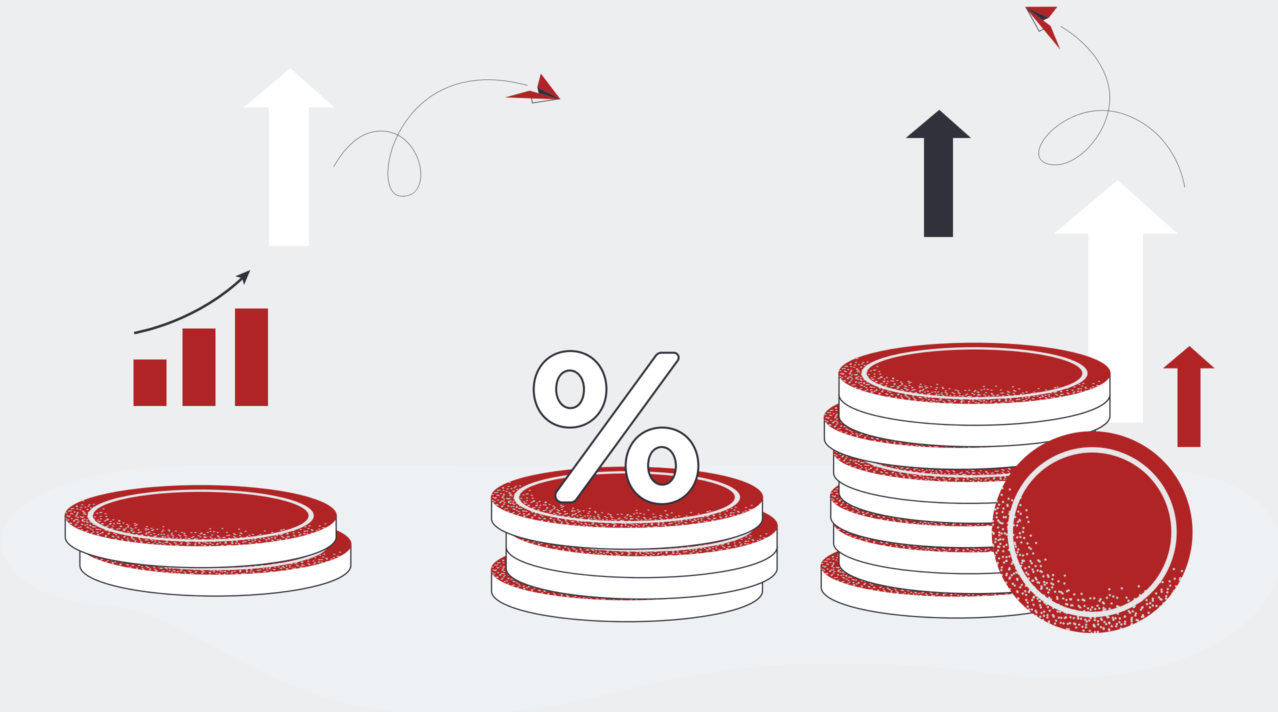
FINANCIAL STATEMENT



DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The Directors have pleasure in submitting 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 investment holding, property development and provision of management services whilst the principal activities of the subsidiaries are stated in Note 7 to the financial statements.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS

	Group (RM)	Company (RM)
Profit for the year attributable to:		
- Owners of the Company	3,224,015	71,269,383
- Non-controlling interests	(91,647)	-
Total	**3,132,368**	**71,269,383**

RESERVES AND PROVISIONS

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

DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2023.

DIRECTORS OF THE COMPANY

The Directors who served during the financial year until the date of this report are:

Tan Sri Dato' Seri Dr. Ting Chew Peh
Ho Wen Yan
Dato' Tan Bing Hua
Chew Po Sim
Chew Hoe Soon
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Ho Wen Fan (alternate director to Chew Po Sim)

DIRECTORS OF THE SUBSIDIARIES

The Directors of the subsidiaries who served during the financial year until the date of this report are:

Ho Wen Yan
Ho Wen Fan
Sa Chee Peng

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
The Company	**At 1.4.2022**	**Bought/ Transfer**	**Sold**	**At 31.3.2023**
Direct interest:				
Tan Sri Dato' Seri Dr. Ting Chew Peh	391,110	405,366	-	796,476
Ho Wen Yan	1,804,440	451,110	-	2,255,550
Dato' Tan Bing Hua	70,221	17,555	-	87,776
Chew Hoe Soon	393,554	98,388	-	491,942
Deemed interest:				
Tan Sri Dato' Seri Dr. Ting Chew Peh#	336,274	84,068	-	420,342
Ho Wen Yan*	112,089,294	38,888,884	-	150,978,178
Dato' Tan Bing Hua#	200,000	50,000	-	250,000
Chew Po Sim*	112,089,294	38,888,884	-	150,978,178
Chew Hoe Soon^	809,920	202,479	-	1,012,399
Ho Wen Fan*	112,089,294	38,888,884	-	150,978,178

DIRECTORS' REPORT (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Number of warrants 2022/2027			
The Company	**At 1.4.2022**	**Bought**	**Sold**	**At 31.3.2023**
Direct interest:				
Tan Sri Dato' Seri Dr. Ting Chew Peh	-	149, 251	-	149,251
Ho Wen Yan	-	451,110	-	451,110
Dato' Tan Bing Hua	-	17,555	-	17,555
Chew Hoe Soon	-	98,388	-	98,388
Deemed interest:				
Tan Sri Dato' Seri Dr. Ting Chew Peh#	-	84,068	-	84,068
Ho Wen Yan*	-	38,888,884	-	38,888,884
Dato' Tan Bing Hua#	-	50,000	-	50,000
Chew Po Sim*	-	38,888,884	-	38,888,884
Chew Hoe Soon^	-	202,479	-	202,479
Ho Wen Fan*	-	38,888,884	-	38,888,884

Ho Wen Yan, Chew Po Sim and Ho Wen Fan by virtue of their interests in the shares of the Company are also deemed interested in the shares of all the Company's subsidiaries to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

* Deemed interested through shares held in another corporation, Heng Holdings Sdn. Berhad
\# Deemed interested through spouse.
^ Deemed interested through spouse and children.

Other than as disclosed above, none of the other Directors in office at the end of the financial year have any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Note 25 to the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' remuneration for the Group and the Company as set out in Note 25 to the financial statements are RM1,676,669 and RM1,657,886 respectively.

DIRECTORS' REPORT (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

DIRECTORS' BENEFITS (CONT'D)

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued new ordinary shares of 88,000,000 right shares at an issue price of RM0.18 per right share together with 88,000,000 free detachable warrants.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Warrants 2022/2027

On 30 August 2022, the shareholders of the Company had resolved to approve the Rights Issue with Warrants on the basis of one (1) Rights Share for every four (4) existing shares held, together with up to 88,000,000 free Detachable Warrants on the basis of one (1) Warrant for every one (1) Rights Share subscribed.

The warrants are constituted by a Deed Poll dated 19 September 2022 executed by the Company. Each warrant entitles the registered holder during the exercise period to subscribe for one (1) new ordinary share at the exercise price of RM0.30 per share, subject to adjustments in accordance with the provision of the Deed Poll.

The salient features of the warrants are disclosed in Note 17 to the financial statements.

No warrants were exercised during the financial year. As at the end of reporting date, 88,000,000 warrants remained unexercised.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of sum insured and premium paid for Directors and officers of the Company are RM10,000,000 and RM7,669 respectively. No indemnity was given to or insurance effected for auditors of the Group during the financial year.

OTHER STATUTORY INFORMATION

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

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

ii) any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets 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:

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

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group 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 as and when they fall due.

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.

DIRECTORS' REPORT (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

AUDITORS

The Auditors, Messrs. TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2023 as follow:

RESULTS

	Group (RM)	Company (RM)
TGS TW PLT	238,000	94,000
Other auditors	21,650	-
Total	**259,650**	**94,000**

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 20 July 2023.

Ho Wen Yan
Director

Ho Wen Fan
Director

Kuala Lumpur,

Date: 20 July 2023

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Assets					
Property, plant and equipment	3	7,595,051	9,914,925	3,476,035	3,860,686
Right-of-use assets	4	919,132	1,029,247	685,827	694,572
Investment properties	5	1,525,221	1,567,979	1,724,308	1,770,366
Intangible assets	6	11,701,046	17,645,542	-	-
Investments in subsidiaries	7	-	-	331,407,757	205,607,757
Other investment	9	43,728,225	44,757,124	-	-
Inventories	10	578,651,822	580,122,191	6,718,683	6,709,461
Trade and other receivables	11	3,300,033	3,001,430	43,630	35,047
Cash and bank balances	12	6,303,005	8,238,629	3,383,210	5,373,432
Deferred tax assets	13	17,225,585	18,186,867	2,342,667	2,342,667
Total non-current assets		**670,949,120**	**684,463,934**	**349,782,117**	**226,393,988**
Inventories	10	91,900,440	105,634,470	251,338	251,338
Contract assets	14	57,224,192	28,832,465	-	-
Contract costs	14	19,509,157	14,139,058	-	-
Other current assets	15	1,281,930	1,218,528	1,183,498	1,023,387
Trade and other receivables	11	29,066,659	39,819,222	205,701,487	306,005,428
Tax recoverable		-	-	-	8,216
Cash and bank balances	12	10,710,099	9,823,969	762,894	767,990
Total current assets		**209,692,477**	**199,467,712**	**207,899,217**	**308,056,359**
Total assets		**880,641,597**	**883,931,646**	**557,681,334**	**534,450,347**

STATEMENTS OF FINANCIAL POSITION (CONT'D)
AS AT 31 MARCH 2023

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
EQUITY					
Share capital	16	364,936,000	352,000,000	364,936,000	352,000,000
Reserves	17	(13,244,443)	(15,119,544)	2,904,000	-
Retained earnings / (Accumulated losses)		96,715,107	93,491,092	21,367,528	(49,901,855)
Equity attributable to owners of the Company		**448,406,664**	**430,371,548**	**389,207,528**	**302,098,145**
Perpetual sukuk	18	4,565,640	4,259,033	4,565,640	4,259,033
Non-controlling interests		22,230,648	22,322,295	-	-
Total equity		**475,202,952**	**456,952,876**	**393,773,168**	**306,357,178**
LIABILITIES					
Trade and other payables	19	30,304,309	29,873,109	-	-
Deferred tax liabilities	13	32,462,833	33,883,169	-	-
Loans and borrowings	20	164,809,649	200,594,646	39,843,845	69,439,022
Lease liabilities		189,577	120,787	135,119	88,025
Total non-current liabilities		**227,766,368**	**264,471,711**	**39,978,964**	**69,527,047**
Trade and other payables	19	105,126,314	104,946,750	86,142,118	123,898,884
Loans and borrowings	20	64,318,481	52,491,532	37,259,818	34,438,523
Lease liabilities		334,084	550,362	147,950	228,715
Current tax liabilities		7,893,398	4,518,415	379,316	-
Total current liabilities		**177,672,277**	**162,507,059**	**123,929,202**	**158,566,122**
Total liabilities		**405,438,645**	**426,978,770**	**163,908,166**	**228,093,169**
Total equity and liabilities		**880,641,597**	**883,931,646**	**557,681,334**	**534,450,347**

The notes on pages 84 to 165 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Revenue	21	120,059,977	120,188,481	74,712,400	129,477,000
Cost of sales		(82,633,419)	(70,958,181)	-	-
Gross profit		**37,426,558**	**49,230,300**	**74,712,400**	**129,477,000**
Other income	22	9,647,084	5,147,685	15,044,630	5,175,619
Administrative expenses		(25,738,792)	(20,785,420)	(7,143,860)	(30,508,870)
Selling and marketing expenses		(4,037,951)	(8,430,784)	-	-
Net gains/(loss) on impairment of financial instruments		591,898	(1,942,986)	(109,233)	(1,260,395)
Profit from operations	23	**17,888,797**	**23,218,795**	**82,503,937**	**102,883,354**
Finance costs	24	(10,043,211)	(9,245,178)	(10,561,288)	(10,163,007)
Share of loss of equity-accounted associate, net of tax		-	(6,255,000)	-	-
Profit before tax		**7,845,586**	**7,709,617**	**71,942,649**	**92,720,347**
Tax expense	26	(4,713,218)	(6,276,179)	(673,266)	1,476,243
Profit for the financial year		**3,132,368**	**1,433,438**	**71,269,383**	**94,196,590**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Other comprehensive income/(loss), net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Share of other comprehensive loss of equity-accounted associate		-	(1,386,000)	-	-
Item that will not be reclassified subsequently to profit or loss					
Net changes in fair value of equity investment designated at fair value through other comprehensive income ("FVTOCI")		(1,028,899)	(9,774,544)	-	-
Total comprehensive income/(loss)		**2,103,469**	**(9,727,106)**	**71,269,383**	**94,196,590**
Profit attributable to:					
Owners of the Company		3,224,015	1,525,985	71,269,383	94,196,590
Non-controlling interests		(91,647)	(92,547)	-	-
Profit for the financial year		**3,132,368**	**1,433,438**	**71,269,383**	**94,196,590**
Total comprehensive income/(loss) attributable to:					
Owners of the Company		2,195,116	(9,634,559)	71,269,383	94,196,590
Non-controlling interests		(91,647)	(92,547)	-	-
Total comprehensive income/(loss) for the financial year		**2,103,469**	**(9,727,106)**	**71,269,383**	**94,196,590**
Basic earning per ordinary share (sen)	27	**0.83**	**0.43**		
Diluted earning per ordinary share (sen)	27	**0.83**	**0.43**		

The notes on pages 84 to 165 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Attributable to owners of the Company							
Group	Share Capital (RM)	Non-distributable Translation Reserves (RM)	Non-distributable Fair Value Reserve (RM)	Distributable Retained Earnings (RM)	Total (RM)	Non-controlling Interest (RM)	Perpetual Sukuk (RM)	Total Equity (RM)
At 1 April 2021	**352,000,000**	**(3,959,000)**	**-**	**91,965,107**	**440,006,107**	**22,414,842**	**-**	**462,420,949**
Total other comprehensive loss for the financial year								
- Share of loss of equity-accounted associate	-	(1,386,000)	-	-	(1,386,000)	-	-	(1,386,000)
- Net changes in fair value of equity investment designated at FVTOCI	-	-	(9,774,544)	-	(9,774,544)	-	-	(9,774,544)
Profit for the financial year	-	-	-	1,525,985	1,525,985	(92,547)	-	1,433,438
Total comprehensive loss for the financial year	-	(1,386,000)	(9,774,544)	1,525,985	(9,634,559)	(92,547)	-	(9,727,106)
Transaction with owners:								
- Issuance of perpetual sukuk (net of expense)	-	-	-	-	-	-	4,259,033	4,259,033
At 31 March 2022	**352,000,000**	**(5,345,000)**	**(9,774,544)**	**93,491,092**	**430,371,548**	**22,322,295**	**4,259,033**	**456,952,876**
	Note 16	Note 17	Note 17				Note 18	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Group	Note	Attributable to owners of the Company								
		Share Capital (RM)	Non-distributable Warrants Reserves (RM)	Non-distributable Translation Reserves (RM)	Non-distributable Fair Value Reserve (RM)	Distributable Retained Earnings (RM)	Total (RM)	Non-controlling Interest (RM)	Perpetual Sukuk (RM)	Total Equity (RM)
At 1 April 2022		**352,000,000**	**-**	**(5,345,000)**	**(9,774,544)**	**93,491,092**	**430,371,548**	**22,322,295**	**4,259,033**	**456,952,876**
Total other comprehensive income for the financial year										
- Net changes in fair value of equity investment designated at FVTOCI		-	-	-	(1,028,899)	-	(1,028,899)	-	-	(1,028,899)
Profit for the financial year		-	-	-	-	3,224,015	3,224,015	(91,647)	-	3,132,368
Total comprehensive income for the financial year		-	-	-	(1,028,899)	3,224,015	2,195,116	(91,647)	-	2,103,469
Transaction with owners:										
- Issuance of perpetual sukuk (net of expense)		-	-	-	-	-	-	-	306,607	306,607
- Issuance of ordinary shares	16	12,936,000	-	-	-	-	12,936,000	-	-	12,936,000
- Issuance of warrants	17	-	2,904,000	-	-	-	2,904,000	-	-	2,904,000
		12,936,000	2,904,000	-	-	-	15,840,000	-	306,607	16,146,607
At 31 March 2023		**364,936,000**	**2,904,000**	**(5,345,000)**	**(10,803,443)**	**96,715,107**	**448,406,664**	**22,230,648**	**4,565,640**	**475,202,952**
		Note 16	Note 17	Note 17	Note 17				Note 18	

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Company	Note	Share Capital (RM)	Warrants Reserves (RM)	(Accumulated losses)/ Retained Earnings (RM)	Perpetual Sukuk (RM)	Total Equity (RM)
		Attributable to owners of the Company				
At 1 April 2021		**352,000,000**	**-**	**(144,098,445)**	**-**	**207,901,555**
Profit and total comprehensive income for the year		-	-	94,196,590	-	94,196,590
Transaction with owners:						
- Issuance of perpetual sukuk (net of expense)		-	-	-	4,259,033	4,259,033
At 31 March 2022		**352,000,000**	**-**	**(49,901,855)**	**4,259,033**	**306,357,178**
At 1 April 2022		**352,000,000**	**-**	**(49,901,855)**	**4,259,033**	**306,357,178**
Profit and total comprehensive income for the year		-	-	71,269,383	-	71,269,383
Transaction with owners:						
- Issuance of perpetual sukuk (net of expense)		-	-	-	306,607	306,607
- Issuance of ordinary shares	16	12,936,000	-	-	-	12,936,000
- Issuance of warrants	17	-	2,904,000	-	-	2,904,000
		12,936,000	2,904,000	-	306,607	16,146,607
At 31 March 2023		**364,936,000**	**2,904,000**	**21,367,528**	**4,565,640**	**393,773,168**
		Note 16	Note 17		Note 18	

