,479,792
	10,830,421	6,526,374	15,956	17,372,751
Financial liabilities				
Other payables and accruals	140,061	3,859,655	–	3,999,716
	140,061	3,859,655	–	3,999,716
Net financial assets	10,690,360	2,666,719	15,956	13,373,035
Less: Net financial assets denominated in the respective entities' functional currency	–	(2,666,719)	–	(2,666,719)
Currency exposure	10,690,360	–	15,956	10,706,316

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign currency exposure (Cont'd)

The Group	USD RM	RM RM	Others RM	Total RM
2022				
Financial assets				
Trade receivables	10,332,996	941,430	–	11,274,426
Cash and bank balances	5,493,551	5,550,965	15,957	11,060,473
	15,826,547	6,492,395	15,957	22,334,899
Financial liabilities				
Trade payables	195,722	5,512,959	–	5,708,681
Other payables and accruals	140,061	4,517,631	–	4,657,692
	335,783	10,030,590	–	10,366,373
Net financial assets/(liabilities)	15,490,764	(3,538,195)	15,957	11,968,526
Less: Net financial liabilities denominated in the respective entities' functional currency	–	3,538,195	–	3,538,195
Currency exposure	15,490,764	–	15,957	15,506,721

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant: -

	The Group	
	2022 RM	2021 RM
Effects on profit after tax		
USD/RM		
- strengthened by 5%	406,234	588,649
- weakened by 5%	(406,234)	(588,649)

There is no impact on the Group's equity.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed rate borrowings and fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 16 to the financial statements.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variable held constant:

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Effects on profit after tax				
100 basis points	141,863	138,516	27,778	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(b) Credit risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 3 (2021: 2) trade receivables, the balances of each is equal to or more than 10% of total balances constituting approximately 62% (2021: 70%) of its trade receivables at the end of the reporting period.

In addition, the Group also determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting period is as follows:

	The Group	
	2022 RM	2021 RM
Asia (excluding Malaysia)	282,274	232,692
Australasia	—	427
Europe	35,923	810,120
North America	3,124,520	3,739,829
South America	283,657	306,528
Malaysia	4,166,585	6,184,830
	7,892,959	11,274,426

(ii) Maximum exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of impairment losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group assesses whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due.

Trade receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 24 months (2021: 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of impairment losses (Cont'd)

Trade receivables (Cont'd)

Allowance for impairment losses

	Gross amount RM	Individual impairment RM	Carrying amount RM
The Group 2022			
Not past due	6,878,392	–	6,878,392
Past due but not impaired:			
- less than 90 days	1,014,044	–	1,014,044
- more than 90 days	523	–	523
	7,892,959	–	7,892,959
	Gross amount RM	Individual impairment RM	Carrying amount RM
2021			
Not past due	9,056,092	–	9,056,092
Past due but not impaired:			
- less than 90 days	2,217,811	–	2,217,811
- more than 90 days	523	–	523
	11,274,426	–	11,274,426

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these trade receivables were negligible.

Other receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Allowance for impairment losses

No expected credit loss is recognised on other receivables as it is negligible.

Fixed deposits with licensed banks, cash and bank balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

**NOTES TO THE
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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Cont'd)**

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

	Contractual annual interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
The Group						
2022						
Non-derivative financial liabilities						
Trade payables	-	3,322,755	3,322,755	3,322,755	-	-
Other payables and accruals	-	3,999,716	3,999,716	3,999,716	-	-
Borrowings						
- Bankers' acceptances	2.81 - 3.58	3,321,779	3,321,779	3,321,779	-	-
- Hire purchase payables	1.49 - 6.00	2,148,586	2,292,102	1,021,367	1,270,735	-
- Term loans	3.19 - 5.95	26,734,289	32,042,847	4,292,988	13,986,129	13,763,730
		39,527,125	44,979,199	15,958,605	15,256,864	13,763,730

**NOTES TO THE
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(Cont'd)**

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(c) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

