Financial Statement

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Directors' Report

For The Year Ended 31 March 2021

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2021.

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. There have been no significant changes in the nature of these activities during the financial year.

SUBSIDIARIES

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

RESULTS

	Group (RM)	Company (RM)
Loss for the year attributable to:		
- Owners of the Company	(52,399,675)	(11,031,132)
- Non-controlling interest	(82,224)	-
Total	**(52,481,899)**	**(11,031,132)**

RESERVES AND PROVISIONS

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

DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2021.

DIRECTORS OF THE COMPANY

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

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

Ho Wen Yan
Ho Wen Fan

DIRECTORS’ INTERESTS IN SHARES

The interests and deemed interests in the 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:

The Company	Number of ordinary shares			
	At 1.4.2020	Bought	Sold	At 31.3.2021
Direct interest:				
Tan Sri Dato’ Seri Dr. Ting Chew Peh	391,110	-	-	391,110
Ho Wen Yan	1,804,440	-	-	1,804,440
Dato’ Tan Bing Hua	70,221	-	-	70,221
Chew Hoe Soon	393,554	-	-	393,554
Deemed interest:				
Tan Sri Dato’ Seri Dr. Ting Chew Peh#	336,274	-	-	336,274
Ho Wen Yan*	112,089,294	-	-	112,089,294
Dato’ Tan Bing Hua#	200,000	-	-	200,000
Chew Po Sim*	112,089,294	-	-	112,089,294
Chew Hoe Soon^	809,920	-	-	809,920
Ho Wen Fan*	112,089,294	-	-	112,089,294

Ho Wen Yan, Chew Po Sim and Ho Wen Fan by virtue of their interest in the Company are also deemed interested in shares of all the Company’s subsidiaries to the extent that the Company has an interest.

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

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 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.

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

There were no changes in the issued and paid-up capital of the Company and no debentures were issued during the financial year.

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 RM7,225 respectively.

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. all known bad debts have been written off and adequate provision made for doubtful debts, and

ii. any current assets which were unlikely to be realised in the ordinary course of business 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. that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in 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 or 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, except for the share of loss from associate, reversal of impairment in an associate and impairment loss from investment in subsidiaries, the financial performance of the Group and of the Company for the financial year ended 31 March 2021 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.

SIGNIFICANT EVENTS DURING THE YEAR

The significant events are as disclosed in Note 31 to the financial statements.

SUBSEQUENT EVENTS

The subsequent events are as disclosed in Note 32 to the financial statements.

Directors' Report (cont'd)

For The Year Ended 31 March 2021

AUDITORS

The auditors' remuneration is disclosed in Note 21 to the financial statements.

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: 25 August 2021

Statements of Financial Position

As at 31 March 2021

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Assets					
Property, plant and equipment	3	12,406,544	14,569,100	4,350,459	4,851,160
Right-of-use assets	4	1,211,374	719,351	598,602	257,647
Investment properties	5	1,610,736	1,653,494	1,816,424	1,862,481
Intangible assets	6	16,252,370	16,782,130	-	-
Investments in subsidiaries	7	-	-	229,067,439	167,853,842
Investment in an associate	8	60,705,064	74,595,206	-	-
Inventories	9	587,450,277	448,179,612	6,706,961	6,706,961
Trade and other receivables	10	5,351,368	7,039,051	43,052	47,273
Cash and bank balances	11	8,100,230	3,641,867	5,273,432	861,965
Deferred tax assets	12	19,028,970	19,748,915	2,342,667	2,356,637
Total non-current assets		**712,116,933**	**586,928,726**	**250,199,036**	**184,797,966**
Inventories	9	117,239,874	325,841,518	251,338	251,338
Contract assets	13	37,549,263	60,030,098	-	-
Contract costs	13	9,291,810	9,447,055	-	-
Other current assets	14	1,248,851	567,735	1,233,550	144,215
Trade and other receivables	10	34,419,197	53,240,395	304,496,579	337,372,948
Cash and bank balances	11	60,870,681	33,271,698	941,075	2,487,119
Total current assets		**260,619,676**	**482,398,499**	**306,922,542**	**340,255,620**
Total assets		**972,736,609**	**1,069,327,225**	**557,121,578**	**525,053,586**

Statements of Financial Position (cont'd)

As at 31 March 2021

	Note	Group 2021 (RM)	Group 2020 (RM)	Company 2021 (RM)	Company 2020 (RM)
Equity					
Share capital	15	352,000,000	352,000,000	352,000,000	352,000,000
Retained earnings / (Accumulated losses)		91,965,107	144,364,782	(144,098,445)	(133,067,313)
Translation reserves	16	(3,959,000)	(7,956,000)	-	-
Equity attributable to owners of the Company		**440,006,107**	**488,408,782**	**207,901,555**	**218,932,687**
Non-controlling interests		**22,414,842**	**22,497,066**	**-**	**-**
Total equity		**462,420,949**	**510,905,848**	**207,901,555**	**218,932,687**
Liabilities					
Trade and other payables	17	35,725,890	34,096,128	-	-
Deferred tax liabilities	12	34,849,838	35,265,314	-	-
Loans and borrowings	18	223,897,292	166,623,274	78,991,452	33,269,402
Lease liabilities		381,408	127,959	161,937	65,203
Total non-current liabilities		**294,854,428**	**236,112,675**	**79,153,389**	**33,334,605**
Trade and other payables	17	136,092,381	139,787,130	221,540,178	185,898,794
Contract liabilities	13	3,517,291	21,772,000	-	-
Loans and borrowings	18	68,362,059	152,900,515	46,702,992	85,377,765
Lease liabilities		690,467	660,917	295,643	247,557
Current tax liabilities		6,799,034	7,188,140	1,527,821	1,262,178
Total current liabilities		**215,461,232**	**322,308,702**	**270,066,634**	**272,786,294**
Total liabilities		**510,315,660**	**558,421,377**	**349,220,023**	**306,120,899**
Total equity and liabilities		**972,736,609**	**1,069,327,225**	**557,121,578**	**525,053,586**

The notes on pages 84 to 145 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 March 2021

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Revenue	19	159,559,934	279,614,182	29,107,600	20,820,000
Cost of sales		(136,534,047)	(206,209,839)	-	(32,073)
Gross profit		**23,025,887**	**73,404,343**	**29,107,600**	**20,787,927**
Other income	20	2,069,676	1,951,866	8,725,126	12,807,076
Administrative expenses		(34,592,750)	(27,559,350)	(17,286,810)	(8,835,101)
Selling and marketing expenses		(9,937,620)	(12,568,981)	-	-
Net (loss) / reversal on impairment of:					
- financial instruments		(11,901)	3,341	(1,900,000)	(96,432,995)
- investment in an associate		28,808,858	(74,707,100)	-	-
- investments in subsidiaries		-	-	(18,767,603)	(100,000)
Results from operating activities	**21**	**9,362,150**	**(39,475,881)**	**(121,687)**	**(71,773,093)**
Finance costs	22	(11,842,640)	(14,615,880)	(10,606,944)	(12,560,667)
Share of loss of equity-accounted associate, net of tax		(46,696,000)	(10,183,000)	-	-
Loss before tax		**(49,176,490)**	**(64,274,761)**	**(10,728,631)**	**(84,333,760)**
Tax expense	24	(3,305,409)	(8,939,320)	(302,501)	(455,793)
Loss for the year		**(52,481,899)**	**(73,214,081)**	**(11,031,132)**	**(84,789,553)**
Other comprehensive loss, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Share of other comprehensive gain / (loss) of equity-accounted associate		3,997,000	(1,023,000)	-	-
Total comprehensive loss		**(48,484,899)**	**(74,237,081)**	**(11,031,132)**	**(84,789,553)**

Statements of Profit or Loss and Other Comprehensive Income (cont'd)

For The Year Ended 31 March 2021

		Group		Company	
	Note	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Loss attributable to:					
Owners of the Company		(52,399,675)	(73,133,434)	(11,031,132)	(84,789,553)
Non-controlling interests		(82,224)	(80,647)	-	-
Loss for the year		**(52,481,899)**	**(73,214,081)**	**(11,031,132)**	**(84,789,553)**
Total comprehensive loss attributable to:					
Owners of the Company		(48,402,675)	(74,156,434)	(11,031,132)	(84,789,553)
Non-controlling interests		(82,224)	(80,647)	-	-
Total comprehensive loss for the year		**(48,484,899)**	**(74,237,081)**	**(11,031,132)**	**(84,789,553)**
Basic loss per ordinary share (sen)	**25**	**(14.89)**	**(20.78)**		
Diluted loss per ordinary share (sen)	**25**	**(14.89)**	**(20.78)**		

The notes on pages 84 to 145 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For The Year Ended 31 March 2021

Group	Share Capital (RM)	Non-distributable Translation Reserves (RM)	Distributable Retained Earnings (RM)	Total (RM)	Non-controlling Interest (RM)	Total Equity (RM)
	Attributable to owners of the Company					
At 1 April 2019	**352,000,000**	**(6,933,000)**	**217,498,216**	**562,565,216**	**22,577,713**	**585,142,929**
Total other comprehensive loss for the year						
- Share of loss of equity-accounted associate	-	(1,023,000)	-	(1,023,000)	-	(1,023,000)
Loss for the year	-	-	(73,133,434)	(73,133,434)	(80,647)	(73,214,081)
Total comprehensive loss for the year	**-**	**(1,023,000)**	**(73,133,434)**	**(74,156,434)**	**(80,647)**	**(74,237,081)**
At 31 March 2020	**352,000,000**	**(7,956,000)**	**144,364,782**	**488,408,782**	**22,497,066**	**510,905,848**
	Note 15	Note 16				
At 1 April 2020	**352,000,000**	**(7,956,000)**	**144,364,782**	**488,408,782**	**22,497,066**	**510,905,848**
Total other comprehensive loss for the year						
- Share of gain of equity-accounted associate	-	3,997,000	-	3,997,000	-	3,997,000
Loss for the year	-	-	(52,399,675)	(52,399,675)	(82,224)	(52,481,899)
Total comprehensive loss for the year	**-**	**3,997,000**	**(52,399,675)**	**(48,402,675)**	**(82,224)**	**(48,484,899)**
At 31 March 2021	**352,000,000**	**(3,959,000)**	**91,965,107**	**440,006,107**	**22,414,842**	**462,420,949**
	Note 15	Note 16				

Statement of Changes in Equity

For The Year Ended 31 March 2021

Company	Share Capital (RM)	(Accumulated Losses) (RM)	Total Equity (RM)
	Attributable to owners of the Company		
At 1 April 2019	**352,000,000**	**(48,277,760)**	**303,722,240**
Loss and total comprehensive loss for the year	-	(84,789,553)	(84,789,553)
At 31 March 2020 / 1 April 2020	**352,000,000**	**(133,067,313)**	**218,932,687**
Loss and total comprehensive loss for the year	-	(11,031,132)	(11,031,132)
At 31 March 2021	**352,000,000**	**(144,098,445)**	**207,901,555**
	Note 15		

