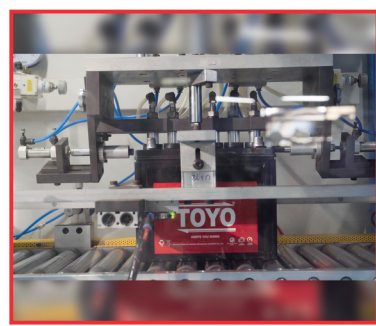
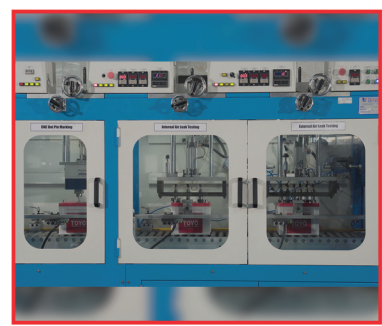


THE SIX-MONTHS
ANNUAL REPORT
2021 OCTOBER -2022 MARCH



ASEAN-OSHNET
BEST PRACTICES
AWARD 2016

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The Greeting of the Chairman

Greetings to respected shareholders, members of the Board of Directors and administrative staff. Mingalarbar!

I would like to call your attention to the growth and development of Proven Group of Companies year by year in terms of business volumes and financial assets.

I would like to highlight the fact that it is due to the unity of the Board of Directors and relentless efforts by administrative bodies that hardships, crises and risks have been overcome with tremendous foresight.

For the emergence of a good corporate governance, formation of committees has also been reinforced by the assistance of consultants.

At present, we are able to stand as a top-notch organization in the field of battery. You may also notice that new projects are being conceptualized, developed and implemented in accordance with the changing times without being contented with present conditions. I am also genuinely pleased that all members of the group of companies are making efforts in unity as brethren and as a family.

I would like to urge you to make continuous efforts to gain satisfaction of not just shareholders but also related partners tendering products and consumers.

In conclusion, I would like to exhort you to go on striving for the welfare of stakeholders – for instance, donation of oxygen tanks –systematically plan and implement new projects as well as attempt to distribute profits among shareholders as in the previous years. May you all be free from all harms and dangers.

Thank you!

Thank you very much

A handwritten signature in blue ink, appearing to read 'Tun Myint'.

Tun Myint
Chairman



CHAPTER (2)
PROVEN GROUP OF COMPANIES

“ 2.1 A MESSAGE FROM PROVEN GROUP CEO ”

Dear Respected Stakeholders and Board of Directors,
Mingalabar!



First of all, I would like to wish you all the best of health and happiness on behalf of the PROVEN GROUP OF COMPANIES. The 6-month long 2021–22 fiscal period has been the crucial moment that the PROVEN GROUP OF COMPANIES had to overcome. I would like to express my sincere appreciation to my passionate colleagues who put their heart and soul into working in this critical time, the dedicated personnel who strived to fulfill the given responsibilities, the shareholders and the board of directors who stood with us and supported us consistently in our implementations, and responsible personnel from respective departments.

I must sincerely and honestly acknowledge that although PROVEN GROUP OF COMPANIES gained moderate profit from the 6-month long 2021–2022 fiscal period, there were challenges, obstacles, impacts, and effects like other business enterprises in Myanmar.

I would like to highlight that while overcoming 2023, we need to constantly deploy and execute holistic policies, strategies, and tactics to keep up with the drastically shifting situations and times to retain sustainable growth. I strongly believe that only seamless teamwork between management departments and implementing personnel can deploy and execute holistic policies, strategies, and tactics constantly. Seamless and coherent implementation can only be achieved by balancing the Ability, Cooperation Coordination, Flexibility, and Adaptability. We, a PROVEN GROUP OF COMPANIES, will execute the adaptation and improvement of tactics to achieve such abilities.

I am committed to bringing the growth to PROVEN GROUP OF COMPANIES standing honourably with integrity in the business industry while overcoming the current challenges and obstacles.

With much thanks,
Than Htaik Lwin
CEO

A stylized, handwritten signature in black ink, consisting of several sweeping, connected strokes.

Than Htike Lwin
Chief Executive Officer

2.2 2021-2022 Highlights of PROVEN GROUP OF COMPANIES

 <div data-bbox="140 645 568 887" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>CORPORATE RISK MANAGEMENT (CRM)</p> </div> <p>A Corporate Risk Management System which will enable partner companies of the Group Of Companies to handle and solve in real time risks related to the business activities of PROVEN GROUP OF COMPANIES</p>	 <div data-bbox="603 645 979 887" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>CODE OF CONDUCT</p> </div> <p>A Code of Conduct has been prescribed for staff to build up such values as professionalism, honesty, good ethics.</p>	 <div data-bbox="1015 645 1442 887" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>COMPLAINT MECHANISM</p> </div> <p>PROVEN GROUP OF COMPANIES has been able to return all debts, pay all workers' wages, service costs, and taxes on time, and avoid incurring late payment penalties.</p>
<p style="text-align: center;">Corporate OSH System</p>	<p style="text-align: center;">Opening of Service Center</p>	<p style="text-align: center;">Bereavament Leave</p>
 <p>A Corporate OHS System has been initiated for standing as an enduring, harmonious and developed group of companies conducive to ethical principles.</p>	 <p>Opening of the 9th SME and Service Centre so as to establish a warm and close contact with our customers</p>	<div data-bbox="1031 1328 1426 1630" style="background-color: black; color: white; padding: 20px; text-align: center;"> <p>Leave Letter for Attending Funeral</p> </div> <p>In addition to existing laws on leave, PROVEN GROUP OF COMPANIES initiated bereavement leave</p>

2.3 THE PROFILE OF PROVEN GROUP OF COMPANIES



PROVEN GROUP OF COMPANIES is a group of companies specializing in producing TOYO and LION lead-acid batteries for use in motor vehicles, motorcycles, and industrial activities, secondary smelting of lead for battery production, plastic injections business, importing, distributing and selling lubricants, grease, coolants, automotive parts, and accessories.

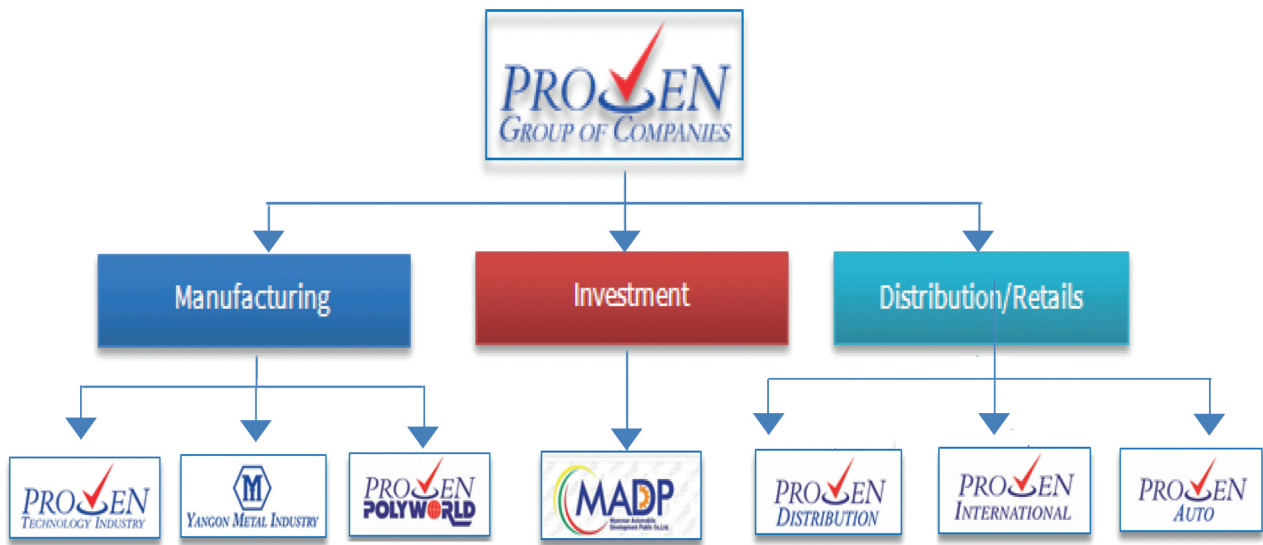
PROVEN began the company in 1996 with the manufacture of batteries and eventually expanded into associated sectors and distribution.

