

05

# Financial Statement



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# Directors' Report

For the Financial Year Ended 31 March 2024

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

## 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 6 to the financial statements.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

## RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
- Owners of the Company	6,328,269	10,953,774
- Non-controlling interests	(165,806)	-
	6,162,463	10,953,774

## RESERVES AND PROVISIONS

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

## DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2024.

## DIRECTORS OF THE COMPANY

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

Tan Sri Dato' Seri Dr. Ting Chew Peh  
 Ho Wen Yan  
 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)  
 Choo Seng Choon  
 Dato' Tan Bing Hua

(appointed on 30 August 2023)  
 (resigned on 1 September 2023)

## Directors' Report

For the Financial Year Ended 31 March 2024

### DIRECTORS OF THE SUBSIDIARIES

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

Ho Wen Yan  
Ho Wen Fan  
Sa Chee Peng

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

### DIRECTORS' INTERESTS IN SHARES

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

The Company	Number of ordinary shares			
	At 1.4.2023	Bought/ Transfer	Sold/ Transfer	At 31.3.2024
<b>Direct interest</b>				
Tan Sri Dato' Seri Dr. Ting Chew Peh	796,476	-	(796,476)	-
Ho Wen Yan	2,255,550	-	-	2,255,550
Chew Hoe Soon	491,942	-	-	491,942
<b>Deemed interest</b>				
Tan Sri Dato' Seri Dr. Ting Chew Peh <sup>^</sup>	420,342	796,476	-	1,216,818
Ho Wen Yan <sup>*</sup>	150,978,178	-	-	150,978,178
Chew Po Sim <sup>*</sup>	150,978,178	-	-	150,978,178
Chew Hoe Soon <sup>^</sup>	1,012,399	-	-	1,012,399
Ho Wen Fan <sup>*</sup>	150,978,178	-	-	150,978,178

## Directors' Report

For the Financial Year Ended 31 March 2024

### DIRECTORS' INTERESTS IN SHARES (CONT'D)

The Company	Number of warrants 2022/2027			
	At 1.4.2023	Bought/ Transfer	Sold/ Transfer	At 31.3.2024
<b>Direct interest</b>				
Tan Sri Dato' Seri Dr. Ting Chew Peh	149,251	-	(149,251)	-
Ho Wen Yan	451,110	-	-	451,110
Chew Hoe Soon	98,388	-	-	98,388
<b>Deemed interest</b>				
Tan Sri Dato' Seri Dr. Ting Chew Peh <sup>^</sup>	84,068	149,251	-	233,319
Ho Wen Yan <sup>*</sup>	38,888,884	-	-	38,888,884
Chew Po Sim <sup>*</sup>	38,888,884	-	-	38,888,884
Chew Hoe Soon <sup>^</sup>	202,479	-	-	202,479
Ho Wen Fan <sup>*</sup>	38,888,884	-	-	38,888,884

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

\* Deemed interested through shares held in another corporation, Heng Holdings Sdn. Berhad

<sup>^</sup> Deemed interested through spouse and children.

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

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Note 24 to the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' remuneration for the Group and the Company as set out in Note 24 to the financial statements are RM2,153,544 and RM2,134,102 respectively.

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 was no issuance of shares and debentures during the financial year.

## Directors' Report

For the Financial Year Ended 31 March 2024

### ISSUE OF SHARES AND DEBENTURES (CONT'D)

#### Warrants 2022/2027

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

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

The salient features of the warrants are disclosed in Note 15 to the financial statements.

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

### INDEMNITY AND INSURANCE COSTS

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

### OTHER STATUTORY INFORMATION

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

- i) action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- ii) any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

## Directors' Report

For the Financial Year Ended 31 March 2024

### OTHER STATUTORY INFORMATION (CONT'D)

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

### AUDITORS

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

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2024 as follow:

	Group RM	Company RM
TGS TW PLT	245,100	91,000
Other auditors	26,350	-
	271,450	91,000

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 July 2024.

.....  
**Ho Wen Yan**

Director

.....  
**Ho Wen Fan**

Director

Kuala Lumpur,

Date: 24 July 2024

# Statements of Financial Position

As at 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>ASSETS</b>					
Property, plant and equipment	2	5,551,604	7,595,051	3,448,172	3,476,035
Right-of-use assets	3	507,582	919,132	357,210	685,827
Investment properties	4	1,482,464	1,525,221	1,678,251	1,724,308
Intangible assets	5	10,376,564	11,701,046	-	-
Investments in subsidiaries	6	-	-	331,407,757	331,407,757
Other investment	7	57,618,366	43,728,225	-	-
Inventories	8	561,852,131	578,651,822	2,847,094	6,718,683
Trade and other receivables	9	3,925,110	3,300,033	43,630	43,630
Cash and bank balances	10	3,373,432	6,303,005	3,373,432	3,383,210
Deferred tax assets	11	18,235,073	17,225,585	2,342,667	2,342,667
<b>Total non-current assets</b>		<b>662,922,326</b>	<b>670,949,120</b>	<b>345,498,213</b>	<b>349,782,117</b>
Inventories	8	95,139,135	91,900,440	251,338	251,338
Contract assets	12	53,716,317	57,224,192	-	-
Contract costs	12	6,607,515	19,509,157	-	-
Other current assets	13	649,329	1,281,930	632,042	1,183,498
Trade and other receivables	9	28,254,921	29,066,659	181,674,253	205,701,487
Cash and bank balances	10	12,265,610	10,710,099	888,841	762,894
<b>Total current assets</b>		<b>196,632,827</b>	<b>209,692,477</b>	<b>183,446,474</b>	<b>207,899,217</b>
<b>Total assets</b>		<b>859,555,153</b>	<b>880,641,597</b>	<b>528,944,687</b>	<b>557,681,334</b>

## Statements of Financial Position

As at 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>EQUITY</b>					
Share capital	14	364,936,000	364,936,000	364,936,000	364,936,000
Reserves	15	645,698	(13,244,443)	2,904,000	2,904,000
Retained earnings		103,043,376	96,715,107	32,321,302	21,367,528
<b>Equity attributable to owners of the Company</b>		468,625,074	448,406,664	400,161,302	389,207,528
Perpetual sukuk	16	4,872,247	4,565,640	4,872,247	4,565,640
Non-controlling interests		22,064,842	22,230,648	-	-
<b>Total equity</b>		495,562,163	475,202,952	405,033,549	393,773,168
<b>LIABILITIES</b>					
Trade and other payables	17	32,699,557	30,304,309	-	-
Deferred tax liabilities	11	31,069,122	32,462,833	-	-
Loans and borrowings	18	118,479,284	164,809,649	12,930,552	39,843,845
Lease liabilities	19	38,298	189,577	12,257	135,119
<b>Total non-current liabilities</b>		182,286,261	227,766,368	12,942,809	39,978,964
Trade and other payables	17	107,320,002	105,126,314	58,354,382	86,142,118
Loans and borrowings	18	71,055,178	64,318,481	51,860,593	37,259,818
Lease liabilities	19	264,396	334,084	135,487	147,950
Current tax liabilities		3,067,153	7,893,398	617,867	379,316
<b>Total current liabilities</b>		181,706,729	177,672,277	110,968,329	123,929,202
<b>Total liabilities</b>		363,992,990	405,438,645	123,911,138	163,908,166
<b>Total equity and liabilities</b>		859,555,153	880,641,597	528,944,687	557,681,334

The notes on pages 83 to 139 are an integral part of these financial statements.



# Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	20	205,048,048	120,059,977	28,957,800	74,712,400
Cost of sales		(159,419,046)	(82,633,419)	(6,718,683)	-
<b>Gross profit</b>		45,629,002	37,426,558	22,239,117	74,712,400
Other income	21	2,033,862	9,647,084	5,940,807	15,044,630
Administrative expenses		(22,618,718)	(25,738,792)	(8,475,337)	(7,143,860)
Selling and marketing expenses		(8,356,299)	(4,037,951)	-	-
Net gains/(losses) on impairment of financial instruments		1,194,031	591,898	954,123	(109,233)
<b>Profit from operations</b>	22	17,881,878	17,888,797	20,658,710	82,503,937
Finance costs	23	(7,985,325)	(10,043,211)	(9,068,174)	(10,561,288)
<b>Profit before tax</b>		9,896,553	7,845,586	11,590,536	71,942,649
Tax expense	25	(3,734,090)	(4,713,218)	(636,762)	(673,266)
<b>Profit for the financial year</b>		6,162,463	3,132,368	10,953,774	71,269,383

## Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Other comprehensive income/(loss), net of tax</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Net changes in fair value of equity investment designated at fair value through other comprehensive income ("FVTOCI")		13,890,141	(1,028,899)	-	-
<b>Total comprehensive income</b>		20,052,604	2,103,469	10,953,774	71,269,383
<b>Profit attributable to:</b>					
Owners of the Company		6,328,269	3,224,015	10,953,774	71,269,383
Non-controlling interests		(165,806)	(91,647)	-	-
<b>Profit for the financial year</b>		6,162,463	3,132,368	10,953,774	71,269,383
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		20,218,410	2,195,116	10,953,774	71,269,383
Non-controlling interests		(165,806)	(91,647)	-	-
<b>Total comprehensive income for the financial year</b>		20,052,604	2,103,469	10,953,774	71,269,383
<b>Basic earning per ordinary share (sen)</b>	26	1.44	0.83		
<b>Diluted earning per ordinary share (sen)</b>	26	1.29	0.83		

The notes on pages 83 to 139 are an integral part of these financial statements.



## Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 March 2024

	Attributable to owners of the Company							Total equity RM
	Share capital RM	Warrants reserves RM	Translation reserves RM	Fair value reserve RM	Retained earnings RM	Non-controlling interests RM	Perpetual sukuk RM	
<b>Group</b>								
<b>At 1 April 2022</b>	352,000,000	-	(5,345,000)	(9,774,544)	93,491,092	22,322,295	4,259,033	456,952,876
Total other comprehensive income for the financial year								
- Net changes in fair value of equity investment designated at FVTOCI	-	-	-	(1,028,899)	-	-	-	(1,028,899)
Profit for the financial year	-	-	-	-	3,224,015	(91,647)	-	3,132,368
<b>Total comprehensive income for the financial year</b>	-	-	-	(1,028,899)	3,224,015	(91,647)	-	2,103,469
<b>Transaction with owners:</b>								
- Issuance of perpetual sukuk (net of expense)	-	-	-	-	-	-	306,607	306,607
- Issuance of ordinary shares	12,936,000	-	-	-	-	-	-	12,936,000
- Issuance of warrants	-	2,904,000	-	-	-	-	-	2,904,000
	12,936,000	2,904,000	-	-	-	-	306,607	16,146,607
<b>At 31 March 2023</b>	364,936,000	2,904,000	(5,345,000)	(10,803,443)	96,715,107	22,230,648	4,565,640	475,202,952

Note 16

Note 15

Note 15

Note 15

Note 14

Note 15

Note 15

# Statement of Changes in Equity

For the Financial Year Ended 31 March 2024

← Attributable to owners of the Company →					
Note	Share capital RM	Warrants reserve RM	(Accumulated losses)/ Retained earnings RM	Perpetual sukuk RM	Total equity RM
<b>Company</b>					
<b>At 1 April 2022</b>	352,000,000	-	(49,901,855)	4,259,033	306,357,178
Profit and total comprehensive income for the financial year	-	-	71,269,383	-	71,269,383
<b>Transaction with owners:</b>					
- Issuance of perpetual sukuk (net of expense)	-	-	-	306,607	306,607
- Issuance of ordinary shares	14 12,936,000	-	-	-	12,936,000
- Issuance of warrants	15 -	2,904,000	-	-	2,904,000
	12,936,000	2,904,000	-	306,607	16,146,607
<b>At 31 March 2023</b>	364,936,000	2,904,000	21,367,528	4,565,640	393,773,168
<b>At 1 April 2023</b>	364,936,000	2,904,000	21,367,528	4,565,640	393,773,168
Profit and total comprehensive income for the financial year	-	-	10,953,774	-	10,953,774
<b>Transaction with owners:</b>					
- Issuance of perpetual sukuk (net of expense)	-	-	-	306,607	306,607
<b>At 31 March 2024</b>	364,936,000	2,904,000	32,321,302	4,872,247	405,033,549
	Note 14	Note 15		Note 16	

The notes on pages 83 to 139 are an integral part of these financial statements.

# Statements of Cash Flows

For the Financial Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities</b>					
Profit before tax		9,896,553	7,845,586	11,590,536	71,942,649
<b>Adjustments for:</b>					
Amortisation of intangible assets	5	676,943	681,943	-	-
Bad debts written off		42,263	8,020	-	-
Depreciation of:					
- investment properties	4	42,757	42,758	46,057	46,058
- property, plant and equipment	2	2,019,579	2,393,345	376,455	440,535
- right-of-use assets	3	337,063	511,750	48,615	139,215
Deposit forfeited	21	(205,999)	(32,778)	-	-
Deposit written off		49,592	-	-	-
Dividend income	20	-	-	(15,000,000)	(70,000,000)
Finance income	21	(162,677)	(202,362)	(5,768,306)	(6,780,474)
Finance costs	23	12,616,862	14,510,644	9,068,174	10,561,288
Loss/(Gain) on disposal of property, plant and equipment		115,954	(3,696)	-	(3,696)
Loss on/(Reversal of) impairment loss:					
- amounts due from subsidiaries		-	-	445,877	609,233
- other receivables		(1,400,000)	(500,000)	(1,400,000)	(500,000)
- trade receivables		205,969	(91,898)	-	-
- intangible assets		640,039	5,288,485	-	-
Amount carried down		24,874,898	30,451,797	(592,592)	6,454,808

## Statements of Cash Flows

For the Financial Year Ended 31 March 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities (cont'd)</b>				
Amount brought down	24,874,898	30,451,797	(592,592)	6,454,808
Property, plant and equipment written off	260,791	1,720	-	-
Right-of-use assets written off	280,002	-	280,002	-
Intangible assets written off	7,500	-	-	-
Reversal of provision for damage claims	-	(8,150,881)	-	(8,150,881)
Termination of lease contract	26,575	207,455	-	207,844
<b>Operating profit/(loss) before changes in working capital</b>	<b>25,449,766</b>	<b>22,510,091</b>	<b>(312,590)</b>	<b>(1,488,229)</b>
Changes in working capital:				
- Contract assets	3,507,875	(28,391,727)	-	-
- Contract costs	12,901,642	(5,370,099)	-	-
- Inventories	8,929,459	10,736,966	3,871,589	(9,222)
- Trade and other receivables and other current assets	1,921,438	10,974,436	1,868,996	(814,453)
- Trade and other payables	4,794,935	8,794,423	(3,304)	(2,065,818)
<b>Cash generated from/(used in) operations</b>	<b>57,505,115</b>	<b>19,254,090</b>	<b>5,424,691</b>	<b>(4,377,722)</b>

## Statements of Cash Flows

For the Financial Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities (cont'd)</b>					
<b>Cash generated from/(used in) operations</b>		57,505,115	19,254,090	5,424,691	(4,377,722)
Interest paid		(3,687,540)	(3,844,178)	(2,714,351)	(2,965,183)
Interest received		162,677	202,362	5,768,306	6,780,474
Net tax paid		(10,963,534)	(1,797,289)	(398,211)	(285,734)
<b>Net cash from operating activities</b>		43,016,718	13,814,985	8,080,435	(848,165)
<b>Cash flows from investing activities</b>					
Additions of:					
- property, plant and equipment	2	(377,877)	(75,191)	(348,592)	(55,884)
- intangible assets	5	-	(25,932)	-	-
Net advance from/(to) subsidiaries		-	-	23,663,817	(24,959,533)
Dividends received		-	-	15,000,000	70,000,000
Proceeds from disposal of property, plant and equipment		25,000	3,696	-	3,696
<b>Net cash (used in)/from investing activities</b>		(352,877)	(97,427)	38,315,225	44,988,279



## Statements of Cash Flows

For the Financial Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from financing activities</b>					
Change in pledged deposits		2,929,573	1,935,624	9,778	1,990,222
Interest paid		(4,297,785)	(6,199,033)	(5,287,906)	(5,505,755)
Drawdown of loans and borrowings		33,070,510	34,556,699	12,000,000	7,000,000
Proceeds from:					
- issuance of perpetual sukuk, net of expenses		306,607	306,607	306,607	306,607
- issuance of ordinary shares		-	12,936,000	-	12,936,000
- issuance of warrants		-	2,904,000	-	2,904,000
Repayment of loans and borrowings		(64,322,181)	(63,334,689)	(19,862,599)	(34,356,570)
Payment of lease liabilities	(ii)	(453,057)	(756,578)	(135,325)	(371,985)
Advances to subsidiaries		-	-	(28,850,349)	(29,630,417)
<b>Net cash used in financing activities</b>		<b>(32,766,333)</b>	<b>(17,651,370)</b>	<b>(41,819,794)</b>	<b>(44,727,898)</b>
<b>Net increase/(decrease) in in cash and cash equivalents</b>		<b>9,897,508</b>	<b>(3,933,812)</b>	<b>4,575,866</b>	<b>(587,784)</b>
<b>Cash and cash equivalents at the beginning of financial year</b>		<b>(19,228,224)</b>	<b>(15,294,412)</b>	<b>(14,839,766)</b>	<b>(14,251,982)</b>
<b>Cash and cash equivalents at the end of financial year</b>	(i)	<b>(9,330,716)</b>	<b>(19,228,224)</b>	<b>(10,263,900)</b>	<b>(14,839,766)</b>

## Statements of Cash Flows

For the Financial Year Ended 31 March 2024

### 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	
		2024 RM	2023 RM	2024 RM	2023 RM
Deposits		273,432	3,193,227	273,432	273,432
Cash in hand and at bank		15,365,610	13,819,877	3,988,841	3,872,672
Cash and bank balances	10	15,639,042	17,013,104	4,262,273	4,146,104
Less: Pledged deposits	10	(3,373,432)	(6,303,005)	(3,373,432)	(3,383,210)
Less: Bank overdrafts	18	(21,596,326)	(29,938,323)	(11,152,741)	(15,602,660)
		(9,330,716)	(19,228,224)	(10,263,900)	(14,839,766)

### (ii) Cash outflows for leases as a lessee

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Included in net cash from operating activities</b>				
Payment relating to short-term leases	(267,146)	(255,846)	-	-
Payment relating to leases of low-value assets	(11,402)	-	-	-
Interest paid in relation to lease liabilities	(39,340)	(36,338)	(28,223)	(2,988)
<b>Included in net cash from financing activities</b>				
Payment of lease liabilities	(453,057)	(756,578)	(135,325)	(371,985)
<b>Total cash outflows for leases</b>	<b>(770,945)</b>	<b>(1,048,762)</b>	<b>(163,548)</b>	<b>(374,973)</b>

The notes on pages 83 to 139 are an integral part of these financial statements.

# Notes to the Financial Statements

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

## Principal place of business/Registered office

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

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 March 2024 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 6. There have been no significant changes in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 24 July 2024.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information in the respective notes.

The Group and the Company have consistently applied the accounting policy throughout all periods presented in the financial statements unless otherwise stated.

#### (i) Adoption of new and amended standards

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

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

## Notes to the Financial Statements

### 1. BASIS OF PREPARATION (CONT'D)

#### (a) Statement of compliance (cont'd)

##### (i) Adoption of new and amended standards (cont'd)

The adoption of the new and amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company, except for the following:

##### Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

##### (ii) Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountabilities: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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

The initial application of the above-mentioned to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

## Notes to the Financial Statements

### 1. BASIS OF PREPARATION (CONT'D)

#### (b) 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.

#### (c) Use of estimates and judgements

The preparation of the Group's and of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Estimate 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 period 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 3 - determining the lease term of contracts with renewal and termination options
- Note 5 - impairment of intangible assets
- Note 6 - impairment of investments in subsidiaries
- Note 4 and Note 8 - classification between investment properties and inventories
- Note 8 - valuation of inventories
- Note 9 - provision of expected credit loss of financial assets at amortised cost
- Note 11 - valuation of deferred tax assets
- Note 20 - sales of development properties
- Note 23 - capitalisation of borrowing costs