The notes on pages 84 to 145 are an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 March 2021

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Cash flows from operating activities					
Loss before tax		(49,176,490)	(64,274,761)	(10,728,631)	(84,333,760)
Adjustments for:					
Amortisation of intangibles	6	598,927	641,748	-	-
Depreciation of:					
- investment properties	5	42,758	42,757	46,057	46,057
- property, plant and equipment	3	2,522,802	2,303,627	503,588	521,695
- right-of-use assets	4	888,944	825,864	263,100	206,064
Deposit written off		132,820	2,920	-	2,920
Dividend income	19	-	-	(25,000,000)	(15,000,000)
Finance income	20	(435,684)	(591,292)	(8,619,834)	(12,692,479)
Finance costs	22	11,842,640	14,615,880	10,606,944	12,560,667
(Gain) / Loss on disposal property, plant and equipment		(50)	24,705	-	15,000
Inventories written down		1,098,347	-	-	-
(Reversal of) / Impairment loss:					
- amount due from subsidiaries		-	-	-	96,432,995
- other receivables		-	-	1,900,000	-
- trade receivables		11,901	(3,341)	-	-
- intangible asset		30,833	-	-	-
- investment in an associate		(28,808,858)	74,707,100	-	-
- investment in a subsidiary		-	-	18,767,603	100,000
Property, plant and equipment written off		30,297	154,144	3	138,451
Share of loss of equity accounted associate		46,696,000	10,183,000	-	-
Operating (loss) / profit before changes in working capital		**(14,524,813)**	**38,632,351**	**(12,261,170)**	**(2,002,390)**

Statements of Cash Flows (cont'd)

For The Year Ended 31 March 2021

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Cash flows from operating activities (cont'd)					
Operating (loss) / profit before changes in working capital		**(14,524,813)**	**38,632,351**	**(12,261,170)**	**(2,002,390)**
Changes in working capital:					
- Contract assets		22,480,835	10,087,503	-	-
- Contract costs		155,245	14,799,546	-	-
- Contract liabilities		(18,254,709)	(4,376,539)	-	-
- Inventories		73,349,732	50,213,564	-	27,197
- Trade and other receivables and other current assets		19,762,947	(8,584,994)	(1,133,610)	389,302
- Trade and other payables and other current liabilities		(2,064,987)	29,727,624	10,951,612	123,121
Cash generated from / (used in) operations		**80,904,250**	**130,499,055**	**(2,443,168)**	**(1,462,770)**
Interest paid		(1,276,536)	(1,412,870)	(741,944)	(932,042)
Interest received		355,781	411,169	8,618,423	12,690,413
Net tax (paid) / refund		(3,390,046)	(5,328,532)	(22,888)	455,190
Net cash from operating activities		**76,593,449**	**124,168,822**	**5,410,423**	**10,750,791**
Additions of:					
- property, plant and equipment	3	(390,544)	(1,986,590)	(2,890)	(111,139)
- intangible asset	6	(100,000)	(482,078)	-	-
Net advances given to subsidiaries		-	-	(48,954,924)	(26,126,488)
Dividends received		-	-	25,000,000	15,000,000
Investment in a subsidiary		-	-	-	(1)
Proceeds from disposal of property, plant and equipment		51	34,903	-	40,002
Net cash used in investing activities		**(490,493)**	**(2,433,765)**	**(23,957,814)**	**(11,197,626)**

Statements of Cash Flows (cont'd)

For The Year Ended 31 March 2021

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Cash flows from operating activities (cont'd)					
Change in pledged deposits		(4,458,363)	(366,026)	(4,411,467)	(292,509)
Interest paid		(15,213,675)	(20,369,640)	(6,979,484)	(8,196,192)
Drawdown of loans and borrowings		56,340,000	56,774,075	29,540,000	19,000,000
Repayment of loans and borrowings		(80,746,508)	(150,290,127)	(21,130,005)	(57,286,742)
Payment of lease liabilities	ii.	(1,097,968)	(863,498)	(459,235)	(258,110)
Advances received from subsidiaries		-	-	21,804,256	42,240,531
Net cash (used in) / from financing activities Deposit written off		**(45,176,514)**	**(115,115,216)**	**18,364,065**	**(4,793,022)**
Net increase / (decrease) in cash and cash equivalents		**30,926,442**	**6,619,841**	**(183,326)**	**(5,239,857)**
Cash and cash equivalents at beginning of year		7,226,853	607,012	(13,641,918)	(8,402,061)
Cash and cash equivalents at end of year	i.	**38,153,295**	**7,226,853**	**(13,825,244)**	**(13,641,918)**

i. CASH AND CASH EQUIVALENTS

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

	Note	Group		Company	
		2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Deposits		3,100,230	3,641,867	273,432	861,965
Cash in hand and at bank		65,870,681	33,271,698	5,941,075	2,487,119
Cash and bank balances	11	68,970,911	36,913,565	6,214,507	3,349,084
Less : Pledged deposits	11	(8,100,230)	(3,641,867)	(5,273,432)	(861,965)
Less: Bank overdraft	18	(22,717,386)	(26,044,845)	(14,766,319)	(16,129,037)
		38,153,295	**7,226,853**	**(13,825,244)**	**(13,641,918)**

Statements of Cash Flows (cont'd)

For The Year Ended 31 March 2021

ii. CASH OUTFLOWS FOR LEASES AS A LESSEE

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Included in net cash from operating activities				
Payment relating to short-term leases	(224,400)	(300,750)	-	-
Payment relating to leases of low-value assets	(102,082)	(123,238)	(32,336)	(70,805)
Interest paid in relation to lease liabilities	(63,394)	(69,218)	(14,812)	(25,887)
Included in net cash from financing activities				
Payment of lease liabilities	(1,097,968)	(863,498)	(459,235)	(258,110)
Total cash outflows for leases	**(1,487,844)**	**(1,356,704)**	**(506,383)**	**(354,802)**

The notes on pages 84 to 145 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 year ended 31 March 2021 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in associates. The financial statements of the Company as at and for the year ended 31 March 2021 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 to the financial statements. There have been no significant change in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 25 August 2021.

1. BASIS OF PREPARATION

a. STATEMENT OF COMPLIANCE

The financial statements of the Group and 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.

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 June 2020

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, *Financial Instruments,* MFRS 139, *Financial Instruments: Recognition and Measurement,* MFRS 7, *Financial Instruments: Disclosures,* MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

1. BASIS OF PREPARATION (cont'd)

a. STATEMENT OF COMPLIANCE (cont'd)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the above mentioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 April 2021 for those amendments that are effective for annual periods beginning on or after 1 June 2020, 1 January 2021 and 1 April 2021;
- from the annual period beginning on 1 April 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022; and
- from the annual period beginning on 1 April 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023.

The initial application of the above mentioned 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 the Company.

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(l)(ii) and Note 6 - impairment of intangible assets
- Note 2(l)(ii) and Note 7 - impairment of investments in subsidiaries
- Note 2(h) and Note 9 - valuation of inventories
- Note 2(r) and Note 12 - valuation of deferred tax assets
- Note 2(p)(i) and Note 19 - sales of development properties

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.

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

a. BASIS OF CONSOLIDATION (cont'd)

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.

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.

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 foreign currency translation reserve ("FCTR") 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 FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c. FINANCIAL INSTRUMENTS

i. RECOGNITION AND INITIAL MEASUREMENT

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

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.

ii. FINANCIAL INSTRUMENT CATEGORIES AND SUBSEQUENT MEASUREMENT

Financial assets

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.

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.

All financial assets are subject to impairment assessment (see Note 2(l)(i)).

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c. FINANCIAL INSTRUMENTS (cont'd)

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.

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. The cost of self-constructed assets also includes the cost of materials and direct labour.

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. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

d. PROPERTY, PLANT AND EQUIPMENT (cont'd)

iii. DEPRECIATION (cont'd)

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.

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e. LEASES (cont'd)

iii. SUBSEQUENT MEASUREMENT (cont'd)

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)).

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

h. INVENTORIES

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

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.

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 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 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 and 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 statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

l. IMPAIRMENT (cont'd)

i. FINANCIAL ASSETS (cont'd)

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.

ii. OTHER ASSETS

The carrying amounts of other assets (except for inventories, contract assets, lease receivables, deferred tax assets and investment properties measured at fair value) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

l. IMPAIRMENT (cont'd)

ii. OTHER ASSETS (cont'd)

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.

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.

n. EMPLOYEE BENEFITS

i. SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefit 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

p. REVENUE AND OTHER INCOME (cont'd)

i. REVENUE (cont'd)

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.

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 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

r. INCOME TAX (cont'd)

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.

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 2019	514,310	1,572,744	11,098,152	9,181,537	89,801	22,456,544
Additions	-	-	1,075,226	911,364	-	1,986,590
Disposals	-	-	-	(16,996)	(81,551)	(98,547)
Write off	-	-	-	(179,795)	-	(179,795)
At 31 March 2020 / 1 April 2020	514,310	1,572,744	12,173,378	9,896,110	8,250	24,164,792
Additions	-	-	-	390,544	-	390,544
Disposals	-	-	-	(4,950)	-	(4,950)
Write off	-	-	-	(90,408)	-	(90,408)
At 31 March 2021	**514,310**	**1,572,744**	**12,173,378**	**10,191,296**	**8,250**	**24,459,978**
Depreciation						
At 1 April 2019	-	189,616	2,181,408	4,951,830	33,801	7,356,655
Depreciation for the year	-	16,497	1,442,487	844,643	-	2,303,627
Disposals	-	-	-	(12,386)	(26,553)	(38,939)
Write off	-	-	-	(25,651)	-	(25,651)
At 31 March 2020 / 1 April 2020	-	206,113	3,623,895	5,758,436	7,248	9,595,692
Depreciation for the year	-	16,211	1,527,302	979,289	-	2,522,802
Disposals	-	-	-	(4,949)	-	(4,949)
Write off	-	-	-	(60,111)	-	(60,111)
At 31 March 2021	**-**	**222,324**	**5,151,197**	**6,672,665**	**7,248**	**12,053,434**
Carrying amounts						
At 1 April 2019	514,310	1,383,128	8,916,744	4,229,707	56,000	15,099,889
At 31 March 2020 / 1 April 2020	514,310	1,366,631	8,549,483	4,137,674	1,002	14,569,100
At 31 March 2021	**514,310**	**1,350,420**	**7,022,181**	**3,518,631**	**1,002**	**12,406,544**

3. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company	Land (right-of-use) (RM)	Buildings (RM)	Furniture, Fittings, Office Equipment and Renovation (RM)	Motor Vehicles (RM)	Total (RM)
Cost					
At 1 April 2019	1,254,000	2,490,204	6,052,116	95,850	9,892,170
Additions	-	-	111,139	-	111,139
Disposals	-	-	-	(95,850)	(95,850)
Write off	-	-	(159,928)	-	(159,928)
At 31 March 2020 / 1 April 2020	1,254,000	2,490,204	6,003,327	-	9,747,531
Additions	-	-	2,890	-	2,890
Write off	-	-	(3,178)	-	(3,178)
At 31 March 2021	**1,254,000**	**2,490,204**	**6,003,039**	**-**	**9,747,243**
Depreciation					
At 1 April 2019	156,417	562,468	3,677,268	40,848	4,437,001
Depreciation for the year	13,063	49,804	458,828	-	521,695
Disposals	-	-	-	(40,848)	(40,848)
Write off	-	-	(21,477)	-	(21,477)
At 31 March 2020 / 1 April 2020	169,480	612,272	4,114,619	-	4,896,371
Depreciation for the year	13,063	49,804	440,721	-	503,588
Write off	-	-	(3,175)	-	(3,175)
At 31 March 2021	**182,543**	**662,076**	**4,552,165**	**-**	**5,396,784**
Carrying amounts					
At 1 April 2019	1,097,583	1,927,736	2,374,848	55,002	5,455,169
At 31 March 2020 / 1 April 2020	1,084,520	1,877,932	1,888,708	-	4,851,160
At 31 March 2021	**1,071,457**	**1,828,128**	**1,450,874**	**-**	**4,350,459**

3. PROPERTY, PLANT AND EQUIPMENT (cont'd)

SECURITIES

Land and buildings of the Group and the Company amounting to RM3,803,138 (2020:RM3,880,022) and RM2,899,585 (2020:RM2,962,452) respectively are charged as securities for bank borrowings granted (see Note 18).

