JOHORE TIN BERHAD

ANNUAL REPORT **2019**

JOHORE TIN BERHAD
Registration No. 200001029963 (532570-V)

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FINANCIAL **HIGHLIGHTS**

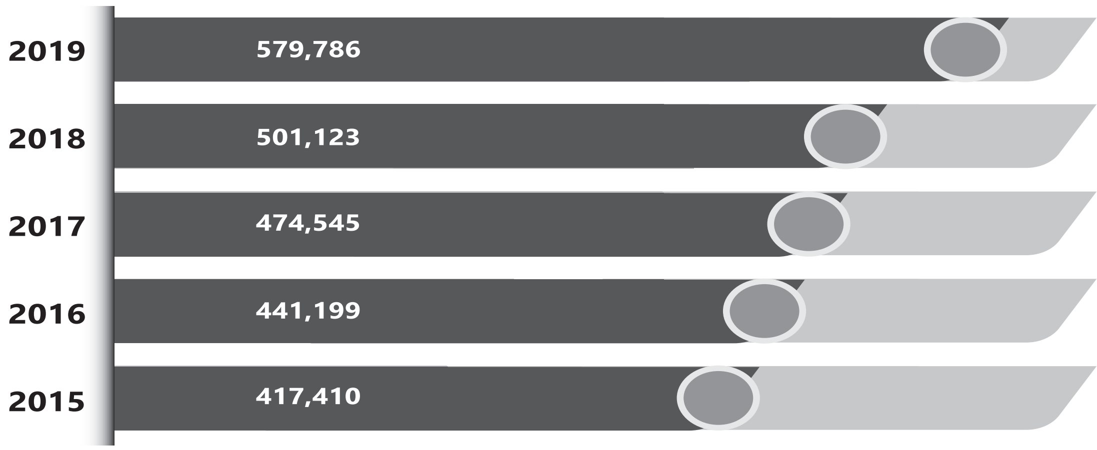
	2015 RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000
Statements of Profit or Loss and Other Comprehensive Income:					
Revenue	417,410	441,199	474,545	501,123	579,786
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)	33,415	57,125	44,330	59,700	73,544
Finance costs	2,767	2,760	1,590	1,327	2,288
Profit before tax	23,047	46,791	33,582	48,351	60,522
Profit after tax	15,661	35,443	25,829	36,565	48,194
Profit after tax attributable to the owners	17,302	35,593	25,655	36,224	47,482
Comprehensive income attributable to the owners	17,383	35,737	25,623	36,715	47,739

Statements of Financial Position:	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Total assets	366,948	346,955	394,307	443,842	453,476
Total borrowings	110,192	67,656	43,888	32,412	47,348
Shareholders' equity	192,406	224,260	290,112	314,995	341,467

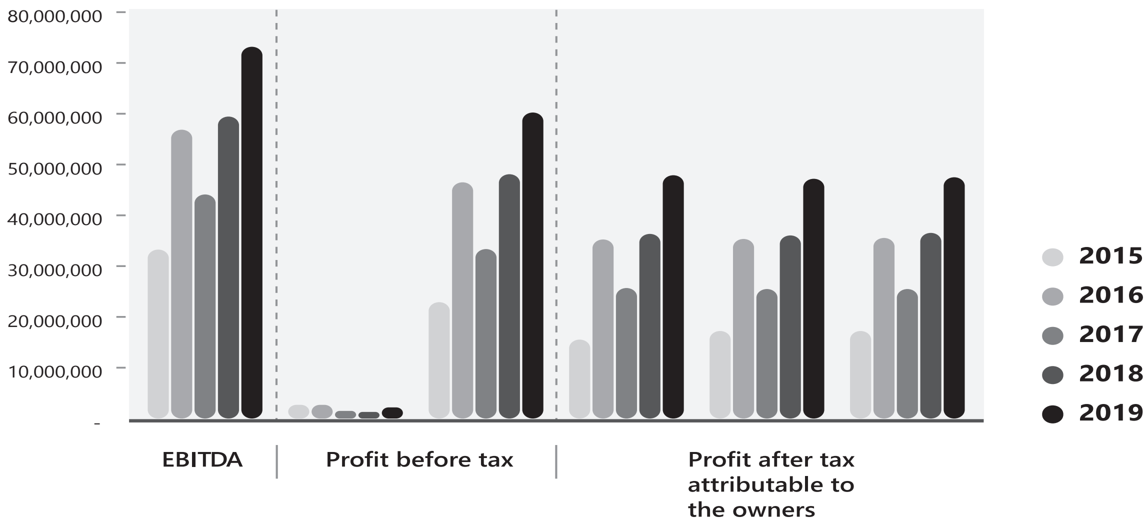
Financial Indicators:					
Return on equity (%)	8.14	15.80	8.90	11.61	14.11
Return on total assets (%)	4.27	10.21	6.55	8.24	10.63
Gearing ratio (%)	57.27	30.17	15.13	10.30	14.49
Interest cover (times)	12.08	20.70	27.89	44.99	32.15
Earnings per share (sen)	18.54	14.31	8.26	11.67	15.29
Net assets per share (RM)	2.06	0.90	0.93	1.01	1.10
Gross dividend per share (sen)	4.00	1.50	4.00	5.00	6.40
Gross dividend yield (%)	1.91	1.21	3.31	5.21	3.70
Price Earnings (PE) ratio	11.27	8.67	14.64	8.23	11.31
Share price as at the end of financial year (RM)	2.09	1.24	1.21	0.96	1.73

FINANCIAL HIGHLIGHTS
(CONT'D)

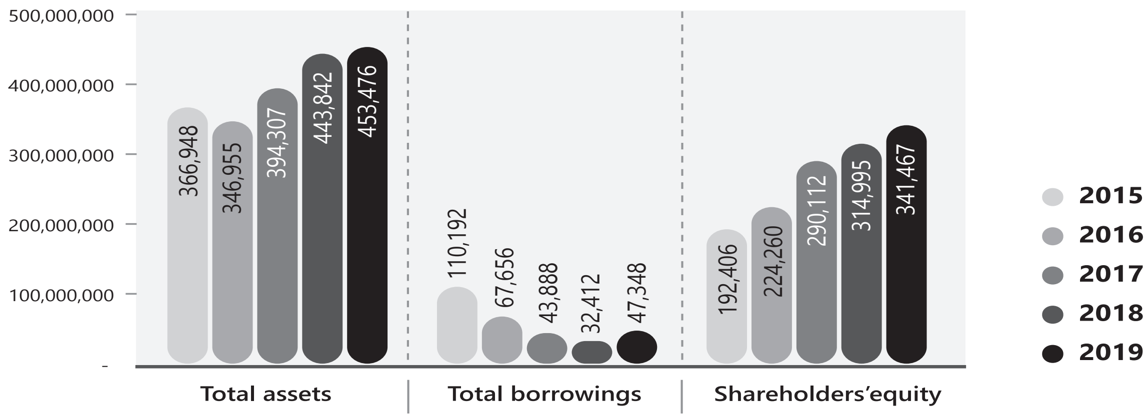
Revenue (RM'000)



Statements of Profit or Loss and Other Comprehensive Income

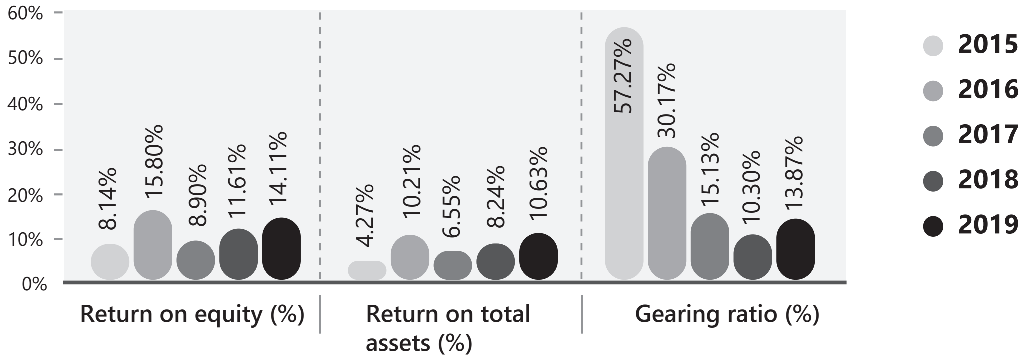


Statements of Financial Position

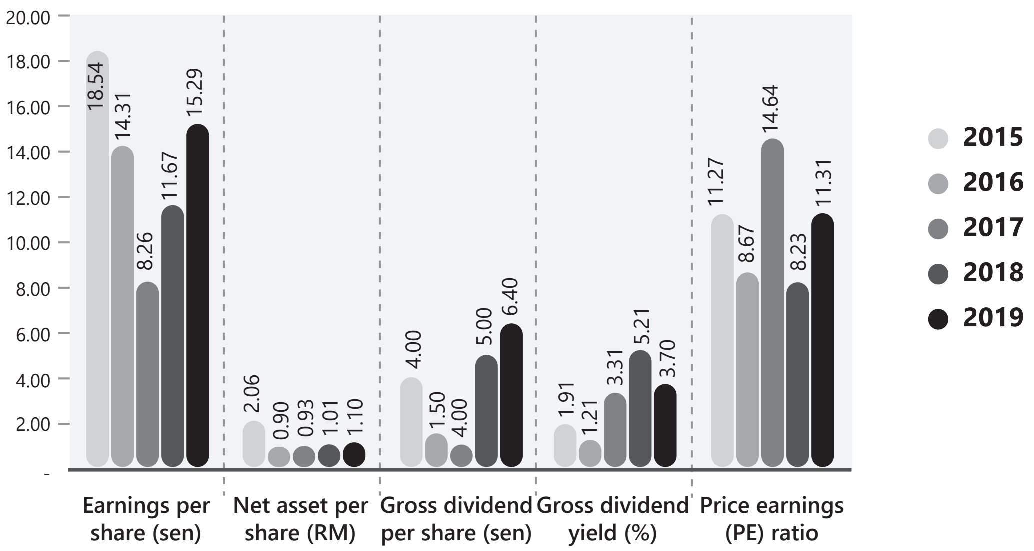


FINANCIAL HIGHLIGHTS
(CONT'D)

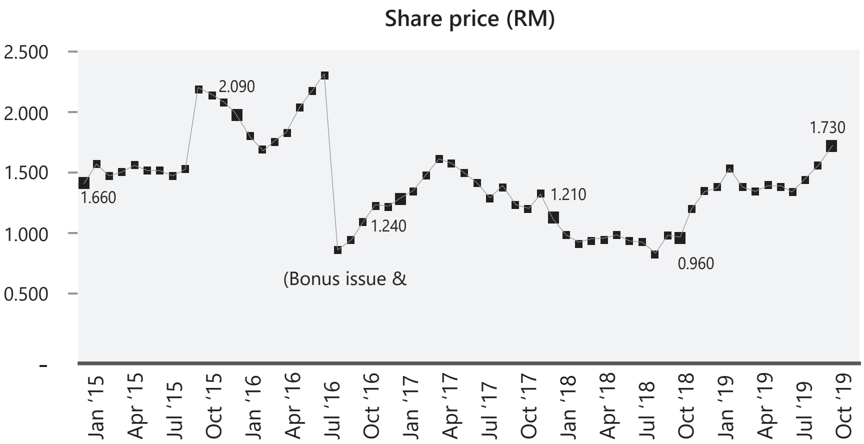
Ratio Analysis (%)



Share Information



Share Price (RM)



STATEMENT ON MANAGEMENT DISCUSSION AND ANALYSIS

The Statement on Management Discussion and Analysis ("MD&A"), which provides an insight of the financial performance of Johore Tin Berhad ("JTB") and its subsidiaries ("the Group") for the financial year ended 31 December 2019 ("FYE 2019"). This MD&A also contains information on the Group's current financial position, reviewing of operating activities, assessing the operational risks faced by the Group and discussing the future prospect of the Group.

1. OVERVIEW OF BUSINESS AND OPERATIONS

A. Business and Operations

JTB was incorporated in Malaysia on 22nd November 2000. It was subsequently listed on the Second Board of Kuala Lumpur Stock Exchange in 2003 and transferred to the Main Board of Bursa Malaysia Securities Berhad in 2006.

JTB is an investment holding company with its subsidiaries involved in Tin Cans Manufacturing ("Tin Cans") segment and the Food and Beverage ("F&B") segment. The Tin Cans segment involves manufacturing of various tins, cans and other containers and providing tinplates printing services. The F&B segment involves manufacturing and selling of milk and other related dairy products, as well as packing and trading of all types of dairy products.

For Tin Cans segment, most of the customers are locally based, with minor market share in Singapore. The customer base consists of various industries mainly in biscuit, paint and chemical, edible oil and food processing industries. As for the tinplates printing services, most of the printing services are exported within South-East Asia market, with less demand in local market.

Whilst for F&B segment, more than 80% of the dairy products are exported, mainly to West Africa, South-East Asia Region and American Continent. The dairy products comprise of sweetened condensed milk, evaporated milk as well as milk powder packed in both bulk and consumer packs.

2. REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

For the FYE 2019, the Group achieved record revenue of RM579.79 million as compared to RM501.12 million in the previous financial year, with an increase of RM78.67 million. Profit before tax increased by RM12.17 million to RM60.52 million as compared to RM48.35 million in the previous financial year.

For Tin Cans segment, the revenue increased by RM14.09 million to RM131.11 million from RM117.02 million as a result of higher demand from the printing of tinplates services. As for the F&B segment, the revenue increased by RM64.58 million to RM448.68 million from RM384.10 million mainly due to higher sales from dairy products.

Profit before tax of Tin Cans segment increased by RM4.27 million to RM18.24 million from RM13.97 million, mainly due to gain on disposal of assets which are not in use and net realised gain on foreign exchange. For F&B segment, the profit before tax increased by RM7.64 million to RM43.64 million from RM36.00 million mainly due to higher sales from dairy products.

The Group's total assets in the FYE 2019 increased by RM9.64 million to 453.68 million from RM443.84 million in the previous financial year. The increase in total assets were mainly from the purchase of property, plant and equipment of RM13.66 million, net receipts in cash and bank balances of RM7.48 million and increase in trade receivables resulted from higher revenue in the FYE 2019.

For the FYE 2019, the total borrowings increased by RM14.94 million to RM47.35 million from RM32.41 million mainly due to short-term trade financings through trust receipts, revolving credits and bank overdrafts. As a result, the gearing ratio increased by 4.19% to 14.49% from 10.30%.

STATEMENT ON MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

2. REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (CONT'D)

On the investor's perspective, the return on equity increased by 2.50% to 14.11% from 11.61% mainly due to higher revenue in the FYE 2019. The return on total assets increased marginally by 2.39% to 10.63% from 8.24% mainly due to certain assets are in the stage of installation and commissioning which are not generating revenue at its normal capacity.

Lower interest coverage ratio of approximately 32 times in the FYE 2019 as compared to 45 times in the previous financial year, which means the current year's profits is sufficient to cover the finance costs incurred, reflecting the Group's ability to pay off its debts.

Earnings per share ("EPS") is 15.29 sen for the FYE 2019 as compared to 11.67 sen in the previous financial year. The net assets per share ("NAPS") increased by 9 sen to RM1.10 for the FYE 2019 against RM1.01 in the previous financial year. The price earnings ("PE") ratio is 11.31 for the FYE 2019 as compared to 8.23 in the previous financial year. The share price in the FYE 2019 and in the previous financial year was at RM1.73 and RM0.96 respectively.

The summary of the financial indicators is highlighted on pages 2 to 4 of this Annual Report.

3. REVIEW OF OPERATING ACTIVITIES

The main factors that affected the operating activities in the Tin Cans segment are shortage of labour, increased in raw materials prices and machineries upgrading.

The shortage of labour supply, both local and foreign, has resulted in challenges to complete customers' orders as per schedule. Therefore, more overtime is needed to complete the order on time and leads to an increase in costs. To resolve this issue, we have appointed several recruitment agencies to source for new workforce and currently we are able to cope with the demands and control over the increase in operational costs.

At the same time, we have consolidated our operations and centralised our management office into one location. This resulted in lower operations costs and administrative costs for the FYE 2019.

The increased in raw materials prices will affect the profit margin inevitably. To remain competitive, we have always maintained our prices to our customers for as long as possible. In the event of continuing increase in raw materials prices, we may have to increase the selling prices to the customers. The weakening of Ringgit Malaysia ("RM") against United States Dollar ("USD") has brought about an increase in the manufacturing costs from imported raw materials. The Management is always vigilant in monitoring the cost of manufacturing to stay competitive in the industry.

Older machineries require more regular scheduled maintenance and overhaul due to ageing. The unique and scarcity of the machine spare parts is a challenge to the maintenance team when fixing the older model of machineries. As a result, higher maintenance costs are budgeted for those older machineries. To resolve these issues, the management plans to periodically upgrade/replace existing older machineries to newer machineries, which are able to generate higher production capacities and reduce the maintenance costs.

As for F&B segment, the main factors that affected the operating activities were shortage of labour supply and volatility in raw materials prices.

The labour issue faced by F&B segment is the same as the Tin Cans segment. We are doing our best to attract more workers into our work force by appointing several recruitment agencies to source for additional workers.

The prices of dairy and sugar remain volatiles and it will affect the manufacturing costs significantly. This posed a challenge to the management in deciding the quantity and timing of the purchase of these raw materials. As such, the management is in constant contacts and dialogues with the suppliers and traders to gauge the situation of the market in order to make the purchase decisions.

STATEMENT ON MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

4. REVIEW OF OPERATIONAL RISKS

The following are the main factors that may affect the operational risks of the Group:

A. Business Risk

The Group's revenue and operating results could be adversely affected by many factors which include, amongst others, the costs of raw materials, costs of labour as well as maintenance costs of equipment and machineries.

The Group attempts to mitigate these risks by continuously monitoring the prices of key raw materials, expanding the pool of suppliers and customers whilst continuing to establish long-term business relationship with the existing suppliers and customers, expanding the existing business by enhancing the Group's strength and developing new products. However, we cannot provide any assurance that the above-mentioned measures will be successful in mitigating the adverse effect of business risks mentioned on the materiality of the financial position and performance of the Group.

B. Political, Economic and Regulatory Considerations

The Group's business, prospects, financial condition and level of profitability may be affected by developments in the economic, political and regulatory environment in Malaysia and other countries in which the Group's products have market presence. Any adverse developments or uncertainties in these factors could materially or adversely affect the profitability and business prospects of the Group.

Political and economic uncertainties include but not limited to risk of war, global economic downturn, expropriation, nationalisation, changes in political leadership, changes in investment policies, unfavourable changes in government policies such as changes in interest rates, method of taxation, exchange controls or the introduction of new regulations, import duties and tariffs and re-negotiation or nullification of existing contracts.

The Group will continue to adopt effective measures such as prudent management and efficient operating procedures to mitigate these factors that will affect the Group's business.

C. Competition Risks

The Group faces competition from both new entrants and existing players which offer similar products. High product quality, manufacturing efficiency, marketing, reasonable pricing and ranges of products are critical factors towards ensuring the success and sustainability of the business.

The Group will continue to take strategic measures and continuous review of the operational efficiency to move ahead of competition by addressing the factors above. Whereas for the F&B segment, the barriers to entry are mainly the relative high capital investment to set up the manufacturing facilities, established distribution channels, compliance with stringent safety standards and strong research and development capabilities.

As the Group already has existing manufacturing plants with established distribution channels, the Group does not foresee immediate threat of new entrants that will significantly affect the Group's business. The Group hopes to be able to maintain its market share.

D. Foreign Exchange Risks

The Group is exposed to foreign exchange risks on sales and purchases that are denominated in a currency other than RM. The currencies giving rise to this risk are primarily in USD.

The Group will continue to evaluate the need of utilising financial instruments to hedge the currency exposure, taking into consideration the currency involved, exposure period and transaction costs. There can be no assurance that any change in exchange rates will not have a material or adverse effect on the financial position and performance of the Group.

STATEMENT ON MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

4. REVIEW OF OPERATIONAL RISKS (CONT'D)

E. Dependence on Key Management and Skilled Personnel

The Group's continued success will depend upon, to a certain extent, the skills, experiences, abilities and continued efforts of the key management personnel. The loss of key management personnel in the Group may have an adverse impact on the performance of the Group.

The Group recognises the importance of attracting and retaining the key management personnel to support the business operations. The Group presently has in place, human resources strategies which include providing competitive and performance-based remuneration and providing employees with a variety of on-going training programmes to upgrade their knowledge and capabilities.

However, we cannot provide any assurance that the above measures will be successful in attracting and retaining the key management personnel.

5. FORWARD-LOOKING STATEMENTS

Moving forward into year 2020, the Group holds its view that the businesses will grow steadily in the near future amidst the volatility of raw material prices, global economic uncertainties and the present worldwide pandemic of coronavirus disease 2019 ("COVID-19").

For Tin Cans segment, demand is expected to grow marginally in this matured and stable industry but will remain challenging in the short-term. The raw material price is expected on the upward trend due to weakening of RM against USD and this will put additional pressure on the profit margin.

On the other hand, the demand for F&B segment remains strong although the market is highly competitive. The continued volatility of dairy products prices and the higher priced local sugar compared to international prices creates a challenging environment especially for sweetened condensed milk export to outside Malaysia. However, the Group believes that this business segment will still be able to sustain its profitability.

Regarding the Group's expansion into Mexico, the construction of the factory building of the subsidiary's associate company, Able Dairies Mexico was delay in completion and is expected to complete in the 4th quarter of 2020. From there, we expect higher revenue growth from the sales in American Continent and surrounding regions contributing to the group's revenue and profits.

The Group sees positive inroad in penetrating the new foreign markets via trade shows as well as through other traders and distributors.

Barring any unforeseen circumstances, the Board believes that the overall prospects and future financial performance of the Group is expected to be favourable in the mid-term.

The Group, although without a dividend policy, will declare dividends depending on the Group's profits generated during each financial period/year, by taking into consideration the expansion plan and future investments on capital expenditure. For the FYE 2019, the total dividends of 6.4 sen (2018: 5 sen) per ordinary share have been declared & to be paid/payable to the shareholders amounting to RM19.87 million (2018: RM15.52 million). Dividend yield decreased by 1.51% from 5.21% to 3.70%.

This forward-looking statement is based on current expectations and assumptions made by the Board through the analysis of historical information and trends. The Board is under no obligation to and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise.

This statement is made in accordance with a Board resolution dated 16 June 2020.