The notes on pages 84 to 165 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Cash flows from operating activities					
Profit before tax		7,845,586	7,709,617	71,942,649	92,720,347
Adjustments for:					
Amortisation of intangible assets	6	681,943	621,245	-	-
Bad debts written off		8,020	-	-	-
Depreciation of:					
- investment properties	5	42,758	42,757	46,058	46,058
- property, plant and equipment	3	2,393,345	2,497,305	440,535	494,562
- right-of-use assets	4	511,750	550,485	139,215	54,933
Deposit forfeited	22	(62,778)	(282,515)	-	-
Dividend income	21	-	-	(70,000,000)	(124,500,000)
Finance income	22	(202,362)	(264,947)	(6,780,474)	(5,077,515)
Finance costs	24	10,043,211	9,254,178	10,561,288	10,163,007
(Gain) / loss on disposal property, plant and equipment		(3,696)	10,823	(3,696)	-
Loss on / (Reversal of) Impairment loss:					
- amount due from subsidiaries		-	-	609,233	1,260,395
- other receivables		(500,000)	1,900,000	(500,000)	-
- trade receivables		(91,898)	42,986	-	-
- intangible assets		5,288,485	(2,014,417)	-	-
- investment in an associate		-	(1,467,604)	-	-
- investment in subsidiaries		-	-	-	23,459,682
Amount carried down		**25,954,364**	**18,599,913**	**6,454,808**	**(1,378,531)**

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Cash flows from operating activities (cont'd)				
Amount brought down	**25,954,364**	**18,599,913**	**6,454,808**	**(1,378.531)**
Property, plant and equipment written off	1,720	9,398	-	-
Reversal of provision for damage claims	(8,150,881)	-	(8,150,881)	-
Share of loss of equity-accounted associate	-	6,255,000	-	-
Termination of lease contract	214,120	24,041	207,844	-
Operating profit/(loss) before changes in working capital	**18,019,323**	**24,888,352**	**(1,488,229)**	**(1,378,531)**
Changes in working capital:				
- Contract assets	(28,391,727)	8,716,798	-	-
- Contract costs	(5,370,099)	(4,847,248)	-	-
- Contract liabilities	-	(3,517,291)	-	-
- Inventories	19,876,281	23,432,259	(9,222)	(2,500)
-Trade and other receivables and other current assets	10,974,436	(4,622,400)	(814,453)	(20,041)
-Trade and other payables and other current liabilities	8,824,423	(36,896,836)	(2,065,818)	(58,193)
Cash generated from/(used in) operations	**23,932,637**	**7,153,634**	**(4,377,722)**	**(1,459,265)**

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Cash flows from operating activities (cont'd)					
Cash generated from/(used in) operations		**23,932,637**	**7,153,634**	**(4,377,722)**	**(1,459,265)**
Interest paid		(1,646,225)	(1,222,607)	(888,906)	(748,142)
Interest received		202,362	105,536	6,780,474	5,077,515
Net tax (paid)/refund		(1,797,289)	(8,681,364)	(285,734)	(59,794)
Net cash from/(used in) operating activities		**20,691,485**	**(2,644,801)**	**1,228,112**	**2,810,314**
Cash flows from investing activities					
Additions of:					
- Property, plant and equipment	3	(75,191)	(28,293)	(55,884)	(4,789)
- Intangible assets	6	(25,932)	-	-	-
Additional investment in subsidiary company		-	-	(125,800,000)	-
Net advance repaid from/(given to) subsidiaries		-	-	100,840,467	(2,531,035)
Dividends received		-	-	70,000,000	124,500,000
Proceeds from disposal of property, plant and equipment		3,696	2,386	3,696	-
Net cash (used in)/from investing activities		**(97,427)**	**(25,907)**	**44,988,279**	**121,964,176**

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Cash flows from financing activities					
Change in pledged deposits		1,935,624	(138,399)	1,990,222	(100,000)
Interest paid		(13,068,868)	(11,893,358)	(7,582,032)	(7,305,857)
Drawdown of loans and borrowings		34,556,699	17,626,222	7,000,000	10,000,000
Proceeds from:					
- Issuance of perpetual sukuk, net of expenses		306,607	4,259,033	306,607	4,259,033
- Issuance of ordinary shares		12,936,000	-	12,936,000	-
- Issuance of warrants		2,904,000	-	2,904,000	-
Repayment of loans and borrowings		(63,334,689)	(59,837,372)	(34,356,570)	(32,070,552)
Payment of lease liabilities	(ii)	(763,243)	(793,125)	(371,985)	(291,743)
Advances received from subsidiaries		-	-	(29,630,417)	(99,692,109)
Net cash used in financing activities		**(24,527,870)**	**(50,776,999)**	**(46,804,175)**	**(125,201,228)**
Net decrease in cash and cash equivalents		**(3,933,812)**	**(53,447,707)**	**(587,784)**	**(426,738)**
Cash and cash and cash equivalents at the beginning of financial year		**(15,294,412)**	**38,153,295**	**(14,251,982)**	**(13,825,244)**
Cash and cash and cash equivalents at the end of financial year	(i)	**(19,228,224)**	**(15,294,412)**	**(14,839,766)**	**(14,251,982)**

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		Group		Company	
	Note	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Deposits		3,193,227	3,138,629	273,432	273,432
Cash in hand and at bank		13,819,877	14,923,969	3,872,672	5,867,990
Cash and bank balances	12	17,013,104	18,062,598	4,146,104	6,141,422
Less: Pledged deposits	12	(6,303,005)	(8,238,629)	(3,383,210)	(5,373,432)
Less: Bank overdrafts	20	(29,938,323)	(25,118,381)	(15,602,660)	(15,019,972)
		(19,228,224)	**(15,294,412)**	**(14,839,766)**	**(14,251,982)**

(ii) Cash outflows for leases as a lessee

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Included in net cash from operating activities				
Payment relating to short-term leases	(255,846)	(242,070)	-	-
Payment relating to leases of low-value assets	-	(102,897)	-	(51,684)
Interest paid in relation to lease liabilities	(36,338)	(29,963)	(2,988)	(4,227)
Included in net cash from financing activities				
Payment of lease liabilities	(763,243)	(793,125)	(371,985)	(291,743)
Total cash outflows for leases	**(1,055,427)**	**(1,168,055)**	**(374,973)**	**(347,654)**

The notes on pages 84 to 165 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Hua Yang Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business/Registered office
C-21, Jalan Medan Selayang 1
Medan Selayang
68100 Batu Caves
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 March 2023 do not include other entities.

The Company is principally engaged in investment holding, property development and provision of management services whilst the principal activities of the subsidiaries are stated in Note 7. There have been no significant changes in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 20 July 2023.

1. BASIS OF PREPARATION

a. Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendment to MFRS 3	Reference to the Conceptual Framework
Amendment to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendment to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

- Amendments to MFRS 1
- Amendments to MFRS 9
- Amendments to Illustrative Examples accompanying MFRS 16
- Amendments to MFRS 141

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

1. BASIS OF PREPARATION (CONT'D)

a. Statement of compliance (cont'd)

Standards issued but not yet effective

The following are accounting standards and amendments that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

		Effective dates for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Polices	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The initial application of the abovementioned accounting standards and amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

1. BASIS OF PREPARATION (CONT'D)

b. Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

c. Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

d. Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs 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 those disclosed in the following notes:

- Note 2(e) and Note 4 - determining the lease term of contracts with renewal and termination options
- Note 2(l)(ii) and Note 6 - impairment of intangible assets
- Note 2(l)(ii) and Note 7 - impairment of investments in subsidiaries
- Note 2(c)(ii) and Note 9 - fair value on financial instruments
- Note 2(g), 2(h) and Note 10 - classification between investment properties and inventories
- Note 2(h) and Note 10 - valuation of inventories
- Note 2(l) and Note 11 - provision of expected credit loss of financial assets at amortised cost
- Note 2(r) and Note 13 - valuation of deferred tax assets
- Note 2(p)(i) and Note 21 - sales of development properties
- Note 2(q) and Note 24 - capitalisation of borrowing costs

2. 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 consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, 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.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(l)(ii) to the financial statements on impairment of non-financial assets.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a. Basis of consolidation (cont'd)

(iii) Changes in non-controlling interests

The Group accounts for 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.

(iv) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of the investment includes transaction costs. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(l)(ii) to the financial statements.

(v) Non-controlling interests

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a. Basis of consolidation (cont'd)

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

b. Foreign currency

Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

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

c. Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

(ii) Financial instrument categories and subsequent measurement

Financial assets

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial assets (cont'd)

a. Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(l)(i)) where the effective interest rate is applied to the amortised cost.

b. Fair value through other comprehensive income ("FVTOCI")

Debt instruments

A debt security is measured at FVTOCI if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income on an investment-by-investment basis.

Financial assets categorised as FVTOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in other comprehensive income and accumulated under fair value reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

The Group has reclassified its investment in an associate to other investment and designated it as FVTOCI in previous financial year.

The Group and the Company have not designated any financial assets as fair value through profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at FVTOCI are subject to impairment assessment (see Note 2(l)(i)).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial liabilities

Amortised cost

All financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Financial guarantee contracts

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

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, Revenue from Contracts with Customers.

Liabilities arising from financial guarantees are presented together with other provisions.

(iv) 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 transferred, 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 and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset 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.

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

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

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and 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 of property, plant and 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 property, plant and equipment from the date that they are available for use. Freehold land is not depreciated.

The depreciation rates for the current and comparative periods based on their estimated useful lives are as follows:

• Long-term leasehold land	96 years
• Buildings	5 - 50 years
• Furniture, fittings, office equipment and renovation	10 years
• Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e. Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

a. As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e. Leases (cont'd)

(ii) Recognition and initial measurement (cont'd)

a. As a lessee (cont'd)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b. As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e. Leases (cont'd)

(iii) Subsequent measurement

a. As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

b. As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease. The Group aims to allocate finance income over the lease term on a systematic and rational basis. The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The net investment in the lease is subject to impairment requirements in MFRS 9, Financial Instruments (see note 2(l)(i)).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Intangible assets

(i) Goodwill

Goodwill arises on business combination is measured at cost less any accumulated impairment losses. In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates.

(ii) Other intangible assets

Other intangible assets, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill is recognised in profit or loss as incurred.

(iv) Amortisation

Goodwill and intangible asset with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Concession assets are amortised from the date they are available for use. Amortisation is based on the cost of the concession assets less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the concession assets.

The estimated useful lives of concession assets for the current and comparative periods are 20 to 30 years.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Investment properties

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include freehold land and leasehold land which in substance is a finance lease held for a currently undetermined future use. Investment properties measured at cost less any accumulated depreciation and any accumulated impairment losses are accounted for similarly to property, plant and equipment.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Freehold buildings	2%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount (see Note 2(l)(ii)).

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value can not be determined reliably, these inventories will be stated at the lower of cost or fair value costs to sell. Fair value is the amount the inventory can be sold in an arm's length transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Inventories (cont'd)

(i) Land held for property development (cont'd)

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expenses in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

(iii) Other inventories

The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the land, development and conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Contract asset/Contract liability

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, Financial Instruments (see Note 2(l)(i)).

A contract liability is stated at cost and represents the obligation of the Group or of the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(j) Contract cost

(i) Incremental cost of obtaining a contract

The Group or the Company recognises incremental costs of obtaining contracts when the Group or the Company expects to recover these costs.

(ii) Cost to fulfil a contract

The Group or the Company recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group or of the Company, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(k) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

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

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment (cont'd)

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, lease receivable and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Equity instruments

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

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(iii) Perpetual Sukuk

Perpetual Sukuk is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or liabilities with another person or entity that are potentially unfavourable to the Group. Cost directly attributable to the issuance of the instrument, net of tax, are treated as a deduction from the proceeds. Distribution on Perpetual Sukuk is recognised in equity in the period in which they are paid.

Perpetual Sukuk holders' entitlement is accounted for as a distribution recognised in the statements of changes in equity in the period in which is is declared.

(n) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(p) Revenue and other income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

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

a. the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;

b. the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c. the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

(ii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from sub-leased property is recognised as other income.

(iii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(r) Income tax

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 financial 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 statement 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 or 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.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

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

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

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments' results are reviewed regularly by the Chief Operating Decision Maker, which in this case is the Board of Directors of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(u) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Land (RM)	Land (right-of-use) (RM)	Buildings (RM)	Furniture, fittings, office equipment and renovation (RM)	Motor Vehicles (RM)	Total (RM)
Cost						
At 1 April 2021	514,310	1,572,744	12,173,378	10,191,296	8,250	24,459,978
Additions	-	-	-	28,293	-	28,293
Disposals	-	-	-	(38,283)	-	(38,283)
Write off	-	-	-	(27,485)	-	(27,485)
At 31 March 2022/1 April 2022	514,310	1,572,744	12,173,378	10,153,821	8,250	24,422,503
Additions	-	-	-	75,191	-	75,191
Disposals	-	-	-	(4,950)	-	(4,950)
Write off	-	-	-	(3,679)	-	(3,679)
At 31 March 2023	**514,310**	**1,572,744**	**12,173,378**	**10,220,383**	**8,250**	**24,489,065**
Depreciation						
At 1 April 2021	-	222,324	5,151,197	6,672,665	7,248	12,053,434
Depreciation for the financial year	-	16,495	1,569,282	911,528	-	2,497,305
Disposals	-	-	-	(25,074)	-	(25,074)
Write off	-	-	-	(18,087)	-	(18,087)
At 31 March 2022/1 April 2022	-	238,819	6,720,479	7,541,032	7,248	14,507,578
Depreciation for the financial year	-	16,497	1,548,292	828,556	-	2,393,345
Disposals	-	-	-	(4,950)	-	(4,950)
Write off	-	-	-	(1,959)	-	(1,959)
At 31 March 2023	-	**255,316**	**8,268,771**	**8,362,679**	**7,248**	**16,894,014**
Carrying amount						
At 31 March 2022	**514,310**	**1,333,925**	**5,452,899**	**2,612,789**	**1,002**	**9,914,925**
At 31 March 2023	**514,310**	**1,317,428**	**3,904,607**	**1,857,704**	**1,002**	**7,595,051**

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

Company	Land (right-of-use) (RM)	Buildings (RM)	Furniture, fittings, office equipment and renovation (RM)	Total (RM)
Cost				
At 1 April 2021	1,254,000	2,490,204	6,003,039	9,747,243
Additions	-	-	4,789	4,789
At 31 March 2022/1 April 2022	1,254,000	2,490,204	6,007,828	9,752,032
Additions	-	-	55,884	55,884
Disposals	-	-	(4,950)	(4,950)
At 31 March 2023	**1,254,000**	**2,490,204**	**6,058,762**	**9,802,966**
Depreciation				
At 1 April 2021	182,543	662,076	4,552,165	5,396,784
Depreciation for the financial year	13,063	49,804	431,695	494,562
At 31 March 2022/1 April 2022	195,606	711,880	4,983,860	5,891,346
Depreciation for the financial year	13,063	49,804	377,668	440,535
Disposals	-	-	(4,950)	(4,950)
At 31 March 2023	**208,669**	**761,684**	**5,356,578**	**6,326,931**
Carrying amount				
At 31 March 2022	**1,058,394**	**1,778,324**	**1,023,968**	**3,860,686**
At 31 March 2023	**1,045,331**	**1,728,520**	**702,184**	**3,476,035**

Securities

Land and buildings of the Group and of the Company amounting to RM3,668,597 (2022: RM3,742,467) and RM2,773,851 (2022: RM2,836,718) respectively have been charged as securities for bank borrowings granted (see Note 20).

Land (right-of-use)

The Group and the Company leased several plots of land from the government that runs for 99 years. The remaining lease term of leasehold land is 78 years (2022: 79 years). Lease payments are paid at inception of the leases.

4. RIGHT-OF-USE ASSETS

Group	Note	Buildings (RM)	Office equipments (RM)	Total (RM)
At 1 April 2021		499,104	712,270	1,211,374
Additions		241,496	150,903	392,399
Derecognition		(22,346)	(1,695)	(24,041)
Depreciation for the financial year	23	(405,844)	(144,641)	(550,485)
At 31 March 2022/1 April 2022		312,410	716,837	1,029,247
Additions		277,441	338,314	615,755
Derecognition		-	(214,120)	(214,120)
Depreciation for the financial year	23	(361,453)	(150,297)	(511,750)
At 31 March 2023		**228,398**	**690,734**	**919,132**
Company				
At 1 April 2021		-	598,602	598,602
Additions		-	150,903	150,903
Depreciation for the financial year	23	-	(54,933)	(54,933)
At 31 March 2022/1 April 2022		-	694,572	694,572
Additions		-	338,314	338,314
Derecognition		-	(207,844)	(207,844)
Depreciation for the financial year	23	-	(139,215)	(139,215)
At 31 March 2023		**-**	**685,827**	**685,827**

The Group and the Company leased a number of premises and office equipment that run between one to five years, with an option to renew the lease after that expiry date.

As the leases are not material, hence no further disclosures are presented.

5. INVESTMENT PROPERTIES

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Cost				
At beginning/end of financial year	2,262,959	2,262,959	2,538,367	2,538,367
Depreciation				
At beginning of financial year	694,980	652,223	768,001	721,943
Depreciation for the financial year	42,758	42,757	46,058	46,058
At end of financial year	**737,738**	**694,980**	**814,059**	**768,001**
Carrying amount				
At end of financial year	**1,525,221**	**1,567,979**	**1,724,308**	**1,770,366**
Included in the above are:				
Freehold land	51,189	51,189	235,495	235,495
Buildings	1,474,032	1,516,790	1,488,813	1,534,871
	1,525,221	**1,567,979**	**1,724,308**	**1,770,366**
Fair value				
At end of financial year	**5,943,000**	**5,681,000**	**6,997,000**	**6,740,000**

Investment properties comprise a number of commercial properties that are leased to third parties and car park lots. Each of the leases contains an initial non-cancellable period of 3 years. Subsequent renewals will be negotiated with the lessee and on average, the renewal periods are 3 years. No contingent rents are charged.

Assets held in trust

Investment properties of the Company amounting to RM301,495 (2022: RM304,795) are held in trust by a subsidiary.

Securities

Investment properties of the Group and of the Company amounting to RM1,422,813 (2022: RM1,465,571) have been charged as securities for bank borrowings granted (see Note 20).

5. INVESTMENT PROPERTIES (CONT'D)

Transactions recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Rental Income	23,400	21,780	54,600	52,980
Other Income	54,929	45,124	54,929	45,124
	78,329	**66,904**	**109,529**	**98,104**
Direct operating expenses:				
- income generating investment properties	**1,241**	**1,241**	**3,972**	**3,972**

Fair value information

The Group measures fair values using the fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable input used.

