

20 MICRONS SDN. BHD.
(Incorporated in Malaysia)

Reports and Financial Statements
31 March 2023

20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

**Reports and Financial Statements
31 March 2023**

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20 MICRONS SDN. BHD.
(Incorporated in Malaysia)

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 March 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and trading of calcium carbonate. The principal activity of the subsidiary is set out in Note 4 to the financial statements.

FINANCIAL RESULTS

	The Group RM	The Company RM
Profit for the financial year	1,601,617	283,149
Attributable to:-		
Owners of the Company	1,328,694	283,149
Non-controlling interests	272,923	-
	1,601,617	283,149

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

There were no issues of new shares or debentures by the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No option has been granted during the financial year to take up any unissued shares of the Company.

DIRECTORS

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

Krishnaji Rao Vengoba Rao
Rajesh Chandreshbhai Parikh
Atil Chandresh Parikh

DIRECTORS' INTERESTS

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

	----- Number of Ordinary Shares of IR5 each -----			
	At 1.4.2022	Bought	Sold	At 31.3.2023
<u>Ordinary Shares in the Holding Company, 20 Microns Limited</u>				
Atil Chandresh Parikh	1,700,739	320,922	-	2,021,661
Rajesh Chandreshbhai Parikh	1,701,714	320,922	-	2,022,636

	----- Number of Ordinary Shares-----			
	At 1.4.2022	Bought	Sold	At 31.3.2023
<u>Ordinary Shares in the Company</u>				
Krishnaji Rao Vengoba Rao	7	-	-	7
Rajesh Chandreshbhai Parikh	7	-	-	7

By virtue of his shareholdings in the holding company and the Company, Rajesh Chandresh Bhai Parikh is deemed to have interests in shares in their related corporations during the financial year to the extent the holding company and the Company have interests, in accordance with Section 8 of the Companies Act 2016.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivables by the 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 directors or with a firm of which the directors are a member, or with a company in which the directors have a substantial financial interest.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangement 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 17 to the financial statements.

HOLDING COMPANY

The holding company is 20 Microns Limited, a company incorporated in India and listed on the Bombay Stock Exchange and National Stock Exchange.

SUBSIDIARY

The detail of the Company's subsidiary is disclosed in Note 4 to the financial statements.

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.

AUDITORS' REMUNERATION

The auditors' remuneration is disclosed in Note 15 to the financial statements.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to 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; and
- (b) 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:

- (a) 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; or
- (b) that would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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.

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.

In the opinion of the directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2023 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

The auditors, Messrs Khor & Associates, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors.



KRISHNAJI RAO VENGOBA RAO
Director



RAJESH CHANDRESH BHAI PARIKH
Director

Ipoh, Perak Darul Ridzuan.

Date: **03 MAY 2023**

20 MICRONS SDN. BHD.
(Incorporated in Malaysia)


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

We, Krishnaji Rao Vengoba Rao and Rajesh Chandresh Bhai Parikh, being two of the directors of 20 Microns Sdn. Bhd., state that, in the opinion of the directors, the financial statements set out on pages 11 to 40 are drawn up in accordance with Malaysian Private Entities Reporting Standard 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 March 2023 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 **03 MAY 2023**



KRISHNAJI RAO VENGOBA RAO



RAJESH CHANDRESH BHAI PARIKH

Ipoh, Perak Darul Ridzuan.

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

I, Krishnaji Rao Vengoba Rao (Passport No.: Z4552583) being the director primarily responsible for the financial management of 20 Microns Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 11 to 40 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
Krishnaji Rao Vengoba Rao, Passport No.: Z4552583
at Ipoh
in the state of Perak Darul Ridzuan on **03 MAY 2023**



KRISHNAJI RAO VENGOBA RAO

Before me:



NO 15, JALAN AMPANG BARU 6C,
KAMPUNG AMPANG BARU,
31350 IPOH, PERAK

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
20 MICRONS SDN. BHD.**

(Incorporated in Malaysia)

Registration No.: 200801006285 (807569-H)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of 20 Microns Sdn. Bhd., which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 40.