	Contractual annual interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
The Group						
2021						
Non-derivative financial liabilities						
Trade payables	-	5,708,681	5,708,681	5,708,681	-	-
Other payables and accruals	-	4,657,692	4,657,692	4,657,692	-	-
Borrowings						
- Bankers' acceptances	1.90 - 2.00	4,330,785	4,330,785	4,330,785	-	-
- Hire purchase payables	1.49 - 6.00	2,308,841	2,468,785	862,899	1,605,886	-
- Term loans	3.00 - 4.95	20,035,616	22,744,829	3,347,064	10,906,597	8,491,168
Lease liabilities	7.33	6,188	6,250	6,250	-	-
		37,047,803	39,917,022	18,913,371	12,512,483	8,491,168
The Company						
2022						
Non-derivative financial liabilities						
Other payables and accruals	-	37,924	37,924	37,924	-	-
Borrowings						
- Term loans	4.00	7,622,162	9,270,543	921,696	3,686,784	4,662,063
		7,660,086	9,308,467	959,620	3,686,784	4,662,063

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Financial risk management policies (Cont'd)

(c) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM
The Company			
2021			
Non-derivative financial liabilities			
Other payables and accruals	57,259	57,259	57,259

34.2 Capital risk management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on net gearing ratio. The net gearing ratio is calculated as net borrowings divided by total equity. The Group includes within net borrowings, bank borrowings and lease liabilities less cash and cash equivalents. The net gearing ratio of the Group at the end of the reporting period was as follows:-

	The Group		The Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Borrowings	32,204,654	26,675,242	7,622,162	–
Lease liabilities	–	6,188	–	–
	32,204,654	26,681,430	7,622,162	–
Less: Short-term investments	(3,548,402)	(5,049,215)	–	–
Less: Fixed deposits with licensed banks	(8,379,854)	(7,650,000)	(6,205,527)	(7,000,000)
Less: Cash and bank balances	(9,479,792)	(11,060,473)	(224,752)	(1,838,139)
Net borrowings	10,796,606	2,921,742	1,191,883	(8,838,139)
Total equity	61,630,668	53,368,343	36,717,313	36,698,382
Net gearing ratio	0.18	0.05	0.03	Not applicable

There was no change in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Classification of financial instruments

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Financial assets				
<u>Fair value through profit or loss</u>				
Short-term investments	3,548,402	5,049,215	–	–
<u>Amortised cost</u>				
Trade receivables	7,892,959	11,274,426	–	–
Other receivables	77,078	247,992	5,112,150	4,306,502
Fixed deposits with licensed banks	8,379,854	7,650,000	6,205,527	7,000,000
Cash and bank balances	9,479,792	11,060,473	224,752	1,838,139
	25,829,683	30,232,891	11,542,429	13,144,641
Financial liabilities				
<u>Amortised cost</u>				
Trade payables	3,322,755	5,708,681	–	–
Other payables and accruals	3,999,716	4,657,692	37,924	57,259
Borrowings	32,204,654	26,675,242	7,622,162	–
Lease liabilities	–	6,188	–	–
	39,527,125	37,047,803	7,660,086	57,259

34.4 Gains or losses arising from financial instruments

	The Group		The Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Financial assets				
<u>Amortised cost</u>				
Net gain recognised in profit or loss	285,851	152,137	177,358	72,857
<u>Fair value through profit or loss</u>				
Net gain recognised in profit or loss	49,206	49,215	–	–
Financial liabilities				
<u>Amortised cost</u>				
Net (loss)/gain recognised in profit or loss	(1,047,841)	(844,141)	146,202	–

**NOTES TO THE
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(Cont'd)**

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 Fair value information

The fair value of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next twelve months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
The Group								
2022								
Financial assets								
Short-term investments	-	3,548,402	-	-	-	-	3,548,402	3,548,402
Financial liabilities								
Hire purchase payables	-	-	-	-	2,114,772	-	2,114,772	2,148,586
Term loans	-	-	-	-	26,734,289	-	26,734,289	26,734,289
2021								
Financial assets								
Short-term investments	-	5,049,215	-	-	-	-	5,049,215	5,049,215
Financial liabilities								
Hire purchase payables	-	-	-	-	2,258,245	-	2,258,245	2,308,841
Term loans	-	-	-	-	20,035,616	-	20,035,616	20,035,616

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 Fair value information (Cont'd)

	Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
The Company					
2022					
Financial liabilities					
Term loans	–	7,622,162	–	7,622,162	7,622,162

(a) Fair value of financial instruments carried at fair value

The fair value of short-term investments is determined by reference to statements provided by the financial institutions, with which the instruments were entered into.