PROVEN GROUP OF COMPANIES adheres to and maintains international manufacturing standards, occupational health and safety management system ISO:45001 (formerly OHSAS:18001), environmental management system ISO:14001, and quality management system ISO:9001. In addition, PROVEN GROUP OF COMPANIES is actively participating in Responsible Care, one of the chemical industry's voluntary initiatives to drive continuous improvement in safe chemicals management and achieve excellence in environmental, health, safety and security performance.

PROVEN is a member of the Myanmar Industries Association (MIA) the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and Responsible Care which focuses

2.3.1 Structure of PROVEN GROUP OF COMPANIES

PROVEN GROUP OF COMPANIES is structured as follows to strike a balance between sustainable development and the ability to respond appropriately and effectively to challenges and continuously developing situations:



2.3.2 Vision, Missions, Core Values and Commitments of PROVEN GROUP OF COMPANIES

The Vision of PROVEN GROUP OF COMPANIES

- To retain a leading position in Myanmar's lead-acid battery industry.
- To aid in the growth of Myanmar's automobile assembly and manufacturing sectors, and to establish a regionally recognized Myanmar trademark.

The Mission of PROVEN GROUP OF COMPANIES

- Customer Satisfaction and continual quality growth by the solution of success
- To become the top-selling battery brand in Myanmar automotive battery market
- To grow exports and establish itself as the market leader in the domestic market
- To establish a GROUP OF COMPANIES that provides merchandise and related services to the energy storage sector.

Values of PROVEN GROUP OF COMPANIES

P	Professional	To stand as an accountable and responsible Corporate with a high quality of performance.
R	Reliability	To become a Corporate that can earn the trust and confidence of the public and stakeholders.
O	Open	Minded To continually promote innovation and to welcome new ideas.
V	Value Creation	To achieve mutually beneficial results from respective sectors in collaboration with wholesalers, retailers, shareholders and stakeholders.
E	Embrace Change	To build strength by consistently promoting positive change in all circumstances.
N	Novelty and Innovation	To carry out the actions that can contribute the society through innovative inventions.

The Commitment of PROVEN GROUP OF COMPANIES

- PROVEN GROUP OF COMPANIES is always devoted to delivering our valued customers high quality products and services.
- PROVEN GROUP OF COMPANIES will offer a full guarantee on all purchases and will provide battery services in major cities as well as in Myanmar's regions and states.



The Commitment of PROVEN GROUP OF COMPANIES

The factories and businesses under the PROVEN GROUP OF COMPANIES have attained to be certified by ISO 9001: 2015 quality management system, the ISO 14001: 2015 environmental management system, and the ISO 45001: 2018 occupational health and safety system. Additionally, external auditors have annually validated the group of companies through online and on-site audits to verify compliance with requirements.

PROVEN TECHNOLOGY INDUSTRY, a subsidiary of PROVEN GROUP OF COMPANIES, was awarded the 2016 ASEAN-OSHNET BEST PRACTICES AWARD for its performance in occupational safety and health.

<p>ISO 14001: 2015 EMS Certificate</p>	<p>ISO 45001:2018 OSH Certificate</p>
	
<p>ISO 9001: 2015 QMS Certificate</p>	<p>ASEAN-OSHNET Best Practices Award 2016</p>
	

2.4 Business Profile of PROVEN GROUP OF COMPANIES

The scope of the PROVEN GROUP OF COMPANIES is as follows:

2.4.2 PROVEN TECHNOLOGY INDUSTRY CO., LTD

PROVEN TECHNOLOGY INDUSTRY is located at Shwepyithar Township, Yangon. It is managed by Chief Executive Officer U Than Htike Lwin and manufactures batteries under the TOYO and LION brands.

2.4.1 PROVEN DISTRIBUTION CO., LTD

PROVEN DISTRIBUTION is located at Kamayut Township, Yangon. U Than Htike Lwin, Chief Executive Officer, is responsible for managing and distributing TOYO and LION brand batteries made by PROVEN TECHNOLOGY INDUSTRY across Myanmar.

2.4.3 PROVEN POLYWORLD CO., LTD

PROVEN POLYWORLD is located at Shwepyithar Township, Yangon. Managing Director U Aye Ko is in charge of the manufacturing of battery containers and plastic products.

2.4.4 PROVEN INTERNATIONAL CO., LTD

PROVEN INTERNATIONAL is located at Mingaladon Township, Yangon. Managing Director U Aung Thu Si directs and supervises the company's operations, which include the import, distribution, and sale of State and AISIN engine oil, as well as 3M brand Auto Care products.