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Datuk Kamaludin Bin Yusoff
(Chairman/Senior Independent Non-Executive Director)

Mr. Edward Goh Swee Wang
(Chief Executive Officer)

Mr. Yeow Ah Seng @ Yow Ah Seng
(Executive Director)

Mr. Lim Hun Swee
(Executive Director)
(Resigned on 1 October 2019)

Mr. Ng Keng Hoe
(Executive Director)

Mr. Siah Chin Leong
(Independent Non-Executive Director)

Ms. Ng Lee Thin
(Independent Non-Executive Director)

AUDIT COMMITTEE
Mr. Siah Chin Leong *(Chairman)*
Datuk Kamaludin Bin Yusoff
Ms. Ng Lee Thin

NOMINATION COMMITTEE
Datuk Kamaludin Bin Yusoff *(Chairman)*
Mr. Siah Chin Leong
Ms. Ng Lee Thin

COMPANY SECRETARY
Ms. Yong May Li (LS0000295)
Ms. Wong Chee Yin (MAICSA 7023530)

EXTERNAL AUDITORS
Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Muar Office
No. 8 (2nd Floor), Jalan Pesta 1/1
Taman Tun Dr. Ismail Jalan Bakri
84000 Muar, Johor
Tel: +60(6) 952 9939
Fax: +60(6) 952 7328

PRINCIPAL BANKERS
AmBank (M) Berhad
Hong Leong Bank Berhad
Public Bank Berhad

STOCK EXCHANGE LISTING
Main Market of Bursa Malaysia Securities Berhad
Stock Name : JOHOTIN
Stock Code : 7167
Website : http://www.johoretin.com.my
E-mail: jtb@johoretin.com.my

REMUNERATION COMMITTEE
Ms. Ng Lee Thin *(Chairman)*
Mr. Siah Chin Leong
Datuk Kamaludin Bin Yusoff

RISK MANAGEMENT COMMITTEE
Mr. Siah Chin Leong *(Chairman)*
Mr. Edward Goh Swee Wang
Mr. Lim Hun Swee (Resigned on 1 October 2019)
Ms. Ng Lee Thin
Mr. Lisa Goh Li Ling *(Operations Manager)*
Mr. Leo Aun Foo *(Group Finance Manager)*

SHARE REGISTRAR
Tricor Investor & Issuing House Services Sdn. Bhd. (197101000970 (11324-H))
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59200 Kuala Lumpur
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Fax: +60(3) 2783 9222
E-mail: is.enquiry@my.tricorglobal.com

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City Plaza, Jalan Tebrau
80300 Johor Bahru, Johor
Tel: +60(7) 332 2088
Fax: +60(7) 332 8096
E-mail: info@my.tricorglobal.com

CORPORATE **STRUCTURE**

JOHORE TIN BERHAD

JOHORE TIN BERHAD
Reg No. 200001029963
(532570-V)
Incorporated in Malaysia

Incorporated in Malaysia

100%

JOHORE TIN FACTORY SENDIRIAN BHD
Reg no.
197301003503
(16986-A)
Incorporated in Malaysia

100%

UNICAN INDUSTRIES SDN BHD
Reg no.
198801006788
(174146-A)
Incorporated in Malaysia

100%

KLUANG TIN AND CAN FACTORY SDN BHD
Reg no.
197501000341
(21926-V)
Incorporated in Malaysia

100%

ABLE DAIRIES SDN BHD
Reg no.
200701007073
(765074-D)
Incorporated in Malaysia

96%

ABLE FOOD SDN BHD
Reg no.
201301003743
(1033584-V)
Incorporated in Malaysia

Incorporated in Malaysia

51%

ABLE DAIRIES MARKETING SDN BHD
Reg no.
201701023352
(1237518-H)

Incorporated in Mexico

54.02%

ABLE PACKAGING MEXICO

Incorporated in Mexico

43.13%
Associate Company

ABLE DAIRIES MEXICO

PROFILE OF BOARD OF DIRECTORS

Name	Datuk Kamaludin Bin Yusoff	Siah Chin Leong
Position	Senior Independent Non-Executive Director (Chairman)	Independent Non-Executive Director
Age / Gender / Nationality	72 / Male / Malaysian	57 / Male / Malaysian
Date of first appointment	11 August 2008 28 April 2010 (Chairman)	18 March 2014
Qualification	- Bachelor of Arts (Hons) in History from University Malaya, Kuala Lumpur (1974)	- Bachelor of Arts in Political Science from York University, Canada (1982 - 1985)
Working experience and occupation	- Started his career as Administration & Diplomatic Officer in the public sector in 1974 and has served in various positions with Ministry of Finance, Ministry of Defence, Road Transport Department and Ministry of Entrepreneur Development	- Started as Manager in 1988 at the subsidiary of Tasek Maju Realty Sdn. Bhd., a Property Developer and promoted as Executive Director in 1990 - Subsequently, joined Daiman Development Berhad, a Property Developer as General Manager in 2006 and resigned in 2013 - Currently, he is an Advisor of S & L Vintners, a Wine Importer
Member of board committees	- Nomination Committee (Chairman) - Audit Committee (Member) - Remuneration Committee (Member)	- Audit Committee (Chairman) - Risk Management Committee (Chairman) - Remuneration Committee (Member) - Nomination Committee (Member)
Other directorship in public companies and listed issuers	Yoong Onn Corporation Berhad	No
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interests with JTB	No	No
Conviction for offences within the past 5 years, other than traffic offences	No	No
Number of board meetings attended in the financial year	4	4

PROFILE OF BOARD OF DIRECTORS
(CONT'D)

Name	Ng Lee Thin	Edward Goh Swee Wang
Position	Independent Non-Executive Director	Chief Executive Officer ("CEO")*
Age / Gender / Nationality	53 / Female / Malaysian	57 / Male / Malaysian
Date of first appointment	6 May 2014	31 December 2002
Qualification	- Bachelor of Economics (Hons) from University Utara Malaysia (1992) - Member of the Malaysian Institute of Accountants ("MIA") - Fellow Member of the Association of Chartered Certified Accountants ("FCCA")	- Bachelor of Science Degree in Mechanical Engineering and a Master Degree in Business Administration from the Oklahoma State University, United States of America (1988)
Working experience and occupation	- She has more than 20 years of experience in the field of corporate finance, auditing, accounting and taxation - She was the Financial Controller of Binaik Equity Bhd. for 9 years (2001 - 2009) before set up her own firm, Yellow Tax Services Sdn. Bhd. and NLT & Co. in year 2012 and 2015 respectively. Prior to that, she worked with Ernst & Young (1996 - 2001), Chiang & Chiang (1994 - 1995) and Artwright Marketing Sdn. Bhd. (1992 - 1994)	- More than 20 years of working experience in tin can industry - Oversees company planning, development, marketing and overall management
Member of board committees	- Remuneration Committee (Chairman) - Audit Committee (Member) - Nomination Committee (Member) - Risk Management Committee (Member)	- Risk Management Committee (Member)
Other directorship in public companies and listed issuers	No	No
Family relationship with any director and/or major shareholder of JTB	No	Son to Mr. Goh Mia Kwong who is a major shareholder of Johore Tin Berhad ("JTB")
Conflict of interests with JTB	No	No
Conviction for offences within the past 5 years, other than traffic offences	No	No
Number of board meetings attended in the financial year	4	4

PROFILE OF BOARD OF DIRECTORS
(CONT'D)

Name	**Yeow Ah Seng @ Yow Ah Seng**	**Lim Hun Swee**
Position	Executive Director*	Executive Director
Age / Gender / Nationality	67 / Male / Malaysian	68 / Male / Singaporean
Date of first appointment	31 December 2002	26 August 2010
Qualification	- Supervision of factory operations and sales	- Management of factory operations
Working experience and occupation	- Started his career in the tin can manufacturing industry since 1983 - Joined Kluang Tin And Can Factory Sdn. Bhd. (a subsidiary of JTB) in 1988 as Executive Director - Subsequently appointed as Deputy Managing Director (2015) and Managing Director (2019) until now	- 20 years' experience as Managing Director of In-Comix Food Industries Sdn. Bhd. and retired from the position since July 2009 - Resigned on 1 October 2019
Member of board committees	No	- Risk Management Committee (Member)
Other directorship in public companies and listed issuers	No	Tomypak Holdings Berhad
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interests with JTB	No	No
Conviction for offences within the past 5 years, other than traffic offences	No	No
Number of board meetings attended in the financial year	4	4

PROFILE OF BOARD OF DIRECTORS
(CONT'D)

Name	**Ng Keng Hoe**
Position	Executive Director*
Age / Gender / Nationality	46 / Male / Singaporean
Date of first appointment	1 June 2016
Qualification	- Double Degree in Chemical Engineering (Hons) and Bachelor of Commerce, major in Finance and Marketing from University of Sydney, Sydney (1999)
Working experience and occupation	- Started his career as Chemical Engineer in Sime Darby Edible Products Pte. Ltd. (2000 - 2004) - Subsequently, set up his own company, Able Perfect Sdn. Bhd. as President and Chief Executive Officer
Member of board committees	No
Other directorship in public companies and listed issuers	No
Family relationship with any director and/or major shareholder of JTB	No
Conflict of interests with JTB	No
Conviction for offences within the past 5 years, other than traffic offences	No
Number of board meetings attended in the financial year	4

* *Mr. Edward Goh Swee Wang is also a Key Senior Management of Unican Industries Sdn. Bhd. (a subsidiary of JTB)*

* *Mr. Yeow Ah Seng @ Yow Ah Seng is also a Key Senior Management of Kluang Tin and Can Factory Sdn. Bhd. (a subsidiary of JTB)*

* *Mr. Ng Keng Hoe is also a Key Senior Management of Able Dairies Sdn. Bhd., Able Food Sdn. Bhd. and Able Dairies Marketing Sdn. Bhd. (the subsidiaries of JTB)*

PROFILE OF
KEY SENIOR MANAGEMENT

Name	**Goh Mia Kwong**	**Ng Yik Toon @ Ng Yik Koon**
Position	Executive Director	Managing Director
Age / Gender / Nationality	81 / Male / Malaysian	71 / Female / Malaysian
Date of first appointment	31 December 1973	15 March 1985
Qualification	- Management of factory operations and marketing	- Supervision of factory operations and sales
Working experience and occupation	- More than 40 years of working experience in tin can industry - Oversees company planning, development, marketing and overall management of Johore Tin Factory Sdn. Bhd. (a subsidiary of JTB)	- Started her career in the tin can manufacturing industry since 1980 - Joined Kluang Tin And Can Factory Sdn. Bhd. (a subsidiary of JTB) in 1988 as Executive Director - Subsequently, appointed as Managing Director (1985) - Retired on 1 March 2019
Member of board committees	No	No
Other directorship in public companies and listed issuers	No	No
Family relationship with any director and/or major shareholder of JTB	Father to Mr. Edward Goh Swee Wang who is the CEO of JTB	No
Conflict of interests with JTB	No	No
Conviction for offences within the past 5 years, other than traffic offences	No	No

PROFILE OF KEY SENIOR MANAGEMENT
(CONT'D)

Name	**Oh Tat Hooi**	**Leo Aun Foo**
Position	Executive Director	Group Finance Manager
Age / Gender / Nationality	51 / Male / Malaysian	43 / Male / Malaysian
Date of first appointment	1 February 2013	17 November 2008
Qualification	- Graduated in Chartered Institute of Marketing, Selangor (CIM) (1995) - Member of Institute of Marketing Malaysia (IMM) (2004)	- Professional Degree in the Association of Chartered Certified Accountants ("ACCA") - Member of the Malaysian Institute of Accountants ("MIA") - Fellow Member of the Association of Chartered Certified Accountants ("FCCA")
Working experience and occupation	- Started his career as Planner in tin can industry since 1989 - Oversees factory operations, sales and marketing as well as in-charge of plant set-up - He has more than 15 years of working experience in tin can industry and 8 years in dairy operations - Appointed as General Manager, jointly set up with JTB in incorporating Able Food Sdn. Bhd. (a subsidiary of JTB) in 2013	- Started his career as Audit Assistant in audit firm (1997 - 1998) after completed LCCI Diploma in Accounting - Further studied and graduated from ACCA (1999 - 2003) - Worked as Accounts Receivable Executive under Credit Control Department in hospitality industry (2003 - 2005) - Re-employed in former audit firm as Audit Manager (2006 - 2008) - Joined the Company (JTB) as Group Accountant (2008) and subsequently promoted as Group Finance Manager (2013) until now
Member of board committees	No	- Risk Management Committee (Member)
Other directorship in public companies and listed issuers	No	No
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interests with JTB	No	No
Conviction for offences within the past 5 years, other than traffic offences	No	No

DIRECTORS' RESPONSIBILITY **STATEMENT**

The Directors are required to prepare the financial statements of the Group and of the Company, in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards in Malaysia, so as to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have ensured:

- Adopted appropriate accounting policies and applying them consistently;
- Reasonable and prudent judgments and estimates are made; and
- Applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and of the Company, and which enables them to ensure that the financial statements comply with the Companies Act 2016.

The Directors also have overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

This statement is made in accordance with a Board resolution dated 16 June 2020.

SUSTAINABILITY STATEMENT

The Board of Directors ("the Board") recognises the importance of corporate social responsibility and the increasing demand from the stakeholders to focus more on social aspects of the business. The objective is to improve the Group's awareness of risks and opportunities in term of material Economic, Environmental and Social, so that to create the benefits and long term value to the stakeholders and society at large. As a result, the Board has delegated the role and responsibility to the Risk and Management Committee ("RMC") to identify, monitoring and managing those sustainability matters of the risks and opportunities relating to the Group's business and operations as a whole.

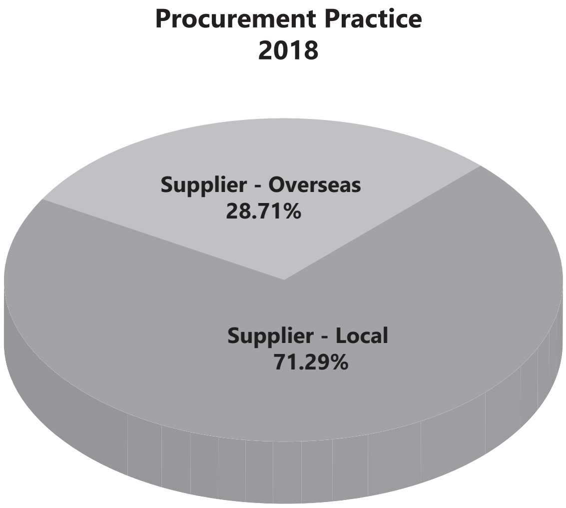
The following statement, as sets out the manner in which the Group has applied the relevant information and guidance from the Sustainability Reporting Guide ("the Guide") issued by the Bursa Malaysia Securities Berhad ("Bursa Securities") and the extent of compliance recommendation advocated therein pursuant to paragraphs 9.45(2) and paragraph 29, Part A of Appendix 9C, as well as paragraph 6.2 of Practice Note 9 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Securities.

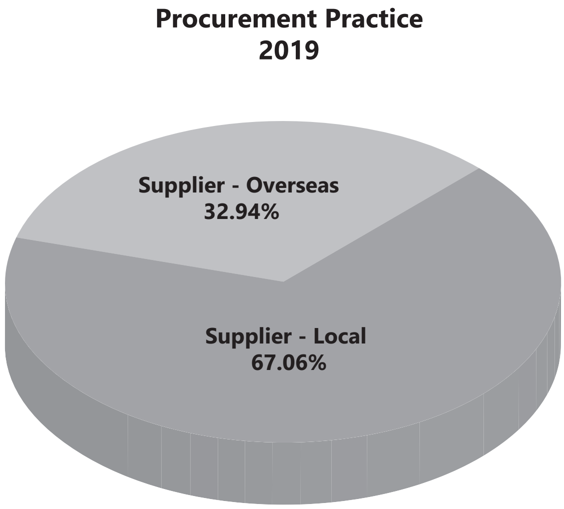
A. ECONOMIC

1. Procurement Practice

The Board believes that the practice of supporting local suppliers could lead to job creations and therefore improving the unemployment rate of the country and sustaining growth in the local economy.

The total number of local suppliers decreased by 4.23% to 67.06% as compared to 71.29% in previous year. The increased in overseas suppliers were due to pricing and quality of the product supplied. Nevertheless, the Group will keep sourcing for competitive and qualified local suppliers to replace the overseas suppliers, where possible, to sustain our local market in the long term.





SUSTAINABILITY STATEMENT
(CONT'D)

B. ENVIRONMENTAL

1. Compliance (Environmental)

The Board places high importance in maintaining the compliance under the Environmental Quality Act, 1974 ("EQA"). Non-compliance may lead to impaired reputation and the additional costs for potential clean-up and unnecessary penalties imposed.

In 2019, the project of improve the ventilation exhaust system of the printing department was delayed and is expected to be completed in first quarter of 2020 due to certain modification is required during the installation process. The Management has focus on the completion of the exhaust system in order to provide a better working environment to the employees and to the general environment of the surrounding areas.

The Board will continue its efforts to ensure compliance to the relevant environmental laws and regulations, with the target of no penalty from the relevant authorities, both monetary value of fines and non-monetary sanctions.

C. SOCIAL

1. Labour Practices

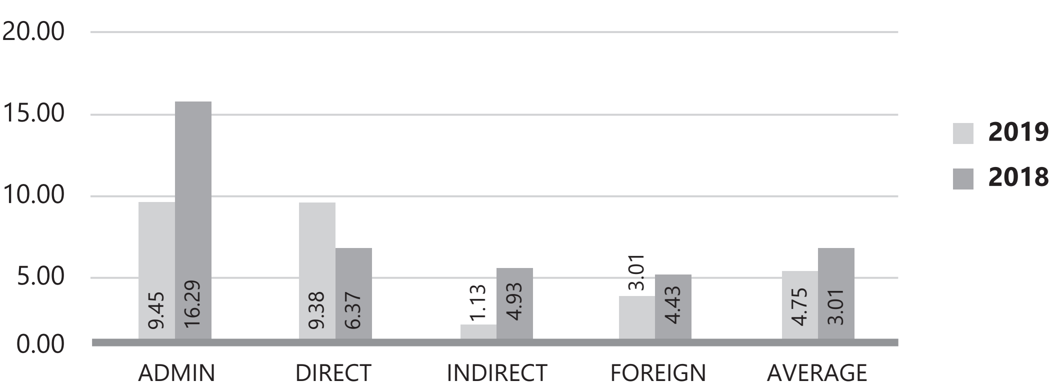
The Board continues to provide briefings and on-job trainings to the employees to enhance the technical knowledge and practical experience in their respective working environment. The Board believes that employee is an important assets to the Group in order for continuing growth in the long run.

An average of 4.75 hours per training hour per annum was provided to employees during the financial year of 2019 as compared to an average of 6.28 hours per training hour per annum in the previous financial year. This falls short of our target of an average of 6.5 hours, and the shortfall is mainly due to the high turnover in administrative staffs and indirect workers. However, the Management is continuing its effort to maintain high quality of workforce in the long run by upgrading the workers job knowledge and experience in handling day-to-day operations.

The Board has set an employee turnover rate of 30%. In 2019, the overall employee turnover in is 30.36% as compared to 33.00% in the previous financial year. With the increase in minimum salary as per the Government policy for 2019, the Board is expecting the staff turnover to be reduced in 2020 and will achieve the target of 30%.

The following are the diagrams indicate the average training hour per annum per employee and rate of employee turnover (by age group and gender) for 2019 as compared to 2018 for reference:

Average Training Hour per annum per Employee (2019 vs 2018)

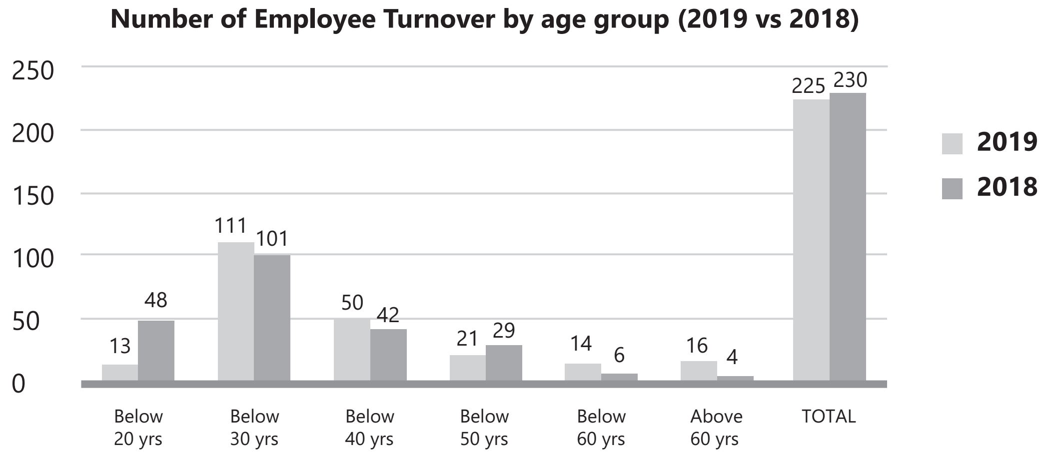


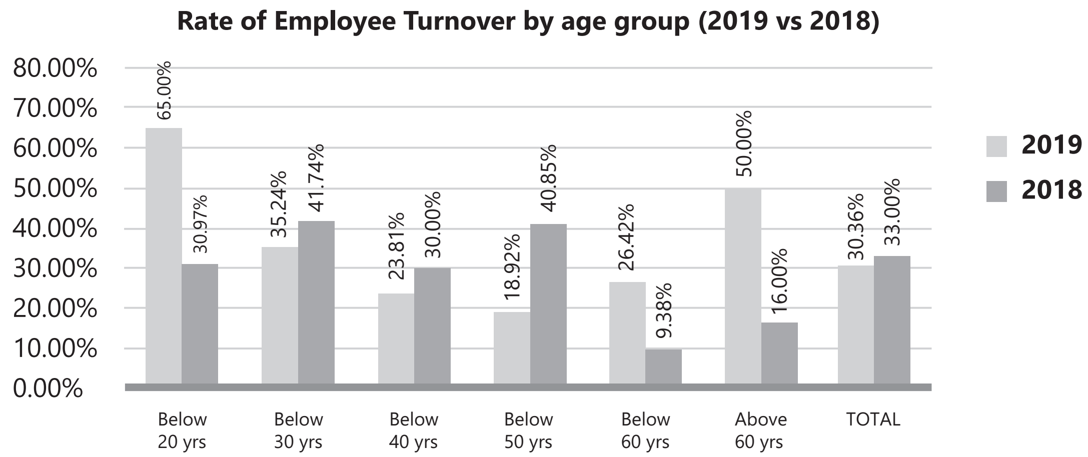
SUSTAINABILITY STATEMENT
(CONT'D)

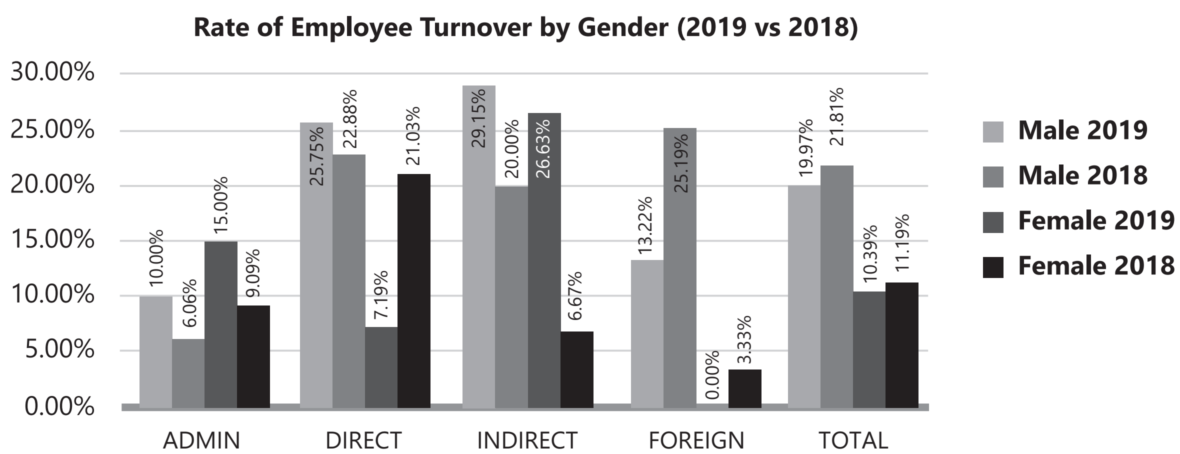
C. SOCIAL (CONT'D)

1. Labour Practices (Cont'd)

The following are the diagrams indicate the average training hour per annum per employee and rate of employee turnover (by age group and gender) for 2019 as compared to 2018 for reference: (Cont'd)







SUSTAINABILITY STATEMENT
(CONT'D)

C. SOCIAL (CONT'D)

2. Corporate Social Responsibility

The Board acknowledges the significance of Corporate Social Responsibility ("CSR") and views CSR as an extension to the Group's efforts in promoting a strong culture of engaging with society. The Group is continuing with its contribution to various societies, associations and other non-profit charitable organisations.

The Board continues its endeavour to ensure wider community benefits from our efforts in enhancing the value and commitment towards greater social responsibility and sustainability.

This statement is made in accordance with a Board resolution dated 16 June 2020.

AUDIT COMMITTEE **REPORT**

The Board presents the Audit Committee Report which provides insights into the manner in which the Audit Committee discharged its function for the Group in 2019.

1. COMPOSITION AND ATTENDANCE

The Audit Committee ("AC") comprises three (3) members, all of whom are Independent Non-Executive Directors and included one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA"). No alternate director is appointed as a member of the AC. This meets the requirements of paragraph 15.09(1)(a), (b), (c)(i) and 15.09(2) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad (Bursa Securities).

All members of the AC are financially literate and appropriately qualified with sound knowledge and experience in accounting, business, and financial management. The details of attendance of each member at Committee Meetings held during the year are as follows:

Composition of Committee (Designation)	**Number of Committee Meetings Attended**
Siah Chin Leong *(Chairman/Independent Non-Executive Director)*	5/5
Datuk Kamaludin Bin Yusoff *(Senior Independent Non-Executive Director)*	5/5
Ng Lee Thin (f) *(Independent Non-Executive Director)*	5/5

The meetings were appropriately structured through the use of agendas and board papers containing information relevant to the matters for deliberation, which were distributed to members with sufficient notification.

The Board assesses the performance of the AC and its members through an annual evaluation. The Board is satisfied that the AC and its members have been able to discharge their functions, duties and responsibilities effectively and efficiently in accordance with the Terms of Reference of the AC.

2. MEETINGS

The Committee had convened a total of five (5) meetings during the financial year 2019. Meetings shall be held not less than four (4) times a year. The External Auditors ("EA") may request a meeting if they consider that one is necessary.

The Chief Executive Officer ("CEO") and other Board members were invited to the AC meeting to facilitate direct communications as well as to provide clarification on audit issues and the Group's operations. The representatives of Internal Auditors ("IA") shall normally attend the meetings and the Group Financial Manager was invited to brief the AC on specific issues and areas arising from the quarterly and audit reports. The presence of the EA will be by invitation as and when required.

The Secretary to the AC is the Company Secretary. Minutes of each AC meeting were recorded and tabled for confirmation at the next following AC meeting and subsequently presented to the Board for notation. During Board Meetings, the Chairman of the AC briefed the Board on the matters discussed at the AC meetings. The Chairman also briefed the Board on the discussions on the quarterly financial results, the annual Audited Financial Statements and the recommendations of the Committee to the Board for the adoption of the quarterly financial results and the annual Audited Financial Statements.

AUDIT COMMITTEE REPORT
(CONT'D)

3. TERMS OF REFERENCE

3.1 Membership

The AC shall consist of not less than three (3) members. All the AC members must be Non-Executive Directors with a majority of them being Independent Directors and at least one (1) of the members of the AC:

(a) Must be a member of the MIA; or
(b) If he/she is not a member of the MIA, he/she must have at least three (3) years' working
(c) experience and;
 i) he/she must have passed the examination specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 ii) he/she must be a member of one (1) of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
(d) He/She must fulfill such other requirements as prescribed or approved by Bursa Securities;

Alternate Directors shall not be eligible for appointment as a member of the AC.