(b) Fair value of financial instruments not carried at fair value

- (i) The fair value of the Company's term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates or near the reporting date.
- (ii) The fair value of hire purchase payables that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the reporting period:

	2022 %	2021 %
Hire purchase payables	4.33 - 6.54	4.39 - 6.54

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 18 March 2022, the Company entered into a conditional Sales of Shares Agreement for the acquisition of the entire equity interest of H & S Usaha Jati Sdn. Bhd. ("H&S") for a total cash consideration of RM 9,247,720. The acquisition was completed on 20 June 2022. As a result, H&S become wholly-owned subsidiary of the Company.
- (b) On 3 November 2022, the listing and quotation of the entire issued share capital and the outstanding warrants of the Company have been transferred from the ACE Market to Main Market of Bursa Malaysia Securities Berhad.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (Cont'd)

36. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current year.

	As previously reported RM	Reclass RM	As restated RM
Statements of Financial Position (Extract):			
Non-current assets			
Property, plant and equipment	39,373,367	3,073,791	42,447,158
Right-of-use assets	3,079,807	(3,073,791)	6,016
Non-current liabilities			
Borrowings	17,282,028	1,531,673	18,813,701
Lease liabilities	1,531,673	(1,531,673)	–
Current liabilities			
Borrowings	7,084,373	777,168	7,861,541
Lease liabilities	783,356	(777,168)	6,188
Statements of Profit or Loss and Other Comprehensive Income (Extract):			
Other income	1,131,931	49,215	1,181,146
Finance costs	–	(861,196)	(861,196)
Other expenses	(8,281,131)	861,196	(7,419,935)
Interest income	231,097	(49,215)	181,882

LIST OF PROPERTIES

AS AT 31 DECEMBER 2022

Registered owner	Title details/ Postal address	Tenure/ expiry of lease	Description and existing use	Approximate age of building	Total land area/Total built-up area	Carrying amount as at 31 December 2022 (RM'000)	Date of acquisition
Mobilia International Sdn. Bhd.	Lot 2782, Mukim Jalan Bakri, Muar, Johor held under Geran 92507	Freehold	Industrial land for furniture manufacturing facilities including D&D and processes of wood preparation, manufacturing, assembly, finishing, packaging and warehousing	Not applicable	16.5 acres	12,423	09 November 2015 and 28 November 2016
Mobilia International Sdn. Bhd.	Lot 2782, Jalan Kempas 1, Kawasan Perindustrian Bukit Bakri, Bukit Bakri 84200 Muar, Johor.	Freehold	Phase 1A - 2 blocks of single-storey detached factory buildings and a block of four-storey detached hostel Phase 1B - Three-storey detached office building and showroom Phase 2 - 2 blocks of single-storey detached factory buildings namely Factory Block B and C	3 year Less than 1 year Less than 1 year	311,829 sq. ft. 29,416 sq. ft. 101,858 sq. ft.	15,636 3,019 5,436	Construction completed in year 2020 Construction completed in year 2022 Construction completed in year 2022
H & S Usaha Jati Sdn. Bhd.	GRN 90003, Lot 1145, Mukim Parit Bakar, Daerah Muar, Johor.	Freehold	A piece of development land zoned for industrial use	Not applicable	11.09 acres	9,247	20 June 2022

ANALYSIS OF SHAREHOLDINGS

AT 17 MARCH 2023

Class of Share	: Ordinary shares
Voting Rights	: One vote per ordinary share
Total number of issued shares	: 699,999,992 shares
Number of Shareholders	: 4,524