Description of valuation technique	The Group estimates the fair value of the investment property by the Directors based on internal appraisal of market value of comparable properties
Significant unobservable input	Market price of property per square feet ("sq ft") in vicinity compared.
Inter-relationship between significant unobservable input and fair value measurement	The estimated fair value would increase/(decrease) if market prices of properties were higher/(lower).

The fair value of investment property was estimated by the Directors using above valuation technique. The fair value is within Level 3 of the fair value hierarchy.

There were no transfers between levels during current and previous financial years.

Highest and best use

The Group's investment property represents 4 ½ - storey shop office and car park. The highest and best use of this property is for rental income generation as it is located in the vicinity of the commercial area.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INTANGIBLE ASSETS

Group	Goodwill (RM)	Concession Assets (RM)	Franchisee Fees (RM)	Total (RM)
Cost				
At 1 April 2021/1 April 2022	16,776,492	15,886,881	100,000	32,763,373
Additions	-	25,932	-	25,932
At 31 March 2023	**16,776,492**	**15,912,813**	**100,000**	**32,789,305**
Amortisation				
At 1 April 2021	-	(6,738,322)	(36,667)	(6,774,989)
Amortisation for the financial year	-	(611,245)	(10,000)	(621,245)
At 31 March 2022/1 April 2022	-	(7,349,567)	(46,667)	(7,396,234)
Amortisation for the financial year	-	(671,943)	(10,000)	(681,943)
At 31 March 2023	**-**	**(8,021,510)**	**(56,667)**	**(8,078,177)**
Impairment loss				
At 1 April 2021	(7,180,023)	(2,525,158)	(30,833)	(9,736,014)
Reversal of Impairment losses	-	2,014,417	-	2,014,417
At 31 March 2022/1 April 2022	(7,180,023)	(510,741)	(30,833)	(7,721,597)
Impairment losses	(5,288,485)	-	-	(5,288,485)
At 31 March 2023	**(12,468,508)**	**(510,741)**	**(30,833)**	**(13,010,082)**
Carrying amount				
At 31 March 2022	**9,596,469**	**8,026,573**	**22,500**	**17,645,542**
At 31 March 2023	**4,307,984**	**7,380,562**	**12,500**	**11,701,046**
	Note 6.1	Note 6.2		

6. INTANGIBLE ASSETS (CONT'D)

6.1 Impairment testing for cash-generating units containing goodwill

Allocation of goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level of cash-generating units within the Group at which the goodwill is monitored for internal management purposes.

The aggregated carrying amounts of goodwill allocated to each cash-generating unit are as follows:

Group	Note	2023 (RM)	2022 (RM)
Property development			
- Penang	6.1.1	2,320,967	2,320,967
- Johor	6.1.1	-	5,288,485
Operation of concession assets	6.1.2	1,987,017	1,987,017
		4,307,984	**9,596,469**

6.1.1 Property development

The recoverable amounts of the property development cash-generating units in Penang and Johor were estimated based on their value in use, determined by discounting future cash flows to be generated from the development properties in the respective cash-generating units. The same method has been used in the previous financial year in respect of property development cash-generating units in Penang and Johor.

The carrying amount of property development cash-generating units in Johor amounting to RM5,288,485 was determined to be higher than its recoverable amount and an impairment loss of RM5,288,485 was recognised. The impairment loss is recorded within administrative expense in the Statement of Profit or Loss and Other Comprehensive Income. No impairment loss was recognised in respect of the property development cash-generating units located in Penang.

Value in use was determined by discounting the future cash flows expected to be generated from the development properties based on the following key assumptions:

- Cash flows were projected based on the gross development profits expected to be derived from the approved development plan over the development period for the next 1 to 6 years (2022: 1 to 7 years).
- The gross development profit margins were expected to be ranging from 22% to 42% (2022: 19% to 35%).
- A pre-tax discount rate of 12.0% (2022: 12.0%) was applied in determining the recoverable amount of the units.

6. INTANGIBLE ASSETS (CONT'D)

6.1 Impairment testing for cash-generating units containing goodwill (cont'd)

6.1.1 Property development (cont'd)

The values assigned to the key assumptions represent management's assessment of future trends in the property development industry and are determined based on both external sources and internal sources (historical data).

The sensitivity analysis is presented as follows:

- An increase of 1% (2022: 1%) in the discount rate would increase impairment loss by Nil (2022: RM7,212,000).
- A 5% (2022: 5%) decrease in future development profit would have increased the impairment loss by Nil (2022: RM9,296,000).

6.1.2 Operation of concession assets

The recoverable amount of the operation of concession assets cash-generating unit was estimated based on their value in use, determined by discounting future cash flows to be generated from the operation of concession assets.

Value in use was determined by discounting the future cash flows expected to be generated from the operation of concession assets cash-generating unit over the remaining concession period of 5 to 18 years (2022: 6 to 19 years) based on the following key assumptions:

- Cash flows were projected based on past rental received and actual operating results.
- Rental is expected to be derived from 95% to 100% tenant take-up rate (2022: 88% to 100% tenant take-up rate attained latest by April 2022). Rental is also anticipated to grow by 3% to 10% for every 2 to 5 years (2022: 3% to 10% every 2 to 5 years).
- A pre-tax discount rate of 12% (2022: 10%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on the industry weight average cost of capital, adjusted for the risk premium associated to the assets.

The values assigned to the key assumptions represent management's assessment of future trends in the operation of concession assets and are determined based on both external sources and internal sources (historical data).

6. INTANGIBLE ASSETS (CONT'D)

6.1 Impairment testing for cash-generating units containing goodwill (cont'd)

6.1.2 Operation of concession assets (cont'd)

The sensitivity analysis is presented as follows.

- An increase of 1% (2022: 1%) in the discount rate would increase impairment loss by RM409,000 (2022: no impairment loss).
- A 5% (2022: 5%) decrease in future annual rental income due to decrease in tenant take-up rate or annual rental growth would not increase impairment loss (2022: no impairment loss).

6.2 Concession assets

Concession assets relate to rights to use land owned by the local authorities granted to the Group in agreements to build, operate and transfer ("BOT") commercial properties on the said land between the Group and the local authorities. Under these agreements, the Group has the right to collect rental income from the operation of these commercial properties over the concession period of 20 to 30 years. Upon expiry of the agreement, the commercial properties will be transferred to the local authorities, unless extensions are granted.

In the event that the local authorities intend to re-develop, privatise or sell the commercial properties upon expiry of the concession period, the Group has the first right of refusal to participate.

6.2.1 Impairment loss on concession assets

The recoverable amount of the concession assets was estimated based on value in use method then. The recoverable amount of the concession assets and the impairment loss allocated are as follow:

Group	2023 (RM)	2022 (RM)
Recoverable amount of concession assets	7,380,562	8,026,573

Value in use was determined using the same basis and key assumptions as disclosed in Note 6.1.2 over the remaining concession period of the concession assets of 5 to 18 years (2022: 6 to 19 years).

The values assigned to the key assumptions represent management's assessment of future trends in the operation of concession assets and are determined based on both external sources and internal sources (historical data).

Following the impairment in these concession assets, the carrying amount is similar to its recoverable amount. Therefore, any adverse change in a key assumption may result in a further impairment loss.

7. INVESTMENTS IN SUBSIDIARIES

Company	2023 (RM)	2022 (RM)
Cost - Unquoted shares		
At beginning of financial year	391,931,846	391,931,846
Subscription of new shares	125,800,000	-
At end of financial year	**517,731,846**	**391,931,846**
Impairment loss		
At beginning of financial year	186,324,089	162,864,407
Recognised in profit or loss	-	23,459,682
At end of financial year	**186,324,089**	**186,324,089**
Carrying amount		
At beginning of financial year	**205,607,757**	**229,067,439**
At end of financial year	**331,407,757**	**205,607,757**

Impairment loss

In previous financial year, the Company recognised full impairment loss in respect of certain investments in subsidiaries as these subsidiaries are continuously loss making and have reported deficits in shareholders' fund and the Group has determined the recoverable amount to be RMNil.

On 31 January 2023, the Company subscribed to additional 115,000,000 shares issued by Bison Holdings Sdn. Bhd. ("Bison") for a total consideration of RM115,000,000 settled by offsetting amount due from Bison of RM115,000,000.

On 31 January 2023, the Company subscribed to additional 10,800,000 shares issued by Johanjana Corporation Sdn. Bhd. ("Johanjana Corporation") for a total consideration of RM10,800,000 settled by offsetting amount due from Johanjana Corporation of RM10,800,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries

Name of subsidiary	Place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest 2023 %	Effective ownership interest and voting interest 2022 %
Yong Lian Realty Sendirian Berhad #	Malaysia	Property development	100	100
Daya Niaga Sdn. Bhd. #	Malaysia	Trading of building materials	100	100
Grandeur Park Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Prisma Pelangi Sdn. Bhd. #	Malaysia	Property development and investment holding activities	100	100
Agro-Mod Industries Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Tinggian Development Sendirian Berhad	Malaysia	Property development and provision of management services	100	100
Pembinaan Hua Yang Sdn. Bhd. #	Malaysia	Building contraction relating to real estate	100	100
Johanjana Corporation Sdn. Bhd.	Malaysia	Operation of commercial properties under the "build, operate and transfer" agreements with local authorities	100	100
Bison Holdings Sdn. Bhd.	Malaysia	Property development	100	100
Prop Park Sdn. Bhd.	Malaysia	Property development	100	100
Sunny Mode Sdn. Bhd. #	Malaysia	Property development and provision of management services	100	100
G Land Development Sdn. Bhd.	Malaysia	Property development	100	100
Grand View Realty Sdn. Bhd.	Malaysia	Property development	100	100
Huayang Ventures Sdn. Bhd. #	Malaysia	Operating of restaurant, laundry mart and vending machine	100	100
Kajang Heights Development Sdn. Bhd.	Malaysia	Property development	70	70
Celestial Solar Farm Sdn. Bhd. #	Malaysia	Provision of engineering, procurements, constructions, commissioning and consultancy service for solar PV system	100	100

Not audited by TGS TW PLT

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries (cont'd)

The Group's subsidiary that has material non-controlling interests ("NCI") is as follows:

Group	Kajang Heights Development Sdn. Bhd. 2023 (RM)	Kajang Heights Development Sdn. Bhd. 2022 (RM)
NCI percentage of ownership interest and voting interest	30%	30%
Carrying amount of NCI	22,230,648	22,322,295
Loss allocated to NCI	**(91,647)**	**(92,547)**
Summarised financial information before intra-group elimination		
As at 31 March		
Non-current assets	83,449,918	79,859,373
Current assets	39,368,548	43,861,712
Non-current liabilities	(42,846,043)	(48,040,198)
Current liabilities	(5,870,268)	(1,273,241)
Net assets	**74,102,155**	**74,407,646**
Year end 31 March		
Loss from continuing operations	**(305,491)**	**(308,494)**
Cash flows used in operating activities	(702,832)	(1,541,787)
Cash flows from investing activities	1,951,991	1,606,245
Cash flows used in financing activities	(750,000)	-
Net increase in cash and cash equivalents	**499,159**	**64,458**

8. INVESTMENT IN AN ASSOCIATE

Group	Note	2023 (RM)	2022 (RM)
At Cost			
Quoted shares in Malaysia		-	190,708,202
Share of post-acquisition reserves		-	(83,815,000)
Impairment loss		-	(52,361,534)
		-	54,531,668
Reclassified to other investments	9	-	(54,531,668)
		-	-

Details of the associates are as follows:

Name of associate	Place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest 2022 %
Magna Prima Berhad ("MPB")	Malaysia	Investment holding and provision of management services	-

<u>In previous financial year</u>

Impairment loss

The Independent Auditors' Report for the latest audited financial statements of the associate for the financial year ended 31 December 2020 highlighted material uncertainties that may cast significant doubt on the associate's ability to continue as a going concern. The financial statements of the associate is not modified in this respect. In particular, MPB has reported significant losses in the financial year ended 31 December 2020 and MPB and its subsidiaries are involved in multiple litigations, including winding up petitions against MPB and 2 of its subsidiaries, Magna City Development Sdn. Bhd. and Magna Park Sdn. Bhd..

Consequently, the Group has recognised impairment loss amounting to RM52,361,534 in respect of the investment in the associate as its recoverable amount, estimated using fair value less costs of disposal, is lower than its carrying amount. The impairment loss is separately presented in the statement of profit or loss and other comprehensive income.

The fair value of the investment in the associate is determined based on level 1 fair value using the market value of the quoted shares.

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

In previous financial year (cont'd)

Reclassification to other investment

Although the Group holds a 25.63% equity interest in MPB for which the Group has determined that it does not have significant influence over MPB as:

i. There are no material transactions between the Group and MPB; and
ii. There is no interchange of managerial personnel and provision of essentials technical services between the Group and MPB.

Based on above-mentioned, the Group has reclassified its interest in MPB to other investment in quoted shares in Malaysia.

9. OTHER INVESTMENT

Group	Note	2023 (RM)	2022 (RM)
Non-current			
At fair value through other comprehensive income			
Quoted shares in Malaysia			
At beginning of financial year		44,757,124	-
Reclassified from investment in an associate	8	-	54,531,668
Changes in fair value through other comprehensive income		(1,028,899)	(9,774,544)
At end of financial year		**43,728,225**	**44,757,124**

The Group designated the investments in equity security as fair value through other comprehensive income because the investment in equity securities represent investment that the Group intends to hold for long-term strategic purposes.

The Group treated its interest in Magna Prima Berhad as simple investment as the Group considers that it does not have the power to exercise significant influence over Magna Prima Berhad as explained in Note 8.

The fair value of the other investment at end of reporting period is determined based on level 1 fair value using the market value of the quoted shares.

10. INVENTORIES

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Non-current				
Land held for future development	578,651,822	580,122,191	6,718,683	6,709,461
Current				
Developed properties	44,562,842	47,683,106	251,338	251,338
Development properties	47,331,745	57,945,864	-	-
Finished goods	5,853	5,500	-	-
	91,900,440	105,634,470	251,338	251,338
	670,552,262	**685,756,661**	**6,970,021**	**6,960,799**
Inventories pledged as securities for bank borrowings (Note 20)				
- Land held for future development	310,443,171	326,137,421	2,761,348	2,761,348
- Developed properties	16,455,025	19,230,702	-	-
- Development properties	42,486,392	53,541,125	-	-
	369,384,588	**398,909,248**	**2,761,348**	**2,761,348**
Recognised in profit or loss				
- Inventories recognised as cost of sales	3,345,688	20,477,455	-	-

Inventories are measured at the lower of cost and net realisable value. The expected net realisable value is determined after considering recent transacted prices for the developed properties, volume and pricing of other development within the vicinity and also the current and future market conditions in the property development industry.

11. TRADE AND OTHER RECEIVABLES

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Non-current					
Non-trade					
Other receivables		1,886,924	1,232,600	-	-
Refundable deposits		1,413,109	1,768,830	43,630	35,047
		3,300,033	**3,001,430**	**43,630**	**35,047**
Current					
Trade					
Trade receivables		22,676,204	32,544,754	-	-
Allowance for impairment loss		(434,990)	(526,888)	-	-
		22,241,214	**32,017,866**	**-**	**-**
Non-trade					
Amounts due from subsidiaries	a	-	-	207,415,995	308,256,462
Goods and Services Tax receivables	b	28,371	244,554	-	1,441
Other receivables		3,715,639	4,331,773	576,979	587,680
Deposits paid	c	4,498,723	5,142,317	4,175,494	3,517,593
		8,242,733	**9,718,644**	**212,168,468**	**312,363,176**
Allowance for impairment loss		(1,417,288)	(1,917,288)	(6,466,981)	(6,357,748)
		6,825,445	**7,801,356**	**205,701,487**	**306,005,428**
		29,066,659	**39,819,222**	**205,701,487**	**306,005,428**
		32,366,692	**42,820,652**	**205,745,117**	**306,040,475**

11. TRADE AND OTHER RECEIVABLES (CONT'D)

Note a

The amounts due from subsidiaries are unsecured, subject to interest rate at 2.40% (2022: 1.74%) per annum and repayable on demand.

During the financial year, the decrease in amounts due from subsidiaries are due to offsetting of amount due from Bison Holdings Sdn. Bhd. and Johanjana Corporation Sdn. Bhd. amounting to RM115,000,000 and RM10,800,000 respectively against consideration for 115,000,000 and 10,800,000 unit of shares issued by Bison Holdings Sdn. Bhd. and Johanjana Corporation Sdn. Bhd..

Note b

Goods and Services Tax ("GST") receivables refer to the returns due from the Royal Malaysian Custom Department in relation to input tax paid by the Group.

Note c

Included in deposits of the Group and the Company is an amount of RM561,000 (2022: RMNil) being deposits paid for acquisition of lands and deposit amounting to RM1,470,000 (2022: RM1,220,000) pledged on lien as security for bank borrowings granted (see Note 20).

12. CASH AND BANK BALANCES

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Non-current					
Deposits placed with licensed banks		3,193,227	3,138,629	273,432	273,432
Cash at bank	a	3,109,778	5,100,000	3,109,778	5,100,000
		6,303,005	**8,238,629**	**3,383,210**	**5,373,432**
Current					
Cash in hand and at bank		2,975,728	3,542,592	762,894	767,990
Housing Development Accounts	b	7,734,371	6,281,377	-	-
		10,710,099	**9,823,969**	**762,894**	**767,990**
		17,013,104	**18,062,598**	**4,146,104**	**6,141,422**
Cash and bank balances pledged to licensed banks as securities for bank borrowings granted	20	6,303,005	8,238,629	3,383,210	5,373,432

Note a

The non-current cash at bank are cash held under debt service reserve accounts that are pledged to the bank.

Note b

The Housing Development Accounts ("HDA") are held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use for other operations.