The members of the AC must elect a Chairman among themselves who is an Independent Director.

The terms of office and performance of each of the members of the AC shall be reviewed by the Board as and when necessary.

Where the membership of the AC falls below three (3) due to retirement or resignation or any other reason, the vacancy must be filled within two (2) months, but in any case not later than three (3) months.

The members of the AC are expected to be financially literate and have sufficient understanding of the Group's business.

3.2 Authority

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to:

(a) Investigate any activity within the Committee's Terms of Reference;
(b) Have resources which are reasonably required to enable it to perform its duties;
(c) Have full and unrestricted access to any information pertaining to the Company or the Group;
(d) Have direct communication channels with the EA and person(s) carrying out the internal audit function or activity (if any);
(e) Obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers necessary; and
(f) Convene meetings with EA, IA or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary, but at least twice a year.

3.3 Duties

The duties of the Committee shall be to review, oversee and consider the following and report the same to the Board
(a) Any matters concerning the appointment, any questions of resignation or dismissal of the EA and the audit fee;
(b) The nature and scope of the audit by the EA before commencement;
(c) The EA's audit report, areas of concern arising from the audit and any other matters the EA may wish to discuss (in the absence of management if necessary) and to report to the Board on significant matters related to the Company's audit and financial statements;

AUDIT COMMITTEE REPORT
(CONT'D)

3. TERMS OF REFERENCE (CONT'D)

3.3 Duties (Cont'd)

(d) Any financial information for publication, including quarterly financial results and annual Audited Financial Statements, before submission to the Board, focusing particularly on:
- Changes in the implementation of major accounting policy changes;
- Significant and unusual events;
- Oversees reporting to the Board; and
- Compliance with accounting standards, legal requirements and any other applicable laws, regulations and requirements, arising from time to time.

(e) The EA's management letter and management's response;
(f) The adequacy of the competency and relevance of the scope, functions and resources of internal audit and the necessary authority to carry out its work;
(g) The proposals by management and review the suitability and independence regarding the appointment, transfer or dismissal of the IA and recommend to the Board for approval;
(h) The audit plan and work programme of internal audit;
(i) The internal auditors' report, their findings of internal audit work and management's response and maintaining active on-going dialogue with management and both IA and EA and encourage open discussion during meetings;
(j) The process and any evaluations on risk management and internal controls and processes by the IA and authorise the commission investigation to be conducted by the IA as it deems fit;
(k) The audit plan and work programme of internal audit, and where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit;
(l) Findings of internal audit work and management's response;
(m) Recommendation on the risk management and sustainability matters for approval by the Board;
(n) Recommendation to the Board on proposed changes in risk management policies and strategies, as and when necessary;
(o) Liaison with IA and EA in respect of their conduct of the audit/review of the Company's risk management process;
(p) Review of reports to ensure compliance with risk management policies and provide recommendation where necessary;
(q) Extent of cooperation and assistance given by the employee;
(r) The propriety of any related party transactions and conflict of interest situations that may arise within the Company or the Group;
(s) Observe a cooling-off period of at least two (2) years for a former key audit partner prior to the appointment as a member of the AC; and
(t) Any other matter as defined by the Board from time to time.

3.4 Overseeing the Internal Audit Function

(a) The AC shall oversee all internal audit functions and is authorised to commission investigations to be conducted by internal audit as it deems fit;
(b) The IA shall report directly to the AC and shall have direct access to the Chairman of the AC; and
(c) All proposals by management regarding the appointment, transfer or dismissal of the IA shall require the prior approval of the AC.

3.5 Quorum for Meetings

The quorum for AC meeting shall be two (2) members, and if only two (2) members present, both of them must be Independent Directors. If the number of members present for the meeting is more than two (2), the majority of members present must be Independent Directors.

AUDIT COMMITTEE REPORT
(CONT'D)

3. TERMS OF REFERENCE (CONT'D)

3.6 Attendance at Meetings

(a) Employees and Non-member Directors shall not attend any particular AC meeting unless specifically invited by the AC;
(b) A representative of the EA shall attend the meeting to consider the final Audited Financial Statement and such other meetings determined by the AC; and
(c) Non-member Directors shall not attend unless specifically invited to by the AC.

3.7 Minutes

All minutes of each meeting shall be kept and distributed to each member. All minutes of meeting shall be circulated to every member of the Board. The Chairman of the AC shall report on each meeting to the Board. The Secretary to the AC shall be the Company Secretary.

A resolution in writing signed or approved by all the members of the AC shall be as valid and effectual as if it had been passed at a Meeting of the AC duly called and constituted.

3.8 Frequency of Meetings

The Chairman shall call for Meetings to be held not less than four (4) times a year and as and when required during each financial year. The EA may request a meeting if they deem necessary.

In the absence of the Chairman of the AC, members present shall elect a Chairman for the meeting from amongst the Independent Directors.

3.9 Reporting Procedure

The Company Secretary shall be the Secretary of the AC. He/She shall record attendance of all members and invitees and take minutes to record the proceedings of every meeting of the AC. All minutes of meetings shall be circulated to every member of the Board.

The AC shall prepare an annual report to the Board that provides a summary of the activities of the AC for inclusion in the Company's annual report and Statement on Internal Audit function to disclose whether the internal audit function is performed in-house or outsourced and the cost incurred for the internal audit function in respect of the financial year.

The AC shall assist the Board in preparing the following for publication in the Company's annual report:
- Statement on the Company's application of the principles set out in Part 1 of the Malaysian Code on Corporate Governance;
- Statement on the extent of compliance with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code on Corporate Governance, specifying reasons for any areas of non-compliance (if any) and the alternatives adopted in such areas;
- Statement on the Board's responsibility for preparing the Annual Audited Financial Statements; and
- The AC may report any breaches of the Listing Requirements. Which have not been satisfactorily resolved, to the Stock Exchange.

AUDIT COMMITTEE REPORT
(CONT'D)

4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the principal activities undertaken by the AC were summarised as follows:

(a) Overseeing the Company's financial reporting, the AC had reviewed the quarterly financial statements for the 4th quarter of 2018, 1st, 2nd, 3rd and 4th quarters of 2019 at its meeting held on 26 February 2019, 8 April 2019, 29 May 2019, 29 August 2019, 28 November 2019 and 24 February 2020 respectively before recommending them for the Board's consideration and approval for release to the public;

(b) On 26 February 2019, 28 November 2019 and 24 February 2020, the AC had conducted private session meetings with the EA without the presence of the CEO, Management and employees of the Company to discuss the issues faced by EA in commencement and during the course of their audit;

(c) On 8 April 2019, the AC had reviewed and discussed with the EA on the Audited Financial Statements of the Group for the financial year ended 31 December 2019. The review was to ensure that the Audited Financial Statements were drawn up in accordance with the provision of the Companies Act, 2016 and the Malaysian Financial Reporting Standards ("MFRS");

(d) The AC had reviewed and approved the internal audit reports which IA had presented to the AC on 29 May 2019, 29 August 2019, 28 November 2019 and 24 February 2020. The reports contained the findings, status and progress of the internal audits, audit recommendations provided by the IA and corrective actions taken by management in addressing and resolving issues. The areas covered by the IA in 2019 consist of:
- Production;
- Warehouse and inventories;
- Purchasing;
- Risk Management Framework – Annual review of the implementation; and
- Anti-Bribery Management System.

(e) On 28 November 2019, the AC had reviewed the internal audit review plan for year 2020 and recommended for the Board's consideration and approval;

(f) Reviewed any related party transactions that may arose within the Company or the Group;

(g) Reviewed and assessed the adequacy of the competency and effectiveness of the systems of risk management and internal control and the efficiency of the Group's operations in particular those relating to areas of significant risks; and

(h) Reviewed and assessed the adequacy of the competency and effectiveness of the internal audit and external audit functions in delivering the professional services to the Company.

5. INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS

The Company has outsourced its internal audit and risk management functions to Messrs Forreststone Corporate Advisory Sdn. Bhd., a professional services firm as IA, which is tasked with the aim of providing assurance and assisting the AC and the Board in reviewing the adequacy and effectiveness of the internal control systems and risk management in the Company.

The internal audit function is a source to assist the AC and the Board to strengthen and improve current management and operating style in pursuit of best practices. The costs incurred for the internal audit function outsourced in respect of the financial year ended 31 December 2019 was RM84,800 (2018: RM80,000).

The main responsibilities of the IA are to:
- Assist in reviewing the adequacy, integrity and effectiveness of the Company's internal control systems and processes;
- Perform a risk assessment of the Company to identify the business processes within the Company that internal audit should focus on; and
- Perform any ad hoc appraisals, inspections, investigations, examinations and reviews requests of the AC or senior management as appropriate.

AUDIT COMMITTEE REPORT
(CONT'D)

5. INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS (CONT'D)

Activities of Internal Audit Function

- Prepare internal audit reports, incorporating audit recommendations and management responses with regards to audit findings relating to the weaknesses in the systems and controls of the respective operations audited, were issued to the AC and the Management of the respective operations;
- Follow up with Management on the implementation of the agreed audit recommendations. The extent of compliance is reported to the AC on a regular basis. The AC in turn reviews the effectiveness of the system of internal controls in operations and reports the results thereon to the Board;
- Evaluate the relevance, reliability and integrity of financial and management information;
- Assess the means of safeguarding assets and verify their existence. Ascertain the extent of compliance with established policies, procedures, plans, laws and regulations.

The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Company's systems of internal control and risk management.

This report is made with the approval of the Board dated 16 June 2020.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors of Johore Tin Berhad ("Board") recognises the importance of good corporate governance as a fundamental part of discharging its duties and responsibilities, to safeguard and enhance the long-term interests of its shareholders and other stakeholders.

This Statement is prepared in the manner in which the Group has applied the three (3) main principles as set out in the Malaysian Code on Corporate Governance 2017 ("MCCG") and the extent of compliance recommendation advocated therein pursuant to Paragraphs 15.25 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Corporate Governance Report 2019 ("CG Report 2019") which can be downloaded from our official website at www.johoretin.com.my/investor/annual-report.

The CG Report 2019 is prepared based on prescribed format pursuant to Paragraphs 15.25(2) of the Listing Requirements of Bursa Securities, of which details information are disclosed on application of each practice set out in the MCCG throughout the financial year.

A. BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is responsible for oversight of Management comprising the Chief Executive Officer ("CEO"), Executive Directors and the Department Heads within the Group, which includes directing, overseeing and monitoring the Management, ethical conducts and regulatory compliances, as well as to raise questions to the Management on certain key areas based on information provided.

The following are the key responsibilities of the Board, in discharging its stewardship role:

a. Overseeing the conduct of the Group's business

The Board delegates certain responsibilities to the Board Committees, in which the members of the Board Committees comprise of a wide spectrum of skills, knowledge and expertise from varied business and educational backgrounds which is vital to the continual success of the Group's business.

The CEO is responsible for the day-to-day operations, overall management effectiveness, implementation of the policies and strategies adopted by the Board and seeking for long-term growth to achieve the Group's objectives as well as enhancing the shareholders' and other stakeholders' value.

b. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks

Management Committee ("MC") comprises mainly of the Top Management Team and the Department Heads, to identify, evaluate, monitor and manage significant risks faced by the Group, through the formation of Risk Management Framework ("RMF"). The Internal Auditors and Audit Committee ("AC") reviews the risk management profile and policies formulated by the MC and makes relevant recommendations to the Board for approval.

The Board also established Risk Management Committee ("RMC") to define and review the risk management strategies, policies and risk tolerance of the Group.

The systems of internal control have been implemented to reduce the risks of failure and to achieve the Group's objective.

Details of the RMF and RMC are set out on pages 37 to 39 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

c. Succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing senior management

The Board has established the Nominating Committee ("NC") and Remuneration Committee ("RC"). NC is responsible for selecting and recommending the candidates for new appointment as Directors, whereas RC is to determine the remuneration packages for Executive Directors of the Group.

Details of the NC and RC are set out on pages 32 to 35 of this Annual Report respectively.

d. Overseeing the development and implementation of a communication policy for the Group

In order to ensure shareholders, investors and other stakeholders are well-informed for the latest information and financial performance and results of the Group, all updates will be available, as soon as practicable, after the announcement was made to Bursa Malaysia, at our official website at http://www.johoretin.com.my.

e. Reviewing the adequacy and integrity of Risk Management and Internal Control System and Management Information System of the Group

The Board has delegated to the AC to examine the effectiveness of the Group's internal control systems and management information systems.

The details pertaining to the Group's Risk Management and Internal Control System and the review of its effectiveness are set out on pages 37 to 39 of this Annual Report.

II. Code of Ethics and Conduct for employees (including Director)

The Board acknowledges the importance of establishing a corporate culture which governs the high standard of ethic and good conduct of the employees. As a result, the Board has formalised the ethical standards through the Code of Ethics and Conduct ("CEC") which provides rules and guidelines which governs the high standard of ethic and good conduct of the employees.

In term of personality and behaviour, the CEC promotes honesty and integrity when dealing with people within or outside the organisation, and to avoid conflict of interest when dealing with customers or suppliers. Whereas in term of documentation and information, the CEC provides guidelines on record-keeping and highlight the importance of confidential information or insider trading, as well as compliance with various relevant law & regulations, for which it may have major impact on the Group as a whole. The CEC also strengthen the awareness of protection and proper use of Group's assets or properties.

The CEC shall be reviewed and updated periodically should there be regulations changes or practical issues which are not covered by the present Code.

Besides the employees of the Group who are required to adhere to the high ethical standards within the Group, the External Auditors and Internal Auditors are also required to declare themselves to comply with the relevant ethical requirements in term of independence and integrity of the engagement team on yearly basis.

The Board has established the Whistle-blowing Policy, and the Group has provided briefings and handbook to all its employees of the Group. Any violation, improper conduct or wrongdoing by any employee, the Group will not be tolerated with any such behaviour and disciplinary action will be taken against the wrongdoers, if subsequent investigations conclude that they are guilty.

The details of CEC and Whistle-blowing Policy can be view at our official website at www.johoretin.com.my/investor/cg/cec and www.johoretin.com.my/investor/cg/wbp respectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. The Role of Chairman and CEO

There is a clear division of responsibilities between the Chairman and the CEO, to ensure a balance of power and authority.

The Chairman, who is an Independent Non-Executive Director, is responsible for leading the Board and monitors the functions of the Management as well as the Board Committees. Whilst the CEO is responsible for overseeing the day-to-day operations, overall management effectiveness, implementation of the policies and strategies adopted by the Board seeking for long-term growth to achieve the Group's objectives.

IV. Role of Company Secretary

Ms. Yong May Li was appointed as the Company Secretary of the Company in Year 2003. She is a secretary licensed by Companies Commission of Malaysia ("CCM") since October 1992 and is an Affiliate Member of the Malaysian Institute of Chartered Secretaries and Administrators. She is qualified to act as Company Secretary under Section 235(2) of the Companies Act, 2016.

The Company Secretary plays an advisory role to the Board in relation to the compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary is keeping abreast the regulatory changes, latest development in corporate governance and other relevant matters, to ensure the Directors are well-informed on the changes at each Board meeting. She has also attended the continuous professional development programmes as required by the CCM.

All Agendas for each Board meeting were circulated to the Board members at least seven (7) days in advance to enable sufficient time to peruse through the meeting documents.

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board members in discharging their duties.

V. Professional Development and Continuous Education for Directors

All the Directors have completed the Mandatory Accreditation Programme ("MAP"). In order for the Directors to discharge their duties with reasonable skills and knowledge, attending relevant training programmes are necessary to keep abreast with latest developments in the industry, on a continuous basis, in compliance with Paragraph 15.08(3) of the Listing Requirements of Bursa Securities.

During the financial year under review, all Directors have attended the seminars or trainings as stated below:

Name of Directors	Workshops / Courses Attended	Date
Datuk Kamaludin Bin Yusoff	- Business Transformation	18 Apr 2019
Edward Goh Swee Wang	- HACCP Awareness & Internal Auditing	19-20 Mar 2019
Yeow Ah Seng @ Yow Ah Seng	- Malaysia Tax Budget 2020 Conference	31 Oct 2019
Siah Chin Leong	- Malaysia Tax Budget 2020 Conference	31 Oct 2019
Ng Lee Thin (f)	- 2020 Budget Seminar	20 Nov 2019
Ng Keng Hoe	- HACCP Awareness & Internal Auditing	19-20 Mar 2019

Other than attending the seminars and workshops, the Directors are also well-informed on the updated financial and operational performance of the Group as well as changes in the regulatory and legislations which will affect the Group as a whole.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

VI. Board Charter

The Board Charter of the Group, which sets out clearly, amongst others, the roles and responsibilities of the Board and Board Committees, the composition and process of the Board.

The following are the key matters highlighted in the Group's Board Charter:
a) Objective;
b) Structure and membership;
c) Formal schedule of matters;
d) Position description of the role of Chairman, CEO, and Executive Directors, as well as Non-Executive Directors;
e) Appointment of Board Committees;
f) Directors' Orientation and Education Programme; and
g) An independent professional advice;

The Board Charter shall be reviewed periodically and updated in accordance with any changes in regulations or listing requirements that may have an impact on the discharge of the Board's responsibilities.

The details of the Board Charter are published in our Company's official website at http://www.johoretin.com.my/investor/cg/bc.

VII. Size and Composition of the Board

The Board consists of six (6) Directors, comprising three (3) Executive Directors, and three (3) Independent Non-Executive Directors, having fulfills the prescribed requirement for at least two (2) or one-third (1/3) of the Board (whichever is higher) are Independent Directors as stated in Paragraph 15.02(2) of the Listing Requirements of Bursa Securities.

The Company has complied with the Practice 4.1 of MCCG, as the Independent Non-Executive Directors accounted for 50.00% of the Board as required under the best practice whereby at least half of the Board need to be Independent Directors. However, for gender diversity, the Board consist of one (1) Female Director representing 16.67% of the Board. Should any new recruitment be needed, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge should remain a priority. Female Gender should also be looked into if there is suitable candidate for Director is available.

The current Board composition is classified in the following categories:

Composition	Male	Female	Total
Executive	3	–	3
Non-Executive Independent	2	1	3
Total	**5**	**1**	**6**

Age Group	Male	Female	Total
40 - 49 years	1	–	1
50 - 59 years	2	1	3
60 - 69 years	1	–	1
70 - 79 years	1	–	1
Total	**5**	**1**	**6**

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

VII. Size and Composition of the Board (Cont'd)

Race / Ethnicity	Male	Female	Total
Malay	1	–	1
Chinese	4	1	5
Total	**5**	**1**	**6**

Nationality	Male	Female	Total
Malaysian	4	1	5
Foreigner	1	–	1
Total	**5**	**1**	**6**

VIII. Independent Directors

During the financial year under review, the NC has assessed the contribution and performance of the Independent Directors. The criteria set out in Paragraph 1.01 of the Listing Requirements of Bursa Securities were also used to assess the independence of Independent Director.

The Board is satisfied with the level of independence demonstrated by all the Independent Directors, and their ability to act in the best interests of the Group during deliberations at Board meetings.

Under the Practice 4.2 of MCCG, the tenure of an Independent Director should not exceed a cumulative term of more than nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to either the re-designation of the director as a Non-Independent Director or seek for shareholders' approval to continue in office as an Independent Non-Executive Director.

In 2019, Datuk Kamaludin Bin Yusoff, the Chairman of the Board has served the Board for a period of more than nine (9) years. The Board is in the opinion that it will seek for shareholders' approval at the forthcoming Annual General Meeting for Datuk Kamaludin Bin Yusoff to continue serving as the Chairman of the Board and as the Senior Independent Non-Executive Director of the Company, due to his active participating and supporting the Board's activities and continuous providing valuable suggestions and opinions through his experience to the Board for decision making.

The tenures of services of all Directors are set out in their respective Profile of Board of Directors on pages 11 to 16 of this Annual Report.

IX. Nominating Committee

The Nominating Committee ("NC") comprises of three (3) members, all of whom are Independent Non-Executive Directors. The NC is chaired by the Senior Independent Non-Executive Director.

The Terms of Reference of NC comprise of the following:

a) Recommend to the Board new candidates for directorship and members for the Board's Committees. Consider in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or shareholder;
b) Assist the Board to review annually the required mix of skills and experience and other qualities of the Directors; and
c) Assist the Board to assess annually the effectiveness of the Board as a whole and the Board's Committees, as well as contribution of each individual Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

IX. Nominating Committee (Cont'd)

Summary of activities of NC in discharge of its duties for the financial year are as follows:
a) Appointed new candidate as a Director to the Board according to the nomination process, if any;
b) Reviewed the required mix of skills, experience, independence and diversity (including gender diversity) of the Board; and
c) Assessed the quantitative and qualitative performance criteria for evaluation of the performance of each member of the Board annually.

The nomination process for the appointment of new Directors does not limit to the recommendations from existing Board members, management or major shareholders, but will also consider utilising independent sources to identify suitable qualified candidates via recruitment agencies.

The Board does take into consideration the fundamental criteria pertaining to the recruitment/ appointment (including re-election/re-appointment) of Directors, the relevant skills and experiences, industrial knowledge, education background, character and integrity as well as expertise and professionalism.

The NC is responsible for assessing and evaluating the performance of the Board and Board Committees on an annual basis in relation to their performance and contribution toward the needs of the Company. The evaluation took into consideration the competency, experience, character, integrity and time availability, including the mix of skills.

A peer assessment will be conducted via evaluation form which are circulated to each Director. The area of assessment for individual Director, Chairman of the Board and Chairman of Board Committees includes the contribution to interaction, quality of input and understanding of role.

The Company Secretary will compile and present the result of the analysis to the NC. The NC will then report the results to the Board for notation. The NC also will assess the performance of the Board as a whole and Board Committees. The areas of assessment for the Board include the Board structure, Board operations and Board Chairman's roles and responsibilities.

In 2019, the NC concluded that the overall performance of each individual director was rated as "Strong", while the overall performance of the Board and the Board Committees Chairman were rated as "Consistently Good".

X. Diversity Policy

The Board has yet to set-up have a gender diversity policy, however, the Board has appointed one (1) woman Director since 2014 representing 16.67% of the Board, as an Independent Non-Executive Director to participate on the Board and Board Committees' activities.

XI. Remuneration Committee

The primary objective of the Remuneration Committee ("RC") is to assist the Board in assessing and reviewing the remuneration packages of the Executive Directors to reflect the responsibility and commitment towards stewardship of the Directors and to enable the Company to recruit and retain the Directors needed to achieve the Group's objectives.

The RC also recommends and assists the Board in determining the policy for the scope of service agreements for the Executive Directors, termination payments and compensation commitments, as well as the appointment of the services of such advisers or consultants as it deems necessary to fulfill its responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

XI. Remuneration Committee (Cont'd)

The directors' fees for both Executive Directors and Non-Executive Directors are recommended by the Board as a whole, subject to the shareholders' approval at the forthcoming Annual General Meeting ("AGM"). The member's allowance and meetings allowance for Board and Board Committees, which form part of the director's benefits, are based on each position held by the members in the Board and Board Committees, together with the attendance of the meeting conducted throughout the year.

The Board has adopted the Guidance to Practice 6.2 of MCCG that RC should comprise only Non-Executive Directors and a majority of them must be Independent Directors. Thus, all RC members are Independent Non-Executive Directors with effect from 1 March 2018.

Details disclosure on a named basis, for the Directors' remuneration of the Group and the Company for the financial year ended 31 December 2019 are as below:

The Group	Salaries (RM)	Bonus (RM)	Fees (RM)	Other Emoluments (RM)	Benefit-in-kinds (RM)	Total (RM)
Executive Directors						
Edward Goh Swee Wang	768,000	750,000	254,000	196,243	31,150	1,999,393
Ng Keng Hoe	528,000	300,000	229,000	111,558	21,250	1,189,808
Yeow Ah Seng @ Yow Ah Seng	324,000	200,000	79,000	32,960	17,400	653,360
Lim Hun Swee	243,000	300,000	–	50,200	–	593,200
Non-Executive Directors						
Datuk Kamaludin Bin Yusoff	–	–	96,000	–	–	96,000
Siah Chin Leong	–	–	100,000	–	–	100,000
Ng Lee Thin	–	–	99,000	–	–	99,000
	1,863,000	**1,550,000**	**857,000**	**390,962**	**69,800**	**4,730,761**

The Company	Salaries (RM)	Bonus (RM)	Fees (RM)	Other Emoluments (RM)	Benefit-in-kinds (RM)	Total (RM)
Executive Directors						
Edward Goh Swee Wang	–	–	34,000	–	–	34,000
Yeow Ah Seng @ Yow Ah Seng	–	–	29,000	–	–	29,000
Lim Hun Swee	243,000	100,000	–	46,200	–	389,200
Ng Keng Hoe	–	–	29,000	–	–	29,000
Non-Executive Directors						
Datuk Kamaludin Bin Yusoff	–	–	96,000	–	–	96,000
Siah Chin Leong	–	–	100,000	–	–	100,000
Ng Lee Thin	–	–	99,000	–	–	99,000
	243,000	**100,000**	**387,000**	**46,200**	**–**	**776,200**

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

XI. Remuneration Committee (Cont'd)

The following is the top 5 senior management of the Group whose remuneration falls within the successive band of RM50,000 for the financial year ended 31 December 2019:

Senior Management	Range of Remuneration (RM)
Edward Goh Swee Wang	RM1,950,001 – RM2,000,000
Ng Keng Hoe	RM1,150,001 – RM1,200,000
Goh Mia Kwong	RM800,001 – RM850,000
Yeow Ah Seng @ Yow Ah Seng	RM650,001 – RM700,000
Lim Hun Swee	RM550,001 – RM600,000

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee ("AC") comprises three (3) members, all of whom are Independent Non-Executive Directors and included one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA"). No alternate director is appointed as a member of the AC. This meets the requirements of Paragraph 15.09(1)(a), (b), (c)(i) and 15.09(2) of the Listing Requirements of Bursa Securities.