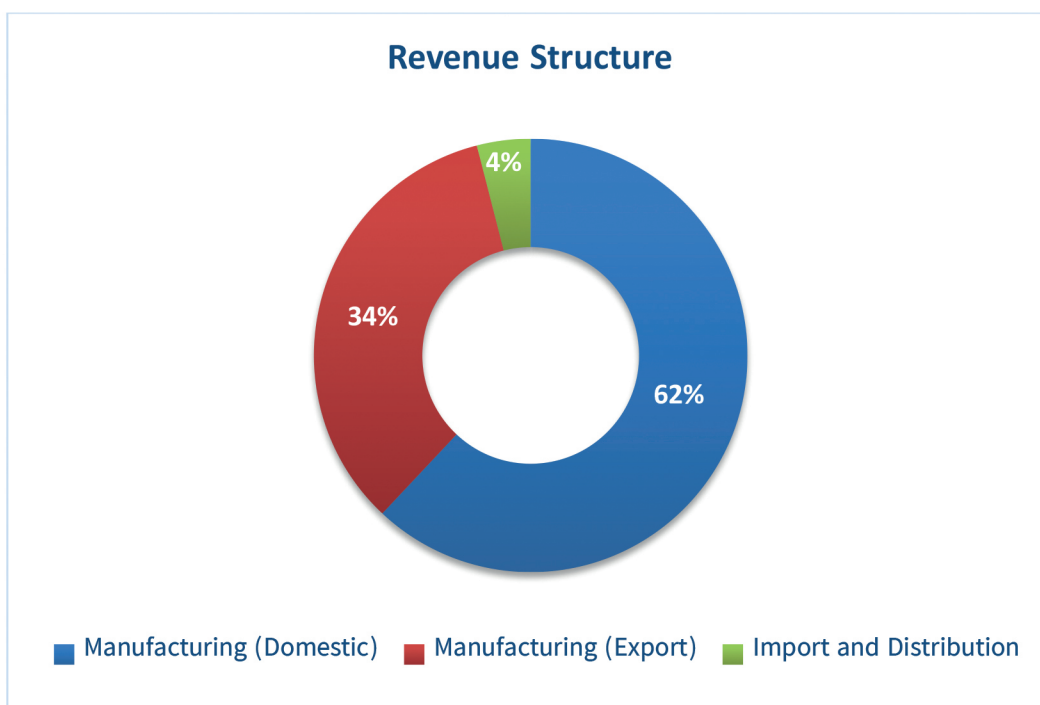
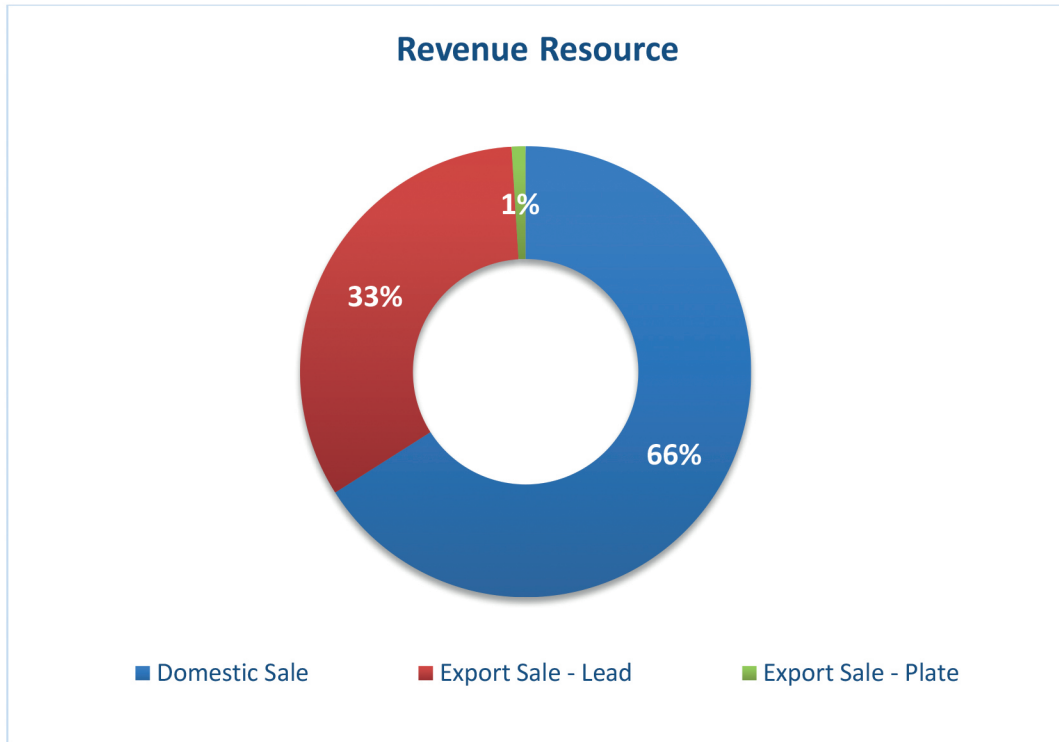
2.4.5 YANGON METAL INDUSTRY CO., LTD

YANGON METAL INDUSTRY is located at Myaung Taka Industrial Zone, Hmawbi Township, Yangon. U Tint Myo Naing, Managing Director, is in charge of secondary lead smelting in the battery manufacturing process.

CHAPTER (3)

REVENUE OUTLOOK







Chapter 4
Leadership

“ CHAPTER (4) LEADERSHIP ”

The Board of Directors and management team play a critical leadership role in balancing PROVEN Group of Companies' sustainable development and corporate success.

4.1 MANAGEMENT TEAM



U THAN HTAIK LWIN

U Than Htaik Lwin graduated with B.Sc (Management, Marketing and Small Business Management) Degree from Bemidji State University in the USA. He is a Certified Director who has accomplished the Corporate Governance Programme Training Course, jointly organized by IFC and the Myanmar Institute of Directors (MIoD).

U Than Htaik Lwin took the responsibility of the general manager of PROVEN TECHNOLOGY INDUSTRY CO., LTD company in 2005, the chief operating officer (COO) in 2010, and the managing director in 2016. He founded the Proven Group and is presently serving as its CEO.

Additionally, he serves as a representative director for the subsidiaries of Proven Group and Myanmar Automobile Development Public Co., Ltd. He has been elected as a president of the Yangon Region Young Entrepreneurs Association (YRYEA), the Yangon Region Automotive Component, Spare Parts and Accessories Association (ACSAA), and Myanmar Automobile Develop Public Company Limited. In 2019, he was presented with the Young Alumni Award at Bemidji State University's (100th) anniversary celebration and gala dinner.

Due to his tremendous efforts, PROVEN TECHNOLOGY INDUSTRY, a member of the PROVEN GROUP OF COMPANIES, was awarded the 2016 ASEAN-OSHNET BEST PRACTICES AWARD, the ASEAN Regional Award for Occupational Safety and Health in the ASEAN Region.

Additionally, with his tireless endeavours, PROVEN GROUP OF COMPANIES was ranked 18th in the sixth Pwint Thit Sa/Transparency in Myanmar Enterprises (TiME) report. It was featured on the 200 companies that pay the most commercial tax and the 300 companies that produce the most income tax.

U Than Htaik Lwin is also one of the founders of Myanmar Barcode Association and the current General Secretary of MBA.

4.1 MANAGEMENT TEAM



DAW MYA MYA THAN

Daw Mya Mya Than obtained a Bachelor of Science degree in Physics from Mawlamyine University. In 1996, she co-founded PROVEN TECHNOLOGY INDUSTRY CO., LTD with her husband, U Ohn Lwin.

She has served as the Director of PROVEN TECHNOLOGY INDUSTRY CO., LTD (Finance) for several years. Currently, she is working as a Part-Time Executive Director (Finance).



U MYO THIT AUNG

U Myo Thit Aung holds a Master of Commerce Degree from the Yangon University of Economics, a diploma in ESHRM from RV-Singapore, and a diploma in financial reporting from Financial Reporting International (UK).

He joined PROVEN TECHNOLOGY INDUSTRY CO., LTD as a financial officer in 2001 and was appointed to the Board of Directors in 2008. At the moment, he is jointly managing Proven Group's management and accounting functions.

He is a Certified Director who has accomplished the Corporate Governance Program Training Course, jointly organized by IFC and the Myanmar Institute of Directors (MIoD).

4.1 MANAGEMENT TEAM



U AYE KO

U Aye Ko has over 20 years of expertise in lead-acid battery manufacturing, quality management, and technological development, and has been instrumental in innovating Myanmar's battery manufacturing industry.

He is the Production Director of the Proven Technology Industry and jointly works as the Production Director of YMI and PPW.



U THANT ZAW OO

U Thant Zaw Oo graduated with a degree in BSc (Physics) from Dagon University. He attended and passed a management course jointly conducted by UMFCCI and HIDA in Japan.

He joined Proven Technology Industry Co., Ltd in 1998 specialising in sales and marketing assuming diverse roles and responsibilities, and beginning in 2021, he has been serving as the Director of Sales and Marketing of Proven Technology Industry Co., Ltd.

He is also a certified director who has attended and passed the Corporate Governance Programme conducted by the Myanmar Institute of Director (MIoD).

4.1 MANAGEMENT TEAM



U KYAW NYUNT

Since 2007, U Kyaw Nyunt has served as a consultant to the PROVEN GROUP OF COMPANIES. He was born in 1944 and graduated from Yangon Methodist High School. He attained a Bachelor of Arts Degree in 1968 and a Diploma in Statistics. He studied advanced accounting and finance at Strathclyde University in the United Kingdom and is a Certified Public Accountant (CPA), ASEAN Certified Accountant (ACPA), and ASEAN Chartered Practicing Accountant.