13. DEFERRED TAX ASSETS/(LIABILITIES)

The recognised deferred tax assets and (liabilities) before off-setting are as follows:

	Assets		Liabilities		Net	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Groups						
Inventories	3,616,629	4,401,757	(31,782,331)	(33,004,438)	(28,165,702)	(28,602,681)
Property, plant and equipment	2,895	1,256	(135,847)	(269,328)	(132,952)	(268,072)
Unutilised tax losses	11,630,947	11,902,921	-	-	11,630,947	11,902,921
Unabsorbed capital allowance	2,494,900	2,496,702	-	-	2,494,900	2,496,702
Others	2,698,246	2,130,047	(3,762,687)	(3,355,219)	(1,064,441)	(1,225,172)
Tax assets/(liabilities)	20,443,617	20,932,683	(35,680,865)	(36,628,985)	(15,237,248)	(15,696,302)
Set-off of tax	(3,218,032)	(2,745,816)	3,218,032	2,745,816	-	-
Net deferred tax assets/(liabilities)	**17,225,585**	**18,186,867**	**(32,462,833)**	**(33,883,169)**	**(15,237,248)**	**(15,696,302)**
Company						
Property, plant and equipment	-	-	(80,111)	(217,222)	(80,111)	(217,222)
Unutilised tax losses	1,760,378	1,946,148	-	-	1,760,378	1,946,148
Unabsorbed capital allowance	662,400	613,741	-	-	662,400	613,741
Tax assets/(liabilities)	2,422,778	2,559,889	(80,111)	(217,222)	2,342,667	2,342,667
Set-off of tax	(80,111)	(217,222)	80,111	217,222	-	-
Net deferred tax assets	**2,342,667**	**2,342,667**	**-**	**-**	**2,342,667**	**2,342,667**

Unutilised tax losses of RM48,462,279 (2022: RM49,595,504), arising from group entities that were loss making, were recognised as deferred tax assets as management considered it probable that future taxable profits will be available against which they can be utilised when these group entities commence property development activity.

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

Movement in temporary differences during the financial year

	At 1.4.2021 (RM)	Recognised in profit or loss (Note 26) (RM)	At 31.3.2022/ 1.4.2022 (RM)	Recognised in profit or loss (Note 26) (RM)	At 31.3.2023 (RM)
Groups					
Inventories	(26,424,047)	(2,178,634)	(28,602,681)	436,979	(28,165,702)
Property, plant and equipment	(1,062,999)	794,927	(268,072)	135,120	(132,952)
Unutilised tax losses	9,737,954	2,164,967	11,902,921	(271,974)	11,630,947
Unabsorbed capital allowance	2,523,699	(26,997)	2,496,702	(1,802)	2,494,900
Others	(595,475)	(629,697)	(1,225,172)	160,731	(1,064,441)
Net deferred tax assets/(liabilities)	**(15,820,868)**	**124,566**	**(15,696,302)**	**459,054**	**(15,237,248)**
Company					
Property, plant and equipment	(217,222)	-	(217,222)	137,111	(80,111)
Unutilised tax losses	1,946,148	-	1,946,148	(185,770)	1,760,378
Unabsorbed capital allowance	613,741	-	613,741	48,659	662,400
Net deferred tax assets/(liabilities)	**2,342,667**	**-**	**2,342,667**	**-**	**2,342,667**

In accordance with the provision of Finance Act 2018, the unutilised tax losses could be carried forward for a maximum of seven consecutive years of assessment. Any balance of the unutilised tax losses at the end of the seventh year shall be disregarded.

The Finance Act 2021 stated that the time frame to carry forward unutilised tax losses for year of assessment 2019 and subsequent years of assessment be extended from seven to ten consecutive years of assessment. The other temporary differences do not expire under current tax legislation.

14. CONTRACT WITH CUSTOMERS

14.1 Contract assets/(liabilities)

Group	2023 (RM)	2022 (RM)
Contract assets	57,224,192	28,832,465
Contract liabilities	-	-

The contract assets primarily relate to the Group's rights to consideration for work completed on contracts with property buyers but not yet billed at the reporting date. The amount will be billed on achievement of billing milestone as per the contract and will be transferred to trade receivables when the rights become unconditional.

The contract liabilities primarily relate to the consideration received in advance from customers for contracts with property buyers, which revenue is recognised over time during the development of the properties. The contract liabilities are expected to be recognised as revenue in the next financial year.

Significant changes to contract liabilities balances during the period are as follows:

Group	2023 (RM)	2022 (RM)
Contract liabilities at the beginning of the period recognised as revenue	-	3,517,291

14.2 Contract costs

Group	2023 (RM)	2022 (RM)
Cost to obtain a contract	3,631,965	3,173,137
Cost to fulfil a contract	15,877,192	10,965,921
	19,509,157	**14,139,058**

Cost to obtain a contract

Cost to obtain a contract primarily comprises incremental commission fees paid to intermediaries as a result of obtaining contracts and they are recoverable.

Capitalised commission fees are amortised when the related revenues are recognised. During the financial year, the amount amortised was RM2,674,380 (2022: RM2,031,715).

14. CONTRACT WITH CUSTOMERS (CONT'D)

14.2 Contract costs (cont'd)

Cost to fulfil a contract

Cost to fulfil a contract primarily comprises carrying amount of inventories in relation to contracts with customers. During the financial year, the amount amortised was RM78,628,621 (2022: RM50,322,695).

15. OTHER CURRENT ASSETS

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Prepaid operating expenses	1,281,930	1,218,528	1,183,498	1,023,387

16. SHARE CAPITAL

Group and Company	Number of shares 2023 (Units)	Amount 2023 (RM)	Number of shares 2022 (Units)	Amount 2022 (RM)
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares				
At 1 April	352,000,000	352,000,000	352,000,000	352,000,000
Issuance of shares	88,000,000	12,936,000	-	-
At 31 March	**440,000,000**	**364,936,000**	**352,000,000**	**352,000,000**

Ordinary shares

During the financial year, the Company issued Renounceable Rights Issue of 88,000,000 Right Shares with 88,000,000 Warrants on the basic of Right shares for every four (4) existing shares held together with one (1) warrants for every one (1) Right Shares subscribed for at an issued price of RM0.18 per right shares.

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

17. RESERVES

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Fair value reserve	a	(10,803,443)	(9,774,544)	-	-
Translation reserves	b	(5,345,000)	(5,345,000)	-	-
Warrants reserves	c	2,904,000	-	2,904,000	-
		(13,244,443)	**(15,119,544)**	**2,904,000**	**-**

(a) Fair value reserve

Fair value reserve represents the cumulative net change in the fair value of the investment in securities measured at FVTOCI until they are derecognised or impaired.

(b) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations of the Group's associate.

(c) Warrants reserves

Warrants reserves represents reserve allocated to free detachable warrants issued with right issue.

Warrants 2022/2027

During the financial year ended 31 March 2023, the Company issued renounceable rights issue of up to 88,000,000 new ordinary shares of RM0.18 each together with up to 88,000,000 free detachable warrants on the basis of one (1) Rights Share together with one (1) Warrant for every four (4) existing ordinary shares held.

The Company executed a Deed Poll constituting the Warrants and the exercise price of Warrants have been fixed at RM0.30 each. The Warrants may be exercised at any time within 5 years commencing on including the date of issuance of the Warrants and expiring on 25 October 2027. Any Warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The new ordinary shares allotted and issued upon exercise of the Warrants shall rank pari passu in all respects with the then existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from exercise of the Warrants.

The Rights Issue with Warrants was completed with the listing and quotation of 88,000,000 Rights Shares and 88,000,000 Warrants on the Main Market of Bursa Securities on 31 October 2022.

As at the financial year end, the total number of Warrants that remain unexercised at 88,000,000 and the warrant reserve value were RM2,904,000.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. PERPETUAL SUKUK

On 20 August 2021, the Company made its first issuance of Perpetual Sukuk Musharakah of RM5,000,000 nominal value under its Perpetual Sukuk Musharakah Programme of up to RM500 million.

The proceeds arising from the Perpetual Sukuk will be utilised for Shariah-compliant purposes which include refinancing of existing financing/borrowings, capital expenditure, asset acquisition, working capital, general corporate purposes and defray fees, costs and expenses in relation to the issuance of the Perpetual Sukuk Musharakah.

The salient features of the Perpetual Sukuk are as follows:

a. The Perpetual Sukuk is issued under the Shariah principle of Musharakah and unrated;

b. The Perpetual Sukuk issued carried an initial fixed periodic distribution rate of 6.50% per annum payable on a semi-annual basis in arrears. The periodic distribution rate of any tranche of perpetual sukuk will be reset at the aggregate of the initial period distribution rate plus set-up margin provided that such rate is capped at maximum rate;

c. No fixed redemption date but the Company has the option to redeem on the First Call date and on each subsequent semi-annual periodic distribution date;

d. The Company also has the option to redeem the Perpetual Sukuk under the following circumstances:

   i. Accounting Event - if the Perpetual Sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;

   ii. Tax Event - if the Company is or will become obliged to pay additional amount of tax due to changes in tax laws or regulations;

   iii. Change in Control Event - if Ho Wen Yan ceases to be the single largest shareholder (directly or indirectly) of the Company;

   iv. Leverage Event - if the Net Debts over Equity Ratio of the Company (on a consolidated basis) exceeds 1.25 times;

   v. Privatisation Event - if the Company fails to maintain the status as a public listed company on Bursa Malaysia Securities Berhad and is delisted;

   vi. Shareholder Event - if the Company reduces the issued and fully paid ordinary shares; and

   vii. Sinking Fund Event - if the Company fails to deposit the required build up for the nominal value of the applicable Secured Perpetual Sukuk Musharakah.

e. Payment obligations on the Perpetual Sukuk will at all times, rank ahead of the holders of Junior Obligations of the Company and rank pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company.

19. TRADE AND OTHER PAYABLES

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Non-current					
Trade					
Trade payables	a	30,020,186	29,682,109	-	-
Non-trade					
Refundable deposits		284,123	191,000	-	-
		30,304,309	**29,873,109**	**-**	**-**
Current					
Trade					
Trade payables		77,981,038	73,837,523	-	-
Non-trade					
Amounts due to subsidiaries	b	-	-	83,614,724	111,154,791
Accrued operating expenses		12,631,626	24,258,401	1,732,514	12,436,770
Other payables		13,306,506	5,352,414	789,060	301,503
Refundable deposits		1,207,144	1,498,412	5,820	5,820
		27,145,276	**31,109,227**	**86,142,118**	**123,898,884**
		105,126,314	**104,946,750**	**86,142,118**	**123,898,884**
		135,430,623	**134,819,859**	**86,142,118**	**123,898,884**

Note a

Non-current trade payables are retention sums which are payable upon the expiry of the defects liability period and compensation owing to authorities that are payable upon development of land held for future development.

Note b

The amounts due to subsidiaries are unsecured, subject to interest rate at 2.40% (2022: 1.74%) per annum and repayable on demand.

20. LOANS AND BORROWINGS

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Non-current				
Secured:				
Bridging loan	13,741,647	-	-	-
Sukuk Murabahah	8,202,000	12,696,000	8,202,000	12,696,000
Term loans	115,466,002	149,998,646	4,241,845	18,843,022
Revolving loans	17,400,000	27,900,000	17,400,000	27,900,000
Islamic cash line facility	10,000,000	10,000,000	10,000,000	10,000,000
	164,809,649	**200,594,646**	**39,843,845**	**69,439,022**
Current				
Secured:				
Sukuk Murabahah	4,494,000	4,494,000	4,494,000	4,494,000
Term loans	12,343,728	8,155,328	1,093,728	1,093,728
Revolving loans	13,162,870	10,500,000	13,162,870	10,500,000
Islamic cash line facility	2,906,560	3,330,823	2,906,560	3,330,823
Banker's acceptance	1,473,000	893,000	-	-
Bank overdrafts	29,938,323	25,118,381	15,602,660	15,019,972
	64,318,481	**52,491,532**	**37,259,818**	**34,438,523**
	229,128,130	**253,086,178**	**77,103,663**	**103,877,545**

Securities

The Group's and the Company's secured bridging loan, Sukuk Murabahah, term loans, revolving loans, Islamic cash line facility, banker's acceptance and bank overdrafts are secured by the following:

i. legal charge over property, plant and equipment (Note 3), investment properties (Note 5) and inventories (Note 10);

ii. deposits placed with licensed banks (Note 11 and Note 12); and

iii. corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. LOANS AND BORROWINGS (CONT'D)

Reconciliation of movement of liabilities to cash flows arising from financing activities

Group	At 1.4.2021 (RM)	Drawdown of loans and borrowings (RM)	Repayment of loans and borrowings (RM)	Other movements (RM)	At 31.3.2022/ 1.4.2022 (RM)	Drawdown of loans and borrowings (RM)	Repayment of loans and borrowings (RM)	Other movements (RM)	At 31.3.2023 (RM)
Bridging loan	13,676,004	-	(13,676,004)	-	-	21,281,490	(7,539,843)	-	13,741,647
Sukuk Murabahah	21,684,000	-	(4,494,000)	-	17,190,000	-	(4,494,000)	-	12,696,000
Term loans	178,061,334	6,126,222	(26,670,564)	636,982	158,153,974	143,209	(30,487,453)	-	127,809,730
Banker's acceptance	-	1,500,000	(607,000)	-	893,000	6,132,000	(5,552,000)	-	1,473,000
Revolving loans	44,382,088	-	(5,982,088)	-	38,400,000	2,000,000	(9,837,130)	-	30,562,870
Islamic cash line facility	11,738,539	10,000,000	(8,407,716)	-	13,330,823	5,000,000	(5,424,263)	-	12,906,560
Lease liabilities	1,071,875	-	(793,125)	392,399	671,149	-	(763,243)	615,755	523,661
Total liabilities from financing activities	**270,613,840**	**17,626,222**	**(60,630,497)**	**1,029,381**	**228,638,946**	**34,556,699**	**(64,097,932)**	**615,755**	**199,713,468**
Company									
Sukuk Murabahah	21,684,000	-	(4,494,000)	-	17,190,000	-	(4,494,000)	-	12,696,000
Term loans	33,123,497	-	(13,186,747)	-	19,936,750	-	(14,601,177)	-	5,335,573
Revolving loans	44,382,088	-	(5,982,088)	-	38,400,000	2,000,000	(9,837,130)	-	30,562,870
Islamic cash line facility	11,738,540	10,000,000	(8,407,717)	-	13,330,823	5,000,000	(5,424,263)	-	12,906,560
Lease liabilities	457,580	-	(291,743)	150,903	316,740	-	(371,985)	338,314	283,069
Total liabilities from financing activities	**111,385,705**	**10,000,000**	**(32,362,295)**	**150,903**	**89,174,313**	**7,000,000**	**(34,728,555)**	**338,314**	**61,784,072**

Other movements include capitalisation and amortisation of transaction costs and new leases.

21. REVENUE

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Revenue from contracts with customers	**118,132,272**	**118,286,412**	**4,712,400**	**4,977,000**
Other revenue				
- Dividend income	-	-	70,000,000	124,500,000
- Rental income	1,927,705	1,902,069	-	-
	1,927,705	1,902,069	70,000,000	124,500,000
	120,059,977	**120,188,481**	**74,712,400**	**129,477,000**

21.1 Disaggregation of revenue from contracts with customers

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Major products and services				
Sales of development properties	82,542,237	70,997,652	-	-
Sales of developed properties	29,798,103	40,960,762	-	-
Trading of building materials	4,862,240	5,531,713	-	-
Operating of restaurant, laundry and vending machine	449,692	316,285	-	-
Management fee	480,000	480,000	4,712,400	4,977,000
	118,132,272	**118,286,412**	**4,712,400**	**4,977,000**
Timing and recognition				
At a point in time	35,110,035	46,808,760	-	-
Over time	83,022,237	71,477,652	4,712,400	4,977,000
	118,132,272	**118,286,412**	**4,712,400**	**4,977,000**

21. REVENUE (CONT'D)

21.2 Nature of goods and services

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Sales of development properties	Revenue is recognised over time using the cost incurred method. Development properties sold to customers typically do not have alternative use and the Group has rights to payment for work performed.	Based on milestone progress billings submitted to customers which are approved by accredited architect and subjected to a credit period of 30 days.	Not applicable	Not applicable	The Company is required to fulfil warranty obligation over defect liability period of 2 years from the handover of properties to customers.
Sales of developed properties	Revenue is recognised when right to pledge the developed properties is given to the customer.	Based on progress billings, which is subjected to 30 days credit period, with 10% payable upon signing of contract and remaining 90% billable 3 months from date of signing of contract.	Not applicable	Not applicable	Not applicable
Trading of building materials	Revenue is recognised when the goods are delivered and accepted by customers at their premises.	Credit period of 30 days from invoice date.	Not applicable	Not applicable	Not applicable
Operating of restaurant, laundry and vending machine	Revenue is recognised when goods/services are served/ delivered.	No credit term is given.	Not applicable	Not applicable	Not applicable
Management fee	Revenue is recognised over time as and when management services are performed.	Credit period of 30 days from invoice date.	Not applicable	Not applicable	Not applicable

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. REVENUE (CONT'D)

21.3 Transaction price allocated to the remaining performance obligations

Transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date of RM151,836,637 (2022: RM122,539,647) are expected to be recognised as revenue progressively over the financial years 2024 to 2025 (2022: 2023 to 2024).

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

21.4 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

- For revenue recognised over time using the cost incurred method, the Group measured the performance of work done by comparing the actual costs incurred with the estimated total costs required to complete the work. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, management relied on professionals' estimates and also on past experience of completed developed properties. A change in the estimates will directly affect the revenue to be recognised.
- For revenue recognised in respect of contracts with customers who are not supported by end-financiers, the Group has assessed and determined that collectability of the consideration from these customers is probable. In making this judgement, the Group has considered the trend of collections from these customers and the general background of these customers.