LAND (RIGHT-OF-USE)

The Group and the Company leased several plots of land from the government that runs for 99 years. Lease payments are paid at inception of the leases.

4. RIGHT-OF-USES ASSETS

	Note	Building (RM)	Office Equipment (RM)	Total (RM)
Group				
At 1 April 2019		926,441	618,774	1,545,215
Depreciation	21	(563,249)	(262,615)	(825,864)
At 31 March 2020 / 1 April 2020		363,192	356,159	719,351
Addition		782,213	611,271	1,393,484
Derecognition		-	(12,517)	(12,517)
Depreciation	21	(646,301)	(242,643)	(888,944)
At 31 March 2021		**499,104**	**712,270**	**1,211,374**
Company				
At 1 April 2019		-	463,711	463,711
Depreciation	21	-	(206,064)	(206,064)
At 31 March 2020 / 1 April 2020		-	257,647	257,647
Addition		-	604,055	604,055
Depreciation	21	-	(263,100)	(263,100)
At 31 March 2021		**-**	**598,602**	**598,602**

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	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Cost				
At beginning / end of year	2,262,959	2,262,959	2,538,367	2,538,367
Depreciation				
At beginning of year	609,465	566,708	675,886	629,829
Depreciation for the year	42,758	42,757	46,057	46,057
At end of year	652,223	609,465	721,943	675,886
Carrying amounts				
At end of year	**1,610,736**	**1,653,494**	**1,816,424**	**1,862,481**
Included in the above are:				
Freehold land	51,189	51,189	235,495	235,495
Buildings	1,559,547	1,602,305	1,580,929	1,626,986
	1,610,736	**1,653,494**	**1,816,424**	**1,862,481**
Fair value				
At end of year	**5,681,000**	**5,681,000**	**6,740,000**	**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 RM308,095 (2020: RM311,395) are held in trust by a subsidiary.

SECURITIES

Investment properties of the Group and the Company amounting to RM1,508,328 (2020: RM1,551,086) have been charged as securities for bank borrowings granted (see Note 18).

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	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Rental income	50,700	21,600	50,700	52,800
Other income	54,536	61,596	54,536	61,596
	105,236	**83,196**	**105,236**	**114,396**
Direct operating expenses:				
- income generating investment properties	1,241	1,241	3,972	3,972

FAIR VALUE INFORMATION

Fair value of investment properties is categorised as Level 3 fair value. Level 3 fair value of warehouse land and buildings have been generally derived using independent valuation performed by external independent valuer. The basis of this valuation is the sales comparison approach whereby sales price of comparable warehouse land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

6. INTANGIBLE ASSETS

Group	Goodwill (RM)	Concession Assets (RM)	Franchisee Fee (RM)	Total (RM)
Cost				
At 1 April 2019	16,776,492	15,404,803	-	32,181,295
Additions	-	482,078	-	482,078
At 31 March 2020 / 1 April 2020	16,776,492	15,886,881	-	32,663,373
Additions	-	-	100,000	100,000
At 31 March 2021	**16,776,492**	**15,886,881**	**100,000**	**32,763,373**
Amortisation				
At 1 April 2019	-	(5,534,314)	-	(5,534,314)
Amortisation for the year	-	(641,748)	-	(641,748)
At 31 March 2020 / 1 April 2020	-	(6,176,062)	-	(6,176,062)
Amortisation for the year	-	(562,260)	(36,667)	(598,927)
At 31 March 2021	**-**	**(6,738,322)**	**(36,667)**	**(6,774,989)**
Impairment loss				
At 1 April 2019 / 31 March 2020 / 1 April 2020	(7,180,023)	(2,525,158)	-	(9,705,181)
Impairment losses	-	-	(30,833)	(30,833)
At 31 March 2021	**(7,180,023)**	**(2,525,158)**	**(30,833)**	**(9,736,014)**
Carrying amounts				
At 1 April 2019	9,596,469	7,345,331	-	16,941,880
At 31 March 2020 / 1 April 2020	9,596,469	7,185,661	-	16,782,130
At 31 March 2021	**9,596,469**	**6,623,401**	**32,500**	**16,252,370**
	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	2021 (RM)	2020 (RM)
Property development			
Penang	6.1.1	2,320,967	2,320,967
Johor	6.1.1	5,288,485	5,288,485
Operation of concession assets	6.1.2	1,987,017	1,987,017
		9,596,469	**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.

No impairment loss was recognised in respect of the property development cash-generating units located in Penang and Johor.

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 8 years (2020: 4 to 7 years).
- The gross development profit margins were expected to be ranging from 19% to 35% (2020: 12% to 31%).
- A pre-tax discount rate of 12.0% (2020: 10%) was applied in determining the recoverable amount of the units.

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% (2020: 1%) in the discount rate would increase impairment loss by RM7,212,000 (2020: no impairment loss).
- A 5% (2020: 5%) decrease in future development profit would have increased the impairment loss by RM9,296,000 (2020: no impairment loss).

6. INTANGIBLE ASSETS (cont'd)

6.1 IMPAIRMENT TESTING FOR CASH-GENERATING UNITS CONTAINING GOODWILL (cont'd)

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 7 to 20 years (2020: 8 to 21 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 (2020: 95% to 100% tenant take-up rate attained latest by April 2021). Rental is also anticipated to grow by 3% to 10% for every 2 to 5 years (2020: 10% every 5 years).
- A pre-tax discount rate of 10% (2020: 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).

The sensitivity analysis is presented as follows.

- An increase of 1% (2020: 1%) in the discount rate would not increase impairment loss (2020: no impairment loss).
- A 5% (2020: 5%) decrease in future annual rental income due to decrease in tenant take-up rate or annual rental growth would not increase impairment loss (2020: RM104,967).

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 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	2021 (RM)	2020 (RM)
Recoverable amount of concession assets	6,623,401	7,185,661

6. INTANGIBLE ASSETS (cont'd)

6.2 CONCESSION ASSETS (cont'd)

6.2.1 IMPAIRMENT LOSS ON CONCESSION ASSETS (cont'd)

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 7 to 20 years (2020: 8 to 21 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	2021 (RM)	2020 (RM)
Cost - Unquoted shares		
At beginning of year	175,931,846	175,931,846
Subscription of new shares	216,000,000	-
At end of year	**391,931,846**	**175,931,846**
Impairment loss		
At beginning of year	8,078,004	7,978,004
Transferred from impairment loss on amount due from subsidiaries (Note 10)	136,018,800	-
Recognised in profit or loss	18,767,603	100,000
At end of year	**162,864,407**	**8,078,004**
Carrying amount		
At beginning of year	167,853,842	167,953,842
At end of year	**229,067,439**	**167,853,842**

Impairment loss

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 nil.

The Company subscribed to additional 216,000,000 shares issued by Prisma Pelangi Sdn. Bhd. ("Prisma Pelangi") for a total consideration of RM216,000,000 settled by offsetting amount owing from Prisma Pelangi of RM216,000,000. The Company recorded an allowance for impairment of RM136,018,800 against this amount owing from Prisma Pelangi in prior year, hence this allowance for impairment has been transferred to as impairment allowance for investment in subsidiaries this year.

7. INVESTMENTS IN SUBSIDIARIES (cont'd)

DETAILS OF SUBSIDIARIES

Name of Subsidiary	Country of Incorporation	Principal Activities	Effective Ownership Interest and Voting Interest 2021 %	Effective Ownership Interest and Voting Interest 2020 %
Yoon Lian Realty Sendirian Berhad#	Malaysia	Property development and acting as construction contractors	100	100
Daya Niaga Sdn. Bhd.#	Malaysia	Trading of building materials	100	100
Grandeur Park Sdn. Bhd.#	Malaysia	Property development	100	100
Prisma Pelangi Sdn. Bhd.#	Malaysia	Property development	100	100
Agro-Mod Industries Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Tinggian Development Sendirian Berhad	Malaysia	Provision of management services and property development	100	100
Pembinaan Hua Yang Sdn. Bhd.#	Malaysia	Building contractor	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	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 KPMG PLT

7. INVESTMENTS IN SUBSIDIARIES (cont'd)

DETAILS OF SUBSIDIARIES (cont'd)

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

	Kajang Heights Development Sdn. Bhd.	
Group	**2021 (RM)**	**2020 (RM)**
NCI percentage of ownership interest and voting interest	30%	30%
Carrying amount of NCI	22,414,842	22,497,066
Loss allocated to NCI	**(82,224)**	**(80,647)**
Summarised financial information before intra-group elimination		
As at 31 March		
Non-current assets	78,377,232	858,879
Current assets	45,403,499	142,556,435
Non-current liabilities	(48,731,784)	(65,543,833)
Current liabilities	(332,807)	(2,881,261)
Net assets	**74,716,140**	**74,990,220**
Year end 31 March		
Loss from continuing operations	(274,079)	(268,824)
Cash flows used in operating activities	(465,403)	(663,078)
Cash flows from investing activities	490,006	-
Cash flows from financing activities	-	605,300
Net increase / (decrease) in cash and cash equivalents	**24,603**	**(57,778)**

8. INVESTMENT IN AN ASSOCIATE

Group	2021 (RM)	2020 (RM)
At cost:		
Quoted shares in Malaysia	190,708,202	190,708,202
Share of post-acquisition reserves	(76,174,000)	(33,475,000)
Impairment loss	(53,829,138)	(82,637,996)
	60,705,064	**74,595,206**
Market value:		
Quoted shares in Malaysia	60,705,064	74,595,206

Details of the associate are as follows:

Name of Associate	Country of Incorporation	Principal Activities	Effective Ownership Interest and Voting Interest 2021 %	Effective Ownership Interest and Voting Interest 2020 %
Magna Prima Berhad ("MPB")	Malaysia	Investment holding and provision of management services	30.95	30.95

The statutory financial year end of MPB is 31 December which is not coterminous with the financial year end of the Group. For the purpose of applying the equity method of accounting for MPB, with financial year end of 31 December, the last audited financial statements available made up to a period of no more than 3 months difference from the Group's financial year end have been used. Management has assessed that this would be the most practical method of applying the equity method of accounting for MPB.