In 1983, he worked as the Deputy Director at the Auditor General's Office of Myanmar, then as the State Auditor Officer in Shan State in 1988 and retired as the Deputy Director of at the Auditor General's Office of Myanmar in 1995. He founded Kyaw Nyunt and Associates Audit Firm and has significant auditing expertise in the energy, mining, marine transport, and social security sectors. He serves as a member of the Myanmar Accountancy Council (MAC) and a patron of the Myanmar Institute of Certified Public Accountants (MICPA) for community initiatives. Along with offering advisory services, he also functions as an insolvency practitioner and official liquidator.



U AUNG NYUNT

U Aung Nyunt has been appointed as a corporate governance consultant since August 2020. He was born in 1944 and graduated from Myoma High School. He earned a Bachelor of Commerce (Accounting) degree in 1964 and a Registered Accountant (Full-fledged) degree (now C.P.A.) in 1965.

He worked for Myanmar Timber Enterprise's Finance, Accounting, and Planning Department for over 41 years from 1966 to 2007, retiring as a general manager (Project). He worked as a director (Finance) of National Industrial Holding Corporation Limited (NIHL) (public company) for two and a half years in 1991 as a joint responsibility. He worked as a part-time director of Myanmar Timber Enterprise in Myanmar Forest Products Joint Venture Corporation Limited (Forest J.V) (Public Company), Myanmar-Korea International Trade Company (MKTI), Myanmar Seal Co., Ltd. (M.S.L.), and International Business Center Co., Ltd. (I.B.C.) from 1995 to 1996.

From 2008 to 2013, he worked as a Certified Public Accountant for the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI), the Myanmar Engineering Society (M.E.S.), the NGO-Japan Seeds Asia Project, the Board of Trustees and Treasury of ShweSanDaw Pagoda in Pyay, and the International Business Center Limited (I.B.C.) as "Aung Nyunt and team" for six years, and has issued audit reports.

He attended financial management conferences in nine countries as part of his official duties. In April 2018, he also participated in the IFC and Myanmar Institute of Directors' Audit Committee Master Program (MIoD).

A photograph of a person in a white shirt pointing at a laptop screen. Another person in a red plaid shirt is visible in the background with their hands clasped. The scene is set in a meeting room with a dark table. A smartphone is lying on the table in the foreground.

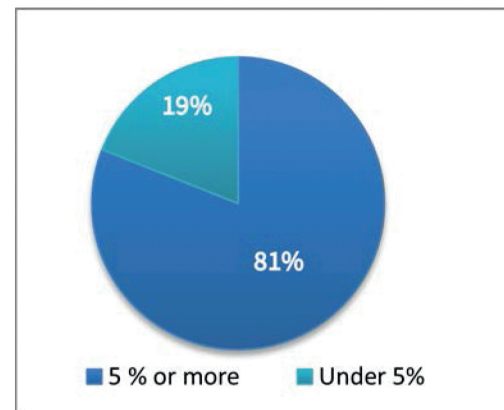
Chapter (5)
Governance

5.1 OWNERSHIP STRUCTURE

The ownership structure of PROVEN GROUP OF COMPANIES is shown in the table below:

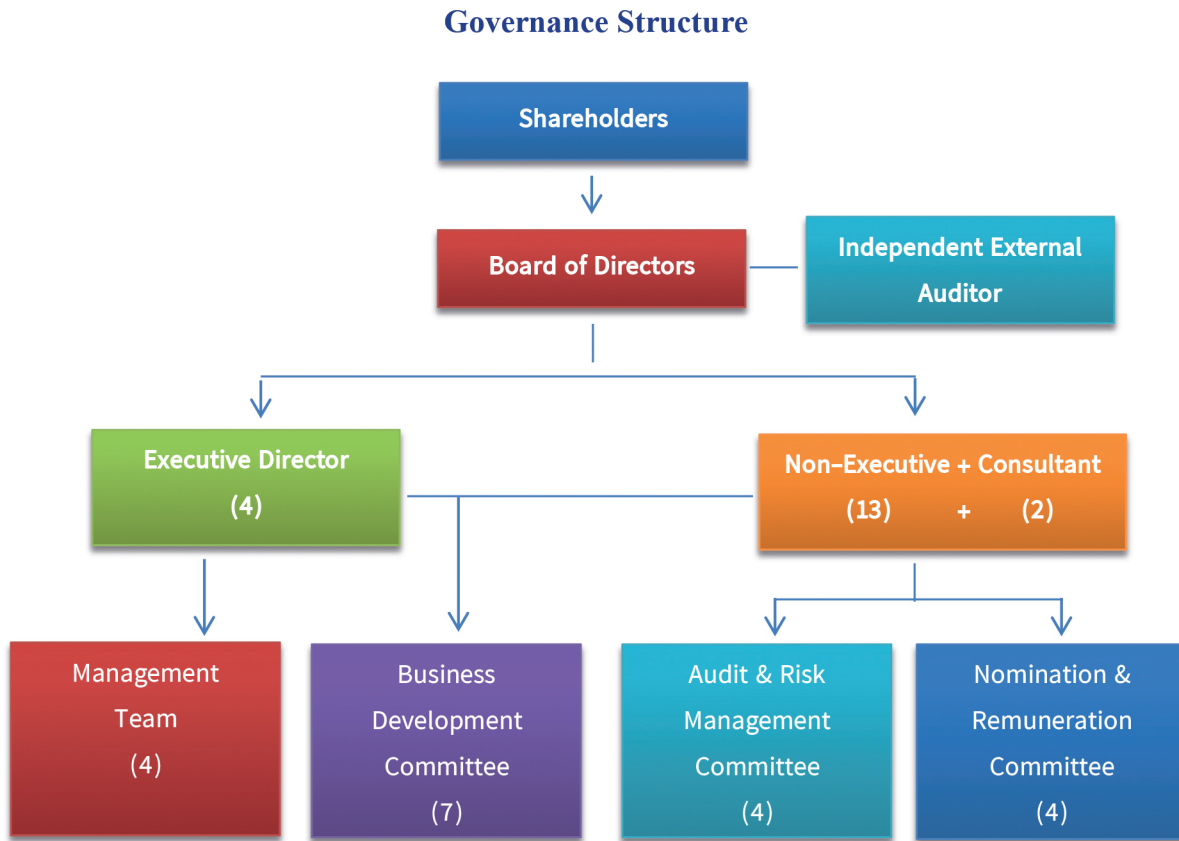
Sr.	Shareholders owning 5% or more of the shares	Role	Type
1	U Zaw Myo Myint	Director	Non-Executive
2	U Than Htaik Lwin	Managing Director	Executive
3	U Aung Aung	Director	Non-Executive
4	U Myint Zaw	Director	Non-Executive
5	U Tint Myo Naing	Director	Non-Executive
6	Daw Mya Mya Than	Director	Executive

Sr.	Ownership Status	Number
1	5 % or more	6
2	Under 5%	19
Total		25



5.2 GOVERNANCE STRUCTURE

The governance structure of PROVEN GROUP OF COMPANIES is as follows:



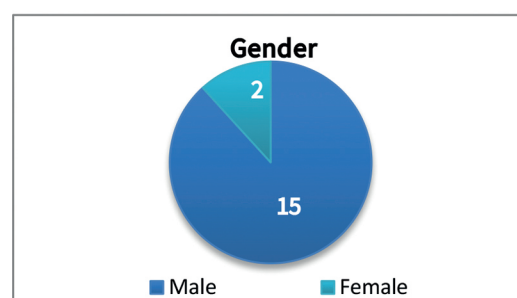
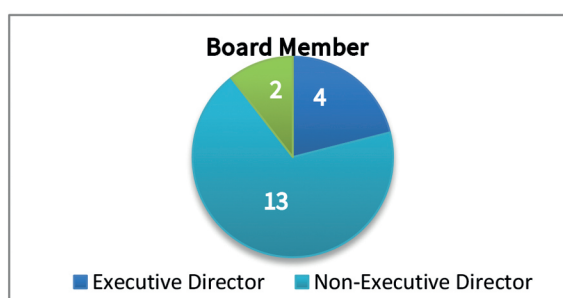
5.3 BOARD OF DIRECTORS

The Board of Directors is the most responsible team in the PROVEN GROUP OF COMPANIES' corporate governance structure. It serves as the steering body for such governance.