DISTRIBUTION OF SHAREHOLDINGS

Size of holdings	No. of Shareholders	% of Shareholders	No. of shares	% of Issued Share Capital
1 - 99	253	5.592	12,508	0.002
100 - 1,000	252	5.570	122,251	0.017
1,001 - 10,000	1,566	34.615	8,763,758	1.252
10,001 - 100,000	2,124	46.950	71,440,700	10.206
100,001 - 34,999,998 (*)	328	7.250	143,660,775	20.523
34,999,999 and above (**)	1	0.022	476,000,000	68.000
Total	4,524	100.000	699,999,992	100.000

Notes:

- * Less than 5% of issued shares
 ** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS (Holding 5% or more of the share capital)

Name of Shareholders	Direct		Indirect	
	No of Shares Held	% of Issued Share Capital	No of Shares Held	% of Issued Share Capital
Exelient Sdn. Bhd.	476,000,000	68.00	—	—
Quek Wee Seng	3,080,000	0.44	484,294,475 ⁽¹⁾	69.19
Quek Wee Seong	3,080,000	0.44	483,840,000 ⁽²⁾	69.12

Notes:

- (1) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seong, his father, Quek Gim Hong @ Keh Gim Hong and his wife, Leong Yok Moy pursuant to Section 8 of the Act.
- (2) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seng, his father, Quek Gim Hong @ Keh Gim Hong pursuant to Section 8 of the Act.

ANALYSIS OF SHAREHOLDINGS AT 17 MARCH 2023 (Cont'd)

DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct	No. of Shares Held		%
		%	Indirect	
Datin Siah Li Mei	—	—	—	—
Quek Wee Seng	3,080,000	0.44	484,294,475 ⁽¹⁾	69.19
Quek Wee Seong	3,080,000	0.44	483,840,000 ⁽²⁾	69.12
Tajul Arifin Bin Mohd Tahir	—	—	—	—
Lim See Tow	—	—	—	—
Yap Ee Ling	—	—	—	—
Quek Yan Song	—	—	—	—
(Alternate director to Quek Wee Seng)				

Notes:

- (1) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seong, his father, Quek Gim Hong @ Keh Gim Hong and his wife, Leong Yok Moy pursuant to Section 8 of the Act.
- (2) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seng, his father, Quek Gim Hong @ Keh Gim Hong pursuant to Section 8 of the Act.

LIST OF TOP 30 SHAREHOLDERS AT 17 MARCH 2023

(Without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares Held	% of Issued Share Capital
1	EXELIENT SDN BHD	476,000,000	68.000
2	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOH TEIK SOON	11,111,725	1.587
3	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH SIANG GUAN (E-JAH)	10,080,350	1.440
4	KOO YEE FONG	7,000,000	1.000
5	QUEK GIM HONG @ KEH GIM HONG	4,760,000	0.680
6	KEH WEE KIET	4,065,950	0.581
7	QUEK WEE SENG	3,080,000	0.440
8	QUEK WEE SEONG	3,080,000	0.440
9	SEE KIM CHIAU	2,516,950	0.360
10	GAN ENG JOO	2,478,775	0.354
11	ONG MARY	2,372,450	0.339
12	TEOH TEIK SOON	2,158,500	0.308

ANALYSIS OF SHAREHOLDINGS AT 17 MARCH 2023 (Cont'd)

LIST OF TOP 30 SHAREHOLDERS AT 17 MARCH 2023 (CONT'D)

(Without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares Held	% of Issued Share Capital
13	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG MARY (E-JAH)	2,068,750	0.295
14	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	2,000,000	0.286
15	TEY TECK HENG	1,520,000	0.217
16	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG HONG BOON	1,500,000	0.214
17	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	1,320,000	0.189
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE MEY NUD (E-JAH)	1,243,450	0.178
19	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOR MOOI SOONG	1,225,000	0.175
20	TEO HUI HSIAN	1,222,250	0.175
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AU FOOK TONG @ EDWARD AU (851082)	1,128,875	0.161
22	TOK SOON HING	1,075,100	0.154
23	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YOONG YON WAH (MY3476)	1,050,000	0.150
24	TAN WUU HAW	1,036,700	0.148
25	LIEW FOOK MENG	1,000,000	0.143
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHAI MENG TET	980,000	0.140
27	JINNY WONG XIN LIN	942,250	0.135
28	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI	918,750	0.131
29	KENANGA NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	875,000	0.125
30	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TING HIE SING	787,500	0.112
Total		550,598,325	78.657