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 March 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Registration No.: 200801006285 (807569-H)

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, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, 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 the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Registration No.: 200801006285 (807569-H)

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

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

- 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 and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 and the Company to express an opinion on the financial statements of the Group and the Company. 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.


Registration No.: 200801006285 (807569-H)

Report On Other Legal And Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 4 to the financial statements.

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.



Khor & Associates
Firm No: AF002244
Chartered Accountants



Khor Chun Wai
Approval No: 03318/08/2023 J
Chartered Accountant

Ipoh, Perak Darul Ridzuan.
Date: 3 May 2023

20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION
as at 31 March 2023**

		The Group		The Company	
		2023	2022	2023	2022
	<i>Note</i>	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	4	-	-	642,915	642,915
Equipment	5	90,520	925	90,520	925
TOTAL NON-CURRENT ASSETS		90,520	925	733,435	643,840
CURRENT ASSETS					
Inventories	6	17,495	204,743	5,004	10,323
Trade receivables	7	873,850	1,547,990	30,148	84,923
Other receivables, deposits and prepayments	8	381,088	242,959	3,850	3,850
Current tax assets		67,593	80,242	67,593	80,242
Cash and bank balances	9	2,800,547	893,626	1,089,521	777,687
TOTAL CURRENT ASSETS		4,140,573	2,969,560	1,196,116	957,025
TOTAL ASSETS		4,231,093	2,970,485	1,929,551	1,600,865
EQUITY AND LIABILITIES					
EQUITY					
Share capital	10	504,014	504,014	504,014	504,014
Reserves		4,501	(7,797)	-	-
Retained profits		2,437,318	1,108,624	1,308,197	1,025,048
Equity attributable to owners of the Company		2,945,833	1,604,841	1,812,211	1,529,062
Non-controlling interests		463,736	187,603	-	-
TOTAL EQUITY		3,409,569	1,792,444	1,812,211	1,529,062
LIABILITIES					
NON-CURRENT LIABILITY					
Hire purchase payable	11	51,576	-	51,576	-
CURRENT LIABILITIES					
Trade payables	12	389,114	441,571	16,318	18,856
Other payables and accruals	13	37,664	660,447	37,011	52,947
Current tax liabilities		330,735	76,023	-	-
Hire purchase payable	11	12,435	-	12,435	-
TOTAL CURRENT LIABILITIES		769,948	1,178,041	65,764	71,803
TOTAL LIABILITIES		821,524	1,178,041	117,340	71,803
TOTAL EQUITY AND LIABILITIES		4,231,093	2,970,485	1,929,551	1,600,865

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

20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
for the financial year ended 31 March 2023

		The Group		The Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
REVENUE	14	8,829,373	5,588,239	3,113,833	1,833,191
COST OF SALES		(3,865,576)	(2,432,061)	(2,425,543)	(1,443,560)
GROSS PROFIT		4,963,797	3,156,178	688,290	389,631
OTHER INCOME		174,706	103,129	77,825	10,482
ADMINISTRATIVE EXPENSES		(3,153,310)	(3,062,132)	(431,818)	(388,577)
PROFIT FROM OPERATIONS		1,985,193	197,175	334,297	11,536
FINANCE COST		(1,143)	-	(1,143)	-
PROFIT BEFORE TAXATION	15	1,984,050	197,175	333,154	11,536
INCOME TAX EXPENSE	16	(382,433)	(77,044)	(50,005)	(2,287)
PROFIT FOR THE FINANCIAL YEAR		1,601,617	120,131	283,149	9,249
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss					
Foreign currency translation differences		15,508	18,981	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		1,617,125	139,112	283,149	9,249
PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO:					
Owners of the Company		1,328,694	109,643	283,149	9,249
Non-controlling interests		272,923	10,488	-	-
		1,601,617	120,131	283,149	9,249
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Company		1,340,992	124,695	283,149	9,249
Non-controlling interests		276,133	14,417	-	-
		1,617,125	139,112	283,149	9,249

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

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(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 31 March 2023**