5.3.1 THE STRUCTURE OF THE BOARD OF DIRECTORS

The Board of Directors, which has a total of 17 members, is formed of the following: four executive directors and thirteen non-executive directors:

Name	Date of First Appointment	Last Re-election	Type	Board
U Tun Myint	1996	2020	Non-Executive	Chairman
U Kyain Myint (U Htay Yu - proxy)	1996	2020	Non-Executive	Member
U Kyi Gwan	1996	2020	Non-Executive	Member
U Myo Lwin	1996	2020	Non-Executive	Member
U Aung Aung	1996	2020	Non-Executive	Member
U Myint Naing	2002	2020	Non-Executive	Member
U Myint Zaw	2008	2020	Non-Executive	Member
Daw May Yi	2008	2020	Non-Executive	Member
U Nyan Thit Hlaing	2008	2020	Non-Executive	Member
U Zaw Myo Myint	2011	2020	Non-Executive	Member
U Tint Myo Naing	2017	2020	Non-Executive	Member
U Sai Hla Win	2017	2020	Non-Executive	Member
U Myo Min Tun	2019	2020	Non-Executive	Member
Daw Mya Mya Than	1996	2020	Executive	Member
U Than Htaik Lwin	2008	2020	Executive	Member
U Aye Ko	2005	2020	Executive	Member
U Myo Thit Aung	2008	2020	Executive	Member
U Kyaw Nyunt	2007	2020	Advisor	-
U Aung Nyunt	2020	2020	Advisor	-



5.3.2 THE DUTIES OF THE BOARD OF THE DIRECTORS

The Board of the Directors of PROVEN GROUP OF COMPANIES is -

- (1) Leading and controlling PROVEN GROUP OF COMPANIES and regularly overseeing PROVEN GROUP OF COMPANIES' management and commercial operations
- (2) Deliberating and authorizing by thoroughly evaluating all decisions that may have a negative financial or income impact.
- (3) In particular, verifying and approving dividends and rewards, financial statement publishing, major projects, purchasing and selling expensive items, and director election.
- (4) Consulting on financial decisions, strategies, projects, and the status of the battery market.
- (5) Constantly observing and advising on the manufacturing industry's working environment, as well as the safety and health of the society.

5.3.3 THE MEETINGS OF THE BOARD OF THE DIRECTORS

The Board of Directors of the PROVEN GROUP OF COMPANIES was able to hold meetings three times during 2021 October -2022, March

Name	Board Meeting
Total Number of Meeting held	2
Executive Directors	
Daw Mya Mya Than	2
U Than Htaik Lwin	2
U Aye Ko	2
U Myo Thit Aung	2
Non-Executive Directors	
U Tun Myint	2
U Kyain Myint (U Htay Yu)	2
U Kyi Gwan	2
U Myo Lwin	2
U Aung Aung	1
U Myint Naing	2
U Myint Zaw	2
Daw Wan May Yi	3
U Nyan Thit Hlaing	3
U Zaw Myo Myint	3
U Tint Myo Naing	1
U Sai Hla Win	1
U Myo Min Tun	1
Advisors	
U Kyaw Nyunt	1
U Aung Nyunt	

The Board of Directors of the PROVEN GROUP OF COMPANIES made the following decisions:

- (1) Restructuring the committees under the Board of Directors
- (2) Appointing External Auditor for the budget year 2021 October -2021, March
- (3) Approving Final Statement and Budget for the budget year 2021 October -2021, March
- (4) Approving the increase of Paid-up Capital
- (5) Appointing CEO, MD and Consultants

5.3.4 EMERGENCY GENERAL MEETING

The Emergency General Meeting was held on 21st February y 2021 through Zoom Application and was attended by 23 shareholders.

The shareholders agreed and approved at the Emergency General Meeting on:

- (1) Approving the increase of Paid-up Capital
- (2) Reinvesting through dividend
- (3) Othe investment
- (4) Approving Final Statement and Budget for the budget year 2021 October -2021, March

5.4 THE COMPOSITIONS OF THE COMMITTEES OF THE BOARD OF THE DIRECTORS

The Board of Directors has formed the following committees:

- (a) Nomination and Remuneration Committee
- (b) Audit and Risk Management Committee
- (c)Business Development Committee
- (d) Business Continuity Committee

5.4.1 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises four members: three non-executive directors and one consultant. It is responsible for selecting the directors into a Board of Directors consisting of diverse individuals with experience in disciplines such as education, finance, and economics.

Name	Role	Duty
U Myo Lwin	Non-Executive	Chairman
U Kyi Gwan	Non-Executive	Member
U Myint Naing	Non-Executive	Member
U Kyaw Nyunt	Consultant	Member

THE AUDIT AND RISK MANAGEMENT COMMITTEE -

- (1) provides independent advice on matters relating to the company's potential risk, compliance with the Law and Board of Director's directives,
- (2) is also responsible for other necessary responsibilities, such as financial statement preparation.
- (3) reviews the financial statements before submitting to the Board of Directors
- (4) prevents possible frauds and if happens, investigates immediately.
- (5) collaborates with other committees and management to avoid possible risks to the organization, raise awareness, and implement relief measures.

The committee meetings of the Audit and Risk Management Committee for 2021 October -2022 March were held as follows.

Committee Meeting	
Total number of meetings held	1
Non-Executive Directors	
U Sai Hla Win	1
U Kyain Myint (U Htay Yu)	1
Consultant	
U Kyaw Nyunt	1
U Aung Nyunt	1

5.4.3 BUSINESS DEVELOPMENT COMMITTEE

The Business Development Committee was organized with a total of seven members including the two executive directors and four non-executive directors, one consultant.

Name	Role	Duty
U Nyan Thit Hlaing	Non-Executive Directors	Chair
U Myint Zaw	Non-Executive Directors	Member
U Aung Aung	Non-Executive Directors	Member
U Zaw Myo Myint	Non-Executive Directors	Member
U Than Htaik Lwin	Executive Directors	Member
U Myo Thit Aung	Executive Directors	Member
U Aung Nyunt	Consultant	Member

The Business Development Committee –

- (1) is to ensure the sustainability and development of PROVEN GROUP OF COMPANIES' operations, including the expansion of production and industrial work, the change of technology and procedures, the acquisition and sale of significant fixed assets, and the monitoring of external investments. All members of the business development committee attended all meetings and participated in open discussions.

The committee meetings of the Business Development Committee for 2021 October -2022 March were held as follows.

Committee Meeting	
Total number of meetings held	3
Executive Directors	
U Than Htaik Lwin	3
U Myo Thit Aung	1
Non-Executive Directors	
U Aung Aung	3
U Myint Zaw	3
U Zaw Myo Myint	2
U Nyan Thit Hlaing	3
Advisors	
U Aung Nyunt	1

5.4.4 BUSINESS CONTINUITY COMMITTEE

The Business Continuity Committee was formed in September 2020.