IMPAIRMENT LOSS

The Independent Auditor's Report in the latest audited financial statements of the associate for the 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 in respect of the investment in the associate as its recoverable amount, estimated using fair value less cost to sell, 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)

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

Group	Magna Prima Berhad 2021 (RM)	Magna Prima Berhad 2020 (RM)
Summarised financial information		
As at 31 December 2020 / 2019		
Non-current assets	497,666,039	716,842,745
Current assets	239,835,369	128,528,092
Non-current liabilities	(42,563,524)	(79,301,527)
Current liabilities	(348,205,578)	(280,046,638)
Net assets	**346,732,306**	**486,022,672**
Year end 31 December 2020 / 2019		
Loss from continuing operations attributable to:		
- Owner of the Company	(150,874,906)	(32,903,061)
- Non-controlling interests	(1,329,299)	(1,798,248)
Total loss from continuing operations	(152,204,205)	(34,701,309)
Other comprehensive income / (loss)	12,913,839	(3,303,535)
Total comprehensive loss	**(139,290,366)**	**(38,004,844)**
Included in the total comprehensive income is:		
Revenue	18,701,359	30,067,010
Reconciliation of net assets as at 31 December to carrying amount as at 31 March		
Group's share of net assets	108,625,202	151,324,202
Goodwill	5,909,000	5,909,000
Impairment loss	(53,829,138)	(82,637,996)
Carrying amount in the statement of financial position	**60,705,064**	**74,595,206**
Group's share of results for the year ended 31 March		
Group's share of profit or loss from continuing operations	(46,696,000)	(10,183,000)
Group's share of other comprehensive income / (loss)	3,997,000	(1,023,000)
Group's share of total comprehensive loss	**(42,699,000)**	**(11,206,000)**

9. INVENTORIES

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Non-current				
Land held for future development	587,450,277	448,179,612	6,706,961	6,706,961
Current				
Developed properties	67,938,923	63,051,980	251,338	251,338
Development properties	49,280,385	262,764,423	-	-
Finished goods	20,566	25,115	-	-
	117,239,874	325,841,518	251,338	251,338
	704,690,151	**774,021,130**	**6,958,299**	**6,958,299**
Inventories pledged as securities for bank borrowings (Note 18)				
- Land held for future development	376,327,377	322,760,051	2,761,348	2,761,348
- Developed properties	21,355,835	28,048,043	-	-
- Development properties	9,929,950	169,322,620	-	-
	407,613,162	**520,130,714**	**2,761,348**	**2,761,348**
Recognised in profit or loss:				
- write down to net realisable value	1,098,347	-	-	-
- inventories recognised as costs of sales	15,563,977	30,857,819	-	-

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.

10. TRADE AND OTHER RECEIVABLES

	Note	Group 2021 (RM)	Group 2020 (RM)	Company 2021 (RM)	Company 2020 (RM)
Non-current					
Trade					
Trade receivables	a	-	390,000	-	-
Non-trade					
Other receivables		1,157,463	2,834,652	-	-
Refundable deposits		4,193,905	3,814,399	43,052	47,273
		5,351,368	6,649,051	43,052	47,273
		5,351,368	**7,039,051**	**43,052**	**47,273**
Current					
Trade					
Trade receivables		25,345,267	41,597,475	-	-
Allowance for impairment loss		(483,902)	(472,001)	-	-
		24,861,365	**41,125,474**	**-**	**-**
Non-trade					
Amounts due from subsidiaries	b	-	-	302,528,074	333,554,350
Goods and Services Tax receivables	c	858,853	1,084,776	1,441	114,187
Other receivables		4,434,107	6,418,557	839,779	577,126
Refundable deposits		4,264,872	4,611,588	1,127,285	3,127,285
		9,557,832	12,114,921	304,496,579	337,372,948
		34,419,197	53,240,395	304,496,579	337,372,948
		39,770,565	**60,279,446**	**304,539,631**	**337,420,221**

Note a Non-current trade receivables were retention sum receivables. The retention sum receivables were unsecured, interest-free and were expected to be collected within 2 years.

10. TRADE AND OTHER RECEIVABLES (cont'd)

Note b The amounts due from subsidiaries are unsecured, subject to interest rate at 1.86% (2020: 2.92%) per annum and repayable on demand.

The decrease in amounts due from subsidiaries during the year is due to offsetting of amount due from Prisma Pelangi Sdn. Bhd. amounting to RM216,000,000 against consideration for 216,000,000 shares issued by Prisma Pelangi Sdn. Bhd. to the Company amounting to RM216,000,000. The Company recorded an allowance for impairment of RM136,018,800 against the amount due from Prisma Pelangi Sdn. Bhd. in prior year. This allowance for impairment was transferred to allowance for impairment of investment in subsidiaries (see Note 7).

Note c 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.

11. CASH AND BANK BALANCES

		Group		Company	
	Note	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Non-current					
Deposits placed with licensed banks		3,100,230	3,641,867	273,432	861,965
Cash at bank	a	5,000,000	-	5,000,000	-
		8,100,230	**3,641,867**	**5,273,432**	**861,965**
Current					
Cash in hand and at bank		3,635,369	6,636,907	941,075	2,487,119
Housing Development Accounts	b	57,235,312	26,634,791	-	-
Cash and bank balances		60,870,681	33,271,698	941,075	2,487,119
		68,970,911	**36,913,565**	**6,214,507**	**3,349,084**
Cash and bank balances pledged to licensed banks as securities for bank borrowings granted	18	8,100,230	3,641,867	5,273,432	861,965

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.

12. DEFERRED TAX ASSETS / (LIABILITIES)

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

	Assets		Liabilities		Net	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Group						
Inventories	7,920,734	9,690,345	(34,344,781)	(35,115,344)	(26,424,047)	(25,424,999)
Property, plant and equipment	2,024	-	(1,065,023)	(933,404)	(1,062,999)	(933,404)
Unutilised tax losses	9,737,954	9,550,395	-	-	9,737,954	9,550,395
Unabsorbed capital allowance	2,523,699	2,303,156	-	-	2,523,699	2,303,156
Others	730,616	-	(1,326,091)	(1,011,547)	(595,475)	(1,011,547)
Tax assets / (liabilities)	20,915,027	21,543,896	(36,735,895)	(37,060,295)	(15,820,868)	(15,516,399)
Set-off of tax	(1,886,057)	(1,794,981)	1,886,057	1,794,981	-	-
Net deferred tax assets / (liabilities)	**19,028,970**	**19,748,915**	**(34,849,838)**	**(35,265,314)**	**(15,820,868)**	**(15,516,399)**
Company						
Property, plant and equipment	-	-	(217,222)	(177,617)	(217,222)	(177,617)
Unutilised tax losses	1,946,148	1,946,148	-	-	1,946,148	1,946,148
Unabsorbed capital allowance	613,741	588,106	-	-	613,741	588,106
Tax assets / (liabilities)	2,559,889	2,534,254	(217,222)	(177,617)	2,342,667	2,356,637
Set-off of tax	(217,222)	(177,617)	217,222	177,617	-	-
Net deferred tax assets	**2,342,667**	**2,356,637**	**-**	**-**	**2,342,667**	**2,356,637**

Unutilised tax losses of RM40,574,808 (2020: RM39,336,446), 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.

12. DEFERRED TAX ASSETS / (LIABILITIES) (cont'd)

MOVEMENT IN TEMPORARY DIFFERENCES DURING THE YEAR

	At 1.4.2019 (RM)	Recognised in Profit or Loss (Note 24) (RM)	At 31.3.2020 / 1.4.2020 (RM)	Recognised in Profit or Loss (Note 24) (RM)	At 31.3.2021 (RM)
Group					
Inventories	(31,222,610)	5,797,611	(25,424,999)	(999,048)	(26,424,047)
Property, plant and equipment	(945,370)	11,966	(933,404)	(129,595)	(1,062,999)
Unutilised tax losses	8,639,795	910,600	9,550,395	187,559	9,737,954
Unabsorbed capital allowance	1,962,304	340,852	2,303,156	220,543	2,523,699
Others	(1,071,470)	59,923	(1,011,547)	416,072	(595,475)
Net deferred tax assets / (liabilities)	**(22,637,351)**	**7,120,952**	**(15,516,399)**	**(304,469)**	**(15,820,868)**
Company					
Property, plant and equipment	(231,609)	53,992	(177,617)	(39,605)	(217,222)
Unutilised tax losses	1,946,148	-	1,946,148	-	1,946,148
Unabsorbed capital allowance	544,089	44,017	588,106	25,635	613,741
Net deferred tax assets	**2,258,628**	**98,009**	**2,356,637**	**(13,970)**	**2,342,667**

13. CONTRACT WITH CUSTOMERS

13.1 CONTRACT ASSETS / (LIABILITIES)

Group	2021 (RM)	2020 (RM)
Contract assets	37,549,263	60,030,098
Contract liabilities	(3,517,291)	(21,772,000)

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.

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.

13. CONTRACT WITH CUSTOMERS (cont'd)

13.1 CONTRACT ASSETS / (LIABILITIES) (cont'd)

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

Group	2021 (RM)	2020 (RM)
Contract liabilities at the beginning of the period recognised as revenue	21,772,000	26,148,539

13.2 CONTRACT COSTS

Group	2021 (RM)	2020 (RM)
Cost to obtain a contract	2,468,019	2,081,158
Cost to fulfil a contract	6,823,791	7,365,897
	9,291,810	**9,447,055**

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 RM7,885,934 (2020: RM10,513,089).

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 RM120,970,070 (2020: RM155,483,716).

14. OTHER CURRENT ASSETS

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Prepaid operating expenses	1,248,851	567,735	1,233,550	144,215

15. SHARE CAPITAL

Group and Company	Number of Shares 2021	Amount 2021 (RM)	Number of Shares 2020	Amount 2020 (RM)
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares	352,000,000	352,000,000	352,000,000	352,000,000

ORDINARY SHARES

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.

16. RESERVES

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.