	Share Capital	Foreign Exchange Translation Reserve	Retained Profits	Equity Attributable to Owners of the Company	Non-Controlling Interests	Total Equity
	RM	RM	RM	RM	RM	RM
The Group						
At 1 April 2021	504,014	(22,849)	998,981	1,480,146	173,186	1,653,332
Profit for the financial year	-	-	109,643	109,643	10,488	120,131
Foreign currency translation differences	-	15,052	-	15,052	3,929	18,981
Total comprehensive income for the financial year	-	15,052	109,643	124,695	14,417	139,112
Balance at 31 March 2022	504,014	(7,797)	1,108,624	1,604,841	187,603	1,792,444
Profit for the financial year	-	-	1,328,694	1,328,694	272,923	1,601,617
Foreign currency translation differences	-	12,298	-	12,298	3,210	15,508
Total comprehensive income for the financial year	-	12,298	1,328,694	1,340,992	276,133	1,617,125
Balance at 31 March 2023	504,014	4,501	2,437,318	2,945,833	463,736	3,409,569

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

20 MICRONS SDN. BHD.

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STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 31 March 2023 (CONT'D)

	<u>Share Capital</u>	<u>Retained</u> <u>Profits</u>	<u>Total</u> <u>Equity</u>
The Company	RM	RM	RM
At 1 April 2021	504,014	1,015,799	1,519,813
Profit for the financial year	-	9,249	9,249
Balance at 31 March 2022	504,014	1,025,048	1,529,062
Profit for the financial year	-	283,149	283,149
Balance at 31 March 2023	504,014	1,308,197	1,812,211

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

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STATEMENTS OF CASH FLOWS
for the financial year ended 31 March 2023

	The Group		The Company	
	2023	2022	2023	2022
Note	RM	RM	RM	RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	1,984,050	197,175	333,154	11,536
Adjustments for:				
Depreciation of equipment	9,667	160,047	9,667	475
Interest expenses	1,143	-	1,143	-
Interest income	(14,696)	(2,989)	(14,377)	(2,877)
Gain on disposal of equipment	(22,499)	(78,152)	(22,499)	-
<i>Operating profit before working capital changes</i>	1,957,665	276,081	307,088	9,134
Decrease/(Increase) in inventories	187,248	18,534	5,319	(10,323)
Decrease/(Increase) in receivables	536,011	(1,282,531)	54,775	(53,298)
(Decrease)/Increase in payables	(675,240)	187,050	(18,474)	(4,479)
Cash from/(for) operating activities	2,005,684	(800,866)	348,708	(58,966)
Interest paid	(1,143)	-	(1,143)	-
Interest received	14,696	2,989	14,377	2,877
Tax paid	(115,072)	(22,530)	(37,356)	(22,899)
NET CASH FROM/(FOR) OPERATING ACTIVITIES	1,904,165	(820,407)	324,586	(78,988)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES				
Proceeds from disposal of equipment	22,500	779,125	22,500	-
Purchase of equipment	(31,263)	-	(31,263)	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(8,763)	779,125	(8,763)	-

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

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STATEMENTS OF CASH FLOWS
for the financial year ended 31 March 2023 (CONT'D)

	Note	The Group		The Company	
		2023 RM	2022 RM	2023 RM	2022 RM
NET CASH FOR FINANCING ACTIVITY					
Repayment of hire purchase payable		(3,989)	-	(3,989)	-
Net increase/(decrease) in cash and bank balances		1,891,413	(41,282)	311,834	(78,988)
Effect of foreign exchange translation		15,508	18,981	-	-
Cash and bank balances at beginning of the financial year		893,626	915,927	777,687	856,675
Cash and bank balances at end of the financial year	9	2,800,547	893,626	1,089,521	777,687

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

20 MICRONS SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2023

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at No. 6, Jalan Chew Sin On, 31650 Ipoh, Perak Darul Ridzuan.

The principal place of business of the Company is located at No. 808A, Jalan Raja Dr Nazrin Shah, Taman Chandan Desa, Simpang Pulai, 31300 Ipoh, Perak Darul Ridzuan.

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2022 comprise the Company and its subsidiary (together referred to as the "Group" and individually referred to as "Group entities").

The Company is principally engaged in the businesses of investment holding and trading of calcium carbonate. The principal activity of the subsidiary is set out in Note 4 to the financial statements.