ANALYSIS OF WARRANT A HOLDINGS

AT 17 MARCH 2023

Type of Securities	: Warrants 2021/2024
Voting Rights	: The holder of warrants is not entitled to any voting rights
Number of Warrant Issued	: 174,999,136
Number of Warrant Exercised	: -
Number of Warrant Unexercised	: 174,999,136
Exercise Price Per Warrant	: RM0.28
Issued Date of Warrants	: 11 November 2021
Expiry Date of Warrants	: 08 November 2024
Number of Shareholders	: 4,231

DISTRIBUTION OF WARRANT A HOLDINGS

Size of holdings	No. of Warrant Holders	% of Warrant Holders	No. of Warrants	% of Warrants
1 - 99	747	17.655	39,620	0.023
100 - 1,000	711	16.805	401,300	0.229
1,001 - 10,000	1,888	44.623	7,664,059	4.380
10,001 - 100,000	655	15.481	24,059,645	13.748
100,001 – 8,749,955 (*)	229	5.412	102,336,212	58.478
8,749,956 and above (**)	1	0.024	40,498,300	23.142
Total	4,231	100.000	174,999,136	100.000

Notes:

* Less than 5% of issued shares

** 5% and above of issued shares

ANALYSIS OF WARRANT A HOLDINGS AT 17 MARCH 2023 (Cont'd)

DIRECTORS' INTEREST ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct	No. of Warrant Held		%
		%	Indirect	
Datin Siah Li Mei	—	—	—	—
Quek Wee Seng	370,000	0.211	42,571,918 ⁽¹⁾	24.327
Quek Wee Seong	770,000	0.440	42,058,300 ⁽²⁾	24.033
Tajul Arifin Bin Mohd Tahir	—	—	—	—
Lim See Tow	—	—	—	—
Yap Ee Ling	—	—	—	—
Quek Yan Song	—	—	—	—
(Alternate director to Quek Wee Seng)				

Notes:

- (1) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seong, his father, Quek Gim Hong @ Keh Gim Hong and his wife, Leong Yok Moy pursuant to Section 8 of the Act.
- (2) Substantial interest and deemed interested by virtue of shares held in Exelient, his brother, Quek Wee Seng and his father, Quek Gim Hong @ Keh Gim Hong pursuant to Section 8 of the Act.

LIST OF TOP 30 WARRANT HOLDERS AT 17 MARCH 2023

(Without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Warrants	% of Warrants issued
1	EXELIENT SDN BHD	40,498,300	23.142
2	KOK CHEE AUN	5,500,000	3.143
3	YONG BOON CHIEH	5,000,000	2.857
4	SEE MOK LEAN	2,852,800	1.630
5	LEE YEOW SIONG	2,756,600	1.575
6	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	2,421,212	1.384
7	CHAI KON LIM	2,005,000	1.146
8	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VINCENT PHUA CHEE EE	2,000,000	1.143
9	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ADNAN BIN MAHASAN (E-BBB)	1,857,300	1.061
10	LIM KHEH KEONG	1,800,400	1.029
11	CHENG SOO YIN	1,600,000	0.914

ANALYSIS OF WARRANT A HOLDINGS AT 17 MARCH 2023 (Cont'd)

LIST OF TOP 30 WARRANT HOLDERS AT 17 MARCH 2023 (CONT'D)