17. TRADE AND OTHER PAYABLES

	Note	Group 2021 (RM)	Group 2020 (RM)	Company 2021 (RM)	Company 2020 (RM)
Non-current					
Trade					
Trade payables	a	35,282,326	33,578,488	-	-
Non-trade					
Refundable deposits		443,564	517,640	-	-
		35,725,890	**34,096,128**	-	-
Current					
Trade					
Trade payables		97,444,043	117,808,358	-	-
Non-trade					
Amounts due to subsidiaries	b	-	-	208,737,892	184,048,120
Accrued operating expenses		27,617,803	15,023,239	11,948,758	1,324,297
Other payables		9,545,986	4,488,970	847,708	520,977
Goods and Services Tax payables	c	-	559,327	-	-
Refundable deposits		1,484,549	1,907,236	5,820	5,400
		38,648,338	21,978,772	221,540,178	185,898,794
		136,092,381	139,787,130	221,540,178	185,898,794
		171,818,271	**173,883,258**	**221,540,178**	**185,898,794**

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 1.86% (31.3.2020: 2.92%) per annum and repayable on demand.

Note c Goods and Services Tax ("GST") payables refer to the returns due to the Royal Malaysian Custom Department in relation to output tax received by the Group.

18. LOANS AND BORROWINGS

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Non-current				
Secured:				
Bridging loan	7,376,004	13,964,504	-	-
Sukuk Murabahah	17,190,000	21,684,000	17,190,000	21,684,000
Term loans	164,589,749	123,930,994	27,059,912	4,541,626
Revolving loans	31,400,000	1,750,000	31,400,000	1,750,000
Islamic cash line facility	3,341,539	5,293,776	3,341,540	5,293,776
	223,897,292	**166,623,274**	**78,991,452**	**33,269,402**
Current				
Secured:				
Bridging loan	6,300,000	-	-	-
Sukuk Murabahah	4,494,000	4,494,000	4,494,000	4,494,000
Term loans	13,471,585	69,464,670	6,063,585	11,857,728
Revolving loans	12,982,088	44,500,000	12,982,088	44,500,000
Islamic cash line facility	8,397,000	8,397,000	8,397,000	8,397,000
Bank overdrafts	22,717,386	26,044,845	14,766,319	16,129,037
	68,362,059	152,900,515	46,702,992	85,377,765
	292,259,351	**319,523,789**	**125,694,444**	**118,647,167**

SECURITIES

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

i. legal charge over property, plant and equipment (Note 3), investment properties (Note 5), inventories (Note 9) and deposits placed with licensed banks (Note 11); and

ii. corporate guarantee by the Company.

18. LOANS AND BORROWINGS (cont'd)

RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	At 1.4.2019 (RM)	Drawdown of Loans and Borrowings (RM)	Repayment of Loans and Borrowings (RM)	At 31.3.2020 / 1.4.2020 (RM)	Drawdown of Loans and Borrowings (RM)	Repayment of Loans and Borrowings (RM)	Other Movement (RM)	At 31.3.2021 (RM)
Group								
Bridging loan	38,114,001	30,774,075	(54,923,572)	13,964,504	16,800,000	(17,088,500)	-	13,676,004
Sukuk Murabahah	28,814,000	-	(2,636,000)	26,178,000	-	(4,494,000)	-	21,684,000
Term loans	226,290,790	6,000,000	(38,895,126)	193,395,664	35,000,000	(50,803,859)	469,529	178,061,334
Revolving loans	56,000,000	7,000,000	(16,750,000)	46,250,000	-	(1,867,912)	-	44,382,088
Islamic cash line facility	37,776,205	13,000,000	(37,085,429)	13,690,776	4,540,000	(6,492,237)	-	11,738,539
Lease liabilities	1,652,374	-	(863,498)	788,876	-	(1,097,968)	1,380,967	1,071,875
Total liabilities from financing activities	**388,647,370**	**56,774,075**	**(151,153,625)**	**294,267,820**	**56,340,000**	**(81,844,476)**	**1,850,496**	**270,613,840**
Company								
Sukuk Murabahah	28,814,000	-	(2,636,000)	26,178,000	-	(4,494,000)	-	21,684,000
Term loans	18,214,667	6,000,000	(7,815,313)	16,399,354	25,000,000	(8,275,857)	-	33,123,497
Revolving loans	56,000,000	-	(9,750,000)	46,250,000	-	(1,867,912)	-	44,382,088
Islamic cash line facility	37,776,205	13,000,000	(37,085,429)	13,690,776	4,540,000	(6,492,236)	-	11,738,540
Lease liabilities	570,870	-	(258,110)	312,760	-	(459,235)	604,055	457,580
Total liabilities from financing activities	**141,375,742**	**19,000,000**	**(57,544,852)**	**102,830,890**	**29,540,000**	**(21,589,240)**	**604,055**	**111,385,705**

19. REVENUE

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Revenue from contracts with customers	157,632,632	278,623,351	4,107,600	5,820,000
Other revenue				
- Dividend income	-	-	25,000,000	15,000,000
- Rental income	1,927,302	990,831	-	-
	1,927,302	990,831	25,000,000	15,000,000
	159,559,934	**279,614,182**	**29,107,600**	**20,820,000**

19.1 DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Major products and services				
Sales of development properties	43,441,321	111,676,920	-	150,000
Sales of developed properties	107,890,332	164,580,358	-	-
Trading of building materials	5,733,965	1,454,206	-	-
Operating of restaurant, laundry and vending machine	567,014	911,867	-	-
Management fee	-	-	4,107,600	5,670,000
	157,632,632	**278,623,351**	**4,107,600**	**5,820,000**
Timing and recognition				
At a point in time	114,191,311	166,946,431	-	-
Over time	43,441,321	111,676,920	4,107,600	5,820,000
	157,632,632	**278,623,351**	**4,107,600**	**5,820,000**

19. REVENUE (cont'd)

19.2 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 Company 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

19. REVENUE (cont'd)

19.3 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 RM100,674,075 (2020: RM66,031,882) are expected to be recognised as revenue progressively over the financial years 2022 to 2024 (2020: 2021 to 2022).

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.

19.4 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.

20. Other income

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Interest income of financial assets calculated using the effective interest method that are at amortised cost:				
- interest income	355,781	411,169	8,618,423	12,690,413
- accrete interest from financial assets	79,903	180,123	1,411	2,066
	435,684	591,292	8,619,834	12,692,479
Deposits forfeited	137,370	88,349	-	-
Gain on disposal of property, plant and equipment	50	-	-	-
Rental income:				
- investment properties	50,700	21,600	50,700	52,800
- others	367,238	689,884	-	-
Sundry income	1,078,634	560,741	54,592	61,797
	2,069,676	1,951,866	8,725,126	12,807,076

21. RESULTS FROM OPERATING ACTIVITIES

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Results from operating activities are arrived at after charging:				
Auditors' remuneration:				
- Audit fees				
- KPMG PLT	240,000	331,000	90,000	93,000
- other auditors	39,000	-	-	-
- Non-audit fees				
- KPMG PLT	51,000	83,000	15,000	15,000
- other auditors	7,000	-	-	-
Material expense / (income)				
Amortisation of:				
- concession assets	562,260	641,748	-	-
- franchise fee	36,667	-	-	-
Depreciation:				
- investment properties	42,758	42,757	46,057	46,057
- property, plant and equipment	2,522,802	2,303,627	503,588	521,695
- right-of-use assets	888,944	825,864	263,100	206,064
Employee benefits expenses (including Executive Directors) (Note 23)	8,838,186	11,256,935	2,879,644	3,619,960
Loss on / (Reversal of) impairment:				
- intangible asset	30,833	-	-	-
- investment in a subsidiary	-	-	18,767,603	100,000
- investment in an associate	(28,808,858)	74,707,100	-	-
Inventories written down	1,098,347	-	-	-
Non-Executive Directors' remuneration	528,621	644,328	509,108	626,970
Property, plant and equipment written off	30,297	154,144	3	138,451
Expenses / (Income) arising from leases:				
Expenses relating to short-term leases	224,400	300,750	-	-
Expenses relating to leases of low-value assets	102,082	123,238	32,336	70,805
Net loss / (reversal) on impairment of financial instruments and contract assets				
Financial assets at amortised cost	11,901	(3,341)	1,900,000	96,432,995

22. FINANCE COSTS

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bank overdrafts	1,213,142	1,412,870	727,132	932,042
- bank loans	13,458,198	18,284,219	6,979,484	8,170,305
- lease liabilities	63,394	69,218	14,812	25,887
- intercompany loan	-	-	2,885,516	3,432,433
- trade payables	1,755,477	1,344,017	-	-
- other financial liabilities carried at amortised cost	469,529	672,186	-	-
	16,959,740	21,782,510	10,606,944	12,560,667
Capitalised on qualifying assets - Inventories	(5,117,100)	(7,166,630)	-	-
Recognised in profit or loss	**11,842,640**	**14,615,880**	**10,606,944**	**12,560,667**

23. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Salaries and bonus	7,743,459	9,797,111	2,533,004	3,182,747
EIS contributions	11,082	11,874	2,287	2,830
EPF contributions	999,143	1,342,061	324,353	409,634
Social security contributions	84,502	105,889	20,000	24,749
	8,838,186	**11,256,935**	**2,879,644**	**3,619,960**

Included in employees' benefits expenses of the Group and the Company is Executive Director's remuneration, excluding benefits-in-kind, amounting to RM732,794 (2020: RM834,120).

23. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION (cont'd)

The key management personnel compensations are as follows:

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Executive Director:				
- Salaries and other emoluments	647,660	733,200	647,660	733,200
- EIS contributions	95	95	95	95
- EPF contributions	84,210	99,996	84,210	99,996
- SOCSO contributions	829	829	829	829
Total Executive Director's remuneration (excluding benefits-in-kind)	732,794	834,120	732,794	834,120
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
Total Executive Director's remuneration (including benefits-in-kind)	**739,994**	**841,320**	**739,994**	**841,320**
Non-Executive Directors:				
- Fees	493,621	612,328	479,108	594,970
- Other emoluments	35,000	32,000	35,000	32,000
Total Non-Executive Directors' remuneration (excluding benefits-in-kind)	528,621	644,328	514,108	626,970
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
Total Non-Executive Directors remuneration (including benefits-in-kind)	535,821	651,528	521,308	634,170
Total key management personnel compensation	**1,275,815**	**1,492,848**	**1,261,302**	**1,475,490**

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	
	2021	2020
Executive director:		
RM700,001 – RM750,000	1	-
RM750,001 – RM800,000	-	-
RM800,001 - RM850,000	-	1
Non-executive directors:		
RM50,001 - RM100,000	2	2
RM100,001 - RM150,000	3	2
RM150,001 - RM200,000	-	1