Details of the Audit Committee are set out in the Audit Committee Report on pages 22 to 27 of this Annual Report.

II. Risk Management and Internal Control Framework

The Board has ultimate responsibility to ensure the Risk Management Committee ("RMC") reviews and monitors closely on those potential risks that are faced by the Group in order to achieve the business objective. The RMC is chaired by an Independent Non-Executive Director, and the members are the CEO, Executive Director, Operations Manager and Group Finance Manager.

Overall, the Board is of the view that the system of risk management and internal control are operating, in all material aspects, adequately and effectively within the Group's business and operations. The details of the Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Board recognises the importance of timely dissemination of information to shareholders and other stakeholders in order to enhance investor relations of the Group. By doing so, the Group maintains a website to disseminate latest and up-to-date information and to keep shareholders and other stakeholders well-informed on the Group's financial performance, financial analysis, quarter/annual reports, corporate governance and any other corporate proposals, as soon as practicable, once the announcement is made to Bursa.

The Board monitors all price or market sensitive information and made the necessary announcement to public should the information be material. Price sensitive information is defined as any information which relates to the Group's future prospects or is of concern to the Group and is not generally known or published by the Group for general information but which if published or known is likely to materially affect the share price of the Company in the market or the decision of a holder of securities of the Company or an investor in determining his choice of action.

II. Conduct of Annual General Meetings

The Company's AGM remains the principal forum for dialogue and communication with the shareholders. The shareholders are encouraged to attend the Company's AGM and participate in the proceedings and take the opportunity to raise questions in relation to the results and operations of the Group. The Board of Directors and Management are available to respond to shareholders' queries. The Board encourages those shareholders who are unable to attend the AGM to appoint any person(s) as their proxy(ies) to participate, query and vote on their behalf at the AGM.

The notice of AGM and Annual Report will be dispatched to the shareholders at least 21 days before the date of meeting.

Since the 15th AGM, the Board has passed resolutions by way of poll voting. Messrs. Tricor Investor and Issuing House Services Sdn. Bhd. was appointed as poll administrator and Messrs. Asia Securities Sdn. Bhd. was appointed as scrutineer. Where the duty of the poll administrator is to conduct the polling process and the scrutineer is to verify the poll results of the resolutions. Upon verification of the poll results, the scrutineers will read out the poll results and the Chairman will declare whether the resolutions were carried.

Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, the Company is required to ensure that any resolution set out in the notice of general meetings is to be voted by poll. All resolutions put forth for shareholders' approval at the 19th Annual General Meeting to be held on 10 August 2020 are to be voted by way of poll voting.

This report is made with the approval of the Board dated 16 June 2020.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of Johore Tin Berhad ("Board") is pleased to present the Statement on Risk Management and Internal Control which has been prepared in pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD'S RESPONSIBILITY

The Board affirms its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing the overall adequacy and integrity of the system so as to safeguard its stakeholders' interests.

Nevertheless, the system of risk management and internal control is designed to manage, rather than eliminate, the risk of failure to achieve business goals and objectives within the tolerable levels that are accepted by the Board and Management. The possibility risk of failure in terms of human error, poor judgment in decision-making, control processes being deliberately circumvented by employees and others, and the occurrence of unforeseeable circumstances can only be prevented or reduced in order to achieve the business objectives of the Group. As a result, it can only provide reasonable, but not absolute assurance against material misstatement, loss or fraud.

RISK MANAGEMENT FRAMEWORK

The Board is responsible to ensure the risk management framework is clear and effective, with proper segregation of authority, responsibility and accountability. The details of the key internal control processes are highlighted below.

Risk Management Committee ("RMC") was established by the Board with the responsibility to oversee the overall risk management processes throughout the Group. It comprises of Independent Non-Executive Director, CEO, Operations Manager and Group Finance Manager. The RMC is chaired by an Independent Non-Executive Director and meets at least two (2) times in a year. The outcome will be reported to the Board for deliberation and approval.

The salient Terms of Reference of the RMC are as follows:

a) To define, review and recommend risk management strategies, policies and risk tolerance for the Board's decision making;
b) To review and assess the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively;
c) To ensure adequate infrastructure and resources are in place for effective risk management (i.e. ensuring the staff responsible for implementing risk management systems perform those duties independently of the Group's risk-taking activities; and
d) To perform any other functions in relation to the risk management as and when identified by the RMC and the Board.

In 2019, the RMC continued to focus on operational risks in term of human resources integration, manpower issues and updating the transfer pricing compliance. Due to having several subsidiaries in two (2) different product segments, integration of human resources management and policies are crucial, and requires more resources in term of time and cost to standardise all the rules and regulations of human resources within the Group. Thus, detailed study is needed before any implementation to ensure existing rights and benefits of the employees are not compromised with the new policies.

As for the manpower issue, local workers are difficult to hire even though the Group placed advertisement in both newspapers and on e-advertisements. As for foreign workforce, we depend on government policy for hiring and sometimes we could not hire the foreign workers for a period due to changes in the policy. Therefore, it is a challenge to the Group to hire qualified and experience staffs as well as inexperienced workers, both local and foreign. However, the Group managed to continue with the operations with minimum disruptions by re-training existing workforce to be more multi-tasking and for the long term, the Group is investing in more automated and more efficient equipment to reduce the workforce required.

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

RISK MANAGEMENT FRAMEWORK (CONT'D)

Also, the Group had consolidated the operation of the Tin Cans segment by relocating the operations of the Kluang Tin and Can Factory Sdn. Bhd. to the Seelong's factory. With this relocation, the Group managed to combine the workforce of this segment into a more efficient operation.

Thirdly, the risk of transfer pricing was discussed at the RMC meeting to ensure all transactions are fair and justifiable when dealing with related companies. The relevant staff are required to keep all the documentation properly and keep abreast of latest updates and information relating to transfer pricing through media, authority's website and attending seminar as and when necessary.

The RMC also reviewed, evaluated and discussed, through the Risk Register and the Risk Matrix, the matters pertaining to the key corporate risks that may affect the Group's decision making.

For the financial year under review, the RMC is satisfied with the risks findings and recommended to the Board for its deliberation and approval at Board meetings.

KEY INTERNAL CONTROL PROCESSES

The key elements of the Group's internal control system are described below:
a) A well-defined organisational structure with clear lines of responsibility and segregation of duties as well as clearly defined levels of authority within the Group;
b) An established financial policies and internal control procedures to all relevant departments within the Group, with the levels of authority and approval limits relating to day-to-day operations.
c) Sufficient insurance coverage to the Group's major assets against theft or disaster that may result in material losses, and to safeguard the best interests of its shareholders, investors and other stakeholders;
d) Proper rules and procedures in terms of hiring and termination of employees, performance appraisal, staff complaints and deficiencies, to ensure high level of efficiency in the workplace;
e) A Code of Ethics and Conduct for all employees, which defines the ethical standards and work conduct required within the Group;
f) A Board Charter which clearly identified the roles and responsibilities of the Board and the Board Committees; and
g) A Whistle-blowing policy to provide an avenue for employees or external parties to report any breach or suspected breach of the Group's policies or against any statutory laws and regulation requirements.

INTERNAL AUDIT

The internal audit function provides assessments as to whether risks, which may hinder the Group from achieving its objectives, are being adequately evaluated, managed and controlled.

The internal audit functions have been outsourced to an independent professional service firm, which carried out the required internal audit of the subsidiaries in accordance with the Internal Auditing Standards, the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") control framework and ISO 31000 Risk Management which codified by the International Organization for Standardization. The annual internal audit plan is reviewed by Audit Committee ("AC") and then deliberated and approved by the Board before its implementation. The internal audit review contained the findings, status and progress, recommendations and management responses which were reviewed directly by the AC and reported to the Board for approval on a quarterly basis.

During the financial year under review, the internal auditors reviewed the production and inventory management, enterprise risk management for the Group, highlighting anti-bribery management system and updating on overall risk assessment for previous year's unresolved matters of all the operating subsidiaries of the Group. The risk profile and risk register were updated to the AC for review and then AC recommended to the Board for deliberation and approval.

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

INTERNAL AUDIT (CONT'D)

Overall, there were no significant weaknesses which resulted in material losses, contingencies or uncertainties that require disclosure in the Annual Report.

During the 4th quarter of 2019, the independent internal auditor has submitted their proposed internal audit review plan for 2020 to AC, which focus on update on risk management framework for Food and Beverage segment, inventory quantity management for Tin Cans segment and Food and Beverage segment, and review on safety and health management, for deliberation and subsequently was approved by the Board.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the financial year ended 31 December 2019, and have reported to the Board that nothing has come to their attention that cause them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practices 9.1 and 9.2 of the Malaysian Code on Corporate Governance 2017.

CONCLUSION

The Board is of the view that the Group's risk management and system of internal control are in place for the financial year under review and up to the date of approval of this Statement, is satisfactory and sufficient to safeguard the Group's assets, as well as the best interests of its shareholders, investors and other stakeholders.

The Board has also received reasonable assurance from the CEO and Group Finance Manager that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group as a whole. The assurance has been given based on the risk management and internal control system maintained by the Group and internal audit reports provided by the independent Internal Auditors.

This statement is made in accordance with a Board resolution dated 16 June 2020.

ADDITIONAL COMPLIANCE **INFORMATION**

The information disclosed below is in compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. UTILISATION OF PROCEEDS RAISED FROM PUBLIC ISSUE

During the financial year ended 31 December 2019, there were no proceeds raised from corporate proposals.

(Disclosed in accordance with Appendix 9C, Part A, item 13 of the Listing Requirements of Bursa Securities.)

2. AUDIT AND NON-AUDIT SERVICES

The amount of audit fees payable to external auditors of the Company amounted to RM42,000 (2018: RM38,000). As for the Group, the total amount of audit fees payable to external auditors amounted to RM220,500 (2018: RM205,000).

The total amount of non-audit fees payable to external auditors of the Company for the financial year ended 31 December 2019 is the review of the Statement on Risk Management and Internal Control, amounted to RM5,000 (2018: RM5,000).

(Disclosed in accordance with Appendix 9C, Part A, item 18 of the Listing Requirements of Bursa Securities.)

3. MATERIAL CONTRACTS

A related party of a Director had entered into a tenancy agreement with the respective subsidiary of the Group and both parties had mutually agreed to renew the tenancy agreement in every two (2) years. The tenancy agreement was expired on 31 December 2019 and subsequently was renewed on 1 January 2020, at a renewed monthly rental of RM56,760.

Other than the above, there were no other material contracts entered into by the Group involving Directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 December 2019 or entered into since the end of the previous financial year.

(Disclosed in accordance with Appendix 9C, Part A, item 21 of the Listing Requirements of Bursa Securities.)

4. EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

The Group did not offer any share scheme for employees during the financial year under review.

(Disclosed in accordance with Appendix 9C, Part A, item 27 of the Listing Requirements of Bursa Securities.)

5. CONTINUING EDUCATION PROGRAMME

All Directors have attended numerous seminars or courses during the financial year ended 31 December 2019.

Details of the seminars or courses attended are disclosed in the Corporate Governance Overview Statement, as set out on page 32 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 28 of the Listing Requirements of Bursa Securities.)

ADDITIONAL COMPLIANCE INFORMATION
(CONT'D)

6. INTERNAL AUDIT FUNCTION

The internal audit function was outsourced and the cost incurred for the internal audit function in respect of the financial year ended 31 December 2019 was RM84,800 (2018: RM80,000).

The Statement of Risk Management and Internal Control is set out on pages 37 to 39 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 30 of the Listing Requirements of Bursa Securities.)

7. RECURRENT RELATED PARTY TRANSACTIONS

During the financial year ended 31 December 2019, the Group does not have a shareholders' mandate for recurrent related party transactions. As a result, all relevant and necessary announcements related to recurrent related party transactions had been made once they reached the threshold limit.

All recurrent related party transactions entered were in the ordinary course of business and were carried out on the terms and conditions that were not materially different from those transactions with unrelated parties.

Details of the recurrent related party transactions are disclosed and set out in Note 41 (b) on page 108 of this Annual Report.

(Disclosed in accordance with paragraph 10.09(1)(b) of the Listing Requirements of Bursa Securities.)

8. SHARE BUY-BACKS

During the financial year under review, the Company did not enter into any share buy-back transaction.

(Disclosed in accordance with paragraph 12.23, Appendix 12D of the Listing Requirements of Bursa Securities.)

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 2019.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 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	48,193,670	18,473,400
Attributable to:-		
Owners of the Company	47,482,352	18,473,400
Non-controlling interests	711,318	–
	48,193,670	18,473,400

DIVIDENDS

Dividend paid and declared by the Company since 31 December 2018 are as follows:-

(a) A fourth interim dividend of 2 sen per ordinary share amounting to RM6,209,420 in respect of the financial year ended 31 December 2018 was declared on 26 February 2019 and paid on 29 March 2019. The payment made to shareholders whose name appeared in the Company's Record Depositors on 15 March 2019.

(b) A first interim dividend of 1.5 sen per ordinary share amounting to RM4,657,063 in respect of the financial year ended 31 December 2019 was declared on 29 May 2019 and paid on 03 July 2019. The payment made to shareholders whose name appeared in the Company's Record Depositors on 21 June 2019.

(c) A second interim dividend of 1.5 sen per ordinary share amounting to RM4,657,063 in respect of the financial year ended 31 December 2019 was declared on 29 August 2019 and paid on 14 October 2019. The payment made to shareholders whose name appeared in the Company's Record Depositors on 25 September 2019.

(d) A third interim dividend of 2 sen per ordinary share amounting to RM6,209,420 in respect of the financial year ended 31 December 2019 was declared on 28 November 2019 and paid on 30 December 2019. The payment made to shareholders whose name appeared in the Company's Record Depositors on 17 December 2019.

(e) A fourth interim dividend of 1.4 sen per ordinary share amounting to RM4,346,594 in respect of the financial year ended 31 December 2019 was declared on 24 February 2020 and subsequently paid on 27 March 2020. The payment made to shareholders whose name appeared in the Company's Record Depositors on 13 March 2020. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2020.

The directors do not recommend any payment of final dividends for the financial year ended 31 December 2019.

DIRECTORS' REPORT
(CONT'D)

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.

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 adequate allowance had been made for impairment losses on receivables.

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 additional 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 other than as disclosed in Note 13, Note 34 and Note 35 to the financial statements.

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.

DIRECTORS

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

Edward Goh Swee Wang
Yeow Ah Seng @ Yow Ah Seng
Datuk Kamaludin Bin Yusoff
Lim Hun Swee (Resigned on 1 October 2019)
Ng Keng Hoe
Ng Lee Thin
Siah Chin Leong

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Goh Mia Kwong
Ng Yik Toon @ Ng Yik Koon (Retired on 01.03.2019)
Oh Tat Hooi
Tan Boon Kait
Yong Swee Choong

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 of the Company during the financial year are as follows:-

	Number of Ordinary Shares			
	At 1.1.2019	Bought	Sold	At 31.12.2019
The Company				
Direct Interest				
Datuk Kamaludin Bin Yusoff	**849,800**	**30,000**	**110,000**	**769,800**
Edward Goh Swee Wang	**14,656,920**	**8,000,000**	**–**	**22,656,920**
Ng Keng Hoe	**30,634,099**	**16,700,000**	**13,971,100**	**33,362,999**
Yeow Ah Seng @ Yow Ah Seng	**5,276,442**	**–**	**–**	**5,276,442**
Siah Chin Leong	**2,666**	**–**	**–**	**2,666**
The Company				
Indirect Interest				
Datuk Kamaludin Bin Yusoff	**12,474,932**	**–**	**–**	**12,474,932**
Edward Goh Swee Wang	**35,989,026**	**80,000**	**–**	**36,069,026**
Ng Keng Hoe	**1,991,109**	**–**	**–**	**1,991,109**

By virtue of Edward Goh Swee Wang and Ng Keng Hoe's shareholding in the Company, they are deemed to have interest in shares in its related corporations during the financial year to the extent of the Company's interests, 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 of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by directors shown in the financial statements, or the fixed salary of a full-time employee of the Company or related corporations) 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 41 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 Group and of the Company during the financial year are disclosed in Note 40 to the financial statements.

DIRECTORS' REPORT
(CONT'D)

INDEMNITY AND INSURANCE COST

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

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 47 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 48 to the financial statements.

AUDITORS

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

The details of the auditors' remuneration are disclosed in Note 35 to the financial statements.

Signed in accordance with a resolution of the directors dated 27 May 2020.

Edward Goh Swee Wang

Yeow Ah Seng @ Yow Ah Seng

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JOHORE TIN BERHAD
(Incorporated in Malaysia) Registration No.: 200001029963 (532570-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Johore Tin Berhad, which comprise the statements of financial position as at 31 December 2019 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 51 to 135.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019 and of their financial performance and their cash flows for the financial 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 Opinions

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws *(on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountant*s ("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 matters described below to be the key audit matters to be communicated in our report.

Goodwill Impairment Refer to Note 11 to the financial statements	
Key audit matter	**How our audit addressed the key audit matter**
We focused on this area because the Group carries significant goodwill. The Group's assessment of impairment of goodwill is a judgmental process which requires estimates concerning the forecast future cash flows associated with the goodwill held in determining the value in use.	Our procedures included, amongst others:- • Reviewed the reasonableness of assumptions, either individually or as a whole, provide a reasonable basis for the fair value measurements and disclosures. • Determined the method of valuation chosen by management is appropriate and identify if there are any indicators of possible management bias. • Developed stress tests on certain key assumptions used and assess the range estimate for all 'reasonable outcomes'. • Established that if there is any foreseeable reasonable possible change in key assumptions that will trigger the recoverable amount to be lower than the carrying amount.

INDEPENDENT AUDITORS' REPORT
(CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Impairment of Trade Receivables Refer to Note 13 to the financial statements	
Key audit matter	**How our audit addressed the key audit matter**
We focused on this area because the Group carries significant amount of RM 100,062,651 trade receivables as at financial year end. There is judgement in the identification of doubtful debts and assumptions used in making of impairment losses.	Our procedures included, amongst others:- • Tested the reliability and accuracy of ageing report. • Assessed the reasonableness of impairment losses provided by management. • Evaluated the sufficiency and reasonableness of impairment provided by the management. • Comparing and challenging management's view on the recoverability of overdue amounts to historical patterns of collections. • Reviewing the computation of historical observed default rates and adjustment for forward-looking estimates used to develop the provision matrix.

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 Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the other sections of the 2019 Annual Report, which is expected to be made available to us after that date.

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 on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT
(CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT
(CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

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

OTHER MATTERS

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

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

Ng Kim Hian
02506/04/2021 J
Chartered Accountant

Muar, Johor Darul Takzim
Date: 27 May 2020

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2019

	Note	The Group 2019 RM	The Group 2018 RM	The Company 2019 RM	The Company 2018 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	**–**	–	**163,617,850**	163,617,850
Investment in joint ventures	6	**26,492,280**	9,348,016	**–**	–
Property, plant and equipment	7	**127,417,031**	125,139,492	**3,316**	68,001
Investment properties	8	**1,154,228**	–	**–**	–
Right-of-use assets	9	**2,110,670**	–	**–**	–
Other investment	10	**16,500**	16,500	**–**	–
Goodwill	11	**10,650,327**	10,650,327	**–**	–
		167,841,036	145,154,335	**163,621,166**	163,685,851
CURRENT ASSETS					
Inventories	12	**102,874,859**	118,742,500	**–**	–
Trade receivables	13	**100,062,651**	102,659,239	**–**	–
Other receivables, deposits and prepayments	14	**3,072,840**	4,773,055	**–**	–
Amount owing by subsidiaries	15	**–**	–	**2,982,820**	2,090,000
Amount owing by joint ventures	16	**2,507,075**	22,993	**–**	–
Current tax assets		**837,875**	3,473,759	**32,744**	258,342
Derivative assets	17	**311,736**	–	**–**	–
Short-term investments	18	**7,333,616**	14,093,616	**7,333,616**	10,062,872
Dividend receivable		**–**	–	**2,881,229**	–
Deposit with a licensed bank	19	**23,470**	22,819	**–**	–
Cash and bank balances		**68,611,265**	54,900,109	**7,538,337**	15,300,575
		285,635,387	298,688,090	**20,768,746**	27,711,789
TOTAL ASSETS		**453,476,423**	443,842,425	**184,389,912**	191,397,640
EQUITY AND LIABILITIES					
EQUITY					
Share capital	20	**176,815,544**	176,815,544	**176,815,544**	176,815,544
Reserves	21	**163,545,088**	137,539,191	**4,515,412**	7,774,978
Equity attributable to owners of the Company		**340,360,632**	314,354,735	**181,330,956**	184,590,522
Non-controlling interests	5(b)	**1,106,300**	639,982	**–**	–
TOTAL EQUITY		**341,466,932**	314,994,717	**181,330,956**	184,590,522

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

STATEMENTS OF FINANCIAL POSITION
AT 31 DECEMBER 2019
(CONT'D)

		The Group		The Company	
		2019	2018	2019	2018
	Note	RM	RM	RM	RM
NON-CURRENT LIABILITIES					
Lease liabilities	22	**1,116,284**	–	**–**	–
Long-term borrowings	23	**1,224,876**	1,987,365	**–**	–
Retirement benefits	24	**366,000**	383,000	**–**	–
Deferred tax liabilities	25	**6,885,725**	7,346,668	**–**	–
		9,592,885	9,717,033	**–**	–
CURRENT LIABILITIES					
Trade payables	26	**35,656,254**	64,434,378	**–**	–
Other payables and accruals	27	**17,491,296**	18,159,887	**658,956**	607,118
Amount owing to directors	28	**84,594**	179,439	**–**	–
Lease liabilities	22	**1,003,681**	–	**–**	–
Short-term borrowings	29	**46,123,372**	30,424,492	**2,400,000**	6,200,000
Retirement benefits	24	**300,000**	300,000	**–**	–
Current tax liabilities		**1,512,409**	4,731,334	**–**	–
Derivative liabilities	17	**–**	901,145	**–**	–
Dividend payable		**245,000**	–	**–**	–
		102,416,606	119,130,675	**3,058,956**	6,807,118
TOTAL LIABILITIES		**112,009,491**	128,847,708	**3,058,956**	6,807,118
TOTAL EQUITY AND LIABILITIES		**453,476,423**	443,842,425	**184,389,912**	191,397,640

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 2019

		The Group		The Company	
	Note	2019 RM	2018 RM	2019 RM	2018 RM
REVENUE	32	**579,785,925**	501,123,398	**20,221,452**	15,087,987
OTHER OPERATING INCOME		**6,811,960**	10,159,408	**365,180**	394,950
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		**5,911,048**	(1,758,570)	**–**	–
RAW MATERIALS AND CONSUMABLE USED		**(445,251,094)**	(383,246,135)	**–**	–
EMPLOYEE BENEFITS	33	**(40,570,790)**	(36,603,009)	**(1,267,253)**	(1,263,417)
DEPRECIATION		**(10,734,170)**	(10,022,127)	**(64,685)**	(70,474)
FINANCE COSTS		**(2,287,770)**	(1,326,820)	**(236,428)**	(197,005)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	34	**(3,299,118)**	(409,687)	**–**	–
OTHER OPERATING EXPENSES		**(29,660,229)**	(29,569,135)	**(544,866)**	(576,087)
SHARE OF (LOSS)/PROFIT OF EQUITY ACCOUNTED JOINT VENTURES		**(183,651)**	3,551	**–**	–
PROFIT BEFORE TAX	35	**60,522,111**	48,350,874	**18,473,400**	13,375,954
INCOME TAX EXPENSE	36	**(12,328,441)**	(11,786,080)	**–**	42,000
PROFIT AFTER TAX		**48,193,670**	36,564,794	**18,473,400**	13,417,954
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss					
Foreign exchange translation differences		**–**	491,325	**–**	–
Share of other comprehensive income of equity accounted joint ventures		**256,511**	–	**–**	–
		256,511	491,325	**–**	–
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**48,450,181**	37,056,119	**18,473,400**	13,417,954

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 2019
(CONT'D)