(Without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Warrants	% of Warrants issued
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AU FOOK TONG @ EDWARD AU (851082)	1,536,468	0.878
13	KUA KEAT AUN	1,503,700	0.859
14	NG KAH KIT	1,500,000	0.857
15	LIM KHEH KEONG	1,400,000	0.800
16	LIM SHI KAI	1,200,300	0.686
17	OH CHIEW SUAN	1,200,000	0.686
18	PHANG SUN WAH	1,200,000	0.686
19	QUEK GIM HONG @ KEH GIM HONG	1,190,000	0.680
20	CHAI AH MING	1,168,800	0.668
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAI KON LIM	1,100,000	0.629
22	SEE KIM CHEE	1,061,250	0.607
23	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIM SOO KIANG	1,043,750	0.596
24	SULAIMAN BIN TAIB	1,015,600	0.580
25	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAM KIM GOON (PNG)	1,000,000	0.571
26	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KIM HUAT (E-TCS)	1,000,000	0.571
27	SEE MOK LEAN	1,000,000	0.571
28	YONG SIEW NGEE	1,000,000	0.571
29	LOW POW YING @ TAN LUAN	989,600	0.566
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAI AH MING (E-JPR)	926,200	0.529
Total		90,327,280	51.615

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting of MOBILIA HOLDINGS BERHAD ("the Company") will be held at BEI BOUTIQUE HOTEL, Centro Meeting Hall, Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor on Friday, 26 May 2023 at 11.00 a.m. for the transaction of the following businesses:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of Directors and Auditors thereon.
2. To approve the payment of Directors' fees and benefits up to RM230,000 for the financial year ending 31 December 2023 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. **(Ordinary Resolution 1)**
3. To re-elect the following Directors who retire in accordance with Clause 95 of the Company's Constitution:
 - i. Quek Wee Seng **(Ordinary Resolution 2)**
 - ii. Lim See Tow **(Ordinary Resolution 3)**
4. To re-elect Yap Ee Ling, the Director who retire in accordance with Clause 103 of the Company's Constitution. **(Ordinary Resolution 4)**
5. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution with or without any modifications as ordinary resolution:-

6. **Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016** **(Ordinary Resolution 6)**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant regulatory authorities (where applicable), the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being ("Proposed General Mandate").

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next annual general meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next annual general meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

AND THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 8 of the Company's Constitution, approval be hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer New Shares arising from the issuance and allotment of the New Shares pursuant to Sections 75 and 76 of the Companies Act 2016 AND THAT the Directors of the Company are exempted from the obligation to offer such New Shares first to the existing shareholders of the Company."

7. To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

NG MEI WAN

(SSM Practicing Certificate No.: 201908000801) (MIA 28862)

TAN HUI KHIM

(SSM Practicing Certificate No.: 201908000859) (LS 0009936)

Company Secretaries

Muar, Johor Darul Takzim
27 April 2023

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

NOTES:

1. Only depositors whose names appear in the Record of Depositors as at 19 May 2023 shall be regarded as members and be entitled to attend, participate, speak and vote at the Third Annual General Meeting.
2. A Member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his/her proxy to attend and vote instead of the Member at the meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting.
3. Where a Member is an Exempt Authorised Nominee which holds Shares in the Company for multiple beneficial owners in one Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company. In the event Member appoint more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy may but need not be a Member of the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, and a demand by a person as proxy for a Member shall be the same as a demand by the Member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Third Annual General Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at Aldpro Corporate Services Sdn. Bhd., B-21-1, Level 21, Tower B, Northpoint Midvalley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Third Annual General Meeting to vote by way of poll.

EXPLANATORY NOTES TO THE AGENDA

8. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.

9. Item 2 of the Agenda – Ordinary Resolution 1 Approval of Directors' fees and benefits for the financial year ending 31 December 2023

Directors' fees and benefits approved for the financial year ended 31 December 2022 was RM170,000. The Directors' fees and benefits proposed for the financial year ending 31 December 2023 are calculated based on the number of scheduled Board and Committee Meetings for year 2023 and assuming that all Non-Executive Directors will hold office until the conclusion of the next annual general meeting.