24. TAX EXPENSE

	Group		Company	
Recognised in Profit or Loss	**2021 (RM)**	**2020 (RM)**	**2021 (RM)**	**2020 (RM)**
Income tax expense				
Current year	4,048,102	16,350,778	185,529	561,903
Prior years	(1,047,162)	(290,506)	103,002	(8,101)
Total income tax recognised in profit or loss	3,000,940	16,060,272	288,531	553,802
Deferred tax expense				
Origination and reversal of temporary differences	304,469	(7,120,952)	13,970	(98,009)
Tax expense	3,305,409	8,939,320	302,501	455,793
Share of tax of equity-accounted associate	5,726,501	916,827	-	-
	9,031,910	**9,856,147**	**302,501**	**455,793**
Reconciliation of tax expense				
Loss before tax	(49,176,490)	(64,274,761)	(10,728,631)	(84,333,760)
Less: Share of loss of equity-accounted associate, net of tax	46,696,000	10,183,000	-	-
Loss excluding share of profit of equity accounted associate	**(2,480,490)**	**(54,091,761)**	**(10,728,631)**	**(84,333,760)**
Income tax calculated using Malaysian tax rate of 24%	(595,318)	(12,982,023)	(2,574,871)	(20,240,102)
Non-taxable income	(6,914,125)	(521,322)	(6,000,000)	(3,600,000)
Non-deductible expenses	11,862,014	22,733,171	8,774,370	24,303,996
(Over) / Under provision in prior year - income tax	(1,047,162)	(290,506)	103,002	(8,101)
Tax expense	3,305,409	8,939,320	302,501	455,793
Share of tax of equity-accounted associate	5,726,501	916,827	-	-
	9,031,910	**9,856,147**	**302,501**	**455,793**

25. LOSS PER ORDINARY SHARE

BASIC LOSS PER ORDINARY SHARE

The calculation of basic loss per ordinary share at 31 March 2021 was based on the loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, calculated as follows:

Group	2021	2020
RM		
Loss for the financial year attributable to owners of the Company	(52,399,675)	(73,133,434)
Weighted average number of ordinary shares at 31 March	352,000,000	352,000,000
Sen		
Basic loss per ordinary share	(14.89)	(20.78)

DILUTED LOSS PER ORDINARY SHARE

The calculation of diluted loss per ordinary share at 31 March 2021 was based on loss 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	2021	2020
RM		
Loss for the financial year attributable to owners of the Company	(52,399,675)	(73,133,434)
Weighted average number of ordinary shares at 31 March	352,000,000	352,000,000
Sen		
Diluted loss per ordinary share	(14.89)	(20.78)

26. DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2021.

27. 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 2021 and 2020.

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.

Group	Property Development (RM)	Concession Assets (RM)	Total (RM)
2021			
Segment (loss) / gain	**(52,551,628)**	**242,391**	**(52,309,237)**
Included in the measure of segment profit / (loss) are:			
Revenue from external customers	151,920,892	1,927,302	153,848,194
Depreciation and amortisation	(2,903,128)	(562,545)	(3,465,673)
Reversal of impairment loss - investment in an associate	28,808,858	-	28,808,858
Interest expense	(11,842,640)	(255,320)	(12,097,960)
Interest income	635,205	3,623	638,828
Share of loss of equity accounted associate, net of tax	(46,696,000)	-	(46,696,000)
Segment assets	**980,101,201**	**10,757,312**	**990,858,513**
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	-	-	-
Investment in an associate	60,705,064	-	60,705,064
Segment liabilities	**(508,014,407)**	**(14,359,307)**	**(522,373,714)**

27. OPERATING SEGMENTS (cont'd)

Group	Property Development (RM)	Concession Assets (RM)	Total (RM)
2020			
Segment loss	**(64,534,204)**	**(1,347,099)**	**(65,881,303)**
Included in the measure of segment profit / (loss) are:			
Revenue from external customers	277,492,078	1,063,470	278,555,548
Depreciation and amortisation	(3,094,750)	(642,072)	(3,736,822)
Impairment loss - investment in an associate	(74,707,100)	-	(74,707,100)
Interest expense	(14,615,880)	(376,733)	(14,992,613)
Interest income	824,702	19,054	843,756
Reversal of impairment loss on trade receivables	-	3,341	3,341
Share of loss of equity accounted associate, net of tax	(10,183,000)	-	(10,183,000)
Segment assets	**1,068,735,861**	**11,687,950**	**1,080,423,811**
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	3,531,805	482,078	4,013,883
Investment in an associate	74,595,206	-	74,595,206
Segment liabilities	**(551,258,918)**	**(14,895,996)**	**(566,154,914)**

27. OPERATING SEGMENTS (cont'd)

Group	Segment Loss (RM)	Segment Revenue (RM)	Depreciation and Amortisation (RM)	Interest Expense (RM)	Interest Income (RM)	Segment Assets (RM)	Segment Liabilities (RM)
2021							
Total reportable segment	(52,309,237)	153,848,194	(3,465,673)	(12,097,960)	638,828	990,585,513	(522,373,714)
Other non-reportable segments	(842,514)	6,266,140	(587,758)	(49,842)	102,018	8,653,748	(4,402,475)
Elimination of inter-segment transactions	669,852	(554,400)	-	305,162	(305,162)	(27,131,926)	16,816,803
Consolidated total	**(52,481,899)**	**159,559,934**	**(4,053,431)**	**(11,842,640)**	**435,684**	**972,380,335**	**(509,959,386)**
2020							
Total reportable segment	(65,881,303)	278,555,548	(3,736,822)	(14,992,613)	843,756	1,080,423,811	(566,154,914)
Other non-reportable segments	(1,020,810)	2,641,073	(77,174)	(52,522)	176,791	8,061,143	(2,966,569)
Elimination of inter-segment transactions	2,627,352	(1,582,439)	-	429,255	(429,255)	(19,157,729)	10,700,106
Consolidated total	**(64,274,761)**	**279,614,182**	**(3,813,996)**	**(14,615,880)**	**591,292**	**1,069,327,225**	**(558,421,377)**

GEOGRAPHICAL SEGMENTS

The Group's segments are located in Malaysia.

MAJOR CUSTOMERS

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

28. FINANCIAL INSTRUMENTS

28.1 CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments as at 31 March 2021 categorised as Amortised cost ("AC").

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Financial assets				
Trade and other receivables	38,911,712	59,194,670	304,538,190	337,306,034
Cash and cash equivalents	68,970,911	36,913,565	6,214,507	3,349,084
	107,882,623	**96,108,235**	**310,752,697**	**340,655,118**
Financial liabilities				
Trade and other payables	171,818,271	173,323,931	221,540,178	185,898,794
Loans and borrowings	292,259,351	319,523,789	125,694,444	118,647,167
	464,077,622	**492,847,720**	**347,234,622**	**304,545,961**

28.2 NET GAINS AND LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Net gains / (losses) on:				
Financial assets measured at amortised cost	290,963	591,713	6,719,834	(83,742,616)
Financial liabilities measured at amortised cost	(11,641,876)	(13,855,345)	(10,606,944)	(12,560,667)
	(11,350,913)	**(13,263,632)**	**(3,887,110)**	**(96,303,283)**

28.3 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

28. FINANCIAL INSTRUMENTS (cont'd)

28.4 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"). 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 year.

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 statement 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

There was no significant concentration of credit risk and the exposure of credit risk for trade receivables and contract assets as at the end of the reporting period arise from domestic property development industry.

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 purchasers, 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.

28. FINANCIAL INSTRUMENTS (cont'd)

28.4 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 2021 which are grouped together as they are expected to have similar risk nature.

Group	Gross Carrying Amount (RM)	Loss Allowance (RM)	Net Balance (RM)
2021			
Not past due	48,742,847	-	48,742,847
Past due 31 - 120 days	11,706,967	-	11,706,967
Past due 121 - 180 days	1,001,290	-	1,001,290
Past due 181 - 335 days	744,276	-	744,276
Past due more than 335 days	215,248	-	215,248
	62,410,628	-	62,410,628
Individually impaired	483,902	(483,902)	-
	62,894,530	**(483,902)**	**62,410,628**
2020			
Not past due	78,461,135	-	78,461,135
Past due 31 - 120 days	19,006,863	-	19,006,863
Past due 121 - 180 days	1,575,928	-	1,575,928
Past due 181 - 335 days	1,517,727	-	1,517,727
Past due more than 335 days	983,919	-	983,919
	101,545,572	-	101,545,572
Individually impaired	472,001	(472,001)	-
	102,017,573	**(472,001)**	**101,545,572**

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

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.

28. FINANCIAL INSTRUMENTS (cont'd)

28.4 CREDIT RISK (cont'd)

TRADE RECEIVABLES AND CONTRACT ASSETS (cont'd)

Recognition and measurement of impairment losses (cont'd)

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

	Group	
Trade receivables - Credit impaired	**2021 (RM)**	**2020 (RM)**
At beginning of year	472,001	475,342
Net remeasurement of loss allowance	11,901	(3,341)
At end of year	**483,902**	**472,001**

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.

During the year, the Company has recorded an impairment loss allowance in respect of credit impaired refundable deposits amounting to RM1,900,000 (2020: nil).

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.

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

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

28. FINANCIAL INSTRUMENTS (cont'd)

28.4 CREDIT RISK (cont'd)

INTER-COMPANY BALANCES (cont'd)

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.

The following table provides information about the exposure to credit risk and ECLs for amounts due from subsidiaries as at 31 March 2021.

	Company	
	2021 (RM)	2020 (RM)
Amounts due from subsidiaries	305,725,278	472,770,354
Loss allowance - Credit impaired	(3,197,204)	(139,216,004)
	302,528,074	**333,554,350**

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

Trade Receivables - Credit Impaired	Company	
	2021 (RM)	2020 (RM)
At beginning of year	139,216,004	42,783,009
Net remeasurement of loss allowance	-	96,432,995
Transferred to impairment loss on investment in subsidiaries	(136,018,800)	-
At end of year	**3,197,204**	**139,216,004**

28. FINANCIAL INSTRUMENTS (cont'd)

28.4 CREDIT RISK (cont'd)

INTER-COMPANY BALANCES (cont'd)

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 RM166,564,908 (2020: RM200,876,622) 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.

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.

28. FINANCIAL INSTRUMENTS (cont'd)

28.5 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.

Maturity analysis

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

2021	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	171,818,271	-	171,818,271	136,092,381	35,725,890	-
Lease liabilities	715,601	3.24 - 7.01	759,885	553,755	206,130	-
Loans and borrowings	292,259,351	3.75 - 6.51	328,803,267	108,341,535	182,838,121	37,623,611
	464,793,223	**-**	**501,381,423**	**244,987,671**	**218,770,141**	**37,623,611**
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	208,737,892	1.86	208,737,892	208,737,892	-	-
- non-interest bearing	12,802,286	-	12,802,286	12,802,286	-	-
Lease liabilities	101,306	5.23	101,306	101,306	-	-
Loans and borrowings	125,694,444	3.75 - 6.51	133,822,359	84,648,735	49,173,624	-
Financial guarantee	-	-	166,564,908	166,564,908	-	-
	347,335,928	**-**	**522,028,751**	**472,855,127**	**49,173,624**	**-**

28. FINANCIAL INSTRUMENTS (cont'd)

28.5 LIQUIDITY RISK (cont'd)

Maturity analysis (cont'd)

2020	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	173,323,931	-	173,699,600	139,603,472	34,096,128	-
Lease liabilities	788,876	3.24 - 7.01	822,569	673,715	148,854	-
Loans and borrowings	319,523,789	4.75 - 7.51	363,062,769	148,172,182	185,026,146	29,864,441
	493,636,596	**-**	**537,584,938**	**288,449,369**	**219,271,128**	**29,864,441**
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	184,048,120	2.92	184,048,120	184,048,120	-	-
- non-interest bearing	1,850,674	-	1,850,674	1,850,674	-	-
Lease liabilities	312,760	5.23	329,127	261,254	67,873	-
Loans and borrowings	118,647,167	4.75 - 7.51	125,289,086	90,414,390	32,977,383	1,897,313
Financial guarantee	-	-	200,876,622	200,876,622	-	-
	304,858,721	**-**	**512,393,629**	**477,451,060**	**33,045,256**	**1,897,313**

28.6 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 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 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.