		The Group		The Company	
	Note	2019 RM	2018 RM	2019 RM	2018 RM
PROFIT AFTER TAX ATTRIBUTABLE TO:-					
Owners of the Company		**47,482,352**	36,224,052	**18,473,400**	13,417,954
Non-controlling interests		**711,318**	340,742	**–**	–
		48,193,670	36,564,794	**18,473,400**	13,417,954
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		**47,738,863**	36,715,377	**18,473,400**	13,417,954
Non-controlling interests		**711,318**	340,742	**–**	–
		48,450,181	37,056,119	**18,473,400**	13,417,954
EARNINGS PER SHARE (SEN)	37				
- basic		**15.29**	11.67		
- diluted		**15.29**	11.67		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	Share Capital RM	Non-Distributable Foreign Exchange Translation Reserve RM	Distributable Retained Profits RM	Attributable to Owners Of the Company RM	Non-controlling Interest ("NCI") RM	Total Equity RM
The Group							
Balance at 1.1.2019		176,815,544	–	137,539,191	314,354,735	639,982	314,994,717
Profit after tax for the financial year		–	–	47,482,352	47,482,352	711,318	48,193,670
Other comprehensive income for the financial year							
- Share of other comprehensive income of equity accounted joint ventures		–	256,511	–	256,511	–	256,511
Total comprehensive income for the financial year		–	256,511	47,482,352	47,738,863	711,318	48,450,181
Contribution by and distribution to owners of the Company							
- Dividends	38	–	–	(21,732,966)	(21,732,966)	–	(21,732,966)
- Dividends by subsidiary to NCI		–	–	–	–	(245,000)	(245,000)
Total transaction with owners		–	–	(21,732,966)	(21,732,966)	(245,000)	(21,977,966)
Balance at 31.12.2019		176,815,544	256,511	163,288,577	340,360,632	1,106,300	341,466,932

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

	Note	Share Capital RM	Non-Distributable Foreign Exchange Translation Reserve RM	Distributable Retained Profits RM	Attributable to Owners Of the Company RM	Non-controlling Interest ("NCI") RM	Total Equity RM
The Group							
Balance at 1.1.2018		176,815,544	(491,325)	113,733,975	290,058,194	54,240	290,112,434
Profit after tax for the financial year		–	–	36,224,052	36,224,052	340,742	36,564,794
Other comprehensive income for the financial year							
- Foreign exchange translation differences		–	491,325	–	491,325	–	491,325
Total comprehensive income for the financial year		–	491,325	36,224,052	36,715,377	340,742	37,056,119
Contribution by and distribution to owners of the Company							
- Acquisition of new subsidiary by NCI		–	–	–	–	245,000	245,000
- Dividends	38	–	–	(12,418,836)	(12,418,836)	–	(12,418,836)
Total transaction with owners		–	–	(12,418,836)	(12,418,836)	245,000	(12,173,836)
Balance at 31.12.2018		176,815,544	–	137,539,191	314,354,735	639,982	314,994,717

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

	Note	Share Capital RM	Non-Distributable Warrants Reserve RM	Distributable Retained Profits RM	Total Equity RM
The Company					
Balance at 1.1.2018		176,815,544	–	6,775,860	183,591,404
Profit after tax and total comprehensive income for the financial year		–	–	13,417,954	13,417,954
Contribution by and distribution to owners of the Company - Dividends	38	–	–	(12,418,836)	(12,418,836)
Balance at 31.12.2018/1.1.2019		176,815,544	–	7,774,978	184,590,522
Profit after tax and total comprehensive income for the financial year		**–**	**–**	**18,473,400**	**18,473,400**
Contribution by and distribution to owners of the Company - Dividends	38	**–**	**–**	**(21,732,966)**	**(21,732,966)**
Balance at 31.12.2019		**176,815,544**	**–**	**4,515,412**	**181,330,956**

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

STATEMENTS OF
CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

		The Group		The Company	
		2019	2018	2019	2018
	Note	RM	RM	RM	RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before tax		**60,522,111**	48,350,874	**18,473,400**	13,375,954
Adjustments for:-					
Bad debt written off		**–**	3,143	**–**	–
Impairment losses on trade receivables	13	**3,299,118**	409,687	**–**	–
Dividends income		**–**	–	**(19,831,452)**	(14,697,987)
Depreciation of property, plant and equipment		**9,684,424**	10,022,127	**64,685**	70,474
Depreciation of investment properties		**38,253**	–	**–**	–
Depreciation of right-of-use assets		**1,011,493**	–	**–**	–
(Gain)/Loss on disposal of property, plant and equipment		**(789,493)**	43,343	**–**	–
Gain on disposal of investment property		**(286,700)**	–	**–**	–
Unrealised loss/(gain) on foreign exchange		**927,994**	(545,166)	**–**	–
Fair value (gain)/loss on derivatives		**(1,212,881)**	4,736,995	**–**	–
Inventories written off		**–**	84,356	**–**	–
Inventories written down		**177,856**	475,484	**–**	–
Interest expense		**2,287,770**	1,326,820	**236,428**	197,005
Interest income		**(900,828)**	(960,034)	**(365,180)**	(394,950)
Property, plant and equipment written off		**142,748**	10,597	**–**	–
Provision for retirement benefits	24	**59,154**	51,006	**–**	–
Share loss/(profit) of joint ventures		**183,651**	(3,551)	**–**	–
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		**75,144,670**	64,005,681	**(1,422,119)**	(1,449,504)
Decrease/(Increase) in inventories		**15,689,785**	(22,629,825)	**–**	–
Increase in trade and other receivables		**(614,912)**	(23,938,442)	**–**	–
(Increase)/Decrease in amount owing by subsidiaries		**–**	–	**(892,820)**	148,951
(Decrease)/Increase in trade and other payables		**(28,993,994)**	33,196,333	**51,838**	(22,623)
(Decrease)/Increase in amount owing to directors		**(94,845)**	17,178	**–**	–
Increase in amount owing by joint ventures		**(2,484,333)**	–	**–**	–

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

		The Group		The Company	
	Note	2019 RM	2018 RM	2019 RM	2018 RM
CASH FROM/(FOR) OPERATIONS		**58,646,371**	50,650,925	**(2,263,101)**	(1,323,176)
Interest received		**900,828**	960,034	**365,180**	394,950
Interest paid		**(2,287,770)**	(1,326,820)	**(236,428)**	(197,005)
Income tax paid		**(16,686,888)**	(8,774,187)	**(32,500)**	(30,000)
Income tax refund		**3,343,563**	110,756	**258,098**	51,826
Real property gain tax paid		**(29,100)**	–	**–**	–
Retirement benefits paid		**(76,154)**	(45,006)	**–**	–
NET CASH FROM/(FOR) OPERATING ACTIVITIES		**43,810,850**	41,575,702	**(1,908,751)**	(1,103,405)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Dividends received		**–**	–	**16,950,223**	14,697,987
Proceeds from disposal of property, plant and equipment		**855,929**	25,865	**–**	–
Proceeds from disposal of investment property		**360,000**	–	**–**	–
Purchase of property, plant and equipment	39(a)	**(13,453,239)**	(23,402,071)	**–**	–
Additional investment in an existing subsidiary	5	**–**	–	**–**	(21,448,344)
Additional investment in existing joint ventures	6	**(17,071,404)**	(9,173,425)	**–**	–
NET CASH (FOR)/FROM INVESTING ACTIVITIES		**(29,308,714)**	(32,549,631)	**16,950,223**	(6,750,357)
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividends paid		**(21,732,966)**	(13,971,189)	**(21,732,966)**	(13,971,189)
Drawdown/(Repayment) of bill payables	39(b)	**4,958,500**	(841,870)	**–**	–
Drawdown of bankers' acceptance	39(b)	**2,859,000**	–	**–**	–
Drawdown of foreign currency trust receipts	39(b)	**108,509,894**	65,575,594	**–**	–
Repayment of foreign currency trust receipts	39(b)	**(108,868,985)**	(68,813,745)	**–**	–
Drawdown of revolving credit	39(b)	**26,421,390**	25,151,046	**2,400,000**	19,500,000
Repayment of revolving credit	39(b)	**(18,709,785)**	(31,118,143)	**(6,200,000)**	(20,302,798)
Repayment of hire purchase payables	39(b)	**(36,484)**	(69,612)	**–**	–
Repayment of lease liabilities	39(b)	**(947,347)**	–	**–**	–
Repayment of term loans	39(b)	**(601,587)**	(1,886,174)	**–**	(1,317,726)
NET CASH FOR FINANCING ACTIVITIES		**(8,148,370)**	(25,974,093)	**(25,532,966)**	(16,091,713)

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

	Note	The Group 2019 RM	The Group 2018 RM	The Company 2019 RM	The Company 2018 RM
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**6,353,766**	(16,948,022)	**(10,491,494)**	(23,945,475)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		**(209,732)**	505,548	**–**	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**69,007,557**	85,450,031	**25,363,447**	49,308,922
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	39(d)	**75,151,591**	69,007,557	**14,871,953**	25,363,447

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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:	Suite 1301, 13th Floor, City Plaza Jalan Tebrau 80300 Johor Bahru Johor
Principal place of business :	PTD 124298, Jalan Kempas Lama Kampung Seelong Jaya 81300 Skudai Johor

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 27 May 2020.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. 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.

3.1 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)

MFRS 16 Leases

IC Interpretation 23 Uncertainty Over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

Annual Improvements to MFRS Standards 2015 – 2017 Cycles

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

3. BASIS OF PREPARATION (CONT'D)

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

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group's financial statements except as follows:-

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and replaced the previous guidance on lease accounting. Under MFRS 16, the classification of leases as either finance leases or operating leases is eliminated for lessees. All lessees are required to recognise their lease assets and the related lease obligations in the statement of financial position (with limited exceptions) as right-of-use assets and lease liabilities respectively. The right-of-use assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method. The impacts on the financial statements of the Group upon its initial application of MFRS 16 are disclosed in Note 49 to the financial statements.

3.2 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 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
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 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 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:-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

(a) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 11 to the financial statements.

(b) 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 amounts of trade receivables as at the reporting date is disclosed in Note 13 to the financial statements.

Critical Judgements made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

In determining the incremental borrowing rate of the respective leases. The Group first determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.2 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 (including structured entities, if any) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 Basis of Consolidation (Cont'd)

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 subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) 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.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statements 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.

(c) 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.

(d) 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 on 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted joint-ventures, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted joint-ventures.

4.4 Functional and Foreign Currencies

(a) 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.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the 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.

(c) Foreign Operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 January 2011) which are treated as assets and liabilities of the Company and are not retranslated.

In the consolidated financial statements, when the settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 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 – Revenue from Contracts with Customers 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.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised 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).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial Instruments (Cont'd)

(a) Financial Assets (Cont'd)

Debt Instruments (Cont'd)

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

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

Equity Instruments

All equity investments are subsequent 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 of these financial liabilities are recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial Instruments (Cont'd)

(b) Financial Liabilities (Cont'd)

(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).

(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) Derivative Financial Instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives during the reporting period, other than those accounted for under hedge accounting, are recognised directly in profit or loss.

Any derivative embedded in a financial asset is not accounted for separately. Instead, the entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

An embedded derivative is recognised separately from the host contract which is a financial liability as a derivative if, and only if, its risks and characteristics are not closely related to those of the host contract and the host contract is not measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial Instruments (Cont'd)

(e) 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.

(f) Financial Guarantee Contracts

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

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.6 Investments

(a) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement 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 investments includes transaction costs.

On the disposal of the investments 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 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 Investments (Cont'd)

(b) Joint Arrangement

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Joint Ventures

A joint venture is a joint arrangement whereby the Group has rights only to the net assets of the arrangement.

The investment in a joint venture is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to 31 December 2019. The Group's share of the post acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's investment in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any longterm interests that, in substance, form part of the Group's net investment in the joint venture.

Unrealised gains on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss where appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

(c) Transferable Golf Club Membership

Transferable golf club membership is stated at cost less impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 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, all 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:-

Leasehold land	Not applicable (2018 - over the lease period of 60 years)
Factory buildings	2%
Plant and machinery	10 - 12.5%
Moulds, tools and factory equipment	10%
Electrical installations and substation	10%
Motor vehicles	20%
Office equipment, furniture and fittings	10 - 25%
Renovation	10%

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 life and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of 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
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(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 Investment Properties

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

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract that meets the definition of investment property is measured initially similarly as other right-of-use assets.

Subsequent to initial recognition, investment properties are stated at fair value with fair value changes recognised in profit or loss.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

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

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property or inventories, the fair value at the date of change becomes the cost for subsequent accounting purposes. If the owner-occupied property becomes an investment property, such property shall be accounted for in accordance with accounting policy for property, plant and equipment up to date of change in use.

4.9 Impairment

(a) 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, trade receivables and financial guarantee contracts.

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 and contract assets 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 Impairment (Cont'd)

(a) Impairment of Financial Assets (Cont'd)

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 statement of financial position.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets 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.

An impairment loss is recognised in profit or loss. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

In respect of assets other than goodwill, and 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.

4.10 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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 Leases (Cont'd)

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjustment 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.

Accounting Policies Applied Until 31 December 2018

(a) Finance Leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. The corresponding liability is included in the statement of financial position as hire purchase payables.

Minimum lease payments made under finance leases are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss and allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each accounting period.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment.

(b) Operating Leases

All leases that do not transfer substantially to the Group all the risks and rewards incidental to ownership are classified as operating leases and, the leased assets are not recognised on the statements of financial position of the Group and of the Company.

Payments made under operating leases are recognised as an expense in the profit or loss on a straight-line method over the term of the lease. Lease incentives received are recognised as a reduction of rental expense over the lease term on a straight-line method. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out method (tin manufacturing segment) and weighted average cost (food and beverage segment) method and comprises the purchase price, production or conversion costs and incidentals incurred in bringing the inventories to their present location and condition. Cost of finished goods includes the cost of materials, labour and an appropriate proportion of production overheads. 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.

4.12 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.

4.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.14 Employee Benefits

(a) 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.

(b) 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.

(c) Defined Benefit Plans

The Group has a non-contributory unfunded retirement benefits scheme for the unionised workers and a director. The retirement benefit provided is based on the terms, which are stated in the agreement signed between the Group and the unionised workers and a director respectively, discounted at the appropriate rate without the application of any actuarial valuation method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 Income Taxes

(a) 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).

(b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or 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.

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. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

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.

4.16 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 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 relate 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.

4.18 Earnings per Ordinary Share

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

4.19 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.

4.20 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 2019
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.21 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 todate.

(a) Sale of Tins, Cans and Dairies Products

Revenue from sale of tins, cans and dairies products are 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.

4.22 Revenue from Other Sources and Other Operating Income

(a) Interest Income

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

(b) Dividend Income

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

(c) Management Fee Income

Management fee income is recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES

	The Company 2019 RM	2018 RM
Unquoted shares, at cost		
At 1 January	**163,617,850**	103,517,850
Addition during the financial year	**–**	60,100,000
At 31 December	**163,617,850**	163,617,850
Contribution to subsidiaries:-		
At 1 January	**–**	34,317,656
(Capitalisation)* during the financial year	**–**	(34,317,656)
At 31 December	**–**	–
	163,617,850	163,617,850

* This represent part of the investment in subsidiaries.

Contributions to subsidiaries represent advances of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts, in substance, form part of the Company's net investment in the subsidiaries. The contributions are stated at cost less accumulated impairment losses, if any.

(a) The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent (%) 2019	2018	Principal Activities
Subsidiaries of the Company				
Johore Tin Factory Sendirian Berhad (“”JTFSB””)	Malaysia	**100**	100	Manufacturing of various tins, cans and other containers and printing of tin plates
Unican Industries Sdn. Bhd. (“”UISB””)	Malaysia	**100**	100	Manufacturing of various tins, cans and other containers
Kluang Tin And Can Factory Sdn Bhd.	Malaysia	**100**	100	Manufacturing of various tins, cans and other containers
Able Diaries Sdn. Bhd. (“”ADSB””)	Malaysia	**100**	100	Manufacturing and selling of milk and other related dairy products
Able Food Sdn. Bhd. (“”AFSB””)	Malaysia	**96**	96	Trading of milk and other related dairy products
Subsidiary of ADSB				
Able Diaries Marketing Sdn. Bhd. (“”ADM””)	Malaysia	**51**	51	Wholesale of dairy products

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

In the last financial year:-

(i) On 4 January 2018, the subsidiary of the Company, ADSB subscribed an additional 255,000 ordinary shares in ADM at an issued price of RM1 each. ADSB holds 510,000 ordinary shares representing 51% of the equity interest in the capital of ADM.

(ii) On 18 September 2018, the Company subscribed an additional 43,500,000 ordinary shares at an issue price of RM1 each in the capital of ADSB with payment by cash of RM16,633,421 and contra account for amount owing by ADSB of RM26,866,579.

(iii) On 26 October 2018, the Company subscribed an additional 16,600,000 ordinary shares at an issue price of RM1 each in the capital of UISB with payment by cash of RM1,274,661 and contra account for amount owing by UISB of RM15,325,339.

(b) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2019 %	2018 %	2019 RM	2018 RM
AFSB	**4**	4	**(151,930)**	(280,754)
ADM	**49**	49	**1,258,230**	920,736
			1,106,300	639,982

(c) The summarised financial information (before intra-group elimination) for the subsidiary that has non-controlling interests that are material to the Group is as follows:-

	ADM	
	2019 RM	2018 RM
At 31 December		
Non-current asset	**264,050**	61,930
Current assets	**17,129,323**	14,849,005
Non-current liabilities	**(139,262)**	(5,000)
Current liabilities	**(14,686,295)**	(13,026,884)
Net assets	**2,567,816**	1,879,051
Financial year ended 31 December		
Revenue	**49,381,875**	44,275,512
Profit after tax and total comprehensive income for the financial year	**1,188,765**	627,369
Total comprehensive income attibutable to non-controlling interest	**582,495**	307,412
Dividend paid to non-controlling interests	**245,000**	–
Net cash flows from/(for) operating activities	**999,357**	(88,880)
Net cash flows for investing activity	**(8,120)**	(16,874)
Net cash flows (for)/from financing activities	**(40,595)**	32,022

NOTES TO THE FINANCIAL STATEMENTS
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(CONT'D)

6. INVESTMENT IN JOINT VENTURES

	The Group 2019 RM	2018 RM
Unquoted shares, at cost	**26,419,420**	9,344,465
Share of post acquisition (loss)/profit	**(183,651)**	3,551
Share of post acquisition reserve	**256,511**	–
	26,492,280	9,348,016

(a) The details of the joint ventures are as follows:-

Name of Joint Ventures	Principal Place of Business/ Country of Incorporation	Effective Equity Interest (%) 2019	2018	Principal Activities
Able Dairies Mexico S.A.P.I. DE C.V. ("ADMX")	Mexico	**43**	40	Manufacture, processing, packaging, distribution,importation and exportation of dairy products.
Able Packaging S.A.P.I. DE C.V. ("APMX")	Mexico	**54**	51	Manufacturing and sales of containers

(b) Although the Group holds more than 50% of the voting power in APMX, the Group has determined that it does not have sole control over the investee considering that strategic and financial decisions of the relevant activities of the investee require unanimous consent by other shareholder.

(c) The Companies are in a preoperative period preparing the installations to begin these activities in the financial year ending 2020.

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(CONT'D)

6. INVESTMENT IN JOINT VENTURES (CONT'D)

(d) The summarised financial information for joint ventures that are material to the Group is as follows:-

	ADMX	
	2019 (Audited) RM	**2018 (Unaudited) RM**
At 31 December		
Non-current asset	**52,401,125**	17,244,078
Current assets	**8,792,903**	3,443,400
Current liabilities	**(7,572,637)**	–
Net assets	**53,621,391**	20,687,478
Financial year/period ended 31 December		
Profit after tax and total comprehensive income for the financial year/period	**147,364**	8,878
Group's share of (loss)/profit for the financial year/period	**(178,837)**	3,551
Group's share of other comprehensive income	**242,395**	–
Reconciliation of net assets to carrying amount		
Group's share of net assets	**23,126,906**	8,274,991

	APMX	
	2019 (Audited) RM	**2018 (Unaudited) RM**
At 31 December		
Non-current asset	**5,342,519**	–
Current assets	**3,340,971**	2,091,667
Current liabilities	**(2,453,624)**	–
Net assets	**6,229,866**	2,091,667
Financial year ended 31 December		
Loss after tax and total comprehensive expense for the financial year	**(8,911)**	–
Group's share of (loss) for the financial year	**(4,814)**	–
Group's share of other comprehensive income	**14,115**	–
Reconciliation of net assets to carrying amount		
Group's share of net assets	**3,365,374**	1,073,025

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7. PROPERTY, PLANT AND EQUIPMENT

The Group	1.1.2019 As Previously Reported RM	1.1.2019 Initial Application of MFRS 16 RM	1.1.2019 At Restated RM	Additions RM	Transfer to Investment Property RM	Reclassification RM	Disposal RM	Write off RM	Depreciation Charges RM	At 31.12.2019 RM
2019										
Carrying amount										
Freehold land	21,828,156	–	21,828,156	–	(470,420)	–	–	–	–	21,357,736
Leasehold land	43,076	–	43,076	–	(43,076)	–	–	–	–	-
Factory buildings	39,144,684	–	39,144,684	67,800	(624,036)	127,679	–	–	(890,739)	37,825,388
Plant and machinery	39,844,390	–	39,844,390	2,715,669	–	8,442,762	(14,711)	–	(7,146,710)	43,841,400
Moulds, tools, and factory equipment	952,770	–	952,770	137,342	–	–	–	(138,582)	(319,037)	632,493
Electrical installations and substation	897,204	–	897,204	14,800	–	–	–	–	(194,897)	717,107
Motor vehicles	1,083,957	(226,398)	857,559	559,059	–	–	(51,725)	–	(376,151)	988,742
Office equipment, furniture and fittings	1,188,838	–	1,188,838	186,057	–	36,681	–	(4,166)	(279,949)	1,127,461
Renovation	2,919,448	–	2,919,448	573,267	(128,249)	769,447	–	–	(476,941)	3,656,972
Capital work-in-progress	17,236,969	–	17,236,969	9,409,332	–	(9,376,569)	–	–	–	17,269,732
	125,139,492	(226,398)	124,913,094	13,663,326	(1,265,781)	–	(66,436)	(142,748)	(9,684,424)	127,417,031

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

The Group	At 1.1.2018 RM	Additions RM	Reclassification RM	Disposal RM	Write off RM	Depreciation Charges RM	At 31.12.2018 RM
2018							
Carrying amount							
Freehold land	21,828,156	–	–	–	–	–	21,828,156
Leasehold land	44,615	–	–	–	–	(1,539)	43,076
Factory buildings	39,172,439	902,512	–	–	–	(930,267)	39,144,684
Plant and machinery	41,655,858	4,828,543	694,600	(69,208)	–	(7,265,403)	39,844,390
Moulds, tools, and factory equipment	1,181,347	193,345	–	–	–	(421,922)	952,770
Electrical installations and substation	1,088,698	58,084	–	–	–	(249,578)	897,204
Motor vehicles	973,623	498,806	–	–	–	(388,472)	1,083,957
Office equipment, furniture and fittings	1,225,623	259,019	–	–	(10,597)	(285,207)	1,188,838
Renovation	2,271,592	329,595	798,000	–	–	(479,739)	2,919,448
Capital work-in-progress	1,492,600	17,236,969	(1,492,600)	–	–	–	17,236,969
	110,934,551	24,306,873	–	(69,208)	(10,597)	(10,022,127)	125,139,492

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(CONT'D)

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

The Group	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment RM	Carrying Amount RM
2019				
Freehold land	**21,357,736**	**–**	**–**	**21,357,736**
Leasehold land	**–**	**–**	**–**	**–**
Factory buildings	**44,700,926**	**(6,875,538)**	**–**	**37,825,388**
Plant and machinery	**120,234,728**	**(74,975,573)**	**(1,417,755)**	**43,841,400**
Moulds, tools, and factory equipment	**4,366,317**	**(3,733,824)**	**–**	**632,493**
Electrical installations and substation	**3,505,222**	**(2,788,115)**	**–**	**717,107**
Motor vehicles	**3,698,397**	**(2,709,655)**	**–**	**988,742**
Office equipment, furniture and fittings	**3,847,004**	**(2,719,543)**	**–**	**1,127,461**
Renovation	**6,794,053**	**(3,137,081)**	**–**	**3,656,972**
Capital work-in-progress	**17,269,732**	**–**	**–**	**17,269,732**
	225,774,115	**(96,939,329)**	**(1,417,755)**	**127,417,031**
2018				
Freehold land	21,828,156	–	–	21,828,156
Leasehold land	76,930	(33,854)	–	43,076
Factory buildings	45,407,786	(6,263,102)	–	39,144,684
Plant and machinery	110,970,171	(69,708,026)	(1,417,755)	39,844,390
Moulds, tools, and factory equipment	6,368,879	(5,416,109)	–	952,770
Electrical installations and substation	3,490,421	(2,593,217)	–	897,204
Motor vehicles	4,194,498	(3,110,541)	–	1,083,957
Office equipment, furniture and fittings	3,636,668	(2,447,830)	–	1,188,838
Renovation	5,648,976	(2,729,528)	–	2,919,448
Capital work-in-progress	17,236,969	–	–	17,236,969
	218,859,454	(92,302,207)	(1,417,755)	125,139,492

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

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

The Company	At 1.1.2019 RM	Additions RM	Depreciation Charges RM	At 31.12.2019 RM
2019				
Carrying amount				
Office equipment, furniture and fittings	**68,001**	**–**	**(64,685)**	**3,316**
2018				
Carrying amount				
Office equipment, furniture and fittings	138,475	–	(70,474)	68,001

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Company			
2019			
Office equipment, furniture and fittings	**354,699**	**(351,383)**	**3,316**
2018			
Office equipment, furniture and fittings	354,699	(286,698)	68,001

(a) In the last financial year, included in the property, plant and equipment of the Group were the following assets acquired under hire purchase terms:-

	The Group 2019 RM	The Group 2018 RM
Motor vehicles	**–**	271,881

(b) The carrying amount of property, plant and equipment pledged as securities for banking facilities are as follows:-

	The Group 2019 RM	The Group 2018 RM
Factory building	**5,260,700**	5,398,920

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8. INVESTMENT PROPERTIES

	2019 RM
Cost:-	
At 1 January	–
Transfer from property, plant and equipment (Note 7)	1,647,326
Disposal	(73,300)
At 31 December	1,574,026
Accumulated depreciation:-	
At 1 January	–
Transfer from property, plant and equipment (Note 7)	381,545
Depreciation during the financial year	38,253
At 31 December	419,798
Carrying amount	1,154,228
Represented by:-	
Freehold land	397,120
Freehold buildings	414,767
Leasehold land	41,542
Leasehold building	300,799
	1,154,228
Fair value	
At 31 December	2,200,123

(a) The fair values of the investment properties are within level 3 of the fair value hierarchy and arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

8. INVESTMENT PROPERTIES (CONT'D)

(b) The carrying amount of investment properties held by the Group as at the end of the reporting period are as follows:-

Name of Properties	Description	Tenure of Land	2019 RM
41, Jalan Lau Kim Teck, Kluang	Industrial land	Freehold	211,760
41, Jalan Lau Kim Teck, Kluang	1 1/2 storey semi detached factory	Freehold	55,109
39, Jalan Lau Kim Teck, Kluang	Industrial land	Freehold	185,360
39, Jalan Lau Kim Teck, Kluang	2 storey semi detached factory	Freehold	359,658
5, Jalan Masyuri, Kluang	Industrial land	60 years lease expiring on 13 April 2046 (remaining 27 years)	41,542
5, Jalan Masyuri, Kluang	1 1/2 storey detached factory	60 years lease expiring on 13 April 2046 (remaining 27 years)	300,799
			1,154,228

9. RIGHT-OF-USE ASSETS

The Group	1.1.2019 As previously Reported RM	1.1.2019 Initial Application of MFRS 16 RM	1.1.2019 As Restated RM	Additions RM	Depreciation charges RM	At 31.12.2019 RM
2019						
Carrying Amount						
Factories	–	**2,512,069**	**2,512,069**	–	**(817,090)**	**1,694,979**
Warehouse	–	**64,773**	**64,773**	**34,932**	**(33,235)**	**66,470**
Hostel	–	**35,848**	**35,848**	**100,293**	**(41,422)**	**94,719**
Motor vehicles	–	**300,986**	**300,986**	**73,262**	**(119,746)**	**254,502**
	–	**2,913,676**	**2,913,676**	**208,487**	**(1,011,493)**	**2,110,670**

The comparative information is not presented as the Group has applied MFRS 16 using the modified retrospective approach.