## Notes to the Financial Statements

### 2. PROPERTY, PLANT AND EQUIPMENT

	Land RM	Land (right-of- use) RM	Buildings RM	Furniture, fittings, office equipment and renovation RM	Motor vehicles RM	Total RM
<b>Group</b>						
<b>Cost</b>						
At 1 April 2022	514,310	1,572,744	12,173,378	10,153,821	8,250	24,422,503
Additions	-	-	-	75,191	-	75,191
Disposals	-	-	-	(4,950)	-	(4,950)
Write off	-	-	-	(3,679)	-	(3,679)
At 31 March 2023/1 April 2023	514,310	1,572,744	12,173,378	10,220,383	8,250	24,489,065
Additions	-	-	-	377,877	-	377,877
Disposals	-	-	-	(255,775)	-	(255,775)
Write off	-	-	-	(868,442)	-	(868,442)
At 31 March 2024	514,310	1,572,744	12,173,378	9,474,043	8,250	23,742,725
<b>Depreciation</b>						
At 1 April 2022	-	238,819	6,720,479	7,541,032	7,248	14,507,578
Depreciation for the financial year	-	16,497	1,548,292	828,556	-	2,393,345
Disposals	-	-	-	(4,950)	-	(4,950)
Write off	-	-	-	(1,959)	-	(1,959)
At 31 March 2023/1 April 2023	-	255,316	8,268,771	8,362,679	7,248	16,894,014
Depreciation for the financial year	-	16,497	1,335,232	667,850	-	2,019,579
Disposals	-	-	-	(114,821)	-	(114,821)
Write off	-	-	-	(607,651)	-	(607,651)
At 31 March 2024	-	271,813	9,604,003	8,308,057	7,248	18,191,121
<b>Carrying amount</b>						
At 31 March 2023	514,310	1,317,428	3,904,607	1,857,704	1,002	7,595,051
At 31 March 2024	514,310	1,300,931	2,569,375	1,165,986	1,002	5,551,604

## Notes to the Financial Statements

### 2. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Land (right-of- use) RM	Buildings RM	Furniture, fittings, office equipment and renovation RM	Total RM
<b>Company</b>				
<b>Cost</b>				
At 1 April 2022	1,254,000	2,490,204	6,007,828	9,752,032
Additions	-	-	55,884	55,884
Disposals	-	-	(4,950)	(4,950)
At 31 March 2023/1 April 2023	1,254,000	2,490,204	6,058,762	9,802,966
Additions	-	-	348,592	348,592
At 31 March 2024	1,254,000	2,490,204	6,407,354	10,151,558
<b>Depreciation</b>				
At 1 April 2022	195,606	711,880	4,983,860	5,891,346
Depreciation for the financial year	13,063	49,804	377,668	440,535
Disposals	-	-	(4,950)	(4,950)
At 31 March 2023/1 April 2023	208,669	761,684	5,356,578	6,326,931
Depreciation for the financial year	13,063	49,804	313,588	376,455
At 31 March 2024	221,732	811,488	5,670,166	6,703,386
<b>Carrying amount</b>				
At 31 March 2023	1,045,331	1,728,520	702,184	3,476,035
At 31 March 2024	1,032,268	1,678,716	737,188	3,448,172

(a) Assets pledged as securities to licensed banks

Land and buildings of the Group and of the Company amounting to RM3,594,727 (2023: RM3,668,597) and RM2,710,984 (2023: RM2,773,851) respectively have been charged as securities for bank borrowings granted as disclosed in Note 18 to the financial statements.

(b) Land (right-of-use)

The Group and the Company leased several plots of land from the government that runs for 99 years. The remaining lease term of leasehold land is 77 years (2023: 78 years). Lease payments are paid at inception of the leases.

(c) Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, except for freehold land are stated at cost less impairment losses and not depreciated.

Depreciation of property, plant and equipment is recognised in the profit or loss on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated.

## Notes to the Financial Statements

### 2. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) Material accounting policy information (cont'd)

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount recognised in profit or loss.

### 3. RIGHT-OF-USE ASSETS

	Note	Buildings RM	Office equipment RM	Total RM
<b>Group</b>				
<b>Cost</b>				
At 1 April 2022		1,330,556	1,326,625	2,657,181
Additions		277,441	338,314	615,755
Derecognition		-	(727,093)	(727,093)
At 31 March 2023/1 April 2023		1,607,997	937,846	2,545,843
Additions		279,946	36,854	316,800
Derecognition		(315,079)	(28,786)	(343,865)
Write off		-	(435,601)	(435,601)
At 31 March 2024		1,572,864	510,313	2,083,177
<b>Depreciation</b>				
At 1 April 2022		1,018,146	609,788	1,627,934
Depreciation for the financial year	22	361,453	150,297	511,750
Derecognition		-	(512,973)	(512,973)
At 31 March 2023/1 April 2023		1,379,599	247,112	1,626,711
Depreciation for the financial year	22	281,538	55,525	337,063
Derecognition		(203,794)	(28,786)	(232,580)
Write off		-	(155,599)	(155,599)
At 31 March 2024		1,457,343	118,252	1,575,595
<b>Carrying amount</b>				
At 31 March 2023		228,398	690,734	919,132
At 31 March 2024		115,521	392,061	507,582



## Notes to the Financial Statements

### 3. RIGHT-OF-USE ASSETS (CONT'D)

	Note	Office equipment RM
<b>Company</b>		
<b>Cost</b>		
At 1 April 2022		1,214,462
Additions		338,314
Derecognition		(663,555)
At 31 March 2023/1 April 2023		889,221
Write off		(435,601)
At 31 March 2024		453,620
<b>Depreciation</b>		
At 1 April 2022		519,890
Depreciation for the financial year	22	139,215
Derecognition		(455,711)
At 31 March 2023/1 April 2023		203,394
Depreciation for the financial year	22	48,615
Write off		(155,599)
At 31 March 2024		96,410
<b>Carrying amount</b>		
At 31 March 2023		685,827
At 31 March 2024		357,210

- (a) 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.
- (b) The Group and the Company also have short-term leases with lease terms of 12 months or less and leases of assets with low value at less than RM20,000 each when purchase new. Leases included extension option. These options are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group and the Company have applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

- (c) Material accounting policy information

ROU assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of ROU assets are recognised in the profit or loss on straight-line method from the commencement date to the earlier of the end of the useful life of the ROU assets or the end of the lease term.

## Notes to the Financial Statements

### 3. RIGHT-OF-USE ASSETS (CONT'D)

- (c) Material accounting policy information (cont'd)

The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follow:

Buildings	Over the remaining lease
Office equipment	Over the remaining lease

### 4. INVESTMENT PROPERTIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Cost</b>				
At beginning/end of financial year	2,262,959	2,262,959	2,538,367	2,538,367
<b>Depreciation</b>				
At beginning of financial year	737,738	694,980	814,059	768,001
Depreciation for the financial year	42,757	42,758	46,057	46,058
At end of financial year	780,495	737,738	860,116	814,059
<b>Carrying amount</b>				
At end of financial year	1,482,464	1,525,221	1,678,251	1,724,308
<b>Included in the above are:</b>				
Freehold land	51,189	51,189	235,495	235,495
Buildings	1,431,275	1,474,032	1,442,756	1,488,813
	1,482,464	1,525,221	1,678,251	1,724,308
<b>Fair value</b>				
At end of financial year	2,744,301	5,943,000	4,946,781	6,997,000

- (a) 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.

- (b) Assets held in trust

Investment properties of the Company amounting to RM298,195 (2023: RM301,495) are held in trust by a subsidiary.

- (c) Assets pledged as securities to licensed banks

Investment properties of the Group and of the Company amounting to RM1,380,056 (2023: RM1,422,813) have been charged as securities for bank borrowings granted as disclosed in Note 18 to the financial statements.

## Notes to the Financial Statements

### 4. INVESTMENT PROPERTIES (CONT'D)

(d) Fair value measurement

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

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

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

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

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

Highest and best use

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

(e) Income and expenses recognised in profit or loss

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Rental income	25,900	23,400	117,100	54,600
Other income	312,196	54,929	-	54,929
	338,096	78,329	117,100	109,529
Direct operating expenses:				
- income generating investment properties	174	1,241	557	3,972

(f) Material accounting policy information

Investment properties are properties held either to earn rental income or for capital appreciation, or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

## Notes to the Financial Statements

### 4. INVESTMENT PROPERTIES (CONT'D)

(f) Material accounting policy information (cont'd)

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. Freehold land is not depreciated. The principal annual depreciation rate is:

Buildings 2%

### 5. INTANGIBLE ASSETS

	Goodwill RM	Concession assets RM	Franchisee fee RM	Total RM
<b>Group</b>				
<b>Cost</b>				
At 1 April 2022	16,776,492	15,886,881	100,000	32,763,373
Additions	-	25,932	-	25,932
At 31 March 2023/1 April 2023	16,776,492	15,912,813	100,000	32,789,305
Derecognition	-	-	(100,000)	(100,000)
At 31 March 2024	16,776,492	15,912,813	-	32,689,305
<b>Amortisation</b>				
At 1 April 2022	-	(7,349,567)	(46,667)	(7,396,234)
Amortisation for the financial year	-	(671,943)	(10,000)	(681,943)
At 31 March 2023/1 April 2023	-	(8,021,510)	(56,667)	(8,078,177)
Amortisation for the financial year	-	(671,943)	(5,000)	(676,943)
Derecognition	-	-	61,667	61,667
At 31 March 2024	-	(8,693,453)	-	(8,693,453)
<b>Impairment loss</b>				
At 1 April 2022	(7,180,023)	(510,741)	(30,833)	(7,721,597)
Impairment losses	(5,288,485)	-	-	(5,288,485)
At 31 March 2023/1 April 2023	(12,468,508)	(510,741)	(30,833)	(13,010,082)
Impairment losses	(640,039)	-	-	(640,039)
Derecognition	-	-	30,833	30,833
At 31 March 2024	(13,108,547)	(510,741)	-	(13,619,288)
<b>Carrying amount</b>				
At 31 March 2023	4,307,984	7,380,562	12,500	11,701,046
At 31 March 2024	3,667,945	6,708,619	-	10,376,564
	Note 5.1	Note 5.2		

## Notes to the Financial Statements

### 5. INTANGIBLE ASSETS (CONT'D)

#### 5.1 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:

	Note	2024 RM	2023 RM
<b>Group</b>			
Property development			
- Penang	5.1.1	2,320,967	2,320,967
Operation of concession assets	5.1.2	1,346,978	1,987,017
		3,667,945	4,307,984

##### 5.1.1 Property development

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

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

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

- Cash flows were projected based on the gross development profits expected to be derived from the approved development plan over the development period for the next 1 to 4 years (2023: 1 to 6 years).
- The gross development profit margins were expected to be ranging from 24% to 28% (2023: 22% to 42%).
- A pre-tax discount rate of 11% (2023: 12%) 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% (2023: 1%) in the discount rate would not increase impairment loss (2023: No impairment loss).
- A 5% (2023: 5%) decrease in future development profit would not increase the impairment loss (2023: No impairment loss).