28. FINANCIAL INSTRUMENTS (cont'd)

28.6 MARKET RISK (cont'd)

INTEREST RATE RISK (cont'd)

Exposure to interest rate risk

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

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Fixed rate instruments				
Financial assets	3,100,230	3,641,867	273,432	861,965
Lease liabilities	(715,601)	(788,876)	(101,306)	(312,760)
	2,384,629	**2,852,991**	**172,126**	**549,205**
Floating rate instruments				
Financial assets	-	-	302,528,074	333,554,350
Financial liabilities	(292,259,351)	(319,523,789)	(334,432,336)	(302,695,287)
	(292,259,351)	**(319,523,789)**	**(31,904,262)**	**30,859,063**

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	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Floating rate instruments				
100 bp increase	(2,221,171)	(2,428,381)	(242,472)	234,529
100 bp decrease	2,221,171	2,428,381	242,472	(234,529)

28. FINANCIAL INSTRUMENTS (cont'd)

28.7 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.

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 statement of financial position.

	Fair Value of Financial Instruments Not Carried at Fair Value				
Group 2021	**Level 1 (RM)**	**Level 2 (RM)**	**Level 3 (RM)**	**Total (RM)**	**Carrying Amount (RM)**
Financial assets					
Non-current					
Trade receivables	-	-	-	-	-
Other receivables	-	-	1,157,463	1,157,463	1,157,463
Refundable deposits	-	-	4,193,905	4,193,905	4,193,905
	-	**-**	**5,351,368**	**5,351,368**	**5,351,368**
Financial liabilities					
Non-current					
Trade payables	-	-	35,282,326	35,282,326	35,282,326
Refundable deposits	-	-	443,564	443,564	443,564
Loans and borrowings	-	-	223,897,292	223,897,292	223,897,292
	-	**-**	**259,623,182**	**259,623,182**	**259,623,182**

28. FINANCIAL INSTRUMENTS (cont'd)

28.7 FAIR VALUE INFORMATION (cont'd)

Group 2020	Fair Value of Financial Instruments Not Carried at Fair Value Level 1 (RM)	Level 2 (RM)	Level 3 (RM)	Total (RM)	Carrying Amount (RM)
Financial assets					
Non-current					
Trade receivables	-	-	390,000	390,000	390,000
Other receivables	-	-	2,834,652	2,834,652	2,834,652
Refundable deposits	-	-	3,814,399	3,814,399	3,814,399
	-	**-**	**7,039,051**	**7,039,051**	**7,039,051**
Financial liabilities					
Non-current					
Trade payables	-	-	33,578,488	33,578,488	33,578,488
Refundable deposits	-	-	517,640	517,640	517,640
Loans and borrowings	-	-	166,623,274	166,623,274	166,623,274
	-	**-**	**200,719,402**	**200,719,402**	**200,719,402**

28. FINANCIAL INSTRUMENTS (cont'd)

28.7 FAIR VALUE INFORMATION (cont'd)

	Fair Value of Financial Instruments Not Carried at Fair Value				
Company 2021	**Level 1 (RM)**	**Level 2 (RM)**	**Level 3 (RM)**	**Total (RM)**	**Carrying Amount (RM)**
Financial assets					
Non-current					
Refundable deposits	-	-	43,052	43,052	43,052
Financial liabilities					
Non-current					
Loans and borrowings	-	-	78,991,452	78,991,452	78,991,452
2020					
Financial assets					
Non-current					
Refundable deposits	-	-	47,273	47,273	47,273
Financial liabilities					
Non-current					
Loans and borrowings	-	-	33,269,402	33,269,402	33,269,402

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 (2020: no transfer in either directions).

LEVEL 3 FAIR VALUE

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

Level 3 fair value is determined using the discounted cash flows valuation technique using a rate based on the current market rate of borrowing of the respective group entities at the reporting date.

29. 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 2021 and 31 March 2020 are as follows:

	Group	
	2021 (RM)	2020 (RM)
Loans and borrowings	292,259,351	319,523,789
Less: Deposits placed with licensed banks	(3,100,230)	(3,641,867)
Less: Cash and bank balances	(65,870,681)	(33,271,698)
Net debt	223,288,440	282,610,224
Total equity	462,420,949	510,905,848
Debt-to-equity ratios (net)	**48%**	**55%**

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

30. 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 include all the 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 the Company, other than key management personnel compensation (see Note 23) and dividend income, are shown below. The balances related to the below transactions are shown in Note 10 and Note 17.

30. RELATED PARTIES (cont'd)

SIGNIFICANT RELATED PARTY TRANSACTIONS (cont'd)

	Group		Company	
	2021 (RM)	2020 (RM)	2021 (RM)	2020 (RM)
Subsidiaries				
Dividend income	-	-	25,000,000	15,000,000
Interest receivable	-	-	8,601,177	12,669,237
Interest payable	-	-	2,885,516	3,432,433
Landowner entitlement received	-	-	-	150,000
Management fee received	-	-	4,107,600	5,672,100
Rental received	-	-	29,100	31,200

31. SIGNIFICANT EVENTS

COVID-19 PANDEMIC

On 11 March 2020, the World Health Organisation declared the Coronavirus ("Covid-19") outbreak as a pandemic in recognition of its rapid spread across the globe. The Covid-19 outbreak resulted in travel restrictions, lockdowns and other containment measures imposed in various countries, including Malaysia. These containment measures have brought significant economic uncertainties in markets in which the Group operates.

Due to fluidity of the situation, the Covid-19 pandemic is expected to continue to have an adverse effect on the Group's future business operations. The Group is taking appropriate and timely measures to minimise the impact of the outbreak on the Group's operations.

32. SUBSEQUENT EVENT

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 RM11,042,725.52;
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 submitted its Defence and Counterclaim on 4 May 2021. SD opine that it was a misrepresentation by the Plaintiffs. Based on the legal advice, the Company will contest this Claim.

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 74 to 145 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia and so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2021 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: 25 August 2021

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 74 to 145 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Tan Hwai Lun, NRIC: 770815-10-5155, MIA: CA 24085, at Kuala Lumpur in the Federal Territory on 25 August 2021.

Tan Hwai Lun

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

Date: 25 August 2021

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 2021 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 74 to 145.

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 2021, and of their financial performance and their cash flows for the 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 auditors' 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 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 FOR THE GROUP

REVENUE RECOGNITION FOR PROPERTY DEVELOPMENT ACTIVITIES

Refer to Note 2(p)(i) - Significant accounting policy: Revenue and Note 19 - Revenue.

THE KEY AUDIT MATTER:

The Group recorded revenue from sales of development properties and developed properties amounting to RM43,441,321 and RM107,890,332 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 cost incurred method, in particular, relating to the estimation of the total costs required to complete the work used in the calculation of stage of completion.

KEY AUDIT MATTERS FOR THE GROUP (cont'd)

How the matter was addressed in our audit:

We performed the following audit procedures, amongst others:

- 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 cost incurred 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

Refer to Note 2(h) - Significant accounting policy: Inventories and Note 9 - Inventories.

THE KEY AUDIT MATTER:

Inventories of the Group comprised unsold developed properties amounting to RM67,938,923 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 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.

HOW THE MATTER WAS ADDRESSED IN OUR AUDIT:

We performed the following audit procedures, amongst others:

- We checked the valuation of developed properties against selling prices for developed properties sold subsequent to 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 below their carrying amounts.

KEY AUDIT MATTERS FOR THE COMPANY

IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES AND AMOUNTS DUE FROM SUBSIDIARIES

Refer to Note 2(l)(i) - Significant accounting policy: Impairment - Financial assets, Note 2(l)(ii) - Significant accounting policy: Impairment - Other assets, Note 7 - Investments in subsidiaries and Note 28.4 - Impairment of inter-company balances.

THE KEY AUDIT MATTER:

Investments in subsidiaries with carrying amount of RM229,067,439 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 RM302,528,074 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.

HOW THE MATTER WAS ADDRESSED IN OUR AUDIT:

We performed the following audit procedures, amongst others:

- 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 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 assumptions 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 annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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 internal control of the Group and of the Company.

- 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 ability of the Group or of the Company 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 gives a true and fair view.

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (cont'd)

To the Members of Hua Yang Berhad

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 MATTER

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.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 25 August 2021

Chan Kah Mun
Approval Number: 03350/01/2022 J
Chartered Accountant

List of Group's Properties

As at 31 March 2021

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	40	308	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	16	2,218	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	16	1,508	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	10	638	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	16	681	2015	Hua Yang Berhad

List of Group's Properties (cont'd)

As at 31 March 2021

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	32.04	18,429	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	57.23	92,734	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	6,707	1995	N/A	Hua Yang Berhad
Development land approved for mixed development	PN 321352 PT 83316, PN 321353 PT 83317, PN 321354 PT 83318, PN 321355 PT 83319, PN 95921 Lot 110502, PN 95922 Lot 110503, PN 95923 Lot 110506 Mukim Petaling, Dear-ah Petaling, Selangor Darul Ehsan	Leasehold (Expiring Dec 2110)	29.21	29.21	230,212	2013	N/A	Bison Holdings Sdn Bhd

List of Group's Properties (cont'd)

As at 31 March 2021

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)131583 PT 68248, H.S.(D)131584 PT 68249, H.S.(D)131585 PT 68250, H.S.(D)154349 PT 74041, Mukim Kajang, District of Ulu Langat, Selangor Darul Ehsan	Freehold	19.76	19.76	71,268	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	225.03	42,790	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	687	1996	2001	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	54 lots of commercial title, Lot 105147 – 105200 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Leasehold (Expiring 23 December 2080)	2	2	5,186	2013	N/A	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	Geran 173564, 173583, 173584 & PN 73938 (Lot 397470, 397469, 8670 & 102133) Mukim Hulu Kinta, Perak Darul Ridzuan	Freehold except Lot 102133 (Expiring 23 December 2105)	7.21	7.21	34,341	2015	N/A	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	52 lots of commercial title, Lot 105837 – 105888 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Leasehold (Expiring 23 December 2080)	2	2	6,001	2017	N/A	Agro-Mod Industries Sdn Bhd

List of Group's Properties (cont'd)