The holding company is 20 Microns Limited, a company incorporated in India and listed on the Bombay Stock Exchange and National Stock Exchange.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of Companies Act 2016 in Malaysia.

(b) Basis of Measurement

The financial statements have been prepared on the historical costs basis other than as disclosed in Note 3 to the financial statements.

2. BASIS OF PREPARATION (CONT'D)

(c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than the followings:

(i) Depreciation of Equipment

The cost of an item of equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of equipment.

(ii) Measurement of Income Taxes

Significant judgement is required in determining the Group's and of the Company's provision for current and deferred taxes because the ultimate tax liability for the Group and of the Company as a whole is uncertain. When the final outcome of the taxes payable is determined with the tax authorities in each jurisdiction, the amounts might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the period when such determination is made. The Group and of the Company will adjust for the differences over/underprovision of current or deferred taxes in the current period in which those differences arise.

(iii) Impairment of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 6 to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of Consolidations

(i) Subsidiaries

Subsidiaries are entities, including special purpose entity, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses. The cost of investment includes transaction costs.

(ii) Business Combinations

Business combinations are accounted for by applying the purchases method from the acquisition date, which is the date on which the Group obtains control of the acquire. The cost of a business combination is the aggregate of:

- The fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquire, plus
- Any costs directly attributable to the business combination.

If an associate or a jointly controlled entity becomes a subsidiary, the Group remeasures its previously held equity interest to fair value and recognises the resulting gain or loss, if any, in profit or loss. The remeasured carrying amount forms part of the cost of business combination.

When the cost of the business combination is in excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised, the excess is recognised as goodwill. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The non-controlling interest in the acquiree is measured at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

(iii) Acquisitions of Non-Controlling Interests

The Group accounts all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of Consolidations (Cont'd)

(iv) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises the difference between the proceeds from the disposal of the subsidiary and its carrying amount as of the date of disposal. If the Group retains any interest in the former subsidiary, that investment is accounted for as a financial asset from the date the entity ceases to be a subsidiary, provided that it does not become associate or a jointly controlled entity. The carrying amount of the investment at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

(v) Non-Controlling Interests

Non-controlling interest at the end of the reporting period, being the equity in a subsidiary not attributable directly and indirectly to the equity holders of the Group and of the Company, are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Group and of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Group and of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vi) Transactions Eliminate on Consolidation

Intra-group balances and transactions, including income, expenses and dividends, are eliminated in full in preparing the consolidated financial statements.

Unrealised profits and losses arising from transactions with equity-accounted associates and jointly controlled entities are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated only to the extent that there is evidence of an impairment of the asset transferred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Goodwill

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised in profit or loss on a straight-line method over a period of 10 years.

Under the purchase method, any excess of the cost of business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities recognised, is recorded as goodwill.

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

Goodwill arises on the acquisition of equity-accounted associates is recorded as part of the carrying amount at the date of acquisition. The Group adjusts its share of the post acquisition profits or losses of associates to account for the amortisation of the goodwill.

(c) Functional And Foreign Currencies

(i) Functional and Presentation Currency

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

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

(ii) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition using exchange rates at the transaction dates. At the end of the reporting period, foreign currency monetary assets and liabilities are retranslated at the exchange rates of that date. Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date.

All foreign currency exchange differences arising from the settlement of monetary items or on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Functional And Foreign Currencies (Cont'd)

(iii) 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.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that foreign operation are not reclassified to profit or loss. In relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests.

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. The cumulated foreign currency differences are not reclassified to profit or loss on the disposal of the net investment.

(d) Financial Instruments

(i) Initial Recognition and Measurement

A financial asset or financial liability is recognised in the statements of financial position when the Group has become a party to the contractual provision of the instrument.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for similar debt instrument.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

(ii) Subsequent Measurement

Debt instruments that meet the following conditions are measured at amortised cost using the effective interest method:

- (a) Returns to the holder are determinable, e.g. a fixed amount and/or variable rate of return benchmark against a quoted or observable interest rate;
- (b) There is no contractual provision that could result in the holder losing the principal amount or any interest attributable to the current or prior years; and
- (c) Prepayment option, if any, is not contingent on future events.

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount to the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction.