## Notes to the Financial Statements

### 5. INTANGIBLE ASSETS (CONT'D)

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

##### 5.1.2 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.

The carrying amount of concession assets amounting to RM1,987,017 was determined to be higher than its recoverable amount and an impairment loss of RM640,039 was recognised during the financial year. The impairment loss is recorded within administrative expense in the Statement of Profit or Loss and Other Comprehensive Income.

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 4 to 17 years (2023: 5 to 18 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 (2023: 95% to 100% tenant take-up rate). Rental is also anticipated to grow by 3% to 10% for every 2 to 5 years (2023: 3% to 10% for every 2 to 5 years).
- A pre-tax discount rate of 11% (2023: 12%) 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% (2023: 1%) in the discount rate would increase impairment loss by RM796,982 (2023: RM409,000).
- A 5% (2023: 5%) decrease in future annual rental income due to decrease in tenant take-up rate or annual rental growth would not increase impairment loss (2023: No impairment loss).

#### 5.2 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.

## Notes to the Financial Statements

### 5. INTANGIBLE ASSETS (CONT'D)

#### 5.2 Concession assets (cont'd)

##### 5.2.1 Impairment loss on concession assets

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

	2024 RM	2023 RM
<b>Group</b>		
Recoverable amount of concession assets	6,708,619	7,380,562

Value in use was determined using the same basis and key assumptions as disclosed in Note 5.1.2 over the remaining concession period of the concession assets of 4 to 17 years (2023: 5 to 18 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.

#### 5.3 Material accounting policy information

Goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying amount may be impaired.

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

### 6. INVESTMENTS IN SUBSIDIARIES

	2024 RM	2023 RM
<b>Company</b>		
<b>Cost - Unquoted shares</b>		
At beginning of financial year	517,731,846	391,931,846
Subscription of new shares	-	125,800,000
At end of financial year	517,731,846	517,731,846
<b>Impairment loss</b>		
At beginning of financial year/At end of financial year	186,324,089	186,324,089
<b>Carrying amount</b>		
At beginning of financial year	331,407,757	205,607,757
At end of financial year	331,407,757	331,407,757

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

#### 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 RMNil.

#### In previous financial year

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

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

#### Details of the subsidiaries

Name of subsidiary	Place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Yoon Lian Realty Sendirian Berhad <sup>#</sup>	Malaysia	Property development	100	100
Daya Niaga Sdn. Bhd. <sup>#</sup>	Malaysia	Trading of building materials	100	100
Grandeur Park Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Prisma Pelangi Sdn. Bhd. <sup>#</sup>	Malaysia	Property development and investment holding activities	100	100
Agro-Mod Industries Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Tinggian Development Sendirian Berhad	Malaysia	Property development and provision of management services	100	100
Pembinaan Hua Yang Sdn. Bhd. <sup>#</sup>	Malaysia	Building construction relating to real estate	100	100
Johanjana Corporation Sdn. Bhd.	Malaysia	Operation of commercial properties under the "build, operate and transfer" agreements with local authorities	100	100
Bison Holdings Sdn. Bhd.	Malaysia	Property development	100	100
Prop Park Sdn. Bhd.	Malaysia	Property development	100	100
Sunny Mode Sdn. Bhd. <sup>#</sup>	Malaysia	Property development and provision of management services	100	100
G Land Development Sdn. Bhd.	Malaysia	Property development	100	100



## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

#### Details of the subsidiaries (cont'd)

Name of subsidiary	Place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Grand View Realty Sdn. Bhd.	Malaysia	Property development	100	100
Huayang Ventures Sdn. Bhd.#	Malaysia	Operating of restaurant, laundry mart and vending machine	100	100
Kajang Heights Development Sdn. Bhd.	Malaysia	Property development	70	70
Celestial Solar Farm Sdn. Bhd.#	Malaysia	Provision of engineering, procurements, constructions, commissioning and consultancy service for solar PV system	100	100

# Not audited by TGS TW PLT

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

	Kajang Heights Development Sdn. Bhd.	
	2024 RM	2023 RM
<b>Group</b>		
NCI percentage of ownership interest and voting interest	30%	30%
Carrying amount of NCI	22,064,842	22,230,648
Loss allocated to NCI	(165,806)	(91,647)
<b>Summarised financial information before intra-group elimination</b>		
<b>As at 31 March</b>		
Non-current assets	80,778,594	83,449,918
Current assets	36,421,793	39,368,548
Non-current liabilities	(34,648,247)	(42,846,043)
Current liabilities	(9,002,671)	(5,870,268)
Net assets	73,549,469	74,102,155
<b>Year end 31 March</b>		
Loss from continuing operations	(552,686)	(305,491)
Cash flows used in operating activities	(611,669)	(702,832)
Cash flows from investing activities	6,136,732	1,951,991
Cash flows used in financing activities	(5,249,999)	(750,000)
Net increase in cash and cash equivalents	275,064	499,159

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

#### Material accounting policy information

Investment in subsidiaries are measured in the Company's statements of financial position at cost less accumulated impairment losses.

### 7. OTHER INVESTMENT

	2024 RM	2023 RM
<b>Group</b>		
<b>Non-current</b>		
<b>At fair value through other comprehensive income</b>		
Quoted shares in Malaysia		
At beginning of financial year	43,728,225	44,757,124
Changes in fair value through other comprehensive income	13,890,141	(1,028,899)
At end of financial year	57,618,366	43,728,225

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

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

#### Material accounting policy information

Investment in equity investment are not held for trading.

At initial recognition, the Group has irrevocably elect to present subsequent changes in the fair value of the investments in other comprehensive income. On derecognition, gains or losses accumulated in other comprehensive income are not reclassified to profit or loss.

## Notes to the Financial Statements

### 8. INVENTORIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>				
Land held for future development	561,852,131	578,651,822	2,847,094	6,718,683
<b>Current</b>				
Developed properties	44,378,354	44,562,842	251,338	251,338
Development properties	50,760,513	47,331,745	-	-
Finished goods	268	5,853	-	-
	95,139,135	91,900,440	251,338	251,338
	656,991,266	670,552,262	3,098,432	6,970,021
<b>Inventories pledged as securities for bank borrowings (Note 18)</b>				
- Land held for future development	310,005,599	310,443,171	-	2,761,348
- Developed properties	23,261,110	16,455,025	251,338	-
- Development properties	32,843,391	42,486,392	-	-
	366,110,100	369,384,588	251,338	2,761,348
<b>Recognised in profit or loss</b>				
- inventories recognised as cost of sales	7,299,614	3,345,688	6,718,683	-

#### Material accounting policy information

(a) Land held for future development

Land held for property development is stated at lower of cost and net realisable value. Such land is classified as non-current asset when no significant development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

(b) Property under development and completed property

Property development costs are stated at the lower of costs and net realisable value. The portion of property development costs where significant development work has been undertaken and which expected to be completed within the normal operating cycle is considered as a current asset.

The cost of land and related development costs common to whole projects and direct building costs less cumulative amounts recognised as expenses in the profit or loss for property under development are carried in the statements of financial position as property development costs. The property development cost is subsequently recognised as an expense in profit or loss when the control of the asset is transferred to the customer.

Property development cost of unsold units is transferred to completed properties held for sale once the development is completed.

## Notes to the Financial Statements

### 8. INVENTORIES (CONT'D)

#### Material accounting policy information (cont'd)

- (b) Property under development and completed property (cont'd)

Completed property is stated at the lower of cost and net realisable value. The cost of completed property include cost associated with the acquisition of land, direct costs and appropriate proportions of common costs. Cost is determined on a specific identification basis.

- (c) Other inventories

Other inventories are measured at the lower of cost and net realisable value. The cost of finished goods is determined based on weighted average method.

### 9. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>					
<b>Non-trade</b>					
Other receivables		802,184	404,324	-	-
Refundable deposits	a	3,122,926	2,895,709	43,630	43,630
		3,925,110	3,300,033	43,630	43,630
<b>Current</b>					
<b>Trade</b>					
Trade receivables		22,015,251	22,676,204	-	-
Allowance for impairment loss		(640,959)	(434,990)	-	-
		21,374,292	22,241,214	-	-
<b>Non-trade</b>					
Amounts due from subsidiaries	b	-	-	183,752,178	207,415,995
Goods and Services Tax receivables	c	28,371	28,371	-	-
Other receivables		3,868,793	3,715,639	649,063	576,979
Deposits paid	d	3,000,753	4,498,723	2,785,870	4,175,494
		6,897,917	8,242,733	187,187,111	212,168,468
Allowance for impairment loss		(17,288)	(1,417,288)	(5,512,858)	(6,466,981)
		6,880,629	6,825,445	181,674,253	205,701,487
		28,254,921	29,066,659	181,674,253	205,701,487
		32,180,031	32,366,692	181,717,883	205,745,117

## Notes to the Financial Statements

### 9. TRADE AND OTHER RECEIVABLES (CONT'D)

#### Note a

Included in refundable deposits of the Group is an amount of RM1,470,000 (2023: RM1,470,000) pledged on lien as security for bank borrowings granted (see Note 18).

#### Note b

The amounts due from subsidiaries which amounting to RM183,616,924 (2023: RM207,281,778) are unsecured, subject to interest rate at 3.00% (2023: 2.40%) per annum and repayable on demand.

#### 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.

#### Note d

Included in deposits paid of the Group and of the Company are an amount of RM674,300 (2023: RM561,000) being deposits paid for acquisition of land.

### 10. CASH AND BANK BALANCES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>					
Deposits placed with licensed banks		273,432	3,193,227	273,432	273,432
Cash at bank	a	3,100,000	3,109,778	3,100,000	3,109,778
		3,373,432	6,303,005	3,373,432	3,383,210
<b>Current</b>					
Cash in hand and at bank		6,493,107	2,975,728	888,841	762,894
Housing Development Accounts	b	5,772,503	7,734,371	-	-
		12,265,610	10,710,099	888,841	762,894
		15,639,042	17,013,104	4,262,273	4,146,104
Cash and bank balances pledged to licensed banks as securities for bank borrowings granted	18	3,373,432	6,303,005	3,373,432	3,383,210

#### 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.

## Notes to the Financial Statements

### 11. DEFERRED TAX ASSETS/(LIABILITIES)

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

	Assets		Liabilities		Net	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
<b>Group</b>						
Inventories	3,592,050	3,616,629	(30,847,775)	(31,782,331)	(27,255,725)	(28,165,702)
Property, plant and equipment	-	2,895	(1,535,720)	(135,847)	(1,535,720)	(132,952)
Unutilised tax losses	11,376,246	11,630,947	-	-	11,376,246	11,630,947
Unabsorbed capital allowance	2,473,736	2,494,900	-	-	2,473,736	2,494,900
Others	2,905,191	2,698,246	(797,777)	(3,762,687)	2,107,414	(1,064,441)
Tax assets/(liabilities)	20,347,223	20,443,617	(33,181,272)	(35,680,865)	(12,834,049)	(15,237,248)
Set-off of tax	(2,112,150)	(3,218,032)	2,112,150	3,218,032	-	-
Net deferred tax assets/(liabilities)	18,235,073	17,225,585	(31,069,122)	(32,462,833)	(12,834,049)	(15,237,248)
<b>Company</b>						
Property, plant and equipment	-	-	(69,211)	(80,111)	(69,211)	(80,111)
Unutilised tax losses	1,713,259	1,760,378	-	-	1,713,259	1,760,378
Unabsorbed capital allowance	698,619	662,400	-	-	698,619	662,400
Tax assets/(liabilities)	2,411,878	2,422,778	(69,211)	(80,111)	2,342,667	2,342,667
Set-off of tax	(69,211)	(80,111)	69,211	80,111	-	-
Net deferred tax assets	2,342,667	2,342,667	-	-	2,342,667	2,342,667

Unutilised tax losses of RM47,401,025 (2023: RM53,671,783), 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.