Distribution		Factory	
1.	Managing Director	1.	Managing Director
2.	Director (Finance and Account)	2.	Director (Finance and Account)
3.	General Manager	3.	Director (Production)
4.	Manager (Admin)	4.	Factory Manager
5.	Manager (HR)	5.	Manager (Admin)
6.	Manager (Sales and Marketing)	6.	Manager (HR)
7.	Manager (Finance)	7.	Manager (Production)
8.	Management Representative	8.	Accountant
		9.	Management Representative

The Business Continuity Committee-

(1) is to regulate the company's activities and to adhere to the Covid-19-related orders and instructions issued by the Ministry of Health and relevant authorities.

Chapter 6

Sustainability




THE SUSTAINABILITY POLICY OF THE PROVEN GROUP OF COMPANIES




PROVEN GROUP OF COMPANIES is attempting to evolve into a responsible group of companies that are constantly learning to adhere to sustainable development. Since around 1996, when Toyo and Lion Battery Productions were established, we have laid great emphasis on sustainable development. When the PROVEN GROUP OF COMPANIES was formed, sustainable development policies were developed and implemented. These policies can be accessed at www.proven.com.mm.




6.1 PROVEN GROUP OF COMPANIES AND THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS




PROVEN GROUP OF COMPANIES is making sure that every business activity of the group of companies contributes to the United Nations' Global Goals for Sustainable Development. PROVEN GROUP OF COMPANIES has met 10 of the 17 United Nations Sustainable Development Goals and 30 of the 169 Targets through its business activities. Additionally, the group of companies will carefully design its business activities to fulfil the rest of the United Nations Sustainable Development Goals and Targets.

	Sustainable Development Goals and Targets
PROVEN GROUP OF COMPANIES attempted to contribute to the targets of United Nations Sustainable Development Goal (1) by setting employee salaries based on the government's minimum wage, taking the annually-changing Consumer Price Index (CPI) into consideration. We also provide interest-free home loans for our staff.	1.1 1.2 1.4 1.5

GROUP OF COMPANIES

<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of United Nations Sustainable Development Goal (3) by ensuring that there is no consumption of drugs and substances, alcohol and that there is no harm to the health of the staff as a result of the chemicals used in the manufacturing process of the factories under PROVEN GROUP OF COMPANIES.</p>	<p>3.5 3.9 3A</p>
<p>6 CLEAN WATER AND SANITATION</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (6) by carrying out treatment for the industrial wastewater that came out of its manufacturing process. PROVEN GROUP OF COMPANIES also ensures that there is no harm to the water, air, and environment by the industrial chemicals.</p>	<p>6.3</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (8) by ensuring that we do not practise forced and child labour, continuously providing decent work and a safe and healthy environment for the staff, and making them enjoy their labours' rights that are in line with the existing labour laws.</p>	<p>8.5 8.6 8.7 8.8</p>

<p>9 INDUSTRIES, INNOVATION AND INFRASTRUCTURE</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (9) by formulating and implementing policies to become a sustainable and resource-efficient group of companies.</p>	<p>9.2 9.4</p>
<p>10 REDUCED INEQUALITIES</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (10) by adjusting employee salaries with the annually-changing Consumer Price Index (CPI), ensuring income security, raising the pay uniformly and contributing to social security schemes.</p>	<p>10.1 10.3 10.4</p>
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (11) by adjusting employee salaries with the annually-changing Consumer Price Index (CPI), ensuring income security, providing interest-free home loans to staff to purchase safe and healthy housing at reasonable prices, and providing interest-free loans which can be repaid by monthly instalments to the staff who are having financial difficulties resulting from various reasons.</p>	<p>11.1 11.5</p>

<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION </p>	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (12) by being certified by ISO 14001, environmental management system, in its factories and industries and ensuring that no harm to the environment occurs due to manufacturing processes or chemical use. Additionally, PROVEN GROUP OF COMPANIES has established a goal to reduce the waste generated during manufacturing and ensure that industry purchases are environmentally friendly and resource-efficient.</p>	<p>12.2 12.4 12.5 12.6 12.7</p>
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS </p>	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN GROUP OF COMPANIES attempted to contribute to the targets of the United Nations Sustainable Development Goal (16) by upholding a code of conduct prohibiting the giving or accepting of bribes, policing corporate management and ensuring that there is transparency and no discrimination at all levels, providing decision-making capacity at all management levels, and organizing workers' organizations in accordance with the existing labour laws.</p>	<p>16.5 16.6 16.7 16.10 16B</p>
<p>17 PARTNERSHIPS FOR THE GOALS </p>	<p>Sustainable Development Goals and Targets</p>
<p>PROVEN Company OF COMPANIES attempted to comply with the United Nations' Sustainable Development Goal (17) by consistently attempting to maintain its integrity as a sustainable group and by appointing a Compliance and Sustainability Officer in accordance with those sustainable development measures.</p>	<p>17.5 17.6 17.7 17.10 17B</p>

6.2 ENVIRONMENTAL

It is recognized that current works of PROVEN GROUP OF COMPANIES, namely battery production along with purifying and recycling of used lead, cause environmental hazards due to the following factors:

- (1) Carbon Emission
- (2) Energy Consumption
- (3) Chemical Spillages

6.2.1 Carbon Emission

Battery production and purification and recycling of used lead by PROVEN GROUP OF COMPANIES have been endeavouring to conduct in all workplaces in accordance with standards and regulations established in the Environment Conservation and Protection Law (2016), carbon emission from October, 2021 to March, 2022 did not have environmental impact as mentioned below:

3,126 Tons CO2 Eq

6.2.2 Energy Consumption

Industries including battery production and purification and recycling of used lead by PROVEN GROUP OF COMPANIES have involved consumption of electricity with individual workplaces undertaking cautious measures resulting in energy consumption from October, 2021 to March, 2022 as follows, which does not have impact on the natural environment:

9,289,345 KWh

6.2.3 Chemical Spillage

PROVEN GROUP OF COMPANIES has been undertaking to prevent hazards to the natural environment due to chemical spills and there has not been any event of chemical spills from October, 2021 to March, 2022.

6.3.1 SOCIAL

6.3.1 HUMAN RESOURCE

In accord with the human resource policy of perpetual standing as an efficient, skilled and capable human resource, PROVEN GROUP OF COMPANIES has created numerous teaching and training opportunities for their staff.

Proven Group of Companies provides several training cycles for staff training to build an organization with skilled human resources and continually develop fresh ideas based on up-to-date knowledge. As a result, all employees have the opportunity to participate in various training programs including management, skill development, workplace safety and health, ISO, and business ethics.

PROVEN GROUP OF COMPANIES is implementing the human resource development to have the following outcomes.

- (1) Turnover below (15%)
- (2) Absenteeism below (5%)



95% Permentant Staff	750+ Hours Training	22% Women Employee Ratio
5.2% Turnover		13.96% Absenteeism

6.3.2 SOCIETY

PROVEN GROUP OF COMPANIES is establishing policies about philanthropic activities without expecting any profit or benefit in return and conducting the following philanthropic activities:

- (1) Donating the social organizations
- (2) Holding the Health Education Talks
- (3) Doing collective donation of blood
- (4) Planting the trees for the environmental conservation
- (5) Donating the oxygen and oxygen gas cylinders for the people who need oxygen during the COVID-19 third wave.



MMK 3 million Donation to philanthropic and social activities	350+ Beneficiares	3+ Number of Philanthropic and Social Eventsactivities
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6.3 SOCIAL PROTECTION

PROVEN GROUP OF COMPANIES is implementing the social security activities as follows.

- (1) Registering at the social security office
- (2) Opening the clinics at the factories
- (3) Giving annual medical check-ups
- (4) Giving milk, banana and fresh food as the necessary nutrition.