Investments in non-puttable ordinary shares, and investments in non-convertible and non-puttable preference shares are measured at cost less impairment, unless the shares are publicly traded or their fair value can otherwise be measured reliably, in which case the investments are measured at fair value with changes in fair value recognised in profit or loss.

All other financial assets or financial liabilities not measured at amortised cost or cost less impairment are measured at fair value recognised in profit or loss.

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment. An impairment loss is measured as follows:

- For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.
- For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

(iii) 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 are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset derecognised and the consideration received (including any newly created rights and obligations) is recognised in profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. 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.

(e) Investment In a Subsidiary

Investment in a subsidiary is measured in the statement of financial position of the Company at cost less any impairment losses. The cost of the investment includes transaction costs.

(f) Equipment

(i) Recognition and Measurement

Items of equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Cost also may include transfers from equity of any gain or loss on qualifying hedges of foreign currency purchases of equipment.

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

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

The gain or loss on disposal of an item of equipment is determined by comparing the proceeds from disposal with the carrying amount of equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Equipment (Cont'd)

(ii) Subsequent Costs

The cost of replacing a component of an item of equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of equipment from the date that they are available for use. Freehold land is not depreciated.

The principal annual rates used for the current and comparative years are as follows:

Computer	20%
Machineries	10% to 20%
Motor vehicle	20%
Office equipment	10%

(g) Impairment

(i) Impairment of Financial Assets

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed for impairment at each reporting date when there is an objective evidence of impairment.

For a financial asset measured at amortised cost, the impairment loss is the difference between the financial asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective rate.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the financial asset's carrying amount and the best estimate of the amount that would be received for the financial asset if it were to be sold at the reporting date.

All impairment losses are recognised in profit or loss immediately.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Impairment (Cont'd)

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

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previous recognised impairment loss is reversed to the extent that the carrying amount of the financial assets does not exceed its amortised cost at the reversal date. The amount of impairment reversal is recognised in profit or loss.

(ii) Impairment of Non-Financial Assets

The carrying amounts of non-financial assets, other than those to which *Section 27 - Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when 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. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units of the Group that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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 to non-financial assets other than goodwill, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Inventories

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all damaged, obsolete and slow-moving items. The cost comprises the original of purchases plus the cost of bringing these inventories to their intended location and condition.

The cost of inventories is calculated using the first-in, first-out method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

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

(i) Equity Instrument

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue Expenses

Costs directly attributable to the issuance of instruments classified as equity are recognised as a deduction from equity, net of any related income tax benefits.

(ii) Ordinary Shares

Ordinary shares are classified as equity.

(j) Leased assets

(i) Finance Lease

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Leased assets (Cont'd)

(ii) Operating Lease

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 statement of financial position of the Group.

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.

(k) Employee Benefits

(i) Short-Term Benefits

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

(ii) Defined Contribution Plans

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

(l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable, net of returns, sales and service tax, cash and trade discounts.

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer and where the Group does not have continuing managerial involvement and effective control over the goods sold.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Income Tax Expense

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

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

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

(n) Borrowing Costs

Borrowing costs are recognised as expenses in profit or loss in the period in which they are incurred by using the effective interest method.

4. INVESTMENT IN A SUBSIDIARY

	The Company	
	2023 RM	2022 RM
Unquoted shares, at cost At 1 April/ 31 March	642,915	642,915

The details of the subsidiary is as follows:-

Name of subsidiary	Country of incorporation	Effective ownership interest		Principal activity
		2023 %	2022 %	
20 Microns Vietnam Limited [^]	Vietnam	79.30	79.30	Producing super fine stone powder products and exporting goods

[^] This subsidiary was audited by other firm of chartered accountants.