As at 31 March 2021

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	3.7	2.39	739	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	19,255	2017	N/A	Yoon Lian Realty Sendi-rian Berhad
Development land approved for mixed development	Geran 171330, Lot 10263, Seksyen 4 Bandar Bukit Mertajam, Pulau Pinang	Freehold	4.90	2.45	34,929	2015	2020	Tinggian Development Sendirian Berhad
Development land approved for mixed development	Lot 20328 & 20329, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	9.50	9.50	28,040	2016	N/A	Tinggian Development Sendirian Berhad
Development land approved for mixed development	Lot 10414-10416, Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	6.78	2.46	17,453	2016	2016	G Land Development Sdn Bhd

Analysis of Shareholdings

As at 30 July 2021

SHARE CAPITAL

Issued and fully paid-up capital:	RM352,000,000
Class of shares:	Ordinary Shares
Voting rights:	One vote per Ordinary Share

ORDINARY SHARE DISTRIBUTION SCHEDULE AS AT 30 JULY 2021

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	967	14.98	46,123	0.01
100 - 1,000	429	6.65	214,884	0.06
1,001 - 10,000	2,747	42.57	13,564,403	3.85
10,001 - 100,000	1,976	30.63	61,281,159	17.41
100,001 - 17,599,999*	332	5.14	178,137,470	50.61
17,600,000 and above**	2	0.03	98,755,961	28.06
Total	**6,453**	**100.00**	**352,000,000**	**100.00**

Remark:

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

DIRECTORS' SHAREHOLDINGS AS AT 30 JULY 2021

No.	Name of Directors	Direct Interest	%	Direct Interest	%
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	391,110	0.11	336,274 [2]	0.10
2.	Ho Wen Yan	1,804,440	0.51	112,089,294 [1]	31.84
3.	Dato' Tan Bing Hua	70,221	0.02	200,000 [2]	0.06
4.	Chew Po Sim	-	-	112,089,294 [1]	31.84
5.	Chew Hoe Soon	393,554	0.11	809,920 [3]	0.23
6.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-
7.	Ho Wen Fan (Alternate Director)	-	-	112,089,294 [1]	31.84

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 July 2021

SUBSTANTIAL SHAREHOLDERS AS AT 30 JULY 2021

No.	Name of Directors	Direct Interest	%	Direct Interest	%
1.	Heng Holdings Sdn Berhad	112,089,294	31.84	-	-
2.	Chew Po Sim	-	-	112,089,294 [(1)]	31.84
3.	Ho Min Yi	-	-	112,089,294 [(1)]	31.84
4.	Ho Wen Yan	1,804,440	0.51	112,089,294 [(1)]	31.84
5.	Ho Wen Han	-	-	112,089,294 [(1)]	31.84
6.	Ho Wen Fan	-	-	112,089,294 [(1)]	31.84

Notes:

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

Analysis of Shareholdings (cont'd)

As at 30 July 2021

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JULY 2021

No.	Name of Directors	No. of Shares	%
1.	Heng Holdings Sdn. Berhad	78,922,628	22.42
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Heng Holdings Sdn Berhad (PB)	19,833,333	5.63
3.	HSBC Nominees (Tempatan) Sdn Bhd HBAP for Heng Holdings Sdn. Bhd. (PB-SGDIV)	13,333,333	3.79
4.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	9,480,934	2.69
5.	Ho Khon Yok	8,551,333	2.43
6.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	6,874,600	1.95
7.	Goh Swee Boh @ Goh Cheng Kin	6,114,920	1.74
8.	Ng Keat Siew	4,480,540	1.27
9.	Lim Khuan Eng	3,970,000	1.13
10.	Maybank Nominees (Tempatan) Sdn Bhd Liau Sek Thoon	3,031,233	0.86
11.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tay Lek Heng (E-JAH)	3,020,232	0.86
12.	Ho Mook Leong	3,019,406	0.86
13.	Erica Madeleine Ee Mein Martin	2,395,305	0.68
14.	RHB Nominees (Tempatan) Sdn Bhd OCI Engineering Sdn Bhd (Clients Account)	2,222,221	0.63
15.	Loh Kok Wai	2,035,066	0.58

Analysis of Shareholdings (cont'd)

As at 30 July 2021

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JULY 2021 (cont'd)

No.	Name of Directors	No. of Shares	%
16.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (8040800)	2,015,400	0.57
17.	Lee Ah Har @ Lee Kong Yip	2,001,253	0.57
18.	Wong Choong Loong	1,987,000	0.56
19.	Loo Hooi Eng	1,968,554	0.56
20.	Stephen Paul Chong	1,841,972	0.52
21.	Ho Wen Yan	1,804,440	0.51
22.	Ho Chon Yin	1,799,665	0.51
23.	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chee Keong (STA 5)	1,762,000	0.50
24.	Ten Kin Kok	1,437,100	0.41
25.	Liew Siew Lee	1,390,954	0.40
26.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Chee Boon (E-IMO)	1,371,700	0.39
27.	Life Enterprise Sdn Bhd	1,239,077	0.35
28.	Lee Tock Loe	1,230,000	0.35
29.	Tan Seng	1,189,200	0.34
30.	Muhamad Aloysius Heng	1,154,500	0.33

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting of Hua Yang Berhad will be conducted fully virtual from the online meeting platform at https://meeting.boardroomlimited.my provided by Boardroom Share Registrars Sdn Bhd on Wednesday, 29 September 2021 at 10.30 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

No.	As Ordinary Business	
1	To receive the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon.	
2	To approve the payment of Directors' fees of RM479,108 and benefits for the financial year ended 31 March 2021.	(Resolution 1)
3	To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2021 till July 2022.	(Resolution 2)
4	To re-elect the following Directors retiring pursuant to Article 97(1) of the Company's Constitution:- 4.1 Ho Wen Yan 4.2 Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	 (Resolution 3) (Resolution 4)
5	A notice of nomination has been received by the Company from the substantial shareholder (Heng Holdings Sdn Berhad) for the appointment of TGS TW PLT as Auditors of the Company and the intention to propose the following ordinary resolution:- "THAT TGS TW PLT be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, KPMG PLT and to hold office until the conclusion of the next Annual General Meeting and the Directors be authorised to fix their remuneration."	(Resolution 5)
	As Special Business	
6	**Ordinary Resolution 1** **Continuation in Office as Independent Non-Executive Director** "**THAT** approval be and is hereby given to Tan Sri Dato' Seri Dr. Ting Chew Peh who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company.	(Resolution 6)
7	**Ordinary Resolution 2** **Continuation in Office as Independent Non-Executive Director** "**THAT** approval be and is hereby given to Dato' Tan Bing Hua who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company.	(Resolution 7)

No.	As Special Business (cont'd)	
8	**Ordinary Resolution 3** **Authority to 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 for the time being 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 8)
9	To transact any other ordinary business of which due notice shall have been given.	

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
27 August 2021

NOTES:

1. Only members whose name appear in the Record of Depositors as at 22 September 2021 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 Securities Commission Malaysia had on 16 July 2021, revised the Guidance Note and Frequently Asked Questions ("FAQ") on the conduct of General Meetings for Listed Issuers which was originally issued on 18 April 2020 ("the Revised Guidance Note and FAQ"), to require all meeting participants of a fully virtual general meeting including the Chairperson of the meeting, board members, senior management and shareholders to participate in the meeting online during the Phase 1 of the National Recovery Plan. Physical gatherings no matter how small are prohibited. According to the Revised Guidance Note and FAQ, an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online platform is located in Malaysia. Please follow the procedures as stipulated in the Administrative Details for the Meeting in order to register, participate and vote virtually.

NOTES: (cont'd)

6. 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 or via electronic means through Boardroom Smart Investor Portal at https://investor.boardroomlimited.com (Please follow the procedures as stipulated in the Administrative Details) not less than forty-eight (48) hours before the time appointed for the Meeting or any adjournment thereof.

7. Shareholders and proxies would need to register as a user on the Boardroom Smart Investor Portal first before they can request for the Remote Participant User ID and password to virtually attend, participate, speak and vote at the above Meeting, in accordance with Administrative Details.

8. 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 42nd 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.

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

10. On agenda 4, for the purpose of determining the eligibility of the Directors to stand for re-election at the 42nd AGM, the Board through its Nomination Committee had assessed Mr Ho Wen Yan and Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud (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 Board also noted that no circumstances have arisen in the past year to impair the independent judgement of Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud on matters brought for Board discussion. 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.

EXPLANATORY NOTE ON SPECIAL BUSINESS:

RESOLUTIONS 6 & 7

The proposed Resolutions, if passed, will enable Tan Sri Dato' Seri Dr. Ting Chew Peh and Dato' Tan Bing Hua to continue in office as Independent Non-Executive Directors of the Company.

The Nomination Committee and the Board have assessed the independence of Tan Sri Dato' Seri Dr. Ting Chew Peh and Dato' Tan Bing Hua at its meetings held on 24 May 2021 and have recommended that they continue to act as Independent Non-Executive Directors of the Company based on the following justifications:

a. They have completed the forms of declaration affirming their independence as per the definition of the Listing Requirements.

b. The have actively participated in board discussion and provided an independent voice on the Board.

c. They provide a check and balance and bring an element of objectivity to the Board of Directors.

d. They continue to be scrupulously independent in their thinking and in their effectiveness as constructive challengers of the Chief Executive Officer.

EXPLANATORY NOTE ON SPECIAL BUSINESS: (cont'd)

RESOLUTIONS 8

The proposed Resolution 8 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 for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

The Company did not utilize the mandate sought for issue of new shares that was approved by the shareholders on 29 September 2020 which will lapse at the conclusion of the forthcoming Annual General Meeting.

The renewal of the general mandate is to provide flexibility to the Company to issue new shares 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.

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.

PROXY FORM

HUA YANG BERHAD
Registration No. 1978010007059 (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-Second Annual General Meeting of the Company to be conducted fully virtual from the online meeting platform at **https://meeting.boardroomlimited.my** provided by Boardroom Share Registrars Sdn Bhd on Wednesday, 29 September 2021 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 RM479,108 and benefits for the financial year ended 31 March 2021		
Resolution 2	To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2021 till July 2022		
Resolution 3	To re-elect Ho Wen Yan as Director		
Resolution 4	To re-elect Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud as Director		
Resolution 5	To 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 continuation in office of Tan Sri Dato' Seri Dr. Ting Chew Peh as Independent Non-Executive Director		
Resolution 7	To approve the continuation in office of Dato' Tan Bing Hua as Independent Non-Executive Director		
Resolution 8	To approve the authority to issue shares pursuant to Sections 75 & 76 of the Companies Act 2016		

[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 abstainat 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 2021

....
[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 22 September 2021 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.

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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.

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7. Shareholders and proxies would need to register as a user on the Boardroom Smart Investor Portal first before they can request for the Remote Participant User ID and password to virtually attend, participate, speak and vote at the above Meeting, in accordance with Administrative Details.

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 27 August 2021.

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AFFIX
STAMP
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HUA YANG BERHAD
Registration No. 1978010007059 (44094-M)
C-21, Jalan Medan Selayang 1
Medan Selayang, 68100 Batu Caves
Selangor Darul Ehsan

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