This resolution is to facilitate payment of Directors' fees and benefits on current financial year basis. In the event the Directors' fees and benefits proposed are insufficient (e.g. due to more meetings), approval will be sought at the next annual general meeting for additional fees and benefits to meet the shortfall.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

10. Item 6 of the Agenda – Ordinary Resolution 6

Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

- (a) The proposed Ordinary Resolution 6, if passed, will grant a mandate (“General Mandate”) empowering the Directors of the Company, from the date of the Third Annual General Meeting to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company up to an amount not exceeding ten percent (10%) of the total number of issued shares capital of the Company. This authority, unless revoked or varied at a general meeting shall continue to be in full force until the conclusion of the next annual general meeting of the Company.
- (b) The General Mandate is a renewal of the previous mandate obtained at the last annual general meeting held on 30 May 2022 which will expire at the conclusion of the forthcoming annual general meeting.
- (c) As at the date of this Notice, the Company did not issue any new ordinary shares based on the previous mandate obtained at the last annual general meeting.
- (d) The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions.
- (e) By voting in favour the proposed Ordinary Resolution 6, the shareholders of the Company shall agree to waive and deemed to have waived their statutory pre-emptive right and thus will allow the Directors to issue New Shares to any person under the General Mandate without having to offer the New Shares to all existing shareholders of the Company prior to issuance of the New Shares.

11. ANNUAL REPORT

The Annual Report for the financial year ended 31 December 2022 is now available at the Company's corporate website, <https://www.mobiliainternational.com>. Printed copy of the Annual Report shall be provided to the shareholders upon request soonest possible from the date of receipt of the request.

Shareholder who wish to receive the printed Annual Report may contact the Share Registrar, Aldpro Corporate Services Sdn. Bhd. [202101043817 (1444117-M)] at 03-9770 2200 or email your request to admin@aldpro.com.my.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of Individuals Standing for Election as Directors

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

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Please refer to item 10 – Explanatory Notes to the Agenda for Ordinary Resolution 6 on Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

MOBILIA HOLDINGS BERHADREGISTRATION NO.: 202001004249 (1360569-P)
(Incorporated in Malaysia)**PROXY FORM**

CDS Account No.	
No of shares held	

*I/We _____
[Full name in block and/or telephone number]

*NRIC No./Passport No./Registration No. _____ of _____
(full address)

_____ being a *Shareholder/Shareholders of Mobilia Holdings Berhad ("Company"), hereby appoint _____ *NRIC No./Passport No. _____ of _____
(full address)

*and/or _____ *NRIC No./Passport No. _____
of _____
(full address)

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on my/our behalf at the Third Annual General Meeting of the Company to be held at BEI BOUTIQUE HOTEL, Centro Meeting Hall, Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor on Friday, 26 May 2023 at 11.00 a.m. and at any adjournment thereof in the manner as indicated below:-

No.	Ordinary Resolution	For	Against
1	Approval of Directors' fees and benefits for the financial year ending 31 December 2023		
2	Re-election of Quek Wee Seng as Director		
3	Re-election of Lim See Tow as Director		
4	Re-election of Yap Ee Ling as Director		
5	Re-appointment of Messrs Crowe Malaysia PLT as Auditors		
6	Renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		

[Please indicate with a "x" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit]

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

Proxy	No of Shares	Percentage
1		
2		
Total		100%

Signature of Shareholder or Common Seal

Dated this _____ day of _____ 2023

Notes:

- Only depositors whose names appear in the Record of Depositors as at 19 May 2023 shall be regarded as members and be entitled to attend, participate, speak and vote at the Third Annual General Meeting.
- A Member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his/her proxy to attend and vote instead of the Member at the meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting.
- Where a Member is an Exempt Authorised Nominee which holds Shares in the Company for multiple beneficial owners in one Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company. In the event Member appoint more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy may but need not be a Member of the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, and a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Third Annual General Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at Aldpro Corporate Services Sdn. Bhd., B-21-1, Level 21, Tower B, Northpoint Midvalley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Third Annual General Meeting to vote by way of poll.

Personal Data Privacy

By submitting the duly executed Proxy Form, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the Third Annual General Meeting and any adjournment thereof.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrars
ALDPRO CORPORATE SERVICES SDN. BHD.
[Registration No.: 202101043817 (1444117-M)]
B-21-1 Level 21 Tower B Northpoint Mid Valley City
No. 1 Medan Syed Putra Utara
59200 Kuala Lumpur

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MOBILIA HOLDINGS BERHAD

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