5. EQUIPMENT

The Group	Computer RM	Machineries RM	Motor vehicle RM	Office equipment RM	Total RM
<i>Cost</i>					
At 1 April 2021	2,823	965,992	64,331	3,880	1,037,026
Disposal	-	(965,992)	-	-	(965,992)
At 31 March 2022	2,823	-	64,331	3,880	71,034
Addition	-	-	99,263	-	99,263
Disposal	-	-	(64,331)	-	(64,331)
At 31 March 2023	2,823	-	99,263	3,880	105,966
<i>Accumulated depreciation</i>					
At 1 April 2021	2,253	105,447	64,330	3,051	175,081
Charge for the year	284	159,572	-	191	160,047
Disposal	-	(265,019)	-	-	(265,019)
At 31 March 2022	2,537	-	64,330	3,242	70,109
Charge for the year	284	-	9,192	191	9,667
Disposal	-	-	(64,330)	-	(64,330)
At 31 March 2023	2,821	-	9,192	3,433	15,446
<i>Carrying amount</i>					
At 31 March 2022	286	-	1	638	925
At 31 March 2023	2	-	90,071	447	90,520

5. EQUIPMENT (CONT'D)

The Company	Computer RM	Motor vehicle RM	Office equipment RM	Total RM
<i>Cost</i>				
At 1 April 2021/31 March 2022	2,823	64,331	3,880	71,034
Addition	-	99,263	-	99,263
Disposal	-	(64,331)	-	(64,331)
At 31 March 2023	2,823	99,263	3,880	105,966
<i>Accumulated depreciation</i>				
At 1 April 2021	2,253	64,330	3,051	69,634
Charge for the year	284	-	191	475
At 31 March 2022	2,537	64,330	3,242	70,109
Charge for the year	284	9,192	191	9,667
Disposal	-	(64,330)	-	(64,330)
At 31 March 2023	2,821	9,192	3,433	15,446
<i>Carrying amount</i>				
At 31 March 2022	286	1	638	925
At 31 March 2023	2	90,071	447	90,520

Included in the equipment at the end of the reporting period was motor vehicles with a carrying amount of RM90,071 (2022: Nil), which was acquired under hire purchase terms. This leased assets has been pledged as security for the related finance lease liabilities as disclosed in Note 11 to the financial statements.

6. INVENTORIES

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Raw materials	-	3,997	-	-
Work in progress	-	56,920	-	-
Finished goods	9,302	28,079	5,004	10,323
Trading merchandise	8,193	96,013	-	-
Consignment stock	-	19,734	-	-
	<u>17,495</u>	<u>204,743</u>	<u>5,004</u>	<u>10,323</u>
Recognised in profit or loss:-				
Inventories recognised as cost of sales	<u>3,865,576</u>	<u>2,432,061</u>	<u>2,425,543</u>	<u>1,443,560</u>

7. TRADE RECEIVABLES

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade receivables	1,042,911	1,717,051	199,209	253,984
Allowance for impairment loss on receivables	(169,061)	(169,061)	(169,061)	(169,061)
	<u>873,850</u>	<u>1,547,990</u>	<u>30,148</u>	<u>84,923</u>

The Group's and Company's normal trade credit terms range from 30 to 90 (2022: 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

The currency exposure profile of trade receivables are as follows:

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	5,203	4,840	5,203	4,840
US Dollar	768,716	1,543,150	24,945	80,083
Viet Nam Dong	99,931	-	-	-
	<u>873,850</u>	<u>1,547,990</u>	<u>30,148</u>	<u>84,923</u>

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other receivables	373,127	226,946	-	-
Deposits	3,850	3,850	3,850	3,850
Prepayments	4,111	12,163	-	-
	<u>381,088</u>	<u>242,959</u>	<u>3,850</u>	<u>3,850</u>

The currency exposure profile of other receivables are as follows:

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Viet Nam Dong	<u>373,127</u>	<u>226,946</u>	<u>-</u>	<u>-</u>

9. CASH AND BANK BALANCES

The currency exposure profile of cash and cash balances are as follows:

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	32,414	28,729	32,414	28,729
US Dollar	2,665,216	829,220	1,057,107	748,958
Viet Nam Dong	102,917	35,677	-	-
	<u>2,800,547</u>	<u>893,626</u>	<u>1,089,521</u>	<u>777,687</u>

10. SHARE CAPITAL

	The Group/The Company			
	2023	2022	2023	2022
ISSUED AND FULLY PAID-UP:	Number of shares		RM	RM
Ordinary shares	<u>504,014</u>	<u>504,014</u>	<u>504,014</u>	<u>504,014</u>

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.