NOTES TO THE FINANCIAL STATEMENTS
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(CONT'D)

9. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases certain pieces of factories, warehouse, hostel and motor vehicles of which the leasing activities are summarised below:-

(a) Factories — The Group has leased a number of factories that run for 2 years, with an option to renew the lease after that date. Lease payments are increased every 2 years to reflect the current market rentals.

(b) Warehouses — The Group has leased a number of warehouses that run for 2 years, with some has an option to renew the lease after that date.

(c) Hostel — The Group has leased a number of hostel that run between 1 to 2 years, with some has an option to renew the lease after that date.

(d) Motor vehicles
  (i) The Group has leased a number of forklifts for 2 to 3 years.

  (ii) The Group has leased its motor vehicle under hire purchase arrangements. The leases are secured by the leased assets. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.

10. OTHER INVESTMENT

	The Group	
	2019	**2018**
	RM	**RM**
Transferable golf club membership, at fair value	**16,500**	16,500

The Group designated its investments in transferable golf club membership at fair value through other comprehensive income because the Group intends to hold for long-term strategic purposes.

11. GOODWILL

	The Group	
	2019	**2018**
	RM	**RM**
At cost:-		
At 1 January/31 December	**10,650,327**	10,650,327

(a) The carrying amount of goodwill allocated to cash-generating unit is as follows:-

	The Group	
	2019	**2018**
	RM	**RM**
Food and beverage	**10,650,327**	10,650,327

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

11. GOODWILL (CONT'D)

(b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating unit are determined using the value in use approach, and this is derived from the present value of the future cash flows from cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

	Gross Margin		Growth Rate		Discount Rate	
	2019 %	2018 %	2019 %	2018 %	2019 %	2018 %
Food and beverage	**20**	17	**4**	–	**11**	9

(i) Budget gross margin – Gross margin achieved in financial year immediately before the budgeted period

(ii) Growth rate – Based on the expected projections of the food and beverages

(iii) Discount rate (pre-tax) – Reflect specific risks relating to the relevant cash-generating unit

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on both external sources and internal historical data.

(c) The directors believe that there is no reasonable possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

12. INVENTORIES

	The Group	
	2019 RM	2018 RM
Raw materials	**59,792,152**	73,084,652
Work-in-progress	**15,166,159**	13,855,806
Finished goods	**12,771,665**	8,170,971
Goods-in-transit	**14,870,483**	23,631,071
Spare parts	**274,400**	–
	102,874,859	118,742,500
Recognised in profit or loss:-		
Inventories recognised as cost of sales	**472,795,340**	415,713,546
Amount written down to net realisable value	**177,856**	475,484

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

13. TRADE RECEIVABLES

	The Group	
	2019	2018
	RM	RM
Trade receivables:-		
Third parties	**102,672,384**	109,429,328
Related party	**2,278,626**	3,524,125
	104,951,010	112,953,453
Impairment losses on receivables	**(4,888,359)**	(10,294,214)
	100,062,651	102,659,239
Impairment losses on receivables:-		
At 1 January	**10,294,214**	9,884,527
Addition during the financial year	**3,690,055**	409,687
Written off during the financial year	**(8,704,973)**	–
Reversal during the financial year	**(390,937)**	–
At 31 December	**4,888,359**	10,294,214

(a) The Group's normal trade terms are cash term - 120 days credit (2018: cash term - 120 days credit). Other credit terms are assessed and approved on a case-by-case basis.

(b) Amount owing by a related party is unsecured, interest-free and repayable on demand.

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2019	2018
	RM	RM
Other receivables:-		
Third parties	**271,447**	1,325,216
Advances to suppliers	**164,311**	1,928,557
Goods and services tax recoverable	**1,186,631**	589,837
	1,622,389	3,843,610
Deposits	**1,390,319**	855,061
Prepayments	**60,132**	74,384
	3,072,840	4,773,055

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

15. AMOUNT OWING BY SUBSIDIARIES

	The Company	
	2019 RM	2018 RM
Current		
Trade balance	**896,284**	2,090,000
Non-trade balance	**2,086,536**	–
	2,982,820	2,090,000

Trade balance arises from trade transactions, while non-trade balance represents advances, both of which are unsecured, interest-free and repayable on demand and are to be settled in cash.

16. AMOUNT OWING BY JOINT VENTURES

	The Group	
	2019 RM	2018 RM
Current		
Non-trade balances	**2,507,075**	22,993

The non-trade balances represent advances, which are unsecured, interest free and repayable on demand and is to be settled in cash.

17. DERIVATIVE ASSETS/(LIABILITIES)

	The Group		
	Contract/ Notional Amount RM	Derivative Assets RM	Derivative Liabilities RM
2019			
Forward foreign exchange contracts	**17,919,822**	**311,736**	**–**
2018			
Forward foreign exchange contracts	27,637,255	–	(901,145)

The Group does not apply hedge accounting.

The Group uses forward foreign exchange contracts to manage some of its transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency translation exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting. The settlement dates on forward foreign exchange contracts range between 1 to 12 (2018: 1 to 12) months after the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
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18. SHORT-TERM INVESTMENTS

	The Group			
	2019		2018	
	Carrying Amount RM	Market Value RM	Carrying Amount RM	Market Value RM
Money market fund, at fair value	**7,333,616**	**7,333,013**	14,093,616	14,098,555

	The Company			
	2019		2018	
	Carrying Amount RM	Market Value RM	Carrying Amount RM	Market Value RM
Money market fund, at fair value	**7,333,616**	**7,333,013**	10,062,872	10,067,408

19. DEPOSIT WITH A LICENSED BANK

The deposit with a licensed bank of the Group at the end of the reporting period bear effective interest rate of 2.41% (2018: 2.82%) per annum. The deposit has maturity period of 1 month (2018: 1 month).

20. SHARE CAPITAL

	The Group and The Company			
	2019	2018	2019	2018
	Number of Shares		RM	RM
Issued and Fully Paid-Up Ordinary Shares				
At 1 January/ 31 December	**310,470,986**	310,470,986	**176,815,544**	176,815,544

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.

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21. RESERVES

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Non-distributable				
Foreign exchange translation reserve	**256,511**	–	**–**	–
Distributable				
Retained profits	**163,288,577**	137,539,191	**4,515,412**	7,774,978
At 31 December	**163,545,088**	137,539,191	**4,515,412**	7,774,978

Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries and the Group's share of joint ventures' foreign currency translation differences whose functional currencies are different from the Group's presentation currency.

22. LEASE LIABILITIES

	The Group 2019 RM
At 1 January	
- As previously reported	**–**
- Initial application of MFRS 16	**2,858,825**
- As restated	**2,858,825**
Acquisition of new leases	**208,487**
Interest expense recognised in profit or loss (Note 35)	**126,163**
Repayment of principal	**(947,347)**
Repayment of interest expense	**(126,163)**
At 31 December	**2,119,965**
Analysed by:-	
Current liabilities	**1,003,681**
Non-current liabilities	**1,116,284**
	2,119,965

The comparative information is not presented as the Group has applied MFRS 16 using the modified retrospective approach.

Certain lease liabilities of the Group are secured by the Group's motor vehicles under the hire purchase arrangements as disclosed in Note 9(d)(ii) to the financial statements, with lease terms of 5 years and bear effective interest rates of 2.33% (2018: 2.33% to 6.03%) per annum.

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23. LONG-TERM BORROWINGS

	The Group	
	2019	**2018**
	RM	**RM**
Hire purchase payables (secured) (Note 30)	**–**	136,150
Term loans (secured) (Note 31)	**1,224,876**	1,851,215
	1,224,876	1,987,365

24. RETIREMENT BENEFITS

	The Group	
	2019	**2018**
	RM	**RM**
At 1 January	**683,000**	677,000
Addition during the financial year (Note 33)	**59,154**	51,006
Paid during the financial year	**(76,154)**	(45,006)
At 31 December	**666,000**	683,000
Current	**300,000**	300,000
Non-current	**366,000**	383,000
	666,000	683,000

Retirement benefits represent the Group's obligation in respect of a non-contributor unfunded retirements benefit plan to unionised workers and a Director. The amount as at the end of the reporting period approximates the present value of the unfunded obligation.

Key assumptions used for computing the addition for the year:-

	The Group	
	2019	**2018**
	RM	**RM**
Discount rate	**4.79%**	4.35%
Annual salary increment per worker	**RM104**	RM104

25. DEFERRED TAX LIABILITIES/(ASSETS)

	1.1.2019				
	As previously Reported RM	Initial Application of MFRS 16 RM	As Restated RM	Recognised in Profit or Loss (Note 36) RM	At 31.12.2019 RM
The Group					
2019					
Deferred Tax Liabilities					
Property, plant and equipment	6,826,710	–	6,826,710	702,156	7,528,866
Right-of-use assets	–	668,046	668,046	(200,951)	467,095
Exchange differences	1,483,665	–	1,483,665	(1,682,234)	(198,569)
Fair value changes on financial instruments	(150,360)	–	(150,360)	225,177	74,817
	8,160,015	668,046	8,828,061	(955,852)	7,872,209
Deferred Tax Assets					
Lease liabilities	–	(668,046)	(668,046)	163,133	(504,913)
Impairment losses on trade receivables	(214,100)	–	(214,100)	353,725	139,625
Provisions	(599,247)	–	(599,247)	(21,949)	(621,196)
	(813,347)	(668,046)	(1,481,393)	494,909	(986,484)
	7,346,668	–	7,346,668	(460,943)	6,885,725

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(CONT'D)

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

	At 1.1.2018 RM	Recognised in Profit or Loss (Note 36) RM	At 31.12.2018 RM
The Group			
2018			
Deferred Tax Liabilities			
Property, plant and equipment	7,533,148	(706,438)	6,826,710
Exchange differences	979,610	504,055	1,483,665
Fair value changes on financial instruments	940,313	(1,090,673)	(150,360)
	9,453,071	(1,293,056)	8,160,015
Deferred Tax Assets			
Impairment losses on trade receivables	(115,775)	(98,325)	(214,100)
Provisions	(1,110,040)	510,793	(599,247)
	(1,225,815)	412,468	(813,347)
	8,227,256	(880,588)	7,346,668

Presented after appropriate offsetting as follows:-

	The Group 2019 RM	The Group 2018 RM
Deferred tax liabilities before offsetting	**7,872,209**	8,160,015
Offsetting	**(986,484)**	(813,347)
Deferred tax liabilities after offsetting	**6,885,725**	7,346,668
Deferred tax assets before offsetting	**(986,484)**	(813,347)
Offsetting	**986,484**	813,347
Deferred tax assets after offsetting	**–**	–

	At 1.1.2018 RM	Recognised in Profit or Loss (Note 36) RM	At 31.12.2018 RM
The Company			
2018			
Deferred Tax Liability			
Property, plant and equipment	42,000	(42,000)	–

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

At the end of the reporting period, the Group has unused tax losses, unabsorbed capital allowances and other temporary difference (stated at gross) as follows:-

	The Group	
	2019	**2018**
	RM	**RM**
Unabsorbed tax losses	**3,456,000**	7,929,000
Unabsorbed capital allowances	**366,000**	360,000
Other temporary differences	**2,140,000**	–
	5,962,000	8,289,000

The unused tax losses, unabsorbed capital allowances and other temporary difference are available for offset against future taxable profits of the subsidiaries in which the losses arose. No deferred tax assets are recognised as it is not probable that taxable profits of the Company and subsidiary will be available against which the deductible temporary differences can be utilised.

For Malaysia entities, the unused tax losses are allowed to be utilised for 7 consecutive years of assessment while unabsorbed capital allowances are allowed to be carried forward indefinitely.

26. TRADE PAYABLES

	The Group	
	2019	**2018**
	RM	**RM**
Trade payables:-		
Third parties	**35,481,438**	64,395,630
Related party	**174,816**	38,748
	35,656,254	64,434,378

(a) The Group's normal trade terms granted to the company are cash term - 90 days credit (2018: cash term - 90 days credit).

(b) The amount owing to related party is unsecured, interest-free and repayable on demand.

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(CONT'D)

27. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Other payables:-				
Third parties	**6,629,105**	7,261,139	**31,483**	10,324
Related party	**20,090**	1,500	**–**	–
Goods and services tax payable	**–**	187,313	**–**	–
Sales and services tax payable	**12,296**	–	**–**	–
	6,661,491	7,449,952	**31,483**	10,324
Deposits received	**1,984,198**	2,649,818	**–**	–
Accrued expenses	**2,084,955**	1,777,741	**534,640**	418,500
Payroll liabilities	**6,760,652**	6,282,376	**92,833**	178,294
	17,491,296	18,159,887	**658,956**	607,118

(a) The amount owing to related party is unsecured, interest-free and repayable on demand.

(b) Included in sundry payables of the Group is an amount of RM529,051 (2018: RM735,736) payable for the purchase of property, plant and equipment (Note 39).

28. AMOUNT OWING TO DIRECTORS

The amount owing to directors are unsecured, interest-free advances and payment made on behalf. The amount owing is repayable on demand and is to be settled in cash.

29. SHORT-TERM BORROWINGS

	The Group		The Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Bankers' acceptances	**2,859,000**	–	**–**	–
Bank overdraft	**807,773**	–	**–**	–
Bills payable	**4,857,040**	–	**–**	–
Foreign currency trust receipts	**19,489,107**	19,947,586	**–**	–
Revolving credit	**17,480,675**	9,800,000	**2,400,000**	6,200,000
Hire purchase payables (Note 30)	**–**	71,881	**–**	–
Term loans (Note 31)	**629,777**	605,025	**–**	–
	46,123,372	30,424,492	**2,400,000**	6,200,000

Bankers' acceptances, bank overdraft, bills payable, foreign currency trust receipts and revolving credit are drawn for period ranging from 30 days to 180 days (2018: 42 days to 179 days) and bore interest rates ranging from 1.94% to 7.47% (2018: 2.89% to 5.51%) per annum.

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29. SHORT-TERM BORROWINGS (CONT'D)

Bankers' acceptances, bank overdraft, bill payable, foreign currency trust receipts, revolving credit and term loans are secured by way of:-

(a) First party legal charges over factory building of the Group as disclosed in Note 7 to the financial statements; and

(b) Corporate guarantees from the Company.

30. HIRE PURCHASE PAYABLES (SECURED)

	The Group 2018 RM
Minimum hire purchase payments:-	
- not later than one year	79,932
- later than one year and not later than five years	145,692
	225,624
Less: Future finance charges	(17,593)
Present value of hire purchase payables	208,031
Analysed by:-	
Current liabilities	71,881
Non-current liabilities	136,150
	208,031

(a) The hire purchase payables have been represented as 'lease liabilities' as shown in Note 22 to the financial statements following the application of MFRS 16 by the Group using the modified retrospective approach.

(b) As at 31 December 2018, the hire purchase payables of the Group were secured by the Group's motor vehicles under hire purchase as disclosed in Note 7(a) to the financial statements.

(c) As at 31 December 2018, the hire purchase payables of the Group at the end of the reporting period bore effective interest rates ranging from 2.33% to 6.03%. The interest rates were fixed at the inception of the hire purchase arrangements.

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(CONT'D)

31. TERM LOANS (SECURED)

	The Group	
	2019 RM	2018 RM
Current liabilities	**629,777**	605,025
Non-current liabilities	**1,224,876**	1,851,215
	1,854,653	2,456,240

(a) The term loans are secured by a first party legal charge over the Group's factory building disclosed in Note 7(b) to the financial statements.

(b) The interest rate profile of the term loans are summarised below:-

	The Group	
	2019 %	2018 %
Floating rate term loans	**4.72**	4.97

32. REVENUE

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Sales of tins and cans	**131,113,447**	117,021,531	**–**	–
Sales of dairies products	**448,672,478**	384,101,867	**–**	–
Dividends income	**–**	–	**19,831,452**	14,697,987
Management fee income	**–**	–	**390,000**	390,000
	579,785,925	501,123,398	**20,221,452**	15,087,987

The information on the disaggregation of revenue is disclosed in Note 42 to the financial statements.

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33. EMPLOYEE BENEFITS

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Short-term employee benefits	**37,099,207**	33,416,365	**810,658**	782,287
Contribution to a defined contribution plan	**2,535,429**	2,334,638	**69,595**	70,130
Directors' fee	**877,000**	801,000	**387,000**	411,000
Addition to a non-contributory unfunded retirement benefit plan (Note 24)	**59,154**	51,006	**–**	–
	40,570,790	36,603,009	**1,267,253**	1,263,417

Included in employee benefits is key management personnel compensation as disclosed in Note 40 to the financial statements.

34. NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

	The Group	
	2019 RM	2018 RM
Impairment losses:-		
- trade receivables (Note 13)	**3,690,055**	409,687
Reversal of impairment losses:-		
- trade receivables (Note 13)	**(390,937)**	–
	3,299,118	409,687

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35. PROFIT BEFORE TAX

	The Group		The Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Profit before tax is arrived at after charging:-				
Auditors' remuneration:-				
- Audit fees:-				
- current financial year	**220,500**	205,000	**42,000**	38,000
- overprovision in previous financial year	**(3,500)**	–	**–**	–
- Non audit fees:-				
- current financial year	**5,000**	5,000	**5,000**	5,000
Bad debt written off	**–**	3,143	**–**	–
Compensation for damage and loss	**1,180**	127,933	**–**	–
Depreciation:-				
- property, plant and equipment	**9,684,424**	10,022,127	**64,685**	70,474
- investment properties	**38,253**	–	**–**	–
- right-of-use assets	**1,011,493**	–	**–**	–
Inventories written down	**177,856**	475,484	**–**	–
Inventories written off	**–**	84,356	**–**	–
Interest expense	**2,287,770**	1,326,820	**236,428**	197,005
Loss on disposal of property, plant and equipment	**–**	43,343	**–**	–
Loss on foreign exchange:-				
- realised	**162,825**	–	**–**	–
- unrealised	**927,994**	–	**–**	–
Property, plant and equipment written off	**142,748**	10,597	**–**	–
Short-term leases	**407,530**	–	**–**	–
Share of loss of joint ventures	**183,651**	–	**–**	–
Rental expenses on:-				
- premises	**370,259**	1,184,073	**–**	–
- office equipment	**10,860**	49,357	**–**	–
- factory equipment	**1,495,413**	590,797	**–**	–
- transport	**1,290**	–	**–**	–
Fair value loss on financial liability measured at fair value through profit or loss mandatorily				
- Derivatives	**–**	4,736,995	**–**	–

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(CONT'D)

35. PROFIT BEFORE TAX (CONT'D)

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
And crediting:-				
Gain on disposal of property, plant and equipment	**(789,493)**	–	**–**	–
Gain on disposal of investment property	**(286,700)**	–	**–**	–
Gain on foreign exchange:-				
- realised	**–**	(4,880,325)	**–**	–
- unrealised	**–**	(545,166)	**–**	–
Interest income	**(900,828)**	(960,034)	**(365,180)**	(394,950)
Insurance claim	**(58,083)**	–	**–**	–
Fair value gain on financial assets measured at fair value through profit or loss mandatorily				
- Derivatives	**(1,212,881)**	–	**–**	–
Share of profit of joint venture	**–**	(3,551)	**–**	–

36. INCOME TAX EXPENSE

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Income tax:-				
- current financial year	**13,873,000**	12,521,316	**–**	–
- (over)/underprovision in the previous financial year	**(1,112,716)**	145,352	**–**	–
- real property gain tax	**29,100**	–	**–**	–
	12,789,384	12,666,668	**–**	–
Deferred tax (Note 25):-				
- origination/(reversal) of temporary differences	**135,290**	(284,375)	**–**	(42,000)
- overprovision in the previous financial year	**(596,233)**	(596,213)	**–**	–
	(460,943)	(880,588)	**–**	(42,000)
	12,328,441	11,786,080	**–**	(42,000)

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36. INCOME TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Profit before tax	**60,522,111**	48,350,874	**18,473,400**	13,375,954
Tax at the statutory tax rate of 24%	**14,525,007**	11,604,464	**4,433,616**	3,210,229
Tax effect of:-				
Non-taxable income	**(21,400)**	(55,152)	**(4,759,548)**	(3,527,517)
Non-deductible expenses	**1,210,994**	1,073,896	**229,932**	196,288
Share of results in joint ventures	**44,076**	(853)	**–**	–
Deferred tax assets not recognised during the financial year	**233,400**	79,000	**96,000**	79,000
Tax incentive utilised	**(1,314,687)**	(270,414)	**–**	–
Utilisation of deferred tax assets previously not recognised	**(640,000)**	(194,000)	**–**	–
(Over)/Underprovision in the previous financial year:-				
- Income tax	**(1,112,716)**	145,352	**–**	–
- Deferred tax	**(596,233)**	(596,213)	**–**	–
	12,328,441	11,786,080	**–**	(42,000)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2018: 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

37. EARNINGS PER SHARE

	The Group	
	2019 RM	2018 RM
Profit attributable to owners of the Company	**47,482,352**	36,224,052
Weighted average number of ordinary shares in issue	**310,470,986**	310,470,986
Basic earnings per ordinary share (sen)	**15.29**	11.67

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

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38. DIVIDENDS

	The Group and The Company	
	2019	**2018**
	RM	**RM**
In respect of the financial year ended 31 December 2017		
- Fourth interim dividend of 1 sen per ordinary share	**–**	3,104,710
In respect of the financial year ended 31 December 2018		
- First interim dividend of 1 sen per ordinary share	**–**	3,104,710
- Second interim dividend of 0.5 sen per ordinary share	**–**	1,552,353
- Third interim dividend of 1.5 sen per ordinary share	**–**	4,657,063
- Fourth interim dividend of 2 sen per ordinary share	**6,209,420**	–
In respect of the financial year ended 31 December 2019		
- First interim dividend of 1.5 sen per ordinary share	**4,657,063**	–
- Second interim dividend of 1.5 sen per ordinary share	**4,657,063**	–
- Third interim dividend of 2 sen per ordinary share	**6,209,420**	–
	21,732,966	12,418,836

A fourth interim dividend of 1.4 sen per ordinary share amounting to RM 4,346,594 in respect of the financial year ended 31 December 2019 was declared on 24 February 2020 and subsequently paid on 27 March 2020. The payment made to shareholders whose name appeared in the Company's Record Depositors on 13 March 2020. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2020.

39. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and addition of right-of-use assets is as follows:-

	The Group	
	2019	**2018**
	RM	**RM**
Property, plant and equipment		
Cost of property, plant and equipment purchased	**13,663,326**	24,306,873
Less: Amount financed through hire purchase	**–**	(202,000)
Less: Prepayments made in previous financial year	**(416,771)**	–
Less: Unpaid balance included in sundry payables (Note 27)	**(529,051)**	(735,736)
Add: Cash paid in respect of acquisition in previous financial year	**735,735**	32,934
Cash disbursed for purchase of property, plant and equipment	**13,453,239**	23,402,071
Right-of-use assets		
Cost of right-of-use assets acquired	**208,487**	–
Less: Addition of new lease liabilities	**(208,487)**	–
	–	–

39. CASH FLOW INFORMATION (CONT'D)

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

The Group	Foreign Currency Trust Receipt RM	Bankers' Acceptances RM	Bills Payable RM	Revolving Credit RM	Hire Purchase Payables RM	Lease Liabilities RM	Term Loans RM	Total RM
2019								
At 1 January, as previously reported	19,947,586	–	–	9,800,000	208,031	–	2,456,240	32,411,857
Effects on adoption of MFRS 16	–	–	–	–	(171,547)	2,858,825	–	2,687,278
At 1 January, as restated	19,947,586	–	–	9,800,000	36,484	2,858,825	2,456,240	35,099,135
Changes in Financing Cash Flows								
Proceeds from drawdown	108,509,894	2,859,000	4,958,500	26,421,390	–	–	–	142,748,784
Repayment of principal	(108,868,985)	–	–	(18,709,785)	(36,484)	(947,347)	(601,587)	(129,164,188)
Repayment of interest	(1,041,300)	(53,368)	–	(942,133)	(555)	(126,163)	(108,225)	(2,271,744)
	(1,400,391)	2,805,632	4,958,500	6,769,472	(37,039)	(1,073,510)	(709,812)	11,312,852
Non-cash Changes								
Foreign exchange adjustment	(99,388)	–	(101,460)	(30,930)	–	–	–	(231,778)
Acquisition of new lease	–	–	–	–	–	208,487	–	208,487
Interest expense recognised in profit or loss	1,041,300	53,368	–	942,133	555	126,163	108,225	2,271,744
	941,912	53,368	(101,460)	911,203	555	334,650	108,225	2,248,453
	19,489,107	2,859,000	4,857,040	17,480,675	–	2,119,965	1,854,653	48,660,440

39. CASH FLOW INFORMATION (CONT'D)

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

The Group	Foreign Currency Trust Receipt RM	Bills Payable RM	Revolving Credit RM	Hire Purchase Payables RM	Term Loans RM	Total RM
2018						
At 1 January	22,860,740	841,870	15,767,097	75,643	4,342,414	43,887,764
Changes in Financing Cash Flows						
Proceeds from drawdown	65,575,594	–	25,151,046	–	–	90,726,640
Repayment of principal	(68,813,745)	(841,870)	(31,118,143)	(69,612)	(1,886,174)	(102,729,544)
Repayment of interest	(621,861)	–	(342,862)	(10,378)	(338,369)	(1,313,470)
	(3,860,012)	(841,870)	(6,309,959)	(79,990)	(2,224,543)	(13,316,374)
Non-cash Changes						
Foreign exchange adjustment	324,997	–	–	–	–	324,997
Interest expense recognised in profit or loss	621,861	–	342,862	10,378	338,369	1,313,470
New hire purchase (Note (a) above)	–	–	–	202,000	–	202,000
	946,858	–	342,862	212,378	338,369	1,840,467
	19,947,586	–	9,800,000	208,031	2,456,240	32,411,857

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(CONT'D)

39. CASH FLOW INFORMATION (CONT'D)

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

The Company	Revolving Credit RM	Term Loans RM	Total RM
2019			
At 1 January	**6,200,000**	**–**	**6,200,000**
Changes in Financing Cash Flows			
Proceeds from drawdown	**2,400,000**	**–**	**2,400,000**
Repayment of principal	**(6,200,000)**	**–**	**(6,200,000)**
Repayment of interest	**(236,428)**	**–**	**(236,428)**
	(4,036,428)	**–**	**(4,036,428)**
Non-cash Changes			
Interest expense recognised in profit or loss	**236,428**	**–**	**236,428**
	2,400,000	**–**	**2,400,000**
2018			
At 1 January	7,002,798	1,317,726	8,320,524
Changes in Financing Cash Flows			
Proceeds from drawdown	19,500,000	–	19,500,000
Repayment of principal	(20,302,798)	(1,317,726)	(21,620,524)
Repayment of interest	–	(197,005)	(197,005)
	(802,798)	(1,514,731)	(2,317,529)
Non-cash Changes			
Interest expense recognised in profit or loss	–	197,005	197,005
	6,200,000	–	6,200,000

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

	The Group 2019 RM	2018 RM
Payment of short-term leases	**407,530**	–
Interest paid on lease liabilities	**126,163**	–
Payment of lease liabilities	**947,347**	–
	1,481,040	–

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(CONT'D)

39. CASH FLOW INFORMATION (CONT'D)

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

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Cash and bank balances	**68,611,265**	54,900,109	**7,538,337**	15,300,575
Deposit with a licensed bank	**23,470**	22,819	**–**	–
Bank overdraft	**(807,773)**	–	**–**	–
Money market funds	**7,333,616**	14,093,616	**7,333,616**	10,062,872
	75,160,578	69,016,544	**14,871,953**	25,363,447
Less: Earmarked bank balance	**(8,987)**	(8,987)	**–**	–
	75,151,591	69,007,557	**14,871,953**	25,363,447

The bank balance of RM8,987 (2018: RM8,987) is earmarked by bank for settlement of borrowings.

40. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company are executive directors and non-executive directors of the Group and of the Company.

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

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Directors of the Company				
Executive directors:-				
Short-term employee benefits:-				
- fees	**762,000**	495,000	**92,000**	125,000
- salaries, bonuses and other benefits	**3,242,281**	3,298,083	**370,000**	386,000
	4,004,281	3,793,083	**462,000**	511,000
Defined contribution plan	**361,680**	349,560	**19,200**	22,920
	4,365,961	4,142,643	**481,200**	533,920
Benefits-in-kind	**69,800**	62,000	**–**	–
Non-executive directors:-				
Short-term employee benefits:-				
- fees	**295,000**	286,000	**295,000**	286,000
	4,730,761	4,490,643	**776,200**	819,920

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40. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows:- (Cont'd)

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Directors of the Subsidiaries				
Executive directors:-				
Short-term employee benefits:-				
- salaries, bonuses and other benefits	**1,725,189**	1,722,595	**–**	–
Defined contribution plan	**81,340**	92,448	**–**	–
Defined benefit retirement plan	**150,000**	–	**–**	–
	1,956,529	1,815,043	**–**	–
Benefits-in-kind	**41,350**	50,950	**–**	–
Non-executive directors:-				
Short–term employee benefits:-				
- fees	**20,000**	20,000	**–**	–
	2,017,879	1,885,993	**–**	–
Total directors' remuneration	**6,748,640**	6,376,636	**776,200**	819,920

41. 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.

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41. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transaction 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 Company	
	2019 RM	2018 RM
Subsidiaries		
Dividends received/receivable from subsidiaries	**19,831,452**	14,697,987
Management fee receivable	**390,000**	390,000

	The Group	
	2019 RM	2018 RM
Company in which a director has substantial financial interest		
Sales of goods	**(6,874,263)**	(7,479,638)
Purchase of goods	**714,369**	385,288
Rental expense	**(6,450)**	8,320
Expenses paid on behalf	**–**	39,214
Director		
Payment of short term lease	**8,400**	–
Rental of factory premises paid/payable	**–**	21,600
Rental of hostel paid/payable	**–**	12,000
Person Connected to Director		
Interest paid on lease liabilities	**73,695**	–
Payment of lease liabilities	**545,505**	–
Rental of factory premises paid/payable	**–**	619,200

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

42. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into the 3 main reportable segments as follows:-

- Investment Holding – involved in the business of investment holding and provision of management services
- Tin Manufacturing – involved in the manufacturing of various tins, cans and other containers
- Food and Beverage – involved in manufacturing and selling of milk and other related dairy products

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(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

(a) The Group Chief Executive Officer assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(b) Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than tax-related assets.

(c) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

(d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

BUSINESS SEGMENTS

	Tin Manufacturing RM	Food & Beverage RM	Group RM
2019			
Revenue			
External revenue	133,998,487	496,346,995	630,345,482
Inter-segment revenue	19,836,124	–	19,836,124
Total revenue	153,834,611	496,346,995	650,181,606
Consolidation adjustments			(70,395,681)
Consolidated revenue			579,785,925
Represented by:			
Revenue recognised at a point in time			
- Sales of tins and cans	153,834,611	–	153,834,611
- Sales of dairies products	–	496,346,995	496,346,995
	153,834,611	496,346,995	650,181,606
Consolidation adjustments			(70,395,681)
Consolidated revenue			579,785,925

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(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
2019				
Results				
Segment profit	20,586,632	18,675,016	45,976,778	85,238,426
Finance costs				(2,742,187)
Unallocated expenses				(1,876,804)
Consolidation adjustments				(20,097,324)
Consolidated profit before tax				60,522,111
Segment profit includes the following:-				
Depreciation on:-				
- property, plant and equipment	64,685	4,755,925	4,863,814	9,684,424
- investment properties	–	38,253	–	38,253
- right-of-use assets	–	910,973	100,520	1,011,493
Fair value gain on financial instruments	–	–	(1,212,881)	(1,212,881)
Interest income	(365,180)	(136,667)	(398,981)	(900,828)
Impairment losses on trade receivables	–	27,585	3,271,533	3,299,118
(Gain) on disposal of investment property	–	(286,700)	–	(286,700)
(Gain)/Loss on disposal of property, plant and equipment	–	(799,169)	9,676	(789,493)
Inventories written down	–	177,856	–	177,856
Share of loss of joint ventures	–	–	183,651	183,651
Unrealised (gain)/loss on foreign exchange	–	(79,328)	1,007,322	927,994
Assets				
Segment assets	184,353,852	171,053,827	318,753,608	674,161,287
Unallocated assets:-				
- investment in joint ventures				26,492,280
- property, plant and equipment				3,316
- current tax assets				32,744
Consolidation adjustments				(247,213,204)
Consolidated total assets				453,476,423
Additions to non-current assets other than financial instruments:-				
- property, plant and equipment	–	2,410,540	11,252,786	13,663,326
- right-of-use assets	–	100,293	–	100,293

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(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
2019				
Liabilities				
Segment liabilities	**658,956**	**35,747,359**	**169,136,929**	**205,543,244**
Unallocated liabilities:-				
- revolving credit				**2,400,000**
Consolidation adjustments				**(95,933,753)**
Consolidated total liabilities				**112,009,491**

	Tin Manufacturing RM	Food & Beverage RM	Group RM
2018			
Revenue			
External revenue	120,680,223	426,515,025	547,195,248
Inter-segment revenue	19,002,847	–	19,002,847
Total revenue	139,683,070	426,515,025	566,198,095
Consolidation adjustments			(65,074,697)
Consolidated revenue			501,123,398
Represented by:			
Revenue recognised at a point in time			
- Sales of tins and cans	139,683,070	–	139,683,070
- Sales of dairies products	–	426,515,025	426,515,025
	139,683,070	426,515,025	566,198,095
Consolidation adjustments			(65,074,697)
Consolidated revenue			501,123,398

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(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
2018				
Results				
Segment profit	15,482,937	16,386,567	35,690,216	67,559,720
Finance costs				(1,326,820)
Unallocated expenses				(1,909,978)
Consolidation adjustments				(15,972,048)
Consolidated profit before tax				48,350,874
Segment profit includes the following:-				
Depreciation	70,474	4,608,367	5,343,286	10,022,127
Fair value loss on financial instruments	–	–	4,736,995	4,736,995
Interest income	(394,950)	(204,561)	(360,523)	(960,034)
Impairment losses on trade receivables	–	–	409,687	409,687
Loss on disposal of property, plant and equipment	–	–	43,343	43,343
Inventories written off	–	84,356	–	84,356
Inventories written down	–	475,484	–	475,484
Share of profit of joint venture	–	–	(3,551)	(3,551)
Unrealised gain on foreign exchange	–	(165,634)	(379,532)	(545,166)
Assets				
Segment assets	191,071,297	155,338,434	310,239,918	656,649,649
Unallocated assets:-				
- investment in joint ventures				9,348,016
- property, plant and equipment				68,001
- current tax assets				258,342
Consolidation adjustments				(222,481,583)
Consolidated total assets				443,842,425
Additions to non-current assets other than financial instruments:-				
- property, plant and equipment	–	4,095,829	20,211,044	24,306,873

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42. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
2018				
Liabilities				
Segment liabilities	607,118	21,968,476	168,831,494	191,407,088
Unallocated liabilities:-				
- revolving credit				6,200,000
Consolidation adjustments				(68,759,380)
Consolidated total liabilities				128,847,708

GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets (but including investment in joint ventures).

	Revenue		Non-current Assets	
	2019 RM	2018 RM	2019 RM	2018 RM
Africa	**130,717,193**	82,126,997	**–**	–
Asia	**196,258,637**	159,690,864	**–**	–
Central America	**54,983,991**	63,695,649	**–**	–
Europe	**600,534**	8,853,777	**–**	–
Mexico	**–**	–	**26,492,280**	9,348,016
Malaysia	**193,355,919**	186,481,176	**141,348,756**	135,806,319
Others	**3,869,651**	274,935	**–**	–
	579,785,925	501,123,398	**167,841,036**	145,154,335

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42. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL INFORMATION (CONT'D)

The information on the disaggregation of revenue based on geographical region is summarised below:-

	Group At a Point in Time 2019 RM	Group At a Point in Time 2018 RM
Africa	**130,717,193**	82,126,997
Asia	**196,258,637**	159,690,864
Central America	**54,983,991**	63,695,649
Europe	**600,534**	8,853,777
Malaysia	**193,355,919**	186,481,176
Others	**3,869,651**	274,935
	579,785,925	501,123,398

MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

43. CAPITAL COMMITMENTS

	The Group 2019 RM	The Group 2018 RM
Purchase of property, plant and equipment	**4,957,336**	8,524,784

44. OPERATING LEASE COMMITMENTS

The Group has applied MFRS 16 using the modified retrospective approach. As a result, the following information are disclosures required by MFRS 117 'Leases':-

Leases as Lessee

The Group leases a number of factory facilities under non-cancellable operating leases. The future minimum lease payments under the non-cancellable operating leases as at the end of the last reporting period are as follows:-

	The Group 2018 RM
Not more than 1 year	883,200
Later than 1 year and not later than 5 years	1,832,400
	2,715,600

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45. CONTINGENT LIABILITIES

No provision is recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Company	
	2019 RM	2018 RM
Deed of guarantee given to a customer for products sold by a subsidiary	–	29,038
Deed of guarantee given to suppliers for products sold to subsidiaries	**3,238,503**	5,916,729

46. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price 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.

46.1 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 Ringgit Malaysia ("RM"). The currencies giving rise to this risk are primarily United States Dollar ("USD"), Euro ("EUR") and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Company enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

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:-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure

The Group	USD RM	SGD RM	EUR RM	Others RM	RM RM	TOTAL RM
2019						
Financial Assets						
Trade receivables	53,260,926	2,960,588	819,160	–	43,021,977	100,062,651
Amount owing by joint ventures	2,507,075	–	–	–	–	2,507,075
Cash and bank balances	31,203,947	679,578	435,894	4,690	36,287,156	68,611,265
Derivative assets	311,736	–	–	–	–	311,736
	87,283,684	3,640,166	1,255,054	4,690	79,309,133	171,492,727
Financial Liabilities						
Trade payables	12,763,369	110,222	–	–	22,782,663	35,656,254
Other payables and accruals	1,461,097	187,931	–	44,380	13,801,394	15,494,802
Borrowings	25,826,822	–	–	–	21,521,426	47,348,248
	40,051,288	298,153	–	44,380	58,105,483	98,499,304
Net financial assets	47,232,396	3,342,013	1,255,054	(39,690)	21,203,650	72,993,423
Less: Net financial (assets) denominated in the respective entities' functional currency	–	–	–	–	(21,203,650)	(21,203,650)
Less: Forward foreign exchange contracts (contracted notional principal)	(17,919,822)	–	–	–	–	(17,919,822)
Currency exposure	29,312,574	3,342,013	1,255,054	(39,690)	–	33,869,951

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 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	SGD RM	EUR RM	RM RM	TOTAL RM
2018					
Financial Assets					
Trade receivables	40,155,565	3,651,912	42,554	58,809,208	102,659,239
Other receivables	692,714	–	–	632,502	1,325,216
Amount owing by joint ventures	22,993	–	–	–	22,993
Cash and bank balances	21,939,487	1,148,506	454,830	31,357,286	54,900,109
	62,810,759	4,800,418	497,384	90,798,996	158,907,557
Financial Liabilities					
Trade payables	26,235,557	697,584	–	37,501,237	64,434,378
Other payables and accruals	1,912,401	104,289	–	13,306,066	15,322,756
Borrowings	19,511,586	–	–	12,900,271	32,411,857
Derivative liabilities	901,145	–	–	–	901,145
	48,560,689	801,873	–	63,707,574	113,070,136
Net financial assets	14,250,070	3,998,545	497,384	27,091,422	45,837,421
Less: Net financial (assets) denominated in the respective entities' functional currency	–	–	–	(27,091,422)	(27,091,422)
Less: Forward foreign exchange contracts (contracted notional principal)	(27,637,255)	–	–	–	(27,637,255)
Currency exposure	(13,387,185)	3,998,545	497,384	–	(8,891,256)

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 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	
	2019	**2018**
	RM	**RM**
Effects On Profit After Tax		
USD/RM		
- strengthened by 5% (2018: 5%)	**1,113,878**	(508,713)
- weakened by 5% (2018: 5%)	**(1,113,878)**	508,713
SGD/RM		
- strengthened by 5% (2018: 5%)	**126,996**	151,945
- weakened by 5% (2018: 5%)	**(126,996)**	(151,945)
EUR/RM		
- strengthened by 5% (2018: 5%)	**47,692**	18,901
- weakened by 5% (2018: 5%)	**(47,692)**	(18,901)

(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 short-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 receivables and borrowings are carried at amortised cost. Therefore, they are not subject to interest rate risk as in defined MFRS 7 since neither the carrying amounts 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 29 and 31 to the financial statements.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

(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 and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 1 (2018: 3) customers which constituted approximately 20% (2018: 35%) of its trade receivables (including related parties) 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 (including related parties) at the end of the reporting period is as follows:-

	The Group	
	2019 RM	**2018 RM**
Africa	**15,752,396**	14,683,594
Asia	**17,583,688**	22,468,170
America	**19,866,238**	10,445,343
Europe	**469,074**	933,639
Singapore	**2,499,585**	2,609,660
Malaysia	**41,256,157**	44,865,772
Middle East	**2,183,033**	5,420,109
Philipines	**452,480**	1,232,952
	100,062,651	102,659,239

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(ii) 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 statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

(iii) Assessment of Impairment Losses

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

The gross carrying amounts of those financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Trade Receivables

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

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

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group considers any receivables having financial difficulties or with significant balances outstanding for more than 90 to 180 days are deemed credit impaired.

The expected loss rates are based on the payment profiles of sales over a period of 12 months from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for trade receivables is summarised below:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2019				
Current (not past due)	**50,351,366**	**–**	**–**	**50,351,366**
1 to 30 days past due	**21,523,008**	**–**	**–**	**21,523,008**
31 to 60 days past due	**16,244,416**	**–**	**–**	**16,244,416**
61 to 90 days past due	**6,341,163**	**–**	**–**	**6,341,163**
91 to 120 days past due	**4,382,072**	**–**	**–**	**4,382,072**
121 to 150 days past due	**431,446**	**–**	**–**	**431,446**
150 days and above past due	**646,849**	**–**	**–**	**646,849**
Credit impaired	**5,030,690**	**(4,888,359)**	**–**	**142,331**
	104,951,010	**(4,888,359)**	**–**	**100,062,651**
2018				
Current (not past due)	74,685,201	–	–	74,685,201
1 to 30 days past due	12,725,898	–	–	12,725,898
31 to 60 days past due	8,789,751	–	–	8,789,751
61 to 90 days past due	6,447,190	–	–	6,447,190
Credit impaired	10,305,413	(10,294,214)	–	11,199
	112,953,453	(10,294,214)	–	102,659,239

The movements in the loss allowances in respect of trade receivables is disclosed in Notes 13 to the financial statement.

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

Other receivables are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

Deposit with a Licensed Bank, Cash and Bank Balances

The Group considers these banks and financial institutions have low credit risks. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing By Subsidiaries (Non-trade Balances)

The Group applies the 3-stage general approach to measuring expected credit losses for amount owing by subsidiaries (non-trade balances). At the end of the reporting period, there was no indication that the amount owing is not recoverable.

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(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.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

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):-

The Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
2019					
Non-derivative Financial Liabilities					
Trade payables	–	35,656,254	35,656,254	35,656,254	–
Other payables and accrual	–	15,494,802	15,494,802	15,494,802	–
Amount owing to directors	–	84,594	84,594	84,594	–
Lease liabilities	2.33 to 7.00	2,119,965	2,236,135	1,085,208	1,150,927
Term loans	4.72	1,854,653	2,040,224	709,812	1,330,412
Bankers' acceptances	3.70 to 4.22	2,859,000	2,859,000	2,859,000	–
Bank overdraft	7.47	807,773	807,773	807,773	–
Bills payable	1.94	4,857,040	4,857,040	4,857,040	–
Foreign currency trust receipts	2.52 to 2.85	19,489,107	19,489,107	19,489,107	–
Revolving credit	2.90 to 5.51	17,480,675	17,480,675	17,480,675	–
Dividend payable	–	245,000	245,000	245,000	–
		100,948,863	101,250,604	98,769,265	2,481,339

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
2018					
Non-derivative Financial Liabilities					
Trade payables	–	64,434,378	64,434,378	64,434,378	–
Other payables and accrual	–	15,322,756	15,322,756	15,322,756	–
Amount owing to directors	–	179,439	179,439	179,439	–
Hire purchase payables	2.33 to 6.03	208,031	225,624	73,065	152,559
Term loans	4.97	2,456,240	2,698,926	709,812	1,989,114
Foreign currency trust receipts	2.89 to 4.45	19,947,586	19,947,586	19,947,586	–
Revolving credit	2.90 to 5.51	9,800,000	9,800,000	9,800,000	–
Derivative Financial Liabilities					
Forward foreign exchange contract	–	901,145	–	–	–
– gross payment	–	–	28,538,400	28,538,400	–
– gross receipt	–	–	(27,637,255)	(27,637,255)	–
		113,249,575	113,509,854	111,368,181	2,141,673

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Company	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2019				
Other payables and accrual	**–**	**658,956**	**658,956**	**658,956**
Revolving credit	**4.65**	**2,400,000**	**2,400,000**	**2,400,000**
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries*	**–**	**–**	**46,873,627**	**46,873,627**
		3,058,956	**49,932,583**	**49,932,583**
2018				
Other payables and accrual	–	607,118	607,118	607,118
Revolving credit	4.55 to 4.65	6,200,000	6,200,000	6,200,000
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries*	–	–	19,106,491	19,106,491
		6,807,118	25,913,609	25,913,609

*The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

46.2 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 debt-to-equity ratio that complies with debt covenants and regulatory, if any. However, the debt-to-equity ratio is not presented as its cash and bank balances exceed the total external borrowings from financial institution, hence, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

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

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Financial Assets				
Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition				
Other investment	**16,500**	16,500	**–**	–
Amortised Cost				
Trade receivables	**100,062,651**	102,659,239	**–**	–
Other receivables	**271,447**	1,325,216	**–**	–
Amount owing by subsidiaries	**–**	–	**2,982,820**	2,090,000
Amount owing by joint ventures	**2,507,075**	22,993	**–**	–
Dividend receivables	**–**	–	**2,881,229**	–
Deposit with a licensed bank	**23,470**	22,819	**–**	–
Cash and bank balances	**68,611,265**	54,900,109	**7,538,337**	15,300,575
	171,475,908	158,930,376	**13,402,386**	17,390,575
Mandatorily at Fair Value Through Profit or Loss				
Derivative assets	**311,736**	–	**–**	–
Short-term investments	**7,333,616**	14,093,616	**7,333,616**	10,062,872
Financial Liabilities				
Amortised Cost				
Trade payables	**35,656,254**	64,434,378	**–**	–
Other payables and accruals	**15,494,802**	15,322,756	**658,956**	607,118
Amount owing to directors	**84,594**	179,439	**–**	–
Lease liabilities	**2,119,965**	–	**–**	–
Hire purchase payables	**–**	208,031	**–**	–
Term loans	**1,854,653**	2,456,240	**–**	–
Bankers' acceptances	**2,859,000**	–	**–**	–
Bank overdraft	**807,773**	–	**–**	–
Bills payable	**4,857,040**	–	**–**	–
Foreign currency trust receipts	**19,489,107**	19,947,586	**–**	–
Revolving credit	**17,480,675**	9,800,000	**2,400,000**	6,200,000
Dividend payable	**245,000**	–	**–**	–
	100,948,863	112,348,430	**3,058,956**	6,807,118
Mandatorily at Fair Value Through Profit or Loss				
Derivative liabilities	**–**	901,145	**–**	–

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46. FINANCIAL INSTRUMENTS (CONT'D)

46.4 GAIN OR LOSS ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Financial Assets				
Fair Value Through Profit or Loss				
Net gain recognised in profit or loss	**1,212,881**	–	**–**	–
Amortised Cost				
Net (loss)/gain recognised in profit or loss	**(3,804,099)**	1,361,417	**365,180**	394,950
Financial Liabilities				
Fair Value Through Profit or Loss				
Net loss recognised in profit or loss	**–**	(4,736,995)	**–**	–
Amortised Cost				
Net loss recognised in profit or loss	**(1,809,955)**	(1,595,867)	**(236,428)**	(197,005)

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximate 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				
The Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total Fair Value RM**	**Carrying Amount RM**
2019								
Financial Assets								
Short-term investments	**–**	**7,333,013**	**–**	**–**	**–**	**–**	**7,333,013**	**7,333,616**
Other investment	**–**	**16,500**	**–**	**–**	**–**	**–**	**16,500**	**16,500**
Derivative assets								
- Forward currency contracts	**–**	**311,736**	**–**	**–**	**–**	**–**	**311,736**	**311,736**
Financial Liabilities								
Term loans	**–**	**–**	**–**	**–**	**1,854,653**	**–**	**1,854,653**	**1,854,653**
2018								
Financial Assets								
Short-term investments	–	14,093,616	–	–	–	–	14,098,555	14,093,616
Other investment	–	16,500	–	–	–	–	16,500	16,500
Financial Liabilities								
Derivative liabilities								
- Forward currency contracts	–	901,145	–	–	–	–	901,145	901,145
Hire purchase payables	–	–	–	–	208,031	–	208,031	208,031
Term loans	–	–	–	–	2,456,240	–	2,456,240	2,456,240

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

The fair values above have been determined using the following basis:-

(i) The fair value of money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

(ii) The fair value of other investment is determined by reference to market value provided by the respective golf club.