22. OTHER INCOME

	Note	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Interest income of financial assets calculated using the effective interest method that are at amortised cost:					
- interest income		161,942	137,445	6,780,173	5,077,064
- accrete interest from financial assets		40,420	127,502	301	451
		202,362	**264,947**	**6,780,474**	**5,077,515**
Deposits forfeited		62,778	282,515	-	-
Gain on disposal of property, plant and equipment		3,696	-	3,696	-
Net gains on impairment of:					
- intangible assets		-	2,014,417	-	-
- investments in associates		-	1,467,604	-	-
Rental income					
- investment properties		23,400	21,780	54,600	52,980
- others		709,484	560,927	-	-
Reversal of damage claims	35	8,150,881	-	8,150,881	-
Sundry income		494,483	535,495	54,979	45,124
		9,647,084	**5,147,685**	**15,044,630**	**5,175,619**

23. RESULTS FROM OPERATING ACTIVITIES

Results from operating activities are arrived at after charging/(crediting) amongst other:

	Group 2023 (RM)	Group 2022 (RM)	Company 2023 (RM)	Company 2022 (RM)
Auditors' remuneration:				
- Audit fees				
- current year	254,000	237,000	88,000	88,000
- (Over)/Under provision in prior years	(3,000)	-	-	-
- Non-audit fees	8,650	6,000	6,000	6,000

23. RESULTS FROM OPERATING ACTIVITIES (CONT'D)

Results from operating activities are arrived at after charging/(crediting) amongst other: (cont'd)

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Material expense/(income)				
Amortisation of:				
- concession assets	671,943	611,245	-	-
- franchise fee	10,000	10,000	-	-
Bad debts written off	8,020	-	-	-
Depreciation of:				
- investment properties	42,758	42,757	46,058	46,058
- property, plant and equipment	2,393,345	2,497,305	440,535	494,562
- right-of-use assets	511,750	550,485	139,215	54,933
Loss on/(Reversal of) impairment loss:				
- intangible assets	5,288,485	(2,014,417)	-	-
- investments in subsidiaries	-	-	-	23,459,682
- investment in an associate	-	(1,467,604)	-	-
Loss on disposal of property, plant and equipment	-	10,823	-	-
Non-Executive Directors' remuneration	669,980	648,337	651,197	630,190
Property, plant and equipment written off	1,720	9,398	-	-
Termination of lease contract	214,120	24,041	207,844	-
Expenses arising from leases:				
Expenses relating to short-term leases (a)	255,846	242,070	-	-
Expenses relating to leases of low-value assets (a)	-	102,897	-	51,684
Net (gain)/loss on impairment of financial instruments and contract assets				
Financial assets at amortised cost	(591,898)	1,942,986	109,233	1,260,395

a. The Group and the Company leases a number of properties and office equipment with contract terms of not more than one year. These leases are short-term and/or leases of low-value items. The Group or the Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

24. FINANCE COSTS

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Interest expense of financial liabilities that are not at fair value through profit of loss:				
- bank overdrafts	1,704,898	1,213,828	885,918	743,915
- banker's acceptance	60,015	8,780	-	-
- bank loans	12,095,619	12,129,651	7,275,425	7,101,453
- lease liabilities	36,338	29,963	2,988	4,227
- intercompany loan	-	-	2,090,350	2,109,008
- other financial liabilities carried at amortised cost	613,774	418,246	306,607	204,404
	14,510,644	13,800,468	10,561,288	10,163,007
Capitalised on qualifying assets - inventories	(4,467,433)	(4,546,290)	-	-
Recognised in profit or loss	**10,043,211**	**9,254,178**	**10,561,288**	**10,163,007**

25. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Salaries and bonus	7,335,592	7,446,304	2,809,200	2,681,469
EIS contributions	7,461	7,596	1,939	1,966
EPF contributions	946,996	954,353	361,772	344,352
Social security contributions	65,281	66,710	16,963	17,270
	8,355,330	**8,474,963**	**3,189,874**	**3,045,057**

Included in employees' benefits expenses of the Group and of the Company is Executive Directors' remuneration, excluding benefits-in-kind, amounting to RM992,289 (2022: RM895,249).

25. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensations are as follows:

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Executive Directors:				
- Salaries and other emoluments	869,600	790,690	869,600	790,690
- EIS contributions	109	95	109	95
- EPF contributions	121,628	103,635	121,628	103,635
- Social security contributions	952	829	952	829
Total Executive Directors' remuneration (excluding benefit-in-kind)	992,289	895,249	992,289	895,249
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
Total Executive Directors' remuneration (including benefit-in-kind)	**999,489**	**902,449**	**999,489**	**902,449**
Non-Executive Directors':				
- Fees	639,980	618,337	621,197	600,190
- Other emoluments	30,000	30,000	30,000	30,000
Total Non-Executive Directors' remuneration (excluding benefit-in-kind)	669,980	648,337	651,197	630,190
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
Total Non-Executive Directors' remuneration (including benefit-in-kind)	**677,180**	**655,537**	**658,397**	**637,390**
Total key management personnel compensation	**1,676,669**	**1,557,986**	**1,657,886**	**1,539,839**

25. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2023	2022
Executive director		
RM850,001 - RM900,000	-	1
RM900,001 - RM950,000	-	-
RM950,001 - RM1,000,000	1	-
Non-executive directors		
RM50,001 - RM100,000	-	1
RM100,001 - RM150,000	4	3
RM150,001 - RM200,000	1	1

26. TAX EXPENSE

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Recognised in profit or loss				
Income tax expense				
Current tax	5,143,379	7,090,254	642,703	-
Prior years	28,893	(689,509)	30,563	(1,476,243)
Total income tax recognised in profit or loss	5,172,272	6,400,745	673,266	(1,476,243)
Deferred tax expense				
Origination and reversal of temporary differences	(460,669)	(124,566)	-	-
Prior years	1,615	-	-	-
	(459,054)	(124,566)	-	-
Tax expense	4,713,218	6,276,179	673,266	(1,476,243)
Share of tax of equity-accounted associate	-	24,760	-	-
	4,713,218	**6,300,939**	**673,266**	**(1,476,243)**

26. TAX EXPENSE (CONT'D)

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Recognised in profit or loss				
Profit before tax	7,845,586	7,709,617	71,942,649	92,720,347
Less: Share of loss of equity-accounted associate, net of tax	-	6,255,000	-	-
Loss excluding share of profit of equity-accounted associate	**7,845,586**	**13,964,617**	**71,942,649**	**92,720,347**
Income tax calculated using Malaysian tax rate of 24%	1,882,941	3,351,508	17,266,236	22,252,883
Non-taxable income	(1,101,273)	(336,776)	(17,746,122)	(29,880,000)
Non-deductible expenses	4,137,864	3,950,956	972,960	7,627,117
Deferred tax assests not recognised	149,629	-	149,629	-
Recognition of previously unrecognised deferred tax	(386,451)	-	-	-
Under/(over) provision in prior year				
- income tax	28,893	(689,509)	30,563	(1,476,243)
- deferred tax	1,615	-	-	-
Tax expense	4,713,218	6,276,179	673,266	(1,476,243)
Share of tax of equity-accounted associate	-	24,760	-	-
	4,713,218	**6,300,939**	**673,266**	**(1,476,243)**

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 March 2023 was based on the profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding, calculated as follows:

Group	2023	2022
RM		
Profit for the financial year attributable to owners of the Company	3,224,015	1,525,985
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at 1 April	352,000,000	352,000,000
Effect of ordinary shares issued during the financial year	36,646,575	-
Weighted average number of ordinary shares	**388,646,575**	**352,000,000**
Sen		
Basic earnings per ordinary shares	**0.83**	**0.43**

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 March 2023 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

Group	2023	2022
RM		
Profit for the financial year attributable to owners of the Company	3,224,015	1,525,985
Weighted average number of ordinary shares used in the calculation of basic of earnings per share	388,646,575	352,000,000
Effect of warrants	-*	-
Weighted average number of ordinary shares	**388,646,575**	**352,000,000**
Sen		
Diluted earnings per ordinary shares	**-***	**0.43**

* The Group and the Company have no dilution in their earnings per ordinary shares as the exercise price of the warrants has exceed the average market price of ordinary shares during the financial year, the options do not have any dilutive effect on the weighted average number of ordinary shares.

28. DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2023.

29. FINANCIAL GUARANTEE

Company	2023 (RM)	2022 (RM)
Unsecured:		
Bank guarantee facilities utilised by subsidiaries	5,371,566	9,141,301
Unsecured:		
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	152,024,467	148,458,633

30. OPERATING SEGMENTS

The Group has 2 reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different business strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Board of Directors) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

i. Property development segment

The property development segment is in the business of constructing and developing residential and commercial properties. This reportable segment has been formed by aggregating the property development operating segment and the investment properties operating segment, which are regarded by management to exhibit similar economic characteristics.

ii. Concession assets segment

Concession assets segment is the business of collection of rental over the concession periods from assets held under "build, operate and transfer" agreements.

Other non-reportable segments comprise operations related to trading of building materials, operating of restaurant, laundry and vending machine. None of these segments met the quantitative thresholds for reporting segments in 2023 and 2022.

Performance is measured based on segment profit before tax as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

30. OPERATING SEGMENTS (CONT'D)

Group	Property development (RM)	Concession assets (RM)	Total (RM)
2023			
Segment gain	1,926,256	164,582	2,090,838
Included in the measure of segment profit/(loss) are:			
Revenue from external customers	113,102,174	2,024,557	115,126,731
Depreciation and amortisation	(2,638,133)	(672,688)	(3,310,821)
Impairment loss on intagible assets	(5,288,485)	-	(5,288,485)
Reversal of impairment loss on financial instruments	(109,233)	91,898	(17,335)
Interest expense	(9,740,643)	(228,212)	(9,968,855)
Interest income	231,300	4,978	236,278
Segment assets	**877,296,881**	**8,370,879**	**885,667,760**
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	690,946	25,932	716,878
Other investment	43,728,225	-	43,728,225
Segment liabilities	**(390,379,745)**	**(1,306,455)**	**(391,686,200)**

30. OPERATING SEGMENTS (CONT'D)

Group	Property development (RM)	Concession assets (RM)	Total (RM)
2022			
Segment gain	1,047,726	157,898	1,205,624
Included in the measure of segment profit are:			
Revenue from external customers	112,729,466	1,902,069	114,631,535
Depreciation and amortisation	(2,795,379)	(611,722)	(3,407,101)
Reversal of impairment loss - investment in an associate	1,467,604	-	1,467,604
Impairment loss - other receivable	(1,900,000)	-	(1,900,000)
Reversal of impairment loss - intangible assets	-	2,014,417	2,014,417
Interest expense	(9,209,042)	(255,320)	(9,464,362)
Interest income	472,787	3,802	476,589
Shares of loss of equity-accounted associate, net of tax	(6,255,000)	-	(6,255,000)
Segment assets	**872,764,067**	**9,240,626**	**882,004,693**
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	416,092	4,600	420,692
Other investment	44,757,124	-	44,757,124
Segment liabilities	**(404,663,972)**	**(13,140,783)**	**(417,804,755)**

30. OPERATING SEGMENTS (CONT'D)

Group	Segment profit/(loss) (RM)	Segment revenue (RM)	Depreciation and amortisation (RM)	Interest expense (RM)	Interest income (RM)	Segment assets (RM)	Segment liabilities (RM)
2023							
Total reportable segment	2,090,838	115,126,731	(3,310,821)	(9,968,855)	236,278	885,667,760	(391,686,200)
Other non-reportable segments	641,630	5,701,846	(318,975)	(209,433)	101,161	17,965,756	(14,859,388)
Elimination of intersegment transaction	399,900	(768,600)	-	135,077	(135,077)	(22,991,919)	1,106,943
Consolidated total	**3,132,368**	**120,059,977**	**(3,629,796)**	**(10,043,211)**	**202,362**	**880,641,597**	**(405,438,645)**
2022							
Total reportable segment	1,205,624	114,631,535	(3,407,101)	(9,464,362)	476,589	882,004,693	(417,804,755)
Other non-reportable segments	(442,038)	6,174,346	(304,691)	(74,246)	72,788	13,155,292	(9,417,378)
Elimination of intersegment transaction	669,852	(617,400)	-	284,430	(284,430)	(11,228,339)	243,363
Consolidated total	**1,433,438**	**120,188,481**	**(3,711,792)**	**(9,254,178)**	**264,947**	**883,931,646**	**(426,978,770)**

Geographical segments

The Group predominantly operate in Malaysia.

Major customers

There are no major customers with revenue equal or more than 10% of the Group's total revenue.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. COMMITMENTS

Group and Company	2023 (RM)	2022 (RM)
Commitments to purchase land held for property development		
- Approved and contracted for	2,244,000	-

32. FINANCIAL INSTRUMENTS

32.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 March 2023, by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	At amortised cost (RM)	At FVTOCI (RM)	Total (RM)
2023			
Financial assets			
Other investment	-	43,728,225	43,728,225
Trade and other receivables	31,777,321	-	31,777,321
Cash and cash equivalents	17,013,104	-	17,013,104
	48,790,425	**43,728,225**	**92,518,650**
Financial liabilities			
Trade and other payables	135,430,623	-	135,430,623
Loans and borrowings	229,128,130	-	229,128,130
	364,558,753	**-**	**364,558,753**
2022			
Financial assets			
Other investment	-	44,757,124	44,757,124
Trade and other receivables	42,576,098	-	42,576,098
Cash and cash equivalents	18,062,598	-	18,062,598
	60,638,696	**44,757,124**	**105,395,820**
Financial liabilities			
Trade and other payables	134,819,859	-	134,819,859
Loans and borrowings	253,086,178	-	253,086,178
	387,906,037	**-**	**387,906,037**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 Categories of financial instruments (cont'd)

The table below provides an analysis of financial instruments as at 31 March 2023, by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (cont'd)

	At amortised cost	
	2023 (RM)	2022 (RM)
Company		
Financial assets		
Trade and other receivables	205,184,117	306,039,034
Cash and cash equivalents	4,146,104	6,141,422
	209,330,221	**312,180,456**
Financial liabilities		
Trade and other payables	86,142,118	123,898,884
Loans and borrowings	77,103,663	103,877,545
	163,245,781	**227,776,429**

32.2 Net gains and losses arising from financial instruments

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Net gains/(losses) on:				
Financial assets measured at amortised cost	479,633	17,557	6,364,634	4,873,111
Financial liabilities measured at amortised cost	(1,215,778)	(8,554,519)	(2,103,800)	(9,958,603)
Equity instruments at FVTOCI				
- Recognised in other comprehensive income	(1,028,899)	(9,774,544)	-	-
	(1,765,044)	**(18,311,506)**	**4,260,834**	**(5,085,492)**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Financial risk management

The Group and the Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

32.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from receivables from purchasers of properties ("purchasers") and deposits with banks and financial institutions. The Company is also exposed to credit risk in respect of advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Normally, purchasers are supported by the end-financiers which are reputable banks in Malaysia. For self-financed purchasers, the Group and the Company extend credit based upon evaluation of the purchasers' general background. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

At each reporting date, the Group and the Company assess whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous financial year.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

The Group generally does not receive any collateral and credit enhancement from purchasers. However, the Group mitigate its credit risk by maintaining its name as the registered owner of the properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financing by the purchasers' end-financier.

Concentration of credit risk

At the end of the financial year, the Group had 1 customer (2022: 1 customer) that owned the Group and accounted for approximately 48% (2022: 14%) of all the receivables outstanding.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days. The Group's debt recovery process is as follows:

a. Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the credit control department; and

b. If the customer did not abide by the agreed debt restructuring arrangement, the Group will issue notice of termination to commence termination of contract and recovery of the properties sold in order to reduce the credit risk exposure.

The Group measures expected credit loss ("ECL") of trade receivables individually. Consistent with the debt recovery process, invoices of which customers have defaulted on debt recovery arrangements are generally considered as credit impaired.

Loss rates are determined for each individual purchasers using past payment trends and other external information relating to the purchasers that are publicly available. In determining the loss rates for each individual purchaser, the Group also considers the value of properties sold that could be recovered upon termination of contract which will reduce credit loss arising from the trade receivables.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Recognition and measurement of impairment losses (cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 March 2023 which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount (RM)	Loss allowance (RM)	Net balance (RM)
2023			
Not past due	60,002,792	-	60,002,792
Past due 31 - 120 days	13,383,070	-	13,383,070
Past due 121 - 180 days	3,475,433	-	3,475,433
Past due 181 - 335 days	2,144,293	-	2,144,293
Past due more than 335 days	459,818	-	459,818
	79,465,406	-	79,465,406
Individually impaired	434,990	(434,990)	-
	79,900,396	**(434,990)**	**79,465,406**
Trade receivables	22,676,204	(434,990)	22,241,214
Contract assets	57,224,192	-	57,224,192
	79,900,396	**(434,990)**	**79,465,406**
2022			
Not past due	39,056,906	-	39,056,906
Past due 31 - 120 days	16,369,663	-	16,369,663
Past due 121 - 180 days	787,873	-	787,873
Past due 181 - 335 days	2,192,867	-	2,192,867
Past due more than 335 days	2,443,022	-	2,443,022
	60,850,331	-	60,850,331
Individually impaired	526,888	(526,888)	-
	61,377,219	**(526,888)**	**60,850,331**
Trade receivables	32,544,754	(526,888)	32,017,866
Contract assets	28,832,465	-	28,832,465
	61,377,219	**(526,888)**	**60,850,331**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Recognition and measurement of impairment losses (cont'd)

The Group did not receive any collateral in respect of the above trade receivables and contract assets.

There are trade receivables where the Group has not recognised any loss allowance as the Group has maintained its name as the registered owner of the properties sold to customers until the trade receivables are collected.

The movements in the allowance for impairment in respect of trade receivables and contract assets during the financial year are shown below.

Group	2023 (RM)	2022 (RM)
Trade receivables - Credit impaired		
At beginning of financial year	526,888	483,902
Net remeasurement of loss allowance	(91,898)	42,986
At end of financial year	**434,990**	**526,888**

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables and deposits

Credit risks on other receivables and deposits are mainly arising from deposits and advances paid for property development activities to government entities, contractors and consultants. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The movements in the allowance for impairment in respect of other receivables and deposits during the financial year are shown below.

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
At beginning of financial year	1,917,288	17,288	1,900,000	1,900,000
Net remeasurement of loss allowances	(500,000)	1,900,000	(500,000)	-
At end of financial year	**1,417,288**	**1,917,288**	**1,400,000**	**1,900,000**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Other receivables and deposits (cont'd)

The other receivables, except for the credit impaired refundable deposits, have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of its subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loan or advance to the Company in full;
- The subsidiary's loan or advance is overdue for more than 30 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Inter-company balances (cont'd)

Recognition and measurement of impairment loss (cont'd)

The following table provides information about the exposure to credit risk and ECLs for amounts due from subsidiaries as at 31 March 2023.

Company	2023 (RM)	2022 (RM)
Amounts due from subsidiaries	207,415,995	308,256,462
Loss allowance - Credit impaired	(5,066,981)	(4,457,748)
	202,349,014	**303,798,714**

The movements in the allowance for impairment in respect of amounts due from subsidiaries during the year are shown below.