## Notes to the Financial Statements

### 11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

#### Movement in temporary differences during the financial year

	At 1.4.2022 RM	Recognised in profit or loss (Note 25) RM	At 31.3.2023/ 1.4.2023 RM	Recognised in profit or loss (Note 25) RM	At 31.3.2024 RM
<b>Group</b>					
Inventories	(28,602,681)	436,979	(28,165,702)	909,977	(27,255,725)
Property, plant and equipment	(268,072)	135,120	(132,952)	(1,402,768)	(1,535,720)
Unutilised tax losses	11,902,921	(271,974)	11,630,947	(254,701)	11,376,246
Unabsorbed capital allowance	2,496,702	(1,802)	2,494,900	(21,164)	2,473,736
Others	(1,225,172)	160,731	(1,064,441)	3,171,855	2,107,414
Net deferred tax assets/(liabilities)	(15,696,302)	459,054	(15,237,248)	2,403,199	(12,834,049)
<b>Company</b>					
Property, plant and equipment	(217,222)	137,111	(80,111)	10,900	(69,211)
Unutilised tax losses	1,946,148	(185,770)	1,760,378	(47,119)	1,713,259
Unabsorbed capital allowance	613,741	48,659	662,400	36,219	698,619
Net deferred tax assets/(liabilities)	2,342,667	-	2,342,667	-	2,342,667

### 12. CONTRACT WITH CUSTOMERS

#### 12.1 Contract assets

	2024 RM	2023 RM
<b>Group</b>		
Contract assets	53,716,317	57,224,192

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

#### 12.2 Contract costs

	2024 RM	2023 RM
<b>Group</b>		
Cost to obtain a contract	1,431,334	3,631,965
Cost to fulfil a contract	5,176,181	15,877,192
	6,607,515	19,509,157

## Notes to the Financial Statements

### 12. CONTRACT WITH CUSTOMERS (CONT'D)

#### 12.2 Contract costs (cont'd)

##### 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 RM4,822,140 (2023: RM2,674,380).

##### 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 RM146,233,583 (2023: RM78,628,621).

### 13. OTHER CURRENT ASSETS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Prepaid operating expenses	649,329	1,281,930	632,042	1,183,498

### 14. SHARE CAPITAL

	Number of shares 2024	Amount 2024	Number of shares 2023	Amount 2023
	Units	RM	Units	RM
<b>Group and Company</b>				
<b>Issued and fully paid shares with no par value classified as equity instruments</b>				
<b>Ordinary shares</b>				
At 1 April	440,000,000	364,936,000	352,000,000	352,000,000
Issuance of shares	-	-	88,000,000	12,936,000
At 31 March	440,000,000	364,936,000	440,000,000	364,936,000

#### Ordinary shares

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

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

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



## Notes to the Financial Statements

### 15. RESERVES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Fair value reserve	a	3,086,698	(10,803,443)	-	-
Translation reserves	b	(5,345,000)	(5,345,000)	-	-
Warrants reserves	c	2,904,000	2,904,000	2,904,000	2,904,000
		645,698	(13,244,443)	2,904,000	2,904,000

#### (a) Fair value reserve

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

#### (b) Translation reserve

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

#### (c) Warrants reserves

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

##### Warrants 2022/2027

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

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

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

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

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

## Notes to the Financial Statements

### 16. PERPETUAL SUKUK

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

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

The salient features of the Perpetual Sukuk are as follows:

- (a) The Perpetual Sukuk is issued under the Shariah principle of Musharakah and unrated;
- (b) The Perpetual Sukuk issued carried an initial fixed periodic distribution rate of 6.50% per annum payable on a semi-annual basis in arrears. The periodic distribution rate of any tranche of perpetual sukuk will be reset at the aggregate of the initial period distribution rate plus set-up margin provided that such rate is capped at maximum rate;
- (c) No fixed redemption date but the Company has the option to redeem on the First Call date and on each subsequent semi-annual periodic distribution date;
- (d) The Company also has the option to redeem the Perpetual Sukuk under the following circumstances:
  - (i) Accounting Event - if the Perpetual Sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;
  - (ii) Tax Event - if the Company is or will become obliged to pay additional amount of tax due to changes in tax laws or regulations;
  - (iii) Change in Control Event - if Ho Wen Yan ceases to be the single largest shareholder (directly or indirectly) of the Company;
  - (iv) Leverage Event - if the Net Debts over Equity Ratio of the Company (on a consolidated basis) exceeds 1.25 times;
  - (v) Privatisation Event - if the Company fails to maintain the status as a public listed company on Bursa Malaysia Securities Berhad and is delisted;
  - (vi) Shareholder Event - if the Company reduces the issued and fully paid ordinary shares; and
  - (vii) Sinking Fund Event - if the Company fails to deposit the required build up for the nominal value of the applicable Secured Perpetual Sukuk Musharakah.
- (e) Payment obligations on the Perpetual Sukuk will at all times, rank ahead of the holders of Junior Obligations of the Company and rank pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company.

## Notes to the Financial Statements

### 17. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>					
<b>Trade</b>					
Trade payables	a	32,384,377	30,020,186	-	-
<b>Non-trade</b>					
Refundable deposits		315,180	284,123	-	-
		32,699,557	30,304,309	-	-
<b>Current</b>					
<b>Trade</b>					
Trade payables		86,281,173	77,981,038	-	-
<b>Non-trade</b>					
Amounts due to subsidiaries	b	-	-	55,830,292	83,614,724
Accrued operating expenses		13,288,943	12,631,626	2,040,190	1,732,514
Other payables		6,288,034	13,306,506	472,680	789,060
Refundable deposits		1,256,687	1,207,144	11,220	5,820
Provisions	c	205,165	-	-	-
		21,038,829	27,145,276	58,354,382	86,142,118
		107,320,002	105,126,314	58,354,382	86,142,118
		140,019,559	135,430,623	58,354,382	86,142,118

#### 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 which amounting to RM23,232,305 (2023: RM44,880,005) are unsecured, subject to interest rate at 3.00% (2023: 2.40%) per annum and repayable on demand.

#### Note c

The movements of the provisions are as follows:

	Group	
	2024 RM	2023 RM
At 1 April	-	-
Recognised in profit or loss	205,165	-
At 31 March	205,165	-

## Notes to the Financial Statements

### 18. LOANS AND BORROWINGS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>				
<u>Secured</u>				
Bridging loan	-	13,741,647	-	-
Sukuk Murabahah	3,710,000	8,202,000	3,710,000	8,202,000
Term loans	107,369,284	115,466,002	1,820,552	4,241,845
Revolving loans	-	17,400,000	-	17,400,000
Islamic cash line facility	7,400,000	10,000,000	7,400,000	10,000,000
	118,479,284	164,809,649	12,930,552	39,843,845
<b>Current</b>				
<u>Secured</u>				
Sukuk Murabahah	4,492,000	4,494,000	4,492,000	4,494,000
Term loans	8,798,650	12,343,728	548,650	1,093,728
Revolving loans	23,278,451	13,162,870	23,278,451	13,162,870
Islamic cash line facility	12,388,751	2,906,560	12,388,751	2,906,560
Banker's acceptance	501,000	1,473,000	-	-
Bank overdrafts	21,596,326	29,938,323	11,152,741	15,602,660
	71,055,178	64,318,481	51,860,593	37,259,818
	189,534,462	229,128,130	64,791,145	77,103,663

#### Securities

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

- i) legal charge over property, plant and equipment (Note 2), investment properties (Note 4) and inventories (Note 8);
- ii) deposits placed with licensed banks (Note 9 and Note 10); and
- iii) corporate guarantee by the Company and certain subsidiaries.

## Notes to the Financial Statements

**18. LOANS AND BORROWINGS (CONT'D)**
**Reconciliation of movement of liabilities to cash flows arising from financing activities**

	At 1.4.2022		Drawdown of loans and borrowings		Repayment of loans and borrowings		At 31.3.2023/1.4.2023		Drawdown of loans and borrowings		Repayment of loans and borrowings		At 31.3.2024	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Group</b>														
Bridging loan	-	21,281,490	(7,539,843)	-	13,741,647	3,718,510	(17,460,157)	-	-	-	-	-	-	-
Sukuk Murabahah	17,190,000	-	(4,494,000)	-	12,696,000	-	(4,494,000)	-	-	-	-	-	-	8,202,000
Term loans	158,153,974	143,209	(30,487,453)	-	127,809,730	13,740,000	(25,381,796)	-	-	-	-	-	-	116,167,934
Banker's acceptance	893,000	6,132,000	(5,552,000)	-	1,473,000	3,612,000	(4,584,000)	-	-	-	-	-	-	501,000
Revolving loans	38,400,000	2,000,000	(9,837,130)	-	30,562,870	2,000,000	(9,284,419)	-	-	-	-	-	-	23,278,451
Islamic cash line facility	13,330,823	5,000,000	(5,424,263)	-	12,906,560	10,000,000	(3,117,809)	-	-	-	-	-	-	19,788,751
Lease liabilities	671,149	-	(756,578)	609,090	523,661	-	(453,057)	232,090	-	-	-	-	-	302,694
Total liabilities from financing activities	228,638,946	34,556,699	(64,091,267)	609,090	199,713,468	33,070,510	(64,775,238)	232,090	168,240,830	-	-	-	-	-
<b>Company</b>														
Sukuk Murabahah	17,190,000	-	(4,494,000)	-	12,696,000	-	(4,494,000)	-	-	-	-	-	-	8,202,000
Term loans	19,936,750	-	(14,601,177)	-	5,335,573	-	(2,966,371)	-	-	-	-	-	-	2,369,202
Revolving loans	38,400,000	2,000,000	(9,837,130)	-	30,562,870	2,000,000	(9,284,419)	-	-	-	-	-	-	23,278,451
Islamic cash line facility	13,330,823	5,000,000	(5,424,263)	-	12,906,560	10,000,000	(3,117,809)	-	-	-	-	-	-	19,788,751
Lease liabilities	316,740	-	(371,985)	338,314	283,069	-	(135,325)	-	-	-	-	-	-	147,744
Total liabilities from financing activities	89,174,313	7,000,000	(34,728,555)	338,314	61,784,072	12,000,000	(19,997,924)	-	-	-	-	-	-	53,786,148

Other movements include new leases and termination of lease contract.