(iii) The fair values of forward foreign exchange contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contract using a risk-free interest rate (government bonds).

(iv) There were no transfer between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

(i) The fair value of hire purchase payables are determined by discounting the relevant cash flows using the current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group	
	2019 %	2018 %
Hire purchase payables	–	2.33 to 6.03

(ii) The fair value of the Group's and Company's term loans that carry floating interest rates approximates their carrying amounts as they are repriced to market interest rates on or near the reporting date.

47. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 19 March 2019, the subsidiary of the Company, Kluang Tin and Can Factory Sdn. Bhd. has relocated the business address from 5, Jalan Mahsuri, Kawasan Perindustrian Kluang, 86000 Kluang, Johor to PTD 124298, Jalan Kempas Lama, Kampung Seelong Jaya, Skudai, 81300 Johor Bahru, Johor.

(b) On 9 September 2019, the subsidiary of the Company, Able Dairies Sdn. Bhd. ("ADSB") subscribed an additional 103,993 ordinary and nominative shares in Able Packaging S.A.P.I. DE C.V. ("APMX") at a cash consideration of RM2,283,047. ADSB holds 156,319 shares which representing 54% of the equity interest in the capital of APMX.

(c) On 9 September 2019, the subsidiary of the Company, ADSB subscribed an additional 686,654 ordinary and nominative shares in Able Dairies Mexico S.A.P.I. DE C.V. ("ADMX") at a cash consideration of RM 14,788,357 which representing 43% of the equity interest in the capital of ADMX.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

48. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) The outbreak of Coronavirus Disease 2019 (COVID-19) in early 2020 has affected the business and economic environments of the Group and hence, may impact its performance and financial position in the future. However, given the unpredictability associated with the COVID-19 outbreak and any further contingency measures that may be put in place by the governments and various private corporations, the potential financial impact of the COVID-19 outbreak on the Group's 2020 financial statements could not be reasonably quantified at this juncture.

(b) On 12 February 2020, a subsidiary of the Company, ADSB, received a Letter of Intent to acquire a piece of freehold land measuring a total of 29.0307 acres located at Jalan Akob, Kapar for a total purchase consideration of RM 44,260,205. ADSB has paid for a refundable earnest deposit of 2% amounting to RM 885,204. As of the reporting date, no sale and purchase agreement is signed.

49. INITIAL APPLICATION OF MFRS 16

The Group has adopted MFRS 16 using the modified retrospective approach under which the cumulative effect of initial application is recognised as an adjustment to the retained profits as at 1 January 2019 (date of initial application) without restating any comparative information.

The Group has applied MFRS 16 only to contracts that were previously identified as leases under MFRS 117 'Leases' and IC Interpretation 4 'Determining Whether an Arrangement Contains a Lease'. Therefore, MFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

Lessee Accounting

At 1 January 2019, for leases that were classified as operating leases under MFRS 117, the Group measured the lease liabilities at the present value of the remaining lease payments, discounted using the Group's weighted average incremental borrowing rate at that date. The right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease.

The Group has used the following practical expedients in applying MFRS 16 for the first time:-

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Applied for the exemption not to recognise operating leases with a remaining lease term of less than 12 months as at 1 January 2019;
- Excluded initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight in determining the lease term where the lease contract contains options to extend or terminate the lease.

For leases that were classified as finance leases, the Group has recognised the carrying amount of the leased asset and lease liability immediately before 1 January 2019 as the carrying amount of the right-of-use asset and the lease liability as at the date of initial application.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019
(CONT'D)

49. INITIAL APPLICATION OF MFRS 16 (CONT'D)

Lessee Accounting (Cont'd)

The following table explains the difference between the operating lease commitments disclosed in the last financial year (determined under MFRS 117) and the lease liabilities recognised at 1 January 2019:-

	The Group RM
Operating lease commitments as at 31 December 2018 as disclosed in last financial year	2,715,600
Discounted using the incremental borrowing rate as at 1 January 2019	2,512,069
Add: Finance lease liabilities recognised as at 31 December 2018	171,547
Add: Lease liabilities additionally recognised based on the initial application of MFRS 16	175,209
Lease liabilities recognised as at 1 January 2019	2,858,825

There were no financial impacts to the Company's financial statements upon the transition to MFRS 16 at the date of initial application.

50. COMPARATIVE FIGURE

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As Previously Reported RM	As Restated RM
Consolidated Statements of Financial Position		
Investment in associate	8,274,991	–
Investment in joint ventures	–	9,348,016
Cash and bank balances	55,973,134	54,900,109

STATEMENT BY DIRECTORS

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

We, Edward Goh Swee Wang and Yeow Ah Seng @ Yow Ah Seng, being two of the directors of Johore Tin Berhad, state that, in the opinion of the directors, the financial statements set out on pages 51 to 135 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2019 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 27 May 2020.

Edward Goh Swee Wang **Yeow Ah Seng @ Yow Ah Seng**

STATUTORY DECLARATION

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

I, Leo Aun Foo (MIA Membership Number: 32120), being the officer primarily responsible for the financial management of Johore Tin Berhad, do solemnly and sincerely declare that the financial statements set out on pages 51 to 135 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
Leo Aun Foo, at Muar in the state of
Johor Darul Takzim on this 27 May 2020

Before me **Leo Aun Foo**

LIM PEI LING (No. J238)
Commissioner for Oaths

LIST OF PROPERTIES **HELD**

Registered Owner/ Date of Acquisition	Title No./ Address	Description/ Existing Use	Tenure/ Expiry Date of the Lease	Approximate Age of the Building (years)	Land/ Built-up Area (sq. ft.)	Net Book Value as at 31 Dec 2019 (RM)
UISB/ 10.12.2004	HSD 375445, PTD 124298, Mukim Tebrau, Johor Bahru, Johor Darul Takzim/ PTD 124298, Jalan Kempas Lama, Kampung Seelong Jaya, 81300 Skudai, Johor.	Single-storey detached factory/ Industry	Freehold	16	457,466/ 248,533	15,277,229
UISB/ 08.08.2007	GM 2481, Lot 2259, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Lot 2259, Jalan Helang, Off Jalan Kebun Baru, Batu 9, Jalan Klang-Banting, Teluk Panglima Garang, 42500 Kuala Langat, Selangor Darul Ehsan.	Single-storey detached factory/ Industry	Freehold	13	175,602/ 106,931	8,377,455
KTCFSB/ 27.12.1982	HS(D) 16323, Lot PTD 23759, Mukim Kluang, Kluang, Johor Darul Takzim/ No. 5, Jalan Masyuri Kawasan Perindustrian Kluang 86000 Kluang, Johor.	1 ½-storey detached factory/ Industry	Leasehold - 60 years/ 13 April 2046	34	21,775/ 16,843	307,078
KTCFSB/ 01.08.1996	GRN 244325 Lot 37800, Kluang, Johor Darul Takzim/ No. 41, Jalan Lau Kim Teck, 86000 Kluang, Johor.	1 ½-storey semi-detached factory/ Industry	Freehold	24	5,294/ 3,635	266,869
KTCFSB/ 10.10.2016	GRN 244323 Lot 37799, Kluang, Johor Darul Takzim/ No. 39, Jalan Lau Kim Teck, 86000 Kluang, Johor.	Double-storey semi-detached factory/ Industry	Freehold	4	5,296/ 3,635	470,706
ADSB/ 27.12.2012 (used in year 2016)	GM 2483, Lot 2263, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Lot 2263, Jalan Helang, Off Jalan Kebun Baru, Batu 9, Jalan Klang-Banting, Teluk Panglima Garang, 42500 Kuala Langat, Selangor Darul Ehsan.	Single-storey detached factory with a double-storey office annexed/ Industry	Freehold	4	176,099/ 88,082	28,675,466
ADSB/ 17.11.2016	PT 13157, Lot 26381, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Not applicable	Single-storey detached factory with a three-storey office annexed/ Industry	Freehold	3	132,074/ Not applicable	6,852,973

(Disclosed in accordance with Appendix 9C, Part A, item 25 of the Listing Requirements of Bursa Securities.)

ANALYSIS OF SHAREHOLDINGS

AS AT 29 MAY 2020

SHARE CAPITAL

Issued and Paid-Up Share Capital	:	RM176,814,610.70 divided into 310,470,986 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote per Ordinary Share
Number of Shareholders	:	4,164

DISTRIBUTION OF SHAREHOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	195	4.683	8,780	0.003
100 to 1,000	552	13.257	352,349	0.113
1,001 to 10,000	2,152	51.681	10,930,214	3.521
10,001 to 100,000	1,047	25.144	32,703,076	10.533
100,001 to 15,523,549 (*)	215	5.163	189,539,757	61.049
15,523,549 and above (**)	3	0.072	76,936,810	24.781
TOTAL	4,164	100.000	310,470,986	100.000

* Less than 5% of Issued Shares
** 5% and above of Issued Shares

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares
1	RHB NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KENG HOE (HUANG QINGHE)	25,000,000	8.052
2	GOH MIA KWONG	23,449,264	7.553
3	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR EDWARD GOH SWEE WANG (SMART)	16,233,784	5.229
4	AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD (HEDGING)	13,971,100	4.500
5	GOH MIA KWONG	10,706,666	3.449
6	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA TAI BOON (CAI DAWEN)	9,029,231	2.908
7	RHB NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HUN SWEE	7,232,233	2.329
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GENTING PERWIRA SDN BHD (PB)	7,193,333	2.317
9	AMANAHRAYA TRUSTEES BERHAD PMB SHARIAH AGGRESSIVE FUND	6,239,000	2.010
10	KUA JIN GUANG @ KAU KAM ENG	6,152,888	1.982

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	% of Shares
11	NG KENG HOE (HUANG QINGHE)	5,911,966	1.904
12	GENTING PERWIRA SDN BHD	5,123,466	1.650
13	HSBC NOMINEES (ASING) SDN BHD SEB AB FOR EVLI EMERGING FRONTIER FUND	5,000,000	1.610
14	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR EDWARD GOH SWEE WANG	4,900,000	1.578
15	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG YIK TOON @ NG YIK KOON (CEB)	4,899,633	1.578
16	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR YEOW AH SENG @ YOW AH SENG (SMART)	4,727,109	1.523
17	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	4,168,054	1.342
18	LOCK TOH PENG	3,980,000	1.282
19	AMANAHRAYA TRUSTEES BERHAD PMB SHARIAH GROWTH FUND	3,730,000	1.201
20	RHB CAPITAL NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HUN SWEE (CEB)	3,623,466	1.167
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	3,523,790	1.135
22	VERSALITE SDN BHD	3,313,333	1.067
23	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG SILING (CEB)	3,000,000	0.966
24	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG BALANCED FUND	2,650,000	0.854
25	SIA YOCK HUA	2,640,866	0.851
26	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG GROWTH FUND	2,500,000	0.805
27	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KENG HOE (HUANG QINGHE)	2,451,033	0.789
28	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOKE SEE OOI (CEB)	2,191,500	0.706
29	NEOH CHOO EE & COMPANY, SDN. BERHAD	2,000,000	0.644
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR DANA MAKMUR PHEIM (211901)	1,731,000	0.558
	TOTAL	197,272,715	63.539

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

LIST OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Deemed Interest	
No.	Name of Shareholders	No. of Shares	% of Shares	No. of Shares	% of Shares
1	GOH MIA KWONG	35,703,026	11.500	[1]23,936,620	7.710
2	RHB NOMINEES (ASING) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NG KENG HOE (HUANG QINGHE)	33,362,999	10.746	[2]2,438,209	0.785
3	AMSEC NOMINEES TEMPATAN SDN. BHD. PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR EDWARD GOH SWEE WANG	23,227,520	7.481	[3]36,412,126	11.728

Notes:-
Deemed Interest / Indirect Interest:

[1] *By virtue of his son, Mr Edward Goh Swee Wang's interest: 23,227,520 shares*
By virtue of his daughter, Ms Lisa Goh Li Ling's interest: 470,000 shares
By virtue of his daughter-in-law, Ms Kua Lee Kuan's interest: 239,100 shares

[2] *By virtue of his wife, Ms Lai Shin Lin's interest.*

[3] *By virtue of his father, Mr Goh Mia Kwong's interest: 35,703,026 shares*
By virtue of his sister, Ms Goh Li Ling's interest: 470,000 shares
By virtue of his wife, Ms Kua Lee Kuan's interest: 239,100 shares

LIST OF DIRECTORS' SHAREHOLDINGS

		Direct Interest		Deemed Interest	
No.	Name of Directors	No. of Shares	% of Shares	No. of Shares	% of Shares
1	DATUK KAMALUDIN BIN YUSOFF	769,800	0.248	[1]12,474,932	4.018
2	EDWARD GOH SWEE WANG	23,227,520	7.481	[2]36,412,126	11.728
3	YEOW AH SENG @ YOW AH SENG	5,276,442	1.699	–	–
4	SIAH CHIN LEONG	2,666	0.000	–	–
5	NG LEE THIN	–	–	–	–
6	NG KENG HOE (HUANG QINGHE)	33,362,999	10.746	[3]2,438,209	0.785
7	LIM HUN SWEE (Resigned on 1 October 2019)	10,539,999[4]	3.400	-	-

(Disclosed in accordance with Appendix 9C, Part A, item 23 of the Listing Requirements of Bursa Securities.)

Notes:-
Deemed Interest / Indirect Interest:

[1] *By virtue of his wife, Datin Fawziah Binti Hussein Sazally's interest in Genting Perwira Sdn Bhd pursuant to Section 8 of the Companies Act 2016: 12,316,799 shares*
By virtue of his wife, Datin Fawziah Binti Hussein Sazally's interest: 158,133 shares

[2] *By virtue of his father, Mr Goh Mia Kwong's interest: 35,703,026 shares*
By virtue of his sister, Ms Lisa Goh Li Ling's interest: 470,000 shares
By virtue of his wife, Ms Kua Lee Kuan's interest: 239,100 shares

[3] *By virtue of his wife, Ms Lai Shin Lin's interest.*

[4] *As per Register of Directors' Shareholding as at 1 October 2019.*

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 19th Annual General Meeting (AGM) of Johore Tin Berhad will be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Monday, 10 August 2020 at 10.00 a.m. for the following purposes:

AGENDA	**Resolution on Proxy Form**
ORDINARY BUSINESS:	
1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon.	**(Please refer Explanatory Note 1)**
2. To approve the payment of Directors' fees of RM324,000.00 for the financial year ended 31 December 2019.	**(Resolution 1)**
3. To approve the payment of Directors' benefits for an amount not exceeding RM75,000.00 from the 19th Annual General Meeting to the 20th Annual General Meeting of the Company.	**(Resolution 2)**
4. To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company's Constitution.	
(a) Mr Siah Chin Leong	**(Resolution 3)**
(b) Ms Ng Lee Thin	**(Resolution 4)**
5. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	**(Resolution 5)**

SPECIAL BUSINESS:

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

6. **ORDINARY RESOLUTION 1** **(Resolution 6)**
AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

"THAT subject always to the Companies Act, 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting."

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

7. **ORDINARY RESOLUTION 2** **(Resolution 7)**
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR – DATUK KAMALUDIN BIN YUSOFF

"THAT authority be and is hereby given to Datuk Kamaludin Bin Yusoff who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance to the Malaysian Code on Governance 2017."

8. **ORDINARY RESOLUTION 3** **(Resolution 8)**
PROPOSED AUTHORITY TO JOHORE TIN BERHAD TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO TEN PERCENT (10%) IN THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY AT ANY GIVEN POINT IN TIME ("PROPOSED SHARE BUY-BACK")

"THAT subject to the compliance with Section 127 of the Act and all other applicable laws, rules and regulations, approval be and is hereby given to the Company, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and held pursuant to this resolution does not exceed ten percent (10%) of the existing issued share capital of the Company including the shares previously purchased and retained as treasury shares (if any) and the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company, upon such terms and conditions as set out in the Circular to Shareholders dated 30 June 2020.

AND THAT such authority shall commence immediately upon the passing of this Ordinary Resolution and until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends in such manner as may be permitted and prescribed by the provisions of the Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company."

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

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

By Order of the Board
JOHORE TIN BERHAD

YONG MAY LI (f) (LS0000295) (PC No. 202008000285)
WONG CHEE YIN (f) (MAICSA7023530) (PC No. 202008001953)
Company Secretaries

Johor Bahru
30 June 2020

NOTES

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 30.07.2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.

2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.

3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.

4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.

5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

8. The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor. In the case of electronic appointment, the proxy form must be deposited via TIIH Online at https://tiih.online. Please refer to the Administrative Guide for further information on electronic submission.

9. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

NOTES (CONT'D)

10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

11. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.

12. Last date and time for lodging this proxy form is Saturday, 8 August 2020 at 10.00 a.m.

13. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
    a. Identity card (NRIC) (Malaysian), or
    b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
    c. Passport (Foreigner).

14. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

EXPLANATORY NOTES

ORDINARY BUSINESS:

1. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provisions Sections 248(2) and 340(1) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. Resolution 1 – Item 2 of the Agenda: Directors' Fees
Resolution 2 – Item 3 of the Agenda: Directors' Benefits

Section 230(1) of the Companies Act, 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval on the following two (2) separate resolutions shall be sought at the 19th Annual General Meeting:

- **Resolution 1** on payment of Directors' Fees in respect of the year 2019; and
- **Resolution 2** on payment of Directors' benefits with effect from the 19th Annual General Meeting to the 20th Annual General Meeting of the Company.

The Directors' benefits payable would comprise wholly for meeting allowances which was calculated based on the number of scheduled Board's and Board Committees' meetings with effect from the 19th Annual General Meeting until the 20th Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

SPECIAL BUSINESS:

3. <u>**Item 6 of the Agenda**</u>
AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The purpose of this Ordinary Resolution proposed under Agenda item 6 will give powers to the Directors to issue up to a maximum ten per centum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders. The renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

4. <u>**Item 7 of the Agenda**</u>
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine (9) years. Datuk Kamaludin Bin Yusoff was appointed to the Board on 11 August 2008 and had therefore served as an Independent Director of the Company for a cumulative term of more than nine (9) years.

The Board via the Nominating Committee had assessed the independence of Datuk Kamaludin, had considered him to be independent and had recommended that he continues to act as Independent Non-Executive Director of the Company based on the following justifications:-

- he fulfilled the criteria of an Independent Director pursuant to Main Market Listing Requirements of Bursa Securities;
- he is familiar with the Company's business operations as he has been with the Company for a period of more than nine (9) years;
- his long tenure with the Company has neither impaired nor compromised his independent judgement. They continue to remain objective and are able to exercise independent judgement in expressing their views and in participating in deliberations and decision making of the Board and Board Committees in the best interest of the Company;
- he has exercised due care during his tenure as Independent Director of the Company and carried out his duties in the interest of the Company and shareholders; and
- he has devoted sufficient time and commitment to discharge his responsibilities as an Independent Non-Executive Director

The Ordinary Resolutions proposed under Resolution 7, if passed, will enable Datuk Kamaludin to continue serving as an Independent Non-Executive Director of the Company.

5. <u>**Item 8 of the Agenda**</u>
PROPOSED AUTHORITY TO JOHORE TIN BERHAD TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO TEN PERCENT (10%) IN THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY AT ANY GIVEN POINT IN TIME ("PROPOSED SHARE BUY-BACK")

This Ordinary Resolution 8, if passed, will allow the Directors of the Company to exercise the power of the Company to purchase not more than ten percent (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Listing Requirements. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM of the Company. Further details are set out in the Share Buy-Back Statement dated 30 June 2020.

STATEMENT ACCOMPANYING **NOTICE OF ANNUAL GENERAL MEETING**

1. Further details of individuals who are standing for election as directors (excluding directors standing for re-election): -

   There is no person seeking election as director of the Company at this Annual General Meeting.

2. A 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: -

   The general mandate for issue of shares is for the renewal of the general mandate obtained from the members at the 18th Annual General Meeting held on 29 May 2019.

   No new shares of the Company have been issued pursuant to the general mandate obtained at the 18th Annual General Meeting held on 29 May 2019, and accordingly no proceeds were raised.

   The purpose of this general mandate is to provide flexibility to the Directors to undertake fund raising activities, including but not limited to further placement of shares for the purpose of funding current and/or future investment project(s), working capital, repayment of bank borrowings, acquisitions and/or for allotment of shares as settlement of purchase consideration.

FORM OF PROXY

JOHORE TIN BERHAD
Registration No. 200001029963 (532570-V)

I/We ____

(NRIC No./Passport No./Company No. ______________________) of ______________________

____

being a Member/Members of JOHORE TIN BERHAD Registration No. 200001029963 (532570-V) hereby appoint:

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and / *or failing him / her (*delete as appropriate)

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 19th Annual General Meeting of the Company to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Monday, 10 August 2020 at 10.00 a.m. and any adjournment thereof and my/our proxy is to vote as indicated below:

Item	Agenda	Resolution	*FOR	*AGAINST
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon.			
Ordinary Business:				
2.	To approve the payment of Directors' fees of for the financial year ended 31 December 2019.	Ordinary Resolution 1		
3.	To approve the payment of Directors' benefits with effect from the 19th Annual General Meeting to the 20th Annual General Meeting of the Company.	Ordinary Resolution 2		
4.	To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company's Constitution.			
	(a) Mr Siah Chin Leong	Ordinary Resolution 3		
	(b) Ms Ng Lee Thin	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		
Special Business:				
6.	Authority to Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.	Ordinary Resolution 6		
7.	Continuing in office as Independent Non-Executive Director – Datuk Kamaludin Bin Yusoff	Ordinary Resolution 7		
8.	Proposed Share Buy-Back to purchase own Ordinary Shares up to ten percent (10%) in the entire Issued and paid-up Share Capital of the Company.	Ordinary Resolution 8		

(*Please indicate with an "X" in the appropriate space how you wish your proxy to vote. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

Number of shares held	
CDS Account No.	

Dated this .... day of 2020

....
Signature/Common Seal of Shareholder

NOTES

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 30.07.2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.

2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.

3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.

4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.

5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

8. The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy for, the proxy form must be deposited at the registered office of the Company situated at Suite 1301, 13th Floor, City Plaza, JalanTebrau, 80300 Johor Bahru, Johor. In the case of electronic appointment, the proxy from must be deposited via TIIH Online at https://tiih.online. Please refer to the Administrative Guide for further information on electronic submission.

9. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.

10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

11. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.

12. Last date and time for lodging this proxy form is Saturday, 8 August 2020 at 10.00 a.m.

13. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
   a. Identity card (NRIC) (Malaysian), or
   b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
   c. Passport (Foreigner).

14. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

Please fold here

Affix
Stamp

THE COMPANY SECRETARY
JOHORE TIN BERHAD Registration No. 200001029963 (532570-V)
SUITE 1301, 13TH FLOOR, CITY PLAZA
JALAN TEBRAU
80300 JOHOR BAHRU
JOHOR
MALAYSIA

Please fold here

JOHORE TIN BERHAD

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Registration No. 200001029963
(532570-V)

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