Company	2023 (RM)	2022 (RM)
Amounts due from subsidiaries - Credit impaired		
At beginning of financial year	4,457,748	3,197,353
Net remeasurement of loss allowance	609,233	1,260,395
At end of financial year	**5,066,981**	**4,457,748**

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM152,024,467 (2022: RM148,458,633) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Credit risk (cont'd)

Financial guarantees (cont'd)

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

32.5 Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from their various payables and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.5 Liquidity risk (cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

2023	Carrying amount (RM)	Contractual interest rate %	Contractual cash flows (RM)	Under 1 year (RM)	1-5 years (RM)	More than 5 years (RM)
Group						
Non-derivative financial liabilities						
Trade and other payables						
- non-interest bearing	135,430,623	-	135,430,623	105,126,314	30,304,309	-
Lease liabilities	523,661	1.75 - 7.01	571,251	373,198	198,053	-
Loans and borrowings	229,128,130	4.60 - 7.51	263,635,672	71,154,690	172,279,374	20,201,608
	365,082,414	**-**	**399,637,546**	**176,654,202**	**202,781,736**	**20,201,608**
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	83,614,724	2.40	83,614,724	83,614,724	-	-
- non-interest bearing	2,527,394	-	2,527,394	2,527,394	-	-
Lease liabilities	283,069	2.74 - 6.60	325,901	163,548	162,353	-
Loans and borrowings	77,103,663	4.60 - 7.51	88,341,359	40,369,096	47,972,263	-
Financial guarantee*	-	-	152,024,467	152,024,467	-	-
	163,528,850	**-**	**326,833,845**	**278,699,229**	**48,134,616**	**-**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.5 Liquidity risk (cont'd)

Maturity analysis (cont'd)

2022	Carrying amount (RM)	Contractual interest rate %	Contractual cash flows (RM)	Under 1 year (RM)	1-5 years (RM)	More than 5 years (RM)
Group						
Non-derivative financial liabilities						
Trade and other payables						
- non-interest bearing	134,819,859	-	134,819,859	104,946,750	29,873,109	-
Lease liabilities	671,149	1.75 - 7.01	717,228	554,511	162,717	-
Loans and borrowings	253,086,178	3.70 - 6.51	297,166,607	63,861,095	177,931,428	55,374,084
	388,577,186	**-**	**432,703,694**	**169,362,356**	**207,967,254**	**55,374,084**
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	111,154,791	1.74	111,154,791	111,154,791	-	-
- non-interest bearing	12,744,093	-	12,744,093	12,744,093	-	-
Lease liabilities	316,740	5.23	332,617	235,350	97,267	-
Loans and borrowings	103,877,545	3.70 - 6.51	119,573,559	39,343,663	80,229,896	-
Financial guarantee*	-	-	148,458,633	148,458,633	-	-
	228,093,169	**-**	**392,263,693**	**311,936,530**	**80,327,163**	**-**

* Based on the maximum amount that can called for under the financial guarantee contract.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.6 Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Group's and the Company's financial position or cash flows.

Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investment in financial assets, short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group and the Company manage the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group and the Company manage their interest rate exposure by maintaining a mix of fixed and floating rate loans and borrowings. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

Exposure to interest rate risk

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

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Fixed rate instruments				
Financial assets	3,193,227	3,138,629	273,432	273,432
Lease liabilities	(523,661)	(671,149)	(283,069)	(316,740)
	2,669,566	**2,467,480**	**(9,637)**	**(43,308)**
Floating rate instruments				
Financial assets	-	-	202,349,014	303,798,714
Financial liabilities	(229,128,130)	(253,086,178)	(160,718,387)	(215,032,336)
	(229,128,130)	**(253,086,178)**	**41,630,627**	**88,766,378**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.6 Market risk (cont'd)

Interest rate risk (cont'd)

Interest rate risk sensitivity analysis

a. Fair value sensitivity analysis for fixed rate instruments

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

b. *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Fixed rate instruments				
100 bp increase	(1,741,374)	(1,923,455)	316,393	674,624
100 bp decrease	1,741,374	1,923,455	(316,393)	(674,624)

32.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables, payables and borrowings reasonably approximate fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The table below analyses non-current financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

32. FINANCIAL INSTRUMENTS (CONT'D)

32.7 Fair value information (cont'd)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Carrying Amount (RM)
	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	
2023									
Financial assets Non-current									
Deposits with licensed banks	-	-	-	-	-	-	6,303,005	6,303,005	6,303,005
Other receivables	-	-	-	-	-	-	1,886,924	1,886,924	1,886,924
Refundable deposits	-	-	-	-	-	-	1,413,109	1,413,109	1,413,109
Other investment	43,728,225	-	-	43,728,225	-	-	-	-	-
	43,728,225	**-**	**-**	**43,728,225**	**-**	**-**	**9,603,038**	**9,603,038**	**9,603,038**
Financial liabilities Non-current									
Trade payables	-	-	-	-	-	-	30,020,186	30,020,186	30,020,186
Refundable deposits	-	-	-	-	-	-	284,123	284,123	284,123
Loans and borrowings	-	-	-	-	-	-	164,809,649	164,809,649	164,809,649
	-	**-**	**-**	**-**	**-**	**-**	**195,113,958**	**195,113,958**	**195,113,958**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.7 Fair value information (cont'd)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Carrying Amount (RM)
	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	
2022									
Financial assets									
Non-current									
Deposits with licensed banks	-	-	-	-	-	-	8,238,629	8,238,629	8,238,629
Other receivables	-	-	-	-	-	-	1,232,600	1,232,600	1,232,600
Refundable deposits	-	-	-	-	-	-	1,768,830	1,768,830	1,768,830
Other investment	44,757,124	-	-	44,757,124	-	-	-	-	-
	44,757,124	**-**	**-**	**44,757,124**	**-**	**-**	**11,240,059**	**11,240,059**	**11,240,059**
Financial liabilities									
Non-current									
Trade payables	-	-	-	-	-	-	29,682,109	29,682,109	29,682,109
Refundable deposits	-	-	-	-	-	-	191,000	191,000	191,000
Loans and borrowings	-	-	-	-	-	-	200,594,646	200,594,646	200,594,646
	-	**-**	**-**	**-**	**-**	**-**	**230,467,755**	**230,467,755**	**230,467,755**

32. FINANCIAL INSTRUMENTS (CONT'D)

32.7 Fair value information (cont'd)

Company	Fair value of financial instruments not carried at fair value Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	Carrying Amount (RM)
2023					
Financial assets					
Non-current					
Deposits with licensed banks	-	-	3,383,210	3,383,210	3,383,210
Refundable deposits	-	-	43,630	43,630	43,630
	-	**-**	**3,426,840**	**3,426,840**	**3,426,840**
Current					
Advances to subsidiaries companies	-	-	202,349,014	202,349,014	202,349,014
Financial liabilities					
Non-current					
Loans and borrowings	**-**	**-**	**39,843,845**	**39,843,845**	**39,843,845**
2022					
Financial assets					
Non-current					
Deposits with licensed banks	-	-	5,373,432	5,373,432	5,373,432
Refundable deposits	-	-	35,047	35,047	35,047
	-	**-**	**5,408,479**	**5,408,479**	**5,408,479**
Current					
Advances to subsidiaries companies	-	-	303,798,714	303,798,714	303,798,714
Financial liabilities					
Non-current					
Loans and borrowings	**-**	**-**	**69,439,022**	**69,439,022**	**69,439,022**

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2022: no transfer in either directions).

32. FINANCIAL INSTRUMENTS (CONT'D)

32.7 Fair value information (cont'd)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as key unobservable inputs used in the valuation method.

Type	Valuation technique and key inputs	Significant unobservable inputs
Advances to subsidiaries	Discounted cash flows using a rate based on the current market rate of borrowing of the Group entities at the reporting date.	Interest rate (2.40%)

33. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group's approach for capital management is to monitor and maintain an optimal debt-to-equity ratio. The debt-to-equity ratios at 31 March 2023 and 31 March 2022 are as follows:

Group	2023 (RM)	2022 (RM)
Loans and borrowings	229,128,130	253,086,178
Lease liabilities	523,661	671,149
Less: Deposits placed with licensed banks	(3,193,227)	(3,138,629)
Less: Cash and bank balances	(13,819,877)	(14,923,969)
Net debts	**212,638,687**	**235,694,729**
Total equity	**475,202,952**	**456,952,876**
Debt-to-equity ratio	**45%**	**51%**

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. RELATED PARTIES

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel are only Directors of the Group.

The Group has related party relationship with its holding company, subsidiaries, associate and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company, other than key management personnel compensation (see Note 25) and dividend income, are shown below. The balances related to the below transactions are shown in Note 11 and Note 19.

	Group		Company	
	2023 (RM)	2022 (RM)	2023 (RM)	2022 (RM)
Subsidiaries				
Dividend income	-	-	70,000,000	124,500,000
Interest receivables	-	-	6,780,173	5,077,064
Interest payables	-	-	2,090,350	2,109,008
Management fee received	-	-	4,712,400	4,977,000
Rental received	-	-	31,200	31,200

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. MATERIAL LITIGATION

On 6 April 2021, the Company received a Writ Summons and Statement of Claim ("Claim") served by the solicitors for Apple Rainbow Sdn. Bhd., E-Hong Holdings Sdn. Bhd., Wong Yoon Tzy and Bio-Energy Technology Sdn. Bhd. (the "Plaintiffs"). The Plaintiffs are seeking for the following reliefs:

1. Special damages amounting to RM11,042,724.52;
2. General damaged to be quantified by the Court;
3. Interest of 5% per year on the said sum of RM11,042,724.52 to be calculated from the date of filing of the Claim until the date of full settlement;
4. Cost; and
5. Exemplary damages to be assessed by the Court.

Upon receiving this Claim, the Company had appointed Shearn Delamore & Co. ("SD") to defend the Company.

The Company has on 4 November 2022 entered into a settlement agreement with the 1st and 2nd Plaintiffs with the payment of RM2,395,334.45 by the Company as full and final settlement of all disputes and claims against the Company. The High Court has recorded that the 1st and 2nd Plantiffs' claims against the Company has been struck out with no order as to costs and without liberty to file afresh as the 1st and 2nd Plaintiffs' claims were settled.

On 11 January 2023, 3rd and 4th Plaintiffs' appointed Messrs Christopher Vun & Partners and have filed a Notice of Application to amend the Writ and Statement of Claims. The Judge allowed for Notice of Application and amended Statement of Claims by which damage claims reduced from RM4,345,362.37 to RM496,534.81. Next Case Management is fixed on 18 July 2023.

In the previous financial year, the Company has made a provision of RM11,042,749 for the legal claim by the Plaintiffs. In accordance with recent court's decisions as explained above, a reversal of provision for the legal claim of RM8,150,881 was made during the financial year.

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

In the opinion of the Directors, the financial statements set out on pages 72 to 165 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and of their financial performance and cash flows for the financial year then ended.

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

Ho Wen Yan
Director

Ho Wen Fan
Director

Kuala Lumpur,

Date: 20 July 2023

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

I, **Tan Hwai Lun**, the officer primarily responsible for the financial management of Hua Yang Berhad, do solemnly and sincerely declare that the financial statements set out on pages 72 to 165, to the best of my knowledge and belief are correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Tan Hwai Lun, NRIC: 770815-10-5155, MIA: CA 24085, at Kuala Lumpur in the Federal Territory on 20 July 2023.

Tan Hwai Lun

Before me:

Amir Bin Ismail
Pesuruhjaya Sumpah
No. W800
No. 33-4, Jalan Medan Tuanku
50300 Kuala Lumpur

Date: 20 July 2023

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HUA YANG BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hua Yang Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 72 to 165.

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 Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key Audit Matters (cont'd)

Key Audit Matters	How we addressed the key audit matters
Revenue recognition for property development activities	
The Group recorded revenue from sales of development properties and developed properties amounting to RM82,542,237 and RM29,798,103 respectively. Revenue recognition from sales of development and developed properties is identified as a key audit matter because significant judgements were applied in revenue recognition, amongst others include: • Probability of collection of consideration from purchasers, especially cash and foreign purchasers. • Measurement of progress towards satisfaction of performance obligations using input method, in particular, relating to the estimation of the total costs required to complete the work used in the measurement of progress towards complete satisfaction of performance obligations.	• We reviewed contracts with customers and relevant supporting documents and assessed the appropriateness of revenue recognition under MFRS 15. • We reviewed the Group's assessment relating to the probability of collection of consideration from customers, in particular for customers who are not supported by end-financiers. • We agreed the estimated total costs to complete the works to the feasibility study prepared by the Group and compared the details of the estimated costs against documentary evidence in order to evaluate the reasonableness of the estimated total property development costs.` • We corroborated the progress towards satisfaction of performance obligations using input method against the progress of construction works as stipulated in progress reports from contractors and our enquiry of site personnel. Based on the progress of the development, we considered the Group's exposure to liquidated ascertained damages claims from property buyers.
Valuation of developed properties	
Inventories of the Group comprised unsold developed properties amounting to RM44,562,842 from completed property development projects. Developed properties are measured at lower of cost and net realisable value. The determination of the estimated net realisable value for these developed properties depends on the Group's expectation on future selling prices. Valuation of developed properties is identified as a key audit matter because these developed properties were available for sales since the launch of the property development projects in previous financial years and the challenges faced by the Group in selling these developed properties may indicate that the Group's expectation of future selling prices may not be attainable.	• We checked the valuation of developed properties against selling prices for developed properties sold subsequent to financial year end or selling prices of similar developed properties sold within the same development project to identify indications that net realisable value of developed properties are above their carrying amounts.

Key Audit Matters (cont'd)

Key Audit Matters	How we addressed the key audit matters
Impairment of investments in subsidiaries and amounts due from subsidiaries Investments in subsidiaries with carrying amount of RM331,407,757 is reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investments in subsidiaries is estimated and impairment losses are recognised if the carrying amount of investments in subsidiaries exceeds their estimated recoverable amount. Amounts due from subsidiaries with carrying amount of RM202,349,014 is reviewed at the reporting date to determine whether it is credit impaired. Expected credit losses on amounts due from subsidiaries are reviewed at the reporting date. Impairment of investments in subsidiaries and amounts due from subsidiaries are identified as a key audit matter because the carrying amounts relating to certain loss making subsidiaries are material and the basis and key assumptions used in determining the amount of impairment is subject to significant estimation uncertainty and changes to these key assumptions are highly sensitive.	• We have checked the impairment indicators reviewed by the Company in respect of investments in subsidiaries, which includes review of the financial performance for the financial year and financial position at the reporting date for respective subsidiaries. • We have evaluated the reasonableness of the impairment loss in respect of investments in subsidiaries and amounts due from subsidiaries recorded by the Company, including the basis and assumption used to forecast future cash flows from subsidiaries in estimating the expected credit losses for the amounts due from subsidiaries and the calculation of recoverable amount for the investments in subsidiaries.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBERS OF HUA YANG BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBERS OF HUA YANG BERHAD

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 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.

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

LIM GE RU
03360/03/2024 J
Chartered Accountant

KUALA LUMPUR
20 JULY 2023

LIST OF GROUP'S PROPERTIES
AS AT 31 MARCH 2023

Description and Existing Use	Location	Tenure	Floor Area (Sq. Ft.)	Age of Building (Years)	Net Book Value (RM' 000)	Year of Acquisition	Registered / Beneficial Owner
4 ½ Storey Shop Office for office use	123, Jalan Raja Permaisuri Bainun (Jalan Kampar), 30250 Ipoh, Perak Darul Ridzuan	Freehold	8,027	42	301	1993	Yoon Lian Realty Sendirian Berhad / Hua Yang Berhad
1 unit of 3-Storey Shop Office and 1 unit of 8-Storey Shop Office for office use	C-21 & C-22, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	20,516	18	2,118	2005	Hua Yang Berhad
Car park bays, Medan Selayang	Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	138,166	18	1,423	2005	Hua Yang Berhad
2 units 2-Storey Shop Office for office use	53 & 55, Jalan Besi, Taman Sri Putri, 81300 Skudai, Johor Darul Takzim	Freehold	6,544	12	623	2011	Grandeur Park Sdn Bhd
2 units Shop Office for office use	B-20-G & B-20-1, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	3,466	18	656	2015	Hua Yang Berhad

LIST OF GROUP'S PROPERTIES (CONT'D)
AS AT 31 MARCH 2023

Description and Existing Use	Location	Tenure	Land Area (Acres)	Remaining Land for Development (Acres)	Net Book Value (RM' 000)	Year of Acquisition	Year of Commencement of Development	Registered / Beneficial Owner
Development land approved for mixed development	Geran 231624 Lot 5024 Mukim Senai, Daerah Kulaijaya and Geran 95306 Lot 2742 Mukim Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	134.47	17.46	15,705	2009	2011	Grandeur Park Sdn Bhd
Development land approved for mixed development	H.S.(D) 45670 PTB 10964, H.S.(D) 79521 PTB 10965, H.S.(D) 496784 PTB 13738, H.S.(D) 124896 PTB 13739, H.S.(D) 116405 PTB 13721, H.S.(D) 116406 PTB 13722, Geran 24543 Lot 9917 Bandar and Daerah of Johor Bahru	Freehold	1.08	1.08	5,868	2012	N/A	Grandeur Park Sdn Bhd
Development land approved for mixed development	Lot 6022-6029, H.S.(D) 279-286, Mukim Plentong, Daerah Johor Bahru, Johor	Freehold	73.16	52.95	70,776	2016	2017	Grand View Realty Sdn Bhd
Homestead agriculture lot and development land approved for residential development	Lot No. 8892, 8909, 8912-8922, 9594, 9694, 9697-9710 Mukim Seremban, Daerah Seremban, Negeri Sembilan Darul Khusus	Freehold	17.65	17.65	6,719	1995	N/A	Hua Yang Berhad
Development land approved for mixed development	H.S.(D) 325003 PT 83581, H.S.(D) 325004 PT 83582, H.S.(D) 321353 PT 83317, H.S.(D) 321354 PT 83318, H.S.(D) 321355 PT 83319, PN 95921 Lot 110502, PN 95922 Lot 110503 and PN 95923 Lot 110506 Mukim Petaling, Dearah Petaling, Selangor Darul Ehsan	Leasehold (Expiring Dec 2110)	26.81	26.81	239,968	2013	N/A	Bison Holdings Sdn Bhd