## Notes to the Financial Statements

### 19. LEASE LIABILITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current	38,298	189,577	12,257	135,119
Current	264,396	334,084	135,487	147,950
	302,694	523,661	147,744	283,069

The maturity analysis of lease liabilities at the end of the reporting period are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Within 1 year	281,743	376,250	149,643	163,548
Between 1 - 2 years	18,540	182,914	9,840	149,643
Between 2 - 5 years	24,620	12,710	2,870	12,710
	324,903	571,874	162,353	325,901
Less: Future finance charges	(22,209)	(48,213)	(14,609)	(42,832)
Present value of lease liabilities	302,694	523,661	147,744	283,069

The Group and the Company lease a number of premises and office equipments. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The average effective interest rate per annum at the end of reporting period for lease liabilities are ranging from 2.74% to 7.01% (2023: 1.75% to 7.01% per annum).

### 20. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue from contracts with customers</b>	202,722,443	118,132,272	13,957,800	4,712,400
<b>Other revenue</b>				
- Dividend income	-	-	15,000,000	70,000,000
- Rental income	2,325,605	1,927,705	-	-
	2,325,605	1,927,705	15,000,000	70,000,000
	205,048,048	120,059,977	28,957,800	74,712,400

## Notes to the Financial Statements

### 20. REVENUE (CONT'D)

#### 20.1 Disaggregation of revenue from contracts with customers

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Major products and services</b>				
Sales of development properties	175,595,179	82,542,237	-	-
Sales of developed properties	13,441,146	29,798,103	-	-
Sales of land held for property development	8,250,000	-	8,250,000	-
Trading of building materials	4,229,677	4,862,240	-	-
Operating of restaurant, laundry and vending machine	105,641	449,692	-	-
Management fee	1,100,800	480,000	5,707,800	4,712,400
	202,722,443	118,132,272	13,957,800	4,712,400
<b>Timing and recognition</b>				
At a point in time	26,026,464	35,110,035	8,250,000	-
Over time	176,695,979	83,022,237	5,707,800	4,712,400
	202,722,443	118,132,272	13,957,800	4,712,400

## Notes to the Financial Statements

### 20. REVENUE (CONT'D)

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



## Notes to the Financial Statements

### 20. REVENUE (CONT'D)

#### 20.3 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 RM70,360,555 (2023: RM151,836,637) are expected to be recognised as revenue progressively over the financial years 2025 to 2026 (2023: 2024 to 2025).

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.

#### 20.4 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.

## Notes to the Financial Statements

### 21. OTHER INCOME

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income of financial assets calculated using the effective interest method that are at amortised cost:				
- interest income	162,677	161,942	5,768,306	6,780,173
- accrete interest from financial assets	-	40,420	-	301
	162,677	202,362	5,768,306	6,780,474
Deposits forfeited	205,999	32,778	-	-
Deposits recovered	-	30,000	-	-
Gain on disposal of property, plant and equipment	-	3,696	-	3,696
Rental income				
- investment properties	25,900	23,400	117,100	54,600
- parking income	312,196	54,979	-	54,979
- others	980,658	709,484	-	-
Reversal of damage claims	-	8,150,881	-	8,150,881
Sundry income	346,432	439,504	55,401	-
	2,033,862	9,647,084	5,940,807	15,044,630

### 22. RESULTS FROM OPERATING ACTIVITIES

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration				
- Audit fees				
- current year	262,800	254,000	85,000	88,000
- Over provision in prior years	(10,500)	(3,000)	(8,000)	-
- Non-audit fees	8,650	8,650	6,000	6,000

## Notes to the Financial Statements

### 22. RESULTS FROM OPERATING ACTIVITIES (CONT'D)

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Material expense/(income)</b>				
Amortisation of:				
- concession assets	671,943	671,943	-	-
- franchise fee	5,000	10,000	-	-
Bad debts written off	42,263	8,020	-	-
Depreciation of:				
- investment properties	42,757	42,758	46,057	46,058
- property, plant and equipment	2,019,579	2,393,345	376,455	440,535
- right-of-use assets	337,063	511,750	48,615	139,215
Deposit written off	49,592	-	-	-
Impairment loss on intangible assets	640,039	5,288,485	-	-
Loss on disposal of property, plant and equipment	115,954	-	-	-
Non-Executive Directors' remuneration	706,730	669,980	687,288	651,197
Property, plant and equipment written off	260,791	1,720	-	-
Right-of-use assets written off	280,002	-	280,002	-
Intangible assets written off	7,500	-	-	-
Termination of lease contract	26,575	207,455	-	207,844
<b>Expenses arising from leases:</b>				
Expenses relating to short-term leases (a)	267,146	255,846	-	-
Expenses relating to leases of low-value assets (a)	11,402	-	-	-
<b>Net (gains)/losses on impairment of financial instruments</b>				
Financial assets at amortised cost	(1,194,031)	(591,898)	(954,123)	109,233

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

## Notes to the Financial Statements

### 23. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense of financial liabilities that are not at fair value through profit of loss:				
- bank overdrafts	1,852,824	1,704,898	922,400	885,918
- banker's acceptance	42,765	60,015	-	-
- bank loans	10,601,992	12,095,619	6,745,027	7,275,425
- lease liabilities	39,340	36,338	28,223	2,988
- intercompany loan	-	-	1,065,917	2,090,350
- project financing interest	(514,184)	-	-	-
- other financial liabilities carried at amortised cost	594,125	613,774	306,607	306,607
	12,616,862	14,510,644	9,068,174	10,561,288
Capitalised on qualifying assets - inventories	(4,631,537)	(4,467,433)	-	-
<b>Recognised in profit or loss</b>	<b>7,985,325</b>	<b>10,043,211</b>	<b>9,068,174</b>	<b>10,561,288</b>

### 24. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries and bonus	7,128,701	7,335,592	3,826,700	2,809,200
EIS contributions	7,127	7,461	2,640	1,939
EPF contributions	938,740	946,996	487,359	361,772
Social security contributions	62,666	65,281	23,355	16,963
	8,137,234	8,355,330	4,340,054	3,189,874

Included in employees' benefits expenses of the Group and of the Company is Executive Directors' remuneration, excluding benefits-in-kind, amounting to RM1,432,414 (2023: RM992,289).

## Notes to the Financial Statements

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

The key management personnel compensations are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Executive Director</b>				
- Salaries and other emoluments	1,280,000	869,600	1,280,000	869,600
- EIS contributions	119	109	119	109
- EPF contributions	151,255	121,628	151,255	121,628
- Social security contributions	1,040	952	1,040	952
Total Executive Director's remuneration (excluding benefit-in-kind)	1,432,414	992,289	1,432,414	992,289
Estimated money value of benefit-in-kind	7,200	7,200	7,200	7,200
<b>Total Executive Director's remuneration (including benefit-in-kind)</b>	<b>1,439,614</b>	<b>999,489</b>	<b>1,439,614</b>	<b>999,489</b>
<b>Non-Executive Directors</b>				
- Fees	677,730	639,980	658,288	621,197
- Other emoluments	29,000	30,000	29,000	30,000
Total Non-Executive Directors remuneration (excluding benefits-in-kind)	706,730	669,980	687,288	651,197
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
<b>Total Non-Executive Directors' remuneration (including benefits-in-kind)</b>	<b>713,930</b>	<b>677,180</b>	<b>694,488</b>	<b>658,397</b>
<b>Total key management personnel compensation</b>	<b>2,153,544</b>	<b>1,676,669</b>	<b>2,134,102</b>	<b>1,657,886</b>

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	
	2024	2023
<b>Executive director</b>		
RM950,001 - RM1,000,000	-	1
RM1,400,001 - RM1,450,000	1	-
<b>Non-executive directors</b>		
RM50,001 - RM100,000	2	-
RM100,001 - RM150,000	3	4
RM150,001 - RM200,000	1	1

## Notes to the Financial Statements

## 25. TAX EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Recognised in profit or loss</b>				
<b>Income tax expense</b>				
Current tax	6,371,492	5,143,379	837,963	642,703
Prior years	(234,203)	28,893	(201,201)	30,563
Total income tax recognised in profit or loss	6,137,289	5,172,272	636,762	673,266
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	(57,443)	(460,669)	187,184	-
Prior years	(2,345,756)	1,615	(187,184)	-
	(2,403,199)	(459,054)	-	-
	3,734,090	4,713,218	636,762	673,266
<b>Reconciliation of tax expense</b>				
Profit before tax	9,896,553	7,845,586	11,590,536	71,942,649
Income tax calculated using Malaysian tax rate of 24%	2,375,173	1,882,941	2,781,729	17,266,236
Non-taxable income	(3,949,757)	(878,210)	(3,949,756)	(17,746,122)
Non-deductible expenses	7,655,744	3,795,682	1,960,285	972,960
Deferred tax assets not recognised	232,889	267,652	232,889	149,629
Recognition of previously unrecognised deferred tax assets	-	(385,355)	-	-
(Over)/Under provision in prior years				
- income tax	(234,203)	28,893	(201,201)	30,563
- deferred tax	(2,345,756)	1,615	(187,184)	-
	3,734,090	4,713,218	636,762	673,266

## Notes to the Financial Statements

### 25. TAX EXPENSE (CONT'D)

The Group and the Company have unutilised business losses and unabsorbed capital allowance for carry forward to offset future taxable profits as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unutilised business losses	69,169,558	74,469,945	8,108,949	8,108,949
Unabsorbed capital allowance	10,307,235	10,172,097	2,910,915	2,764,821
	79,476,793	84,642,042	11,019,864	10,873,770

Unutilised business losses will expire in the following financial years:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Expiring in 2028	22,960,279	23,412,441	8,108,949	8,108,949
Expiring in 2029	7,264,407	8,293,501	-	-
Expiring in 2030	8,926,692	10,701,351	-	-
Expiring in 2031	11,983,463	14,700,878	-	-
Expiring in 2032	9,148,476	12,380,715	-	-
Expiring in 2033	5,031,116	5,031,116	-	-
Expiring in 2034	3,855,124	-	-	-
	69,169,557	74,520,002	8,108,949	8,108,949

Based on the current legislation, any unutilised business losses shall be carried forward for a maximum period of ten consecutive years of assessment immediately following that year of assessment, whereas the unabsorbed capital allowance are allowed to be carried forward indefinitely.