11. HIRE PURCHASE PAYABLE

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Minimum hire purchase payments:				
- not later than 1 year	15,396	-	15,396	-
- later than 1 year and not later than 5 years	56,414	-	56,414	-
	71,810	-	71,810	-
Less: Future finance charges	(7,799)	-	(7,799)	-
Present value of hire purchase payable	64,011	-	64,011	-
Analysed by:				
Current liabilities	12,435	-	12,435	-
Non-current liability	51,576	-	51,576	-
	64,011	-	64,011	-

12. TRADE PAYABLES

The normal trade credit terms granted to the Group and the Company range from 30 to 90 (2022: 30 to 90) days.

The currency exposure profile of trade payables are as follows:

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	16,318	18,856	16,318	18,856
Viet Nam Dong	372,796	422,715	-	-
	389,114	441,571	16,318	18,856

13. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables				
- related company	-	565,624	-	-
Accruals	37,664	94,823	37,011	52,947
	<u>37,664</u>	<u>660,447</u>	<u>37,011</u>	<u>52,947</u>

The amount owing to related company represents unsecured interest-free advances granted to the Group. The amount is repayable on demand and is to be settled in cash.

The currency exposure profile of other payables are as follows:

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
US Dollar	-	565,624	-	-

14. REVENUE

Revenue represents the invoiced value of goods sold, net of discounts and returns, where applicable.

15. PROFIT BEFORE TAXATION

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Profit before taxation is arrived after charging/(crediting):				
Auditors' remuneration				
- current year	14,143	10,583	12,000	8,500
Depreciation of equipment	9,667	160,047	9,667	475
Directors' remuneration	260,532	289,986	260,532	289,986
Interest expenses	1,143	-	1,143	-
(Gain)/Loss on foreign exchanges				
- realised	(27,366)	6,044	-	(4,488)
- unrealised	(23,792)	12,509	(40,949)	2,088
Rental of factory	-	39,878	-	-
Rental of guest house	9,000	49,257	9,000	9,000
Rental of office	15,228	7,200	7,200	7,200
Rental of motor vehicle	849	-	-	-
Staff costs	110,152	188,010	47,494	34,370
Interest income	(14,696)	(2,989)	(14,377)	(2,877)
Gain on disposal of equipment	(22,499)	(78,152)	(22,499)	-

16. INCOME TAX EXPENSE

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Income tax:				
- Malaysian tax	50,000	2,600	50,000	2,600
- foreign tax	332,428	74,757	-	-
- under/(over)provision in previous financial year	5	(313)	5	(313)
	382,433	77,044	50,005	2,287

The domestic corporate tax rate of the Company on the first RM600,000 (2022: RM600,000) of chargeable income is 17%. The tax rate applicable to the balance of the chargeable income is 24%.

The effective tax rate of the Company is lower than the statutory tax rate mainly due to the reduction in corporate tax rate incentive enjoyed by the Company as an eligible small and medium enterprise.

17. RELATED PARTY DISCLOSURES

Other than those disclosed elsewhere in the financial statements, the Group and of the Company also carried out the following transaction with related party during the financial year:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<u>Key management personnel</u>				
Directors' remuneration - director of the Company	260,532	289,986	260,532	289,986

18. PURCHASE OF EQUIPMENT

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cost of equipment purchased (Note 5)	99,263	-	99,263	-
Amount financed through hire purchase payable	(68,000)	-	(68,000)	-
Cash disbursed for purchase of equipment	31,263	-	31,263	-

19. FINANCIAL INSTRUMENTS

	Carrying amount RM	Fair value through profit or loss RM	Amortised cost RM	Cost less impairment RM
The Group				
2023				
Financial assets				
Trade receivables	873,850	-	873,850	-
Other receivables and deposits	376,977	-	376,977	-
Cash and bank balances	2,800,547	-	2,800,547	-
	<u>4,051,374</u>	<u>-</u>	<u>4,051,374</u>	<u>-</u>
Financial liabilities				
Trade payables	389,114	-	389,114	-
Accruals	37,664	-	37,664	-
Hire purchase payable	64,011	-	64,011	-
	<u>490,789</u>	<u>-</u>	<u>490,789</u>	<u>-</u>
2022				
Financial assets				
Trade receivables	1,547,990	-	1,547,990	-
Other receivables and deposits	230,796	-	230,796	-
Cash and bank balances	893,626	-	893,626	-
	<u>2,672,412</u>	<u>-</u>	<u>2,672,412</u>	<u>-</u>
Financial liabilities				
Trade payables	441,571	-	441,571	-
Other payables and accruals	660,447	-	660,447	-
	<u>1,102,018</u>	<u>-</u>	<u>1,102,018</u>	<u>-</u>