LIST OF GROUP'S PROPERTIES (CONT'D)
AS AT 31 MARCH 2023

Description and Existing Use	Location	Tenure	Land Area (Acres)	Remaining Land for Development (Acres)	Net Book Value (RM' 000)	Year of Acquisition	Year of Commencement of Development	Registered / Beneficial Owner
Development land approved for mixed development	H.S.(D) 190579 PT 88782, H.S.(D) 190580 PT 88783 and Geran 341987 Lot 53434, Mukim Pekan Kampung Sungai Tangkas and H.S.(D) 131583 PT 68248 and H.S.(D) 131584 PT 68249, Mukim Kajang, Daerah Ulu Langat, Selangor Darul Ehsan	Freehold	19.76	19.76	72,458	2018	N/A	Kajang Heights Development Sdn Bhd
Development land approved for mixed development	Lot 12670 (PT 1347) Mukim Bota, Daerah Tengah, Perak Darul Ridzuan	Leasehold (Expiring April 2103)	739	214.48	25,185	1991	2001	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	Lot 11329 (PT 2062-PT 2409, PT 2699-PT 2713 & PT 2715) Mukim Bota, Daerah Tengah, Perak Darul Ridzuan	Leasehold (Expiring 7 April 2102)	38	2	692	1996	2001	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	54 lots of commercial title, Lot 105147 – 105200 and 52 lots of commercial title, Lot 105837 – 105888 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Leasehold (Expiring 23 December 2080)	4	4	11,213	2013 and 2017	N/A	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	H.S.(D) 936563 PT 286899 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	5.95	5.95	35,432	2015	N/A	Agro-Mod Industries Sdn Bhd

LIST OF GROUP'S PROPERTIES (CONT'D)
AS AT 31 MARCH 2023

Description and Existing Use	Location	Tenure	Land Area (Acres)	Remaining Land for Development (Acres)	Net Book Value (RM' 000)	Year of Acquisition	Year of Commencement of Development	Registered / Beneficial Owner
Development land approved for residential development	Lot 320213 & 320214 (Geran 72080 & 72079), Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	2.29	2.29	738	1994	2012	Yoon Lian Realty Sendirian Berhad
Development land approved for mixed development	H.S.(D) 204382 PT 245009 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	3.8	3.8	20,534	2017	N/A	Yoon Lian Realty Sendirian Berhad
Development land approved for mixed development	Lot 20328 & 20329, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	9.50	9.50	29,110	2016	N/A	Tinggian Development Sendirian Berhad
Development land approved for mixed development	Lot 10415 & 10416, Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	6.78	2.46	17,524	2016	2016	G Land Development Sdn Bhd
Agriculture land	Geran Mukim 10508, Lot 132072, Mukim Dengkil, Sungai Merab, Daerah Sepang, Selangor Darul Ehsan	Freehold	4.82	4.82	3,452	2021	N/A	Sunny Mode Sdn Bhd

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2023

SHARE CAPITAL

Issued and fully paid-up capital:	RM440,000,000
Class of shares:	Ordinary Shares
Voting rights:	One vote per Ordinary Share

ORDINARY SHARE DISTRIBUTION SCHEDULE AS AT 30 JUNE 2023

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	1,035	16.83	49,084	0.01
100 - 1,000	418	6.80	198,633	0.05
1,001 - 10,000	2,451	39.85	12,171,720	2.77
10,001 - 100,000	1,869	30.38	61,103,891	13.89
100,001 - 21,999,999*	376	6.11	232,165,160	52.76
22,000,000 and above**	2	0.03	134,311,512	30.52
Total	**6,151**	**100.00**	**440,000,000**	**100.00**

Remark:
* Less than 5% of issued shares
** 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2023

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	796,476	0.18	420,342 [2]	0.10
2.	Ho Wen Yan	2,255,550	0.51	150,978,178 [1]	34.31
3.	Dato' Tan Bing Hua	87,776	0.02	250,000 [2]	0.06
4.	Chew Po Sim	-	-	150,978,178 [1]	34.31
5.	Chew Hoe Soon	491,942	0.11	1,012,399 [3]	0.23
6.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-
7.	Ho Wen Fan (Alternate Director)	-	-	150,978,178 [1]	34.31

Notes:

(1) Deemed interest by virtue of her/his substantial shareholdings in Heng Holdings Sdn Berhad.
(2) Deemed interest by virtue of the shareholdings of his spouse.
(3) Deemed interest by virtue of the shareholdings of his spouse and children.

ANALYSIS OF SHAREHOLDINGS (CONT'D)
AS AT 30 JUNE 2023

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2023

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Heng Holdings Sdn Berhad	150,978,178	34.31	-	-
2.	Chew Po Sim	-	-	150,978,178 (1)	34.31
3.	Ho Min Yi	-	-	150,978,178 (1)	34.31
4.	Ho Wen Yan	2,255,550	0.51	150,978,178 (1)	34.31
5.	Ho Wen Han	-	-	150,978,178 (1)	34.31
6.	Ho Wen Fan	-	-	150,978,178 (1)	34.31

Notes:

(1) Deemed interest by virtue of his/her substantial shareholdings in Heng Holdings Sdn Berhad.

ANALYSIS OF SHAREHOLDINGS (CONT'D)
AS AT 30 JUNE 2023

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2023

No.	Name of Shareholders	No. of Shares	%
1.	Heng Holdings Sdn. Berhad	109,519,846	24.89
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Heng Holdings Sdn Berhad (PB)	24,791,666	5.63
3.	HSBC Nominees (Tempatan) Sdn Bhd HBAP for Heng Holdings Sdn. Bhd. (PB-SGDIV)	16,666,666	3.79
4.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	9,861,934	2.24
5.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	9,269,400	2.11
6.	Ho Khon Yok	9,051,333	2.06
7.	Goh Tze Ning	6,584,920	1.50
8.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (8040800)	5,826,300	1.32
9.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Siling (CEB)	5,000,000	1.14
10.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kian Aik	4,661,100	1.06
11.	Ng Keat Siew	4,480,540	1.02
12.	Lim Khuan Eng	3,970,000	0.90
13.	Loh Kok Wai	3,871,866	0.88
14.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tay Lek Heng (E-JAH)	3,775,290	0.86
15.	Ho Mook Leong	3,749,406	0.85

ANALYSIS OF SHAREHOLDINGS (CONT'D)
AS AT 30 JUNE 2023

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2023 (CONT'D)

No.	Name of Shareholders	No. of Shares	%
16.	Maybank Nominees (Tempatan) Sdn Bhd Liau Sek Thoon	3,519,000	0.80
17.	Maybank Securities Nominees (Asing) Sdn Bhd Pledged Securities Account for Chew Hoe Peng	3,300,000	0.75
18.	RHB Nominees (Tempatan) Sdn Bhd OCI Engineering Sdn Bhd (Clients Account)	2,477,776	0.56
19.	Erica Madeleine Ee Mein Martin	2,389,805	0.54
20.	Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chee Keong (STA 5)	2,312,500	0.53
21.	Ho Wen Yan	2,255,550	0.51
22.	Ten Kin Kok	2,253,200	0.51
23.	Sa Chee Peng	2,217,900	0.50
24.	Lee Ah Har @ Lee Kong Yip	2,001,253	0.45
25.	Lim Kim Ing	2,000,200	0.45
26.	Wong Choong Loong	1,987,000	0.45
27.	Loo Hooi Eng	1,968,554	0.45
28.	Ho Chon Yin	1,799,665	0.41
29.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Chee Boon (E-IMO)	1,771,700	0.40
30.	Yap Nyok Lian	1,646,200	0.37

ANALYSIS OF WARRANT HOLDINGS
AS AT 30 JUNE 2023

SHARE CAPITAL

No. of Warrants 2022/2027 issued:	88,000,000
Exercise Price:	RM0.30 for one ordinary share
Exercise Rights:	Each warrant entitles the holder to subscribe for one new ordinary share at the Exercise Price shall be satisfied fully in cash
Exercise Period:	31 October 2022 to 25 October 2027
No. of Warrants exercised:	Nil
No. of Warrants unexercised:	88,000,000

WARRANT DISTRIBUTION SCHEDULE AS AT 30 JUNE 2023

Size of Holdings	No. of Holders	% of Holders	No. of Warrants Held	% of Warrants Issued
1 - 99	22	3.57	868	0.01
100 - 1,000	68	11.04	44,795	0.05
1,001 - 10,000	223	36.20	1,021,239	1.16
10,001 - 100,000	217	35.23	8,714,670	9.90
100,001 - 4,399,999*	84	13.64	42,662,877	48.48
4,400,000 and above**	2	0.32	35,555,551	40.40
Total	**616**	**100.00**	**88,000,000**	**100.00**

Remark:
* Less than 5% of warrant issued
** 5% and above of warrant issued

DIRECTORS' WARRANT HOLDINGS AS AT 30 JUNE 2023

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	149,251	0.17	84,068 (2)	0.10
2.	Ho Wen Yan	451,110	0.51	38,888,884 (1)	44.19
3.	Dato' Tan Bing Hua	17,555	0.02	50,000 (2)	0.06
4.	Chew Po Sim	-	-	38,888,884 (1)	44.19
5.	Chew Hoe Soon	98,388	0.11	202,479 (3)	0.23
6.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-
7.	Ho Wen Fan (Alternate Director)	-	-	38,888,884 (1)	44.19

Notes:

(1) Deemed interest by virtue of her/his substantial shareholdings in Heng Holdings Sdn Berhad.
(2) Deemed interest by virtue of the shareholdings of his spouse.
(3) Deemed interest by virtue of the shareholdings of his spouse and children.

ANALYSIS OF WARRANT HOLDINGS (CONT'D)
AS AT 30 JUNE 2023

SUBSTANTIAL WARRANT HOLDERS AS AT 30 JUNE 2023

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Heng Holdings Sdn Berhad	38,888,884	44.19	-	-
2.	Chew Po Sim	-	-	38,888,884 [1]	44.19
3.	Ho Min Yi	-	-	38,888,884 [1]	44.19
4.	Ho Wen Yan	451,110	0.51	38,888,884 [1]	44.19
5.	Ho Wen Han	-	-	38,888,884 [1]	44.19
6.	Ho Wen Fan	-	-	38,888,884 [1]	44.19

Notes:

(1) Deemed interest by virtue of his/her substantial shareholdings in Heng Holdings Sdn Berhad.

ANALYSIS OF WARRANT HOLDINGS (CONT'D)
AS AT 30 JUNE 2023

LIST OF 30 LARGEST WARRANT HOLDERS AS AT 30 JUNE 2023

No.	Name of Shareholders	No. of Warrants	%
1.	Heng Holdings Sdn. Berhad	30,597,218	34.77
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Heng Holdings Sdn Berhad (PB)	4,958,333	5.63
3.	HSBC Nominees (Tempatan) Sdn Bhd HBAP for Heng Holdings Sdn. Bhd. (PB-SGDIV)	3,333,333	3.79
4.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kian Aik	2,918,700	3.32
5.	Chong Yeh Mei	2,551,000	2.90
6.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (M04)	2,185,100	2.48
7.	Wong Mei San	1,643,500	1.87
8.	Toh Chin Chai	1,600,000	1.82
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (8040800)	1,281,400	1.46
10.	Chow Yong Xian	1,200,000	1.36
11.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Hai Yiew (CCTS)	1,193,000	1.36
12.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	1,026,500	1.17
13.	Tan Kheak Geai	1,000,000	1.14
14.	Ngoi Leong Ee	800,000	0.91
15.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities for Tan Mooi Kim	800,000	0.91

ANALYSIS OF WARRANT HOLDINGS (CONT'D)
AS AT 30 JUNE 2023

LIST OF 30 LARGEST WARRANT HOLDERS AS AT 30 JUNE 2023 (CONT'D)

No.	Name of Shareholders	No. of Warrants	%
16.	Mew You Leong	770,100	0.88
17.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tay Lek Heng (E-JAH)	755,058	0.86
18.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Sze Hong (7001191)	620,000	0.70
19.	Chang Kian Lee	594,800	0.68
20.	Chow Tak @ Chow Tat Sang	550,000	0.63
21.	Beh Hui Xue	500,000	0.57
22.	Chong Kah An	500,000	0.57
23.	Ho Khon Yok	500,000	0.57
24.	Ho Mook Leong	500,000	0.57
25.	Lee Hui Yong	500,000	0.57
26.	Ong Pei Boon	500,000	0.57
27.	Leh Sing Hoe	495,000	0.56
28.	Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chee Keong (STA 5)	462,500	0.53
29.	Ho Wen Yan	451,110	0.51
30.	Maybank Nominees (Tempatan) Sdn Bhd Liau Sek Thoon	424,467	0.48

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Fourth Annual General Meeting of Hua Yang Berhad will be held at the Head Office of the Company at 4th Floor, C-21 Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor on Wednesday, 30 August 2023 at 10.30 a.m. for the following purposes:

AGENDA

No.	As Ordinary Business	
1.	To receive the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon.	
2.	To approve the payment of Directors' fees of RM621,197 and benefits for the financial year ended 31 March 2023.	(Resolution 1)
3.	To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2023 till July 2024.	(Resolution 2)
4.	To re-elect the following Directors retiring pursuant to Article 97(1) of the Company's Constitution:- 4.1 Chew Hoe Soon 4.2 Chew Po Sim	 (Resolution 3) (Resolution 4)
5.	To re-appoint TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration.	(Resolution 5)
	As Special Business	
6.	**Ordinary Resolution 1** **Authority to allot and issue shares pursuant to Sections 75 & 76 of the Companies Act 2016** "**THAT**, pursuant to Sections 75 & 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company ("New Shares") for the time being without first offering the New Shares to the holders of the existing issued shares and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."	 (Resolution 6)

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

AGENDA (CONT'D)

No.	As Special Business (cont'd)	
7.	**Ordinary Resolution 2** **Proposed Authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital ("Proposed Share Buy-Back")** "**THAT** subject to the provisions under the Companies Act 2016 ("Act"), the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all prevailing laws, rules, regulations, orders and guidelines as well as the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company ("Hua Yang Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of Hua Yang Shares purchased pursuant to this resolution or held as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase; **THAT** the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's retained profits account; **THAT** authority be and is hereby given to the Directors of the Company to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders and guideline and requirements issued by any relevant authorities for the time being in force to deal with any Hua Yang Shares so prescribed by the Company in the following manner:- (i) to cancel the Hua Yang Shares so purchased; (ii) to retain the Hua Yang Shares so purchased as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; (iii) to transfer as share award or share consideration; or (iv) combination of (i), (ii) and (iii) above; **THAT** the authority conferred by this resolution will be effective immediately from the passing of this Ordinary Resolution until:- (i) the conclusion of the Company's next Annual General Meeting following the general meeting at which such resolution was passed at which time the authority would lapse unless renewed by ordinary resolution; (ii) the passing of the date on which the Company's next Annual General Meeting is required by law to be held; or (iii) the authority is revoked or varied by ordinary resolution that the shareholders pass in general meeting; whichever occurs first. **AND THAT** the Directors be and are hereby authorised to take all steps as are necessary and/or to do all such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the aforesaid Proposed Share Buy-Back with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by the relevant authorities."	(Resolution 7)
8.	To transact any other ordinary business of which due notice shall have been given.	

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

BY ORDER OF THE BOARD

LEONG OI WAH (MAICSA 7023802) (SSM Practising Certificate No.: 201908000717)
TAN HWAI LUN (MIA 24085) (SSM Practising Certificate No.: 202008001765)
LAM CHO WAI (MIA 37324) (SSM Practising Certificate No.: 202008001864)

Company Secretaries

Selangor Darul Ehsan
28 July 2023

NOTES:

1. Only members whose name appear in the Record of Depositors as at 24 August 2023 will be entitled to attend the Annual General Meeting or appoint proxy/proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and vote on his/her stead.

2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead.

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

4. Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it may hold with ordinary shares of the Company standing to the credit of the said securities account.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the Registered Office of the Company at C-21, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for the Meeting or any adjournment thereof.

6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 44th AGM will be put to vote by poll. Poll administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

7. On agenda 2, the benefits relates to the provision of a driver for use by the Company's Chairman.

8. On agenda 4, for the purpose of determining the eligibility of the Directors to stand for re-election at the 44th AGM, the Board through its Nomination Committee had assessed Chew Hoe Soon and Chew Po Sim (collectively "the Retiring Directors"). The Retiring Directors were assessed on their performance and understanding of the Group's business. Their active participation at the Board meetings showed that they were prepared and were effective in the discharge of their responsibilities. The Retiring Directors have always acted in the best interest of the Company as a whole.

   Based on the above, the Board supports the re-election of the Retiring Directors.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTE ON SPECIAL BUSINESS:

RESOLUTION 6

The proposed Ordinary Resolution will give powers to the Directors to issue up to a maximum ten per centum (10%) of the total number of issued shares of the Company for the time being ("New Shares") for such purposes as the Directors would consider in the best interest of the Company ("General Mandate"). This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company. The General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions or the issuance of shares as consideration for the acquisition of assets.

The Company did not utilize the mandate sought for issue of new shares that was approved by the shareholders on 30 August 2022 which will lapse at the conclusion of the forthcoming Annual General Meeting.

In accordance with Article 15 of the Company's Constitution, the passing of the Ordinary Resolution No. 6 shall be taken as the members agreement for the New Shares to be issued to such persons as the Director may deem fit without first offer to holders of existing shares.

RESOLUTION 7

Please refer to the Statement of Share Buy-Back enclosed.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Notice set out in **www.huayang.com.my.** Further, you hereby warrant that relevant consent has been obtained for us to process any third party's personal data provided by you in accordance with our said Personal Data Protection Notice.

SHARE BUY-BACK STATEMENT

PROPOSED AUTHORITY FOR HUA YANG BERHAD ("HUA YANG") TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF ITS ISSUED AND PAID-UP SHARE CAPITAL ("PROPOSED SHARE BUY-BACK")

DISCLAIMER STATEMENT

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Statement prior to its issuance as it is an exempted pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

1. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Company had on 24 May 2023 announced its intention to seek approval of its shareholders on the Proposed Share Buy-Back at the forthcoming Annual General Meeting (AGM) of the Company which will be held on 30 August 2023.