## Notes to the Financial Statements

### 26. EARNINGS PER ORDINARY SHARE

#### Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 March 2024 was based on the profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding, calculated as follows:

	2024	2023
<b>Group</b>		
<b>RM</b>		
Profit for the financial year attributable to owners of the Company	6,328,269	3,224,015
<i>Weighted average number of ordinary shares in issue:</i>		
Issued ordinary shares at 1 April	440,000,000	352,000,000
Effect of ordinary shares issued during the financial year	-	36,646,575
Weighted average number of ordinary shares	440,000,000	388,646,575
<b>Sen</b>		
Basic earnings per ordinary shares	1.44	0.83

#### Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 March 2024 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2024	2023
<b>Group</b>		
<b>RM</b>		
Profit for the financial year attributable to owners of the Company	6,328,269	3,224,015
Weighted average number of ordinary shares used in the calculation of basic of earnings per share	440,000,000	388,646,575
Effect of warrants	51,098,865	-*
Weighted average number of ordinary shares	491,098,865	388,646,575
<b>Sen</b>		
Diluted earnings per ordinary shares	1.29	-*

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



## Notes to the Financial Statements

### 27. DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2024.

### 28. FINANCIAL GUARANTEE

	2024 RM	2023 RM
<b>Company</b>		
<b>Unsecured:</b>		
Bank guarantee facilities utilised by subsidiaries	3,981,248	5,371,566
<b>Unsecured:</b>		
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	124,743,317	152,024,467

### 29. 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 2024 and 2023.

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.

## Notes to the Financial Statements

### 29. OPERATING SEGMENTS (CONT'D)

	Property development RM	Concession assets RM	Total RM
<b>Group</b>			
<b>2024</b>			
<b>Segment gain</b>	4,203,745	619,552	4,823,297
<i>Included in the measure of segment profit are:</i>			
Revenue from external customers	198,245,470	2,349,818	200,595,288
Depreciation and amortisation	(2,212,404)	(713,713)	(2,926,117)
Impairment loss on intangible assets	-	(640,039)	(640,039)
Net gain/(loss) on impairment loss on financial instruments	1,209,824	(15,793)	1,194,031
Other material non-cash items	(122,498)	(7,395)	(129,893)
Interest expense	(7,900,842)	(32,436)	(7,933,278)
Interest income	188,925	23,613	212,538
<b>Segment assets</b>	859,637,892	9,624,954	869,262,846
<i>Included in the measure of segment assets are:</i>			
Additions to non-current assets other than financial instruments and deferred tax assets	694,677	-	694,677
Other investment	57,618,366	-	57,618,366
<b>Segment liabilities</b>	(352,087,809)	(1,940,978)	(354,028,787)
<b>2023</b>			
<b>Segment gain</b>	1,926,256	164,582	2,090,838
<i>Included in the measure of segment profit/(loss) are:</i>			
Revenue from external customers	113,102,174	2,024,557	115,126,731
Depreciation and amortisation	(2,638,133)	(672,688)	(3,310,821)
Impairment loss on intangible assets	(5,288,485)	-	(5,288,485)
Net gain on impairment loss on financial instruments	500,000	91,898	591,898
Other material non-cash items	(172,701)	(8,020)	(180,721)
Interest expense	(9,740,643)	(228,212)	(9,968,855)
Interest income	231,300	4,978	236,278
<b>Segment assets</b>	877,296,881	8,370,879	885,667,760
<i>Included in the measure of segment assets are:</i>			
Additions to non-current assets other than financial instruments and deferred tax assets	690,946	25,932	716,878
Other investment	43,728,225	-	43,728,225
<b>Segment liabilities</b>	(390,379,745)	(1,306,455)	(391,686,200)

## Notes to the Financial Statements

## 29. OPERATING SEGMENTS (CONT'D)

Group	Segment profit RM	Segment revenue RM	Depreciation and amortisation RM	Interest expense RM	Interest income RM	Other material non-cash items RM	Segment assets RM	Segment liabilities RM
<b>2024</b>								
Total reportable segment	4,823,297	200,595,288	(2,926,117)	(7,933,278)	212,538	(129,893)	869,262,846	(354,028,787)
Other non-reportable segments	893,289	5,107,960	(150,225)	(270,080)	168,172	(446,785)	13,553,790	(11,340,710)
Elimination of inter-segment transaction	445,877	(655,200)	-	218,033	(218,033)	-	(23,261,483)	1,376,507
Consolidated total	6,162,463	205,048,048	(3,076,342)	(7,985,325)	162,677	(576,678)	859,555,153	(363,992,990)
<b>2023</b>								
Total reportable segment	2,090,838	115,126,731	(3,310,821)	(9,968,855)	236,278	(180,721)	885,667,760	(391,686,200)
Other non-reportable segments	641,630	5,701,846	(318,975)	(209,433)	101,161	-	17,965,756	(14,859,388)
Elimination of inter-segment transaction	399,900	(768,600)	-	135,077	(135,077)	-	(22,991,919)	1,106,943
Consolidated total	3,132,368	120,059,977	(3,629,796)	(10,043,211)	202,362	(180,721)	880,641,597	(405,438,645)

**Geographical segments**

The Group predominantly operate in Malaysia.

**Major customers**

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

## Notes to the Financial Statements

### 30. COMMITMENTS

	2024 RM	2023 RM
<b>Group and Company</b>		
Commitments to purchase land held for property development		
- Approved and contracted for	-	2,244,000
- Approved and not contracted for	2,705,296	-

### 31. FINANCIAL INSTRUMENTS

#### 31.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 March 2024, by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	At amortised cost RM	At FVTOCI RM	Total RM
<b>Group</b>			
<b>2024</b>			
<b>Financial assets</b>			
Other investment	-	57,618,366	57,618,366
Trade and other receivables	31,477,360	-	31,477,360
Cash and cash equivalents	15,639,042	-	15,639,042
	47,116,402	57,618,366	104,734,768
<b>Financial liabilities</b>			
Trade and other payables	140,019,559	-	140,019,559
Loans and borrowings	189,534,462	-	189,534,462
	329,554,021	-	329,554,021
<b>2023</b>			
<b>Financial assets</b>			
Other investment	-	43,728,225	43,728,225
Trade and other receivables	31,777,321	-	31,777,321
Cash and cash equivalents	17,013,104	-	17,013,104
	48,790,425	43,728,225	92,518,650
<b>Financial liabilities</b>			
Trade and other payables	135,430,623	-	135,430,623
Loans and borrowings	229,128,130	-	229,128,130
	364,558,753	-	364,558,753

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.1 Categories of financial instruments (cont'd)

The table below provides an analysis of financial instruments as at 31 March 2024, by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (cont'd)

	At amortised cost	
	2024 RM	2023 RM
<b>Company</b>		
<b>Financial assets</b>		
Trade and other receivables	181,043,583	205,184,117
Cash and cash equivalents	4,262,273	4,146,104
	185,305,856	209,330,221
<b>Financial liabilities</b>		
Trade and other payables	58,354,382	86,142,118
Loans and borrowings	64,791,145	77,103,663
	123,145,527	163,245,781

#### 31.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Net gains/(losses) on:</b>				
Financial assets measured at amortised cost	1,007,838	479,633	6,415,822	6,364,634
Financial liabilities measured at amortised cost	(7,219,151)	(1,215,778)	(8,761,567)	(2,103,800)
Equity instruments at FVTOCI				
- Recognised in other comprehensive income	13,890,141	(1,028,899)	-	-
	7,678,828	(1,765,044)	(2,345,745)	4,260,834

#### 31.3 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

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.4 Credit risk

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

##### **Trade receivables and contract assets**

##### ***Risk management objectives, policies and processes for managing the risk***

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

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

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

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

##### ***Exposure to credit risk, credit quality and collateral***

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

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

##### ***Concentration of credit risk***

At the end of the financial year, the Group had 1 customer (2023: 1 customer) that owned the Group and accounted for approximately 36% (2023: 48%) of all the receivables outstanding.

##### ***Recognition and measurement of impairment losses***

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

- a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the credit control department; and
- b) If the customer did not abide by the agreed debt restructuring arrangement, the Group will issue notice of termination to commence termination of contract and recovery of the properties sold in order to reduce the credit risk exposure.

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

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.4 Credit risk (cont'd)

##### Trade receivables and contract assets (cont'd)

##### Recognition and measurement of impairment losses (cont'd)

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

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 March 2024 which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM	Loss allowance RM	Net balance RM
<b>Group</b>			
<b>2024</b>			
Not past due	63,091,911	-	63,091,911
Past due 1 - 30 days	704,860	-	704,860
Past due 31 - 120 days	5,858,728	-	5,858,728
Past due 121 - 180 days	2,981,149	-	2,981,149
Past due more than 181 days	2,453,961	-	2,453,961
	75,090,609	-	75,090,609
Individually impaired	640,959	(640,959)	-
	75,731,568	(640,959)	75,090,609
Trade receivables	22,015,251	(640,959)	21,374,292
Contract assets	53,716,317	-	53,716,317
	75,731,568	(640,959)	75,090,609
<b>2023</b>			
Not past due	60,002,792	-	60,002,792
Past due 1 - 30 days	4,405,201	-	4,405,201
Past due 31 - 120 days	8,984,869	-	8,984,869
Past due 121 - 180 days	3,475,726	-	3,475,726
Past due more than 181 days	2,596,818	-	2,596,818
	79,465,406	-	79,465,406
Individually impaired	434,990	(434,990)	-
	79,900,396	(434,990)	79,465,406
Trade receivables	22,676,204	(434,990)	22,241,214
Contract assets	57,224,192	-	57,224,192
	79,900,396	(434,990)	79,465,406

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

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.4 Credit risk (cont'd)

##### Trade receivables and contract assets (cont'd)

##### Recognition and measurement of impairment losses (cont'd)

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

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

	Group	
	2024 RM	2023 RM
<b>Trade receivables - Credit impaired</b>		
At beginning of financial year	434,990	526,888
Net remeasurement of loss allowance	205,969	(91,898)
At end of financial year	640,959	434,990

##### Cash and cash equivalents

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

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

##### Other receivables and deposits

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

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At beginning of financial year	1,417,288	1,917,288	1,400,000	1,900,000
Net remeasurement of loss allowances	(1,400,000)	(500,000)	(1,400,000)	(500,000)
At end of financial year	17,288	1,417,288	-	1,400,000



## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.4 Credit risk (cont'd)

##### Other receivables and deposits (cont'd)

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

##### Inter-company balances

##### *Risk management objectives, policies and processes for managing the risk*

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

##### *Exposure to credit risk, credit quality and collateral*

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

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

##### *Recognition and measurement of impairment loss*

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

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

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

The following table provides information about the exposure to credit risk and ECLs for amounts due from subsidiaries as at 31 March 2024.