19. FINANCIAL INSTRUMENTS (CONT'D)

	Carrying amount RM	Fair value through profit or loss RM	Amortised cost RM	Cost less impairment RM
The Company				
2023				
Financial assets				
Trade receivables	30,148	-	30,148	-
Deposits	3,850	-	3,850	-
Cash and bank balances	1,089,521	-	1,089,521	-
	<u>1,123,519</u>	<u>-</u>	<u>1,123,519</u>	<u>-</u>
Financial liabilities				
Trade payables	16,318	-	16,318	-
Accruals	37,011	-	37,011	-
Hire purchase payable	64,011	-	64,011	-
	<u>117,340</u>	<u>-</u>	<u>117,340</u>	<u>-</u>
2022				
Financial assets				
Trade receivables	84,923	-	84,923	-
Deposits	3,850	-	3,850	-
Cash and bank balances	777,687	-	777,687	-
	<u>866,460</u>	<u>-</u>	<u>866,460</u>	<u>-</u>
Financial liabilities				
Trade payables	18,856	-	18,856	-
Accruals	52,947	-	52,947	-
	<u>71,803</u>	<u>-</u>	<u>71,803</u>	<u>-</u>

20. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 3 May 2023 by the Board of Directors.

20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

DETAILED STATEMENT OF COMPREHENSIVE INCOME**For the financial year ended 31 March 2023**

	2023 RM	2022 RM
REVENUE	3,113,833	1,833,191
COST OF SALES		
Export charges	-	163,587
Freight charges	1,344,643	673,437
Purchases	989,203	557,325
Royalty fee	91,697	49,211
TOTAL COST OF SALES	2,425,543	1,443,560
GROSS PROFITS	688,290	389,631
OTHER INCOME		
Bank interest received	14,377	2,877
Gain on disposal of equipment	22,499	-
Remission of credit balance	-	3,117
Gain on foreign exchange		
- realised	-	4,488
- unrealised	40,949	-
TOTAL OTHER INCOME	77,825	10,482
Less: ADMINISTRATIVE EXPENSES		
Audit fee		
- Current year	12,000	8,500
- Overprovision in prior year	-	-
Attestation	-	70
Bank charges	30,374	7,075
Computer expenses	335	-
Directors' emoluments	260,532	289,986
Depreciation of equipment	9,667	475
Electricity and water charges	2,202	770
EPF contribution	4,181	3,947
EIS contribution	64	62
Balance carried forward	319,355	310,885

20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

DETAILED STATEMENT OF COMPREHENSIVE INCOME**For the financial year ended 31 March 2023**

	2023 RM	2022 RM
Balance brought forward	319,355	310,885
Insurance and road tax	2,281	1,613
Loss on foreign exchange		
- Realised	-	-
- Unrealised	-	2,088
Miscellaneous fee	-	-
Office expenses	923	1,478
Petrol and diesel	3,403	2,755
Postage, printing and stationery	15,067	4,262
Professional fee	5,035	2,859
Rental of guest house	9,000	9,000
Rental of office	7,200	7,200
SOCSO contribution	560	531
Staff salaries, allowances and bonuses	38,583	28,008
Staff welfare	4,106	1,822
SST charges expenses	-	532
Sundry expenses	1,104	-
Telephone and internet charges	4,421	5,078
Travelling and accomodation	14,451	6,998
Upkeep of motor vehicles	6,329	3,468
TOTAL ADMINISTRATIVE EXPENSES	431,818	388,577
PROFIT FROM OPERATIONS	334,297	11,536
LESS: FINANCE COSTS		
Hire purchases interest	1,143	-
PROFIT BEFORE TAXATION	333,154	11,536