The Board proposes to seek approval from the shareholders for an authorisation to enable Hua Yang to purchase up to 10% of its total number of issued shares as quoted on Bursa Securities as at the point of purchase.

The Proposed Share Buy-Back shall be effective upon the passing of the resolution at the forthcoming AGM and shall continue to remain in force until:

(i) the conclusion of the next AGM of the Company in 2024 at which time such authority would lapse unless renewed by ordinary resolution passed at that meeting, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or

(iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting; whichever occurs first.

2. MAXIMUM LIMIT

The maximum aggregate number of shares which may be purchased by the Company shall not exceed 10% of the total number of issued shares of the Company at any point of time.

The Company may purchase up to 44,000,000 Hua Yang shares based on total number of issued shares of the Company of 440,000,000 shares as at 30 June 2023, being the latest practicable date ("LPD").

The actual number of shares to be purchased and the timing of such purchase will depend on (among others) the prevailing equity market conditions and sentiments of the stock market as well as the retained profits and financial resources available to the Company at the time of the purchase(s).

3. TREATMENT OF SHARES PURCHASED

If the Company purchases its own shares using external borrowings, the Board will ensure that the Group has sufficient funds to repay the external borrowings and that the repayment would not have any material effect on the cash flow of the Group.

Hua Yang may only purchase its own shares at a price which is not more than 15% above the weighted average market price of the Hua Yang shares for the 5 market days immediately prior to the date of the purchase.

The Company may only resell the purchased shares held as treasury shares at a price, which is:-

a. not less than the weighted average market price of the shares for the 5 market days immediately prior to the date of the resale; or

b. a discounted price of not more than 5% to the weighted average market price of the shares for the 5 market days immediately prior to the date of the resale, provided that:

   (i) the resale or transfer takes place no earlier than 30 days from the date of the purchase; and

   (ii) the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

The Company shall, upon each purchase or re-sale of shares, make the necessary announcements to Bursa Securities.

The purchased Hua Yang shares held as treasury shares may be dealt with by the Board, in the following manner:-

(i) to cancel the purchased shares;

(ii) to retain the purchased shares as treasury shares for distribution as share dividends to the shareholders and/or resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently;

(iii) transfer as purchase consideration;

(iv) sell, transfer or otherwise use as the Minister may prescribe; or

(v) a combination of (i), (ii), (iii) and (iv) above.

The decision whether to retain the purchased shares as treasury shares, to cancel the purchased shares, distribute the treasury shares as share dividends or to resell the treasury shares on Bursa Securities will be made by the Board at the appropriate time. The distribution of treasury shares as share dividends may be applied as a reduction of the retained profits of the Company.

While the purchased shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in any distribution and otherwise are suspended. The treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

The Company will make an immediate announcement to Bursa Securities of any purchase and resale of the shares and whether the purchased shares will be cancelled or retain as treasury shares or a combination of both.

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% public shareholding spread as required by the Listing Requirements of Bursa Securities.

4. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

In addition to the advantages as set out in Section 5 below, the Proposed Share Buy-Back, if implemented, will provide the Group with an additional option to utilise its surplus financial resources more efficiently by purchasing Hua Yang shares from the open market to help stabilise the supply and demand for Hua Yang shares traded on the Main Market of Bursa Securities, and thereby support its fundamental value.

The purchased shares can be held as treasury shares and resold on Bursa Securities at a higher price with the intention of realising a potential gain without affecting the Company's total issued and paid-up share capital. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of Hua Yang.

5. ADVANTAGES AND DISADVANTAGES

The potential advantages of the Proposed Share Buy-Back, if implemented, are as follows:-

(i) allows the Company to take preventive measures against excessive speculation, in particular when the Company's shares are undervalued;

(ii) the earnings per share of the Hua Yang shares and the return on equity, assuming all other things being equal, would be enhanced resulting from the smaller issued and paid-up share capital of the Company. This is expected to have a positive impact on the market price of Hua Yang shares which will benefit the shareholders of Hua Yang;

(iii) to stabilise a downward trend of the market price of the Company's shares;

(iv) allows the Company the flexibility in achieving the desired capital structure, in terms of its debt and equity composition and the size of its equity;

(v) treasury shares can be treated as long-term investments. It makes business sense to invest in our own Company as the Board is confident of Hua Yang's future prospects and performance in the long term; and

(vi) If the treasury shares are distributed as dividends by the Company, it may then serve to reward the shareholders of the Company.

The potential disadvantages of the Proposed Share Buy-Back, if implemented, are as follows:-

(i) it will reduce the financial resources of the Company which may otherwise be retained and used for the businesses of the Group. Nevertheless, the Board will be mindful of the interests of the Group and its shareholders in undertaking the Proposed Share Buy-Back; and

(ii) as the Proposed Share Buy-Back can only be made out of retained earnings, it may result in the reduction of financial resources available for distribution as dividends and bonus issues to the shareholders of the Company.

SHARE BUY-BACK STATEMENT (CONT'D)

6. FUNDING

In accordance with the Listing Requirements, the Proposed Share Buy-Back must be made wholly out of retained profits of the Company. The maximum amount of funds to be utilised for the Proposed Share Buy-Back will be limited to the amount of retained profits based on the latest audited and/or unaudited financial statements of the Company. As at 31 March 2023, being the latest available audited financial statements, the audited retained profit of the Company amounted to RM21,367,528.

The Proposed Share Buy-Back is expected to be financed by internally generated funds of the Group or external borrowings. In the event that the Company intends to purchase its own shares using borrowings, the Board will ensure that the Company shall have sufficient funds to repay the borrowings and that the repayment will not adversely affect the operations and cash flows of the Company. In addition, the Board will ensure that the Company satisfy the solvency test as stated in the Section 112(2) of the Act before execution of the Proposed Share-Buy Back. Depending on the quantum and the purchase price, the Proposed Share Buy-Back may reduce the working capital of the Hua Yang Group.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

The effects of the Proposed Share Buy-Back on the share capital, shareholding structure, net assets, earnings and working capital of the Company are set out below based on the following scenarios:-

7.1 Share Capital

The effects of the Proposed Share Buy-Back on the total issued and paid-up share capital of the Company as at LPD assuming the Hua Yang shares so purchased are cancelled is illustrated below based on the two (2) scenarios set out below:-

Minimum Scenario:

Assuming none of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

Maximum Scenario:

Assuming that all of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

	Maximum Scenario No. of shares	Maximum Scenario No. of shares
Issued and paid-up share capital as at LPD	440,000,000	440,000,000
Assuming full Exercise of the Outstanding Warrants-A	-	88,000,000
Enlarged share capital	**440,000,000**	**528,000,000**
Maximum number of purchased shares to be cancelled pursuant to the Proposed Share Buy-Back	44,000,000	52,800,000
Upon completion of the Proposed Share Buy-Back	**396,000,000**	**475,200,000**

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

7.2 Substantial Shareholders' and Directors' Shareholdings

The proforma effects of the Proposed Share Buy-Back on the substantial shareholdings of the Company are set out below based on the Register of Substantial Shareholders as at LPD:-

7.2.1 Minimum Scenario

Assuming none of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

Substantial shareholders	As at LPD				After the full implementation of Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares*	%*	No. of shares	%	No. of shares*	%*
Heng Holdings Sdn Berhad	150,978,178	34.31	-	-	150,978,178	38.13	-	-
Chew Po Sim	-	-	150,978,178	34.31	-	-	150,978,178	38.13
Ho Min Yi	-	-	150,978,178	34.31	-	-	150,978,178	38.13
Ho Wen Yan	2,255,550	0.51	150,978,178	34.31	2,255,550	0.57	150,978,178	38.13
Ho Wen Han	-	-	150,978,178	34.31	-	-	150,978,178	38.13
Ho Wen Fan	-	-	150,978,178	34.31	-	-	150,978,178	38.13

* Deemed interested by virtue of substantial shareholding in Heng Holdings Sdn Berhad pursuant to the Companies Act 2016

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

7.2.2 Maximum Scenario

Assuming that all of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

Substantial shareholders	As at LPD				After the full implementation of Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares*	%*	No. of shares	%	No. of shares*	%*
Heng Holdings Sdn Berhad	150,978,178	34.31	-	-	189,867,062	39.96	-	-
Chew Po Sim	-	-	150,978,178	34.31	-	-	189,867,062	39.96
Ho Min Yi	-	-	150,978,178	34.31	-	-	189,867,062	39.96
Ho Wen Yan	2,255,550	0.51	150,978,178	34.31	2,706,660	0.57	189,867,062	39.96
Ho Wen Han	-	-	150,978,178	34.31	-	-	150,978,178	39.96
Ho Wen Fan	-	-	150,978,178	34.31	-	-	150,978,178	39.96

* Deemed interested by virtue of substantial shareholding in Heng Holdings Sdn Berhad pursuant to the Companies Act 2016

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

The proforma effects of the Proposed Share Buy-Back on the Directors' shareholdings of the Company are set out below based on the Register of Directors' Shareholding as at LPD:-

7.2.3 Minimum Scenario

Assuming none of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

Directors	As at LPD				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Tan Sri Dato' Seri Dr. Ting Chew Peh	796,476	0.18	420,342 [(2)]	0.10	796,476	0.20	420,342 [(2)]	0.11
Ho Wen Yan	2,255,550	0.51	150,978,178 [(1)]	34.31	2,255,550	0.57	150,978,178 [(1)]	38.13
Dato' Tan Bing Hua	87,776	0.02	250,000 [(2)]	0.06	87,776	0.02	250,000 [(2)]	0.06
Chew Po Sim	-	-	150,978,178 [(1)]	34.31	-	-	150,978,178 [(1)]	38.13
Chew Hoe Soon	491,942	0.11	1,012,399 [(2)]	0.23	491,942	0.12	1,012,399 [(2)]	0.26
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-	-	-	-	-
Ho Wen Fan (Alternate Director)	-	-	150,978,178 [(1)]	34.31	-	-	150,978,178 [(1)]	38.13

Notes:

(1) Deem interested by virtue of his substantial shareholding in Heng Holdings Sdn Berhad
(2) Deem interested by virtue of the shareholdings of his spouse.
(3) Deem interested by virtue of the shareholdings of his spouse and children.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

7.2.4 Maximum Scenario

Assuming that all of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang shares before the implementation of the Proposed Share Buy-Back.

Directors	As at LPD				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Tan Sri Dato' Seri Dr. Ting Chew Peh	796,476	0.18	420,342 [(2)]	0.10	945,727	0.20	504,410 [(2)]	0.11
Ho Wen Yan	2,255,550	0.51	150,978,178 [(1)]	34.31	2,706,660	0.57	189,867,062 [(1)]	39.96
Dato' Tan Bing Hua	87,776	0.02	250,000 [(2)]	0.06	105,331	0.02	300,000 [(2)]	0.06
Chew Po Sim	-	-	150,978,178 [(1)]	34.31	-	-	189,867,062 [(1)]	39.96
Chew Hoe Soon	491,942	0.11	1,012,399 [(2)]	0.23	590,330	0.12	1,214,878 [(2)]	0.26
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-	-	-	-	-
Ho Wen Fan (Alternate Director)	-	-	150,978,178 [(1)]	34.31	-	-	189,867,062 [(1)]	39.96

Notes:

[(1)] Deem interested by virtue of his substantial shareholding in Heng Holdings Sdn Berhad
[(2)] Deem interested by virtue of the shareholdings of his spouse.
[(3)] Deem interested by virtue of the shareholdings of his spouse and children.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

7.3 Net Assets

The consolidated net assets of the Company may increase or decrease depending on the number of shares purchased under the Proposed Share Buy-Back, the purchase prices of the shares, the effective cost of funding and the treatment of the shares so purchased.

The Proposed Share Buy-Back will reduce the consolidated net assets per share when the purchase price exceeds the consolidated net assets per share of the Company at the time of purchase. On the contrary, the consolidated net assets per share will increase when the purchase price is less than the consolidated net assets per share of the Company at the time of purchase.

If the shares purchased under the Proposed Share Buy-Back are held as treasury shares and subsequently resold on Bursa Securities, the consolidated net assets per share would increase if the Group realise a gain from the resale or vice versa. If the treasury shares are distributed as share dividends, it will decrease the consolidated net assets by the cost of the treasury shares redistributed.

7.4 Earnings

The effect of the Proposed Share Buy-Back on the consolidated earnings per share of the Company will depend on the purchase prices paid for the shares, the effective funding cost to the Group to finance the purchase of the shares or any loss in interest income to the Group if internally generated funds are utilised to finance the purchase of the shares.

Assuming that any shares so purchased are retained as treasury shares as per Companies Act 2016 and resold on Bursa Securities, the effects on the consolidated earnings of the Company will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

7.5 Working Capital

The implementation of the Proposed Share Buy-Back is likely to reduce the working capital of the Group, the quantum being dependent on the number of the purchased shares, the purchase price(s) and the amount of financial resources to be utilised for the purchase of the shares.

For the purchased shares retained as treasury shares as per Companies Act 2016 upon its resale, the working capital of the Company will increase. Again, the quantum of the increase in the working capital will depend on the actual selling price of the treasury shares resold, the effective gain or interest saving arising and the gain or loss from the disposal.

8. APPROVAL REQUIRED

The Proposed Share Buy-Back is subject to the approval being obtained from the shareholders of Hua Yang.

9. PUBLIC SHAREHOLDING SPREAD

Pursuant to the Listing Requirements, the Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance of twenty-five (25%) public shareholdings spread. As at LPD, the public shareholding spread of the Company was 64.5%. The Board will endeavor to ensure that the Company complies with the public shareholding spread requirements and shall not buy back the Company's own shares if the purchase would result in the public shareholding spread requirements not being met.

10. IMPLICATION OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2016 ("CODE")

Pursuant to the Code, a person and/or any person acting in concert with him will be required to make a mandatory offer for the remaining shares not already owned by him/them if his and/or their holding of voting shares in a company is increased beyond 33% or, if his and/or their holding of voting shares is more than 33% but less than 50%, his and/or their holding of voting shares is increased by more than 2% in any 6 months period.

The Board takes cognisance of the requirements of the Code and will be mindful of the requirements when making any purchases of shares pursuant to the Proposed Share Buy-Back.

11. HISTORICAL SHARE PRICE

The monthly highest and lowest prices of the Company's shares traded on Bursa Securities for the past twelve (12) months are as follows:-

Month	Highest (RM)	Lowest (RM)
2022		
July	0.210	0.190
August	0.210	0.190
September	0.195	0.155
October	0.180	0.130
November	0.195	0.130
December	0.175	0.145
2023		
January	0.170	0.155
February	0.180	0.155
March	0.240	0.175
April	0.270	0.230
May	0.265	0.245
June	0.250	0.210

The last transacted price of the Company's Shares on 30 June 2023, being the LPD, was RM0.240.
(Source: Yahoo! Finance)

12. DIRECTORS' RECOMMENDATION

The Board, after having considered all aspects of the Proposed Share Buy-Back and after careful deliberation, is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote IN FAVOUR of the resolution in relation to the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

13. RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the accuracy of the information given in this Statement insofar as it relates to Hua Yang Group and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

14. DOCUMENTS FOR INSPECTION

The following documents are available for inspection during normal business hours at the Registered Office of the Company at C-21, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan from the date of this Statement up to and including the date of the AGM:-

(i) the Constitution of Hua Yang; and

(ii) the audited financial statements of the Hua Yang Group for the past two (2) financial years ended 31 March 2022 and 31 March 2023.

Yours faithfully
For and on behalf of the Board
HUA YANG BERHAD

TAN SRI DATO' SERI DR. TING CHEW PEH
Non-Independent Non-Executive Chairman

PROXY FORM

HUA YANG BERHAD
Registration No. 197801007059 (44094-M)
(Incorporated in Malaysia)

*I/We ………………………………………………………………………………………… Company No./NRIC No. (new) ………………………………..… (old)……..……………………………………of…………………………………………………………………………………………………..……..….. being a member of **HUA YANG BERHAD** do hereby appoint Mr/Ms ……………………………..……… of NRIC No. (new) ……………………… (old) …………………………………… or failing whom …………………………………………………… NRIC No. (new) …..……………………………… (old) ……………………………………… or failing whom the Chairman of the meeting as *my/*our proxies to vote for*me/*us and on *my/*our behalf at the Forty-Fourth Annual General Meeting of the Company to be held at the Head Office of the Company at 4th Floor, C-21 Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor on Wednesday, 30 August 2023 at 10.30 a.m. and at any adjournment thereof.

*My/*Our proxy(ies) is / are to vote as indicated below:-

	Resolutions	For	Against
Resolution 1	**ORDINARY BUSINESSES** To approve the payment of Directors' fees of RM621,197 and benefits for the financial year ended 31 March 2023		
Resolution 2	To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2023 till July 2024		
Resolution 3	To re-elect Chew Hoe Soon as Director		
Resolution 4	To re-elect Chew Po Sim as Director		
Resolution 5	To re-appoint TGS TW PLT as the Auditors of the Company and authorise the Directors to fix their remuneration		
Resolution 6	**SPECIAL BUSINESSES** To approve the authority to issue shares pursuant to Sections 75 & 76 of the Companies Act 2016		
Resolution 7	Proposed authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital		

[Please indicate with (X) how you wish your vote to be casted. If no specific direction as to voting is given, your proxy will vote or abstain at his discretion].

Number of shares held	CDS Account No.

For appointment of two proxies, percentage of shareholdings to be represented by proxies:		
	No. of shares	Percentage
1st proxy		
2nd proxy		
Total		100%

Dated this ……….day of ………………….2023

………………………………………………………………………………………
[Signature(s) / Common Seal of Shareholder(s)]
[*Delete if not applicable]

Notes:

1. Only members whose name appear in the Record of Depositors as at 24 August 2023 will be entitled to attend the Annual General Meeting or appoint proxy/proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and vote on his/her stead.

2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead.

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

4. Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it may hold with ordinary shares of the Company standing to the credit of the said securities account.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the Registered Office of the Company at C-21, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for the Meeting or any adjournment thereof.

6. All the resolutions sets out in this Notice of Meeting will be put to vote by poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 July 2023.

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HUA YANG BERHAD
Registration No. 197801007059 (44094-M)

C-21, Jalan Medan Selayang 1
Medan Selayang,
68100 Batu Caves
Selangor Darul Ehsan

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