6.4 GOVERNANCE

As the PROVEN GROUP OF COMPANIES is attempting to evolve into a responsible group of companies that are constantly learning to adhere to sustainable development, the Group embraces the concept of the Corporate Governance and applies it accordingly.

The PROVEN GROUP OF COMPANIES for the fiscal year 2021 October to 2022 March, applied the following under the Corporate Governance Framework:

- (1) Initiating Corporate Risk Management which must be uniquely applied to all the subsidiaries Companies under the PROVEN GROUP OF COMPANIES in handling the risk
- (2) Introducing of Code of Conduct so as to build up professionalis, integrity, observance of rules and good conduct among workforce.
- (3) Applying Compliant Mechanism, one of the features of the Good Corporate Governance, at the Group of Companies
- (4) Applying Corporate OSH System as one of the implementation measures under the concept of the GROUP OF COMPANIES attempting to evolve into a responsible group of companies that are constantly learning to adhere to sustainable development.

6.5 OCCUPATIONAL SAFETY AND HEALTH

PROVEN GROUP OF COMPANIES is continuously attempting to have zero major and fatal accidents under the 2019 Occupational Safety and Health Law. For this reason, the group makes not only the companies' staff but also the contractor hired for the work of the group of companies follow the workplace safety and health rules and regulations.

The group is creating and uplifting safe and healthy workplace environments as follows.

- (1) Organizing the workplace safety and health committees
- (2) Appointing the department managers as a chairperson at those committees alternatively.

There were the following workplace occupational accidents in the PROVEN GROUP OF COMPANIES during 2020-2021.

- (1) First-aid Accidents (6) Cases
- (2) Minor Accidents (5) Cases
- (3) Serious Accidents (3) Cases

In 2020-2021, the PROVEN GROUP OF COMPANIES does not have major and fatal accidents.

6.6 ECONOMIC SUSTAINABILITY

The PROVEN GROUP OF COMPANIES could manage to achieve the following for the fiscal year 2021 October to 2022 March:

	<p>92% Nation-wide Distribution</p>	<p>5300+ Number of Retailers and Wholesalers</p>	<p>20%~25% Those who use Toyo နှင့် Lion</p>
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As PROVEN GROUP OF COMPANIES is attempting to evolve into a responsible group of companies that constantly adheres to sustainable development, we are earning only fair and just profits and managing those profits in the following manner.

- (1) Operating the sustainable development activities of PROVEN GROUP OF COMPANIES
- (2) Investing in the future economic establishments of PROVEN GROUP OF COMPANIES
- (3) Distributing the dividends proportionately to the shareholders in accordance with the profit-sharing policy of the PROVEN GROUP OF COMPANIES
- (4) Giving the bonuses to the staff of the respective industries of the PROVEN GROUP OF COMPANIES

The PROVEN GROUP OF COMPANIES granted "Bonus" to the employees budget for the fiscal year 2021 October to 2022 March.

6.7 RISK MANAGEMENT

Risk Anticipation Teams formed in PROVEN GROUP OF COMPANIES and partner companies concerned have identified, using Corporate Risk Management system, the following risks in policies and implementation of PROVEN GROUP OF COMPANIES:

- a. Supply Chain Risk
- b. Environment Risk
- c. Society Risk
- d. Political Risk
- e. Energy Risk
- f. Market Risk
- g. Logistic Risk
- h. Currency Exchange Risk
- i. OSH Risk
- j. Operation Risk
- k. IT and Cyber Security Risk
- l. Financial Risk

The above risks are being responded, solved and handled using Corporate Risk Management (CRM) system. Details on the measures can be seen in detail in www.proven.com.mm/riskmanagement

6.6 ENGAGING WITH STAKEHOLDERS

The stakeholders associated with the PROVEN GROUP OF COMPANIES are shareholders, investors, customers, importers, staff, national government and authority organizations, local community organizations, and non-government organizations.

PROVEN GROUP OF COMPANIES responds to the issues relating to these stakeholders with the following techniques to have the sustainable development of the companies.

Stakeholders	How we connect	Activities	SDGs
Shareholders/investors	<ul style="list-style-type: none"> • Meetings • Emails and Phones • Letters • Company Website 	<ul style="list-style-type: none"> • Maintaining a good relationship with the founding shareholders. 	17
		<ul style="list-style-type: none"> • Holding the 19th annual general meeting in January 2021. 	16
		<ul style="list-style-type: none"> • Attending the corporate management course held by the Myanmar Institute of Directors (MIOD) by the board of directors 	16
		<ul style="list-style-type: none"> • Publishing 2020-2021 annual report. 	16
Customers	<ul style="list-style-type: none"> • Email, Phone, and Letter • Social Media • Trade Fairs, Networking Events • Workshops • Company Websites 	<ul style="list-style-type: none"> • Controlling the quality 	7, 10
		<ul style="list-style-type: none"> • Opening the local sales and service centres 	
		<ul style="list-style-type: none"> • Opening the service centres, trained and endorsed by PROVEN. 	4, 7
		<ul style="list-style-type: none"> • Purchasing the discarded old battery for reuse 	12
Suppliers	<ul style="list-style-type: none"> • Emails, Phone and Letters • Meetings • Video-conferencing 	<ul style="list-style-type: none"> • Quality and support of products/services 	1, 8, 10, 16
		<ul style="list-style-type: none"> • Doing quick transactions and resolving the complaints politely 	1, 8, 10, 16
		<ul style="list-style-type: none"> • Making aware of the policies and code of conducts 	9
		<ul style="list-style-type: none"> • Supplier development programs 	8

Stakeholders	How we connect	Activities	SDGs
Employees	<ul style="list-style-type: none"> • Annual Performance Appraisal • In-office Intranet, Internet, Email and Phone • Complaint Mechanism • Training, Induction • Meetings • Survey of the staff • Discussions • Ethics & Code of Conduct 	<ul style="list-style-type: none"> • Providing decent wages, assisting with advanced training, assisting with essential resources, establishing a safe work environment, providing natural disaster management and compliance with traffic laws training, and providing financial assistance for sickness • Giving equal chance in hiring, training and promoting the staff without any discrimination against gender • Giving medical check-ups to the staff in the production • Letting the Covid-19 staff work from home • Arranging the supporting activities for all the staff 	<p>1, 2, 3, 4, 6, 8, 13</p> <p>5, 10</p> <p>3</p> <p>3, 8</p> <p>3</p>
Government and Authorities	<ul style="list-style-type: none"> • Email, Phone and Letters • Complying with provisions and regulations • Attending the meetings 	<ul style="list-style-type: none"> • Giving the taxes • Renewing the license • Complying with provisions and regulations 	<p>10, 16</p> <p>16</p> <p>16</p>
Associations, local community and non-government organizations.	<ul style="list-style-type: none"> • Meetings • Site visits • Trade Fairs and Discussions • Email and Phone 	<ul style="list-style-type: none"> • Being a member of Myanmar Industries' Associations (MIA), Myanmar Chemical Industries Associations (MCIA), Myanmar Automobile Manufacturers and 	<p>12</p>

	<ul style="list-style-type: none"> • Company Website • Facebook 	<p>Distributors Association (MAMDA), Yangon Region Automotive Components, Spare parts & Accessories Association (YACSAA) and Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)</p> <ul style="list-style-type: none"> • Carrying out the blood donation activities • Donating the oxygen cylinders and oxygen • Encouraging the anti-corruption movement through the UN Global Compact continuously • Natural disaster management • Member of Responsible Care • Monitoring the process life cycle and taking corrective action in relation to waste production, treatment, and air pollution 	<p>3 3 16 13 12 12</p>
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Battery အမျိုးအစား
အလွယ်တကူရွေးဝယ်နိုင်



TOYO
BATTERY

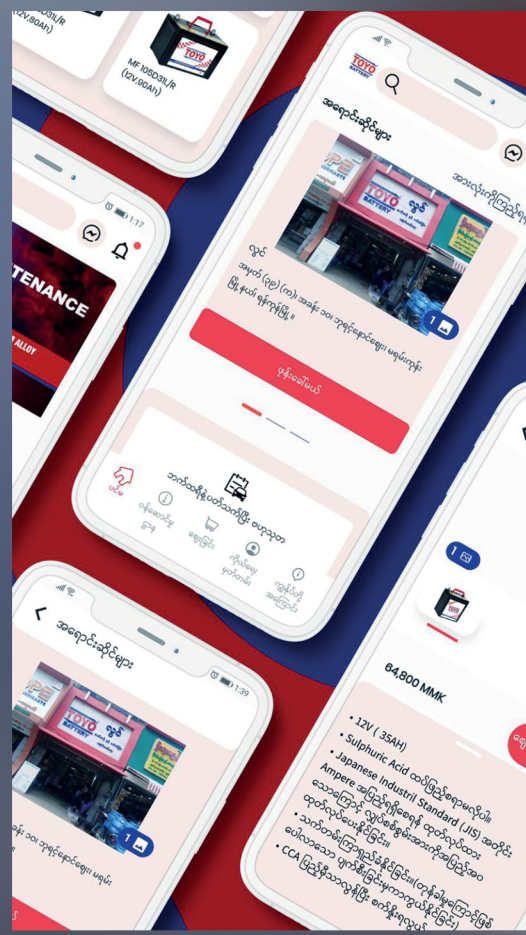
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Chapter (7)

Efforts of PROVEN GROUP OF COMPANIES Regarding the Current Situations

TOYO
BATTERY
လုပ်ငန်းရှင်များအတွက်



7.1 THE COVID-19 PREVENTION ACTIVITIES OF PROVEN GROUP OF COMPANIES

For the fiscal year 2021 October to 2022 March, the PROVEN GROUP OF COMPANIES could carry out the following Covid-19 preventive measures:

(1) The Activities of the Management Team

- a) Ensuring that businesses continue to operate without interruption owing to the Covid-19 epidemic in line with the instructions of Business Continuity Committee (BCC)
- b) Identifying potential risks to businesses, evaluating and providing mitigation and management weekly and monthly for those risks.

(2) Preventive measures

- a) Realsing Notice on Coronavirus prevention.
- b) Arranging the ferries and separating the staff with a fixed distance in the ferries
- c) Installing acrylic and providing hand sanitiser in the workplace
- d) Practising social distancing in the workplace and dining rooms
- e) Checking body temperature before entering the workplace and providing places to wash hands in each location, as well as requiring staff to wear face shields and masks at all times.

(3) Supporting Activities

- a) Providing the basic food , rice and cooking oil.
- b) Providing oxygen, flow meters, and oximeters to workers and their families who need oxygen.

(4) Management Activities

- a) Granting medical leave to employees suspected of being Covid-19 positive and approving them to work from home.
- b) Reporting the condition of the Covid-19 positive staff to the respective medical care staff members.
- c) Arranging for all staff to get Covid-19 vaccines.

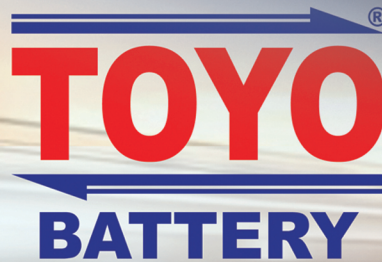
7.2 REACTING TO THE CHALLENGES

Upholding the moral code of ethics, PROVEN GROUP OF COMPANIES is attempting to evolve into a responsible group of companies that adheres to sustainable development. As a result, from the period of political change in 2021 until the present, the PROVEN GROUP OF COMPANIES has taken upright political principles. It has adopted the following policies for its companies and employees per business ethics.

- (1) Making some of the days the office holidays for the safety of the staff.
- (2) Making some government holidays the substitute working days for the above-mentioned holidays to create the job opportunities.
- (3) Allowing working from home for the staff who have difficulties coming to the office.

Chapter (8)
**Future Activities of
PROVEN GROUP OF COMPANIES**

DISTRIBUTION



Keeps You **Going...**

The PROVEN GROUP OF COMPANIES will keep pursuing the same objectives for the fiscal year 2021 October to 2022 March.

Short Term

Market

- (1) PROVEN GROUP OF COMPANIES will strive to be certified by the International Automotive Task Force (IATF).
- (2) PROVEN will open more local sales and service centres in the major cities.
- (3) PROVEN will restructure the investments and build a new battery factory during the 2022-2023 financial year.

Human Resource

- (1) In 2022, the updated HR management and software will be introduced to be practised in all subsidiary companies in PROVEN GROUP.
- (2) PROVEN will try to accomplish the ERP system as fast as possible to do the timely decision-making processes.
- (3) PROVEN will make a concerted effort to minimize the impact of contagious diseases, including Covid-19, natural and man-made hazards on its employees.

PROVEN GROUP OF COMPANIES

- (1) In 2022, the PROVEN GROUP OF COMPANIES' organizational structure and investments will be restructured as a group.
- (2) Values will be calculated systematically and submitted to the board of directors to raise the value of the company's annual share.
- (3) New missions and visions will be established in light of existing and future circumstances.

Long Term

Market

(1) Along with the expansion to international markets by exporting the products of PROVEN GROUP OF COMPANIES, Proven will use an ERP system to ensure the continuous flow of imported raw materials and finished materials.

(2) IFRS system will be utilized in the financial management and audit sections.

Human Resource

(1) The essential training courses will be arranged through the establishment of a Training and Development Center for all subsidiary companies to standardize the quality in governance and competency and produce future leaders.

(2) The proficient technicians will be assigned to middle management and senior administration roles in the relevant firms.

(3) Key performance indicators will be developed with the goal of building a management system that is based on staff performance.

PROVEN GROUP OF COMPANIES

(1) PROVEN GROUP OF COMPANIES will be responsible for developing and implementing new manufacturing technologies and procedures, improving production rates, and acquiring new machinery to reduce production costs.

(2) PROVEN GROUP OF COMPANIES will begin establishing the corporate culture necessary to implement the corporate governance system successfully.

(3) Every business activity of the PROVEN GROUP OF COMPANIES shall be carefully conducted in line with existing environmental, occupational safety, and health laws, regulations, orders, and instructions.

Chapter (9)

**Report of the
Board of Directors**



The report of the Board of Directors of 30th September 2021 was prepared in accordance with provisions of the Myanmar Companies Law and the International Financial Reporting Standards.

(1) Risk Management

The explanation of risk management is completely described on page (40).

(2) Dividend Distribution

The Board of Directors proposed no dividend to be distributed for the 2020-2021 financial year.

(3) Significant Changes in the State of Affairs

For the 2020-2021 fiscal year, the branch offices were consolidated to become a single company rather than separate entities. As a result, the previous years' investments were recorded individually, and the received loss and profit were included in the investment return.

(4) After-period of issuing the financial declaration

PROVEN would like to notify you that there have been no material events to the financial statement since it was issued.

(5) External Audit

In line with the Myanmar Companies Law, a resolution to rehire the KKK Audit Firm as the external auditor for the 2020-2021 financial year will be proposed by the board of directors to the shareholders at the annual general meeting.

On Behalf of the Board of Director

Than Htike Lwin
Chief Executive Officer



THE SIX-MONTHS
ANNUAL REPORT
2021 OCTOBER -2022 MARCH



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Toyo and Lion Battery Myanmar



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