	Company	
	2024 RM	2023 RM
Amounts due from subsidiaries	183,752,178	207,415,995
Loss allowance - Credit impaired	(5,512,858)	(5,066,981)
	178,239,320	202,349,014

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.4 Credit risk (cont'd)

##### Inter-company balances (cont'd)

##### Recognition and measurement of impairment loss (cont'd)

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

	Company	
	2024 RM	2023 RM
<b>Amounts due from subsidiaries</b>		
<b>- Credit impaired</b>		
At beginning of financial year	5,066,981	4,457,748
Net remeasurement of loss allowance	445,877	609,233
At end of financial year	5,512,858	5,066,981

##### 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 RM124,743,317 (2023: RM152,024,467) 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.

#### 31.5 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.

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.5 Liquidity risk (cont'd)

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 of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1 - 5 years RM	More than 5 years RM
<b>2024</b>						
<b>Group</b>						
<i>Non-derivative financial liabilities</i>						
Trade and other payables						
- non-interest bearing	140,019,559	-	140,019,559	107,320,002	32,699,557	-
Lease liabilities	302,694	2.74 - 7.01	324,903	281,743	43,160	-
Loans and borrowings	189,534,462	4.95 - 7.75	212,697,195	79,785,420	132,911,775	-
	<u>329,856,715</u>		<u>353,041,657</u>	<u>187,387,165</u>	<u>165,654,492</u>	<u>-</u>
<b>Company</b>						
<i>Non-derivative financial liabilities</i>						
Trade and other payables						
- interest bearing	23,232,305	3.00	23,232,305	23,232,305	-	-
- non-interest bearing	35,122,077	-	35,122,077	35,122,077	-	-
Lease liabilities	147,744	2.74 - 3.50	162,353	149,643	12,710	-
Loans and borrowings	64,791,145	4.95 - 7.75	67,089,710	53,822,666	13,267,044	-
Financial guarantee*	-	-	124,743,317	124,743,317	-	-
	<u>123,293,271</u>		<u>250,349,762</u>	<u>237,070,008</u>	<u>13,279,754</u>	<u>-</u>

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.5 Liquidity risk (cont'd)

##### *Maturity analysis (cont'd)*

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

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1 - 5 years RM	More than 5 years RM
<b>2023</b>						
<b>Group</b>						
<i>Non-derivative financial liabilities</i>						
Trade and other payables						
- non-interest bearing	135,430,623	-	135,430,623	105,126,314	30,304,309	-
Lease liabilities	523,661	1.75 - 7.01	571,874	376,250	195,624	-
Loans and borrowings	229,128,130	4.60 - 7.51	263,635,672	71,154,690	172,279,374	20,201,608
	<u>365,082,414</u>		<u>399,638,169</u>	<u>176,657,254</u>	<u>202,779,307</u>	<u>20,201,608</u>
<b>Company</b>						
<i>Non-derivative financial liabilities</i>						
Trade and other payables						
- interest bearing	44,880,005	2.40	44,880,005	44,880,005	-	-
- non-interest bearing	41,262,113	-	41,262,113	41,262,113	-	-
Lease liabilities	283,069	2.74 - 6.60	325,901	163,548	162,353	-
Loans and borrowings	77,103,663	4.60 - 7.51	88,341,359	40,369,096	47,972,263	-
Financial guarantee*	-	-	152,024,467	152,024,467	-	-
	<u>163,528,850</u>		<u>326,833,845</u>	<u>278,699,229</u>	<u>48,134,616</u>	<u>-</u>

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

#### 31.6 Market risk

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

##### **Interest rate risk**

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

##### **Risk management objectives, policies and processes for managing the risk**

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

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.6 Market risk (cont'd)

##### Interest rate risk (cont'd)

##### *Risk management objectives, policies and processes for managing the risk (cont'd)*

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

##### *Exposure to interest rate risk*

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Fixed rate instruments</b>				
Financial assets	273,432	3,193,227	273,432	273,432
Lease liabilities	(302,694)	(523,661)	(147,744)	(283,069)
	(29,262)	2,669,566	125,688	(9,637)
<b>Floating rate instruments</b>				
Financial assets	-	-	178,104,066	202,214,797
Financial liabilities	(189,534,462)	(229,128,130)	(88,023,450)	(121,983,668)
	(189,534,462)	(229,128,130)	90,080,616	80,231,129

##### *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	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Floating rate instruments</b>				
100 bp increase	(1,440,462)	(1,741,374)	684,613	609,757
100 bp decrease	1,440,462	1,741,374	(684,613)	(609,757)

## Notes to the Financial Statements

## 31. FINANCIAL INSTRUMENTS (CONT'D)

## 31.7 Fair value information

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

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

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	
<b>2024</b>									
<b>Financial assets</b>									
<b>Non-current</b>									
Deposits with licensed banks	-	-	-	-	-	-	3,373,432	3,373,432	3,373,432
Other receivables	-	-	-	-	-	-	802,184	802,184	802,184
Refundable deposits	-	-	-	-	-	-	3,122,926	3,122,926	3,122,926
Other investment	57,618,366	-	-	57,618,366	-	-	-	-	57,618,366
	57,618,366	-	-	57,618,366	-	-	7,298,542	7,298,542	64,916,908
<b>Financial liabilities</b>									
<b>Non-current</b>									
Trade payables	-	-	-	-	-	-	32,384,377	32,384,377	32,384,377
Refundable deposits	-	-	-	-	-	-	315,180	315,180	315,180
Loans and borrowings	-	-	-	-	-	-	118,479,284	118,479,284	118,479,284
	-	-	-	-	-	-	151,178,841	151,178,841	151,178,841

## Notes to the Financial Statements

## 31. FINANCIAL INSTRUMENTS (CONT'D)

## 31.7 Fair value information (cont'd)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	
<b>2023</b>									
<b>Financial assets</b>									
<b>Non-current</b>									
Deposits with licensed banks	-	-	-	-	-	-	6,303,005	6,303,005	6,303,005
Other receivables	-	-	-	-	-	-	404,324	404,324	404,324
Refundable deposits	-	-	-	-	-	-	2,895,709	2,895,709	2,895,709
Other investment	43,728,225	-	-	43,728,225	-	-	-	-	43,728,225
	43,728,225	-	-	43,728,225	-	-	9,603,038	9,603,038	53,331,263
<b>Financial liabilities</b>									
<b>Non-current</b>									
Trade payables	-	-	-	-	-	-	30,020,186	30,020,186	30,020,186
Refundable deposits	-	-	-	-	-	-	284,123	284,123	284,123
Loans and borrowings	-	-	-	-	-	-	164,809,649	164,809,649	164,809,649
	-	-	-	-	-	-	195,113,958	195,113,958	195,113,958

## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.7 Fair value information (cont'd)

	Fair value of financial instruments not carried at fair value				Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	
<b>Company</b>					
<b>2024</b>					
<b>Financial assets</b>					
<b>Non-current</b>					
Deposits with licensed banks	-	-	3,373,432	3,373,432	3,373,432
Refundable deposits	-	-	43,630	43,630	43,630
	-	-	3,417,062	3,417,062	3,417,062
<b>Current</b>					
Advances to subsidiaries	-	-	178,104,066	178,104,066	178,104,066
<b>Financial liabilities</b>					
<b>Non-current</b>					
Loans and borrowings	-	-	12,930,552	12,930,552	12,930,552
<b>2023</b>					
<b>Financial assets</b>					
<b>Non-current</b>					
Deposits with licensed banks	-	-	3,383,210	3,383,210	3,383,210
Refundable deposits	-	-	43,630	43,630	43,630
	-	-	3,426,840	3,426,840	3,426,840
<b>Current</b>					
Advances to subsidiaries	-	-	202,214,797	202,214,797	202,214,797
<b>Financial liabilities</b>					
<b>Non-current</b>					
Loans and borrowings	-	-	39,843,845	39,843,845	39,843,845

#### 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 (2023: no transfer in either directions).



## Notes to the Financial Statements

### 31. FINANCIAL INSTRUMENTS (CONT'D)

#### 31.7 Fair value information (cont'd)

##### Level 3 fair value

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

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

Type	Valuation technique and key inputs	Significant unobservable inputs
Advances to subsidiaries	Discounted cash flows using a rate based on the current market rate of borrowing of the Group entities at the reporting date.	Interest rate (3.00%)

### 32. 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 2024 and 31 March 2023 are as follows:

	Group	
	2024 RM	2023 RM
Loans and borrowings	189,534,462	229,128,130
Lease liabilities	302,694	523,661
Less: Deposits placed with licensed banks	(273,432)	(3,193,227)
Less: Cash and bank balances	(15,365,610)	(13,819,877)
<b>Net debts</b>	<b>174,198,114</b>	<b>212,638,687</b>
<b>Total equity</b>	<b>495,562,163</b>	<b>475,202,952</b>
<b>Debt-to-equity ratio</b>	<b>35%</b>	<b>45%</b>

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

## Notes to the Financial Statements

### 33. RELATED PARTIES

#### Identity of related parties

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

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

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

#### Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company, other than key management personnel compensation (see Note 24) and dividend income, are shown below. The balances related to the below transactions are shown in Note 9 and Note 17.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Subsidiaries</b>				
Dividend income	-	-	15,000,000	70,000,000
Interest receivables	-	-	5,768,306	6,780,173
Interest payables	-	-	1,065,917	2,090,350
Management fee received	-	-	5,707,800	4,712,400
Rental received	-	-	91,200	31,200

## Notes to the Financial Statements

### 34. MATERIAL LITIGATION

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

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

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

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

On 9 January 2024, 3rd and 4th Plaintiffs' solicitor informed that they attempt to settle the matter amicably through mediation and the Court instructed 3rd and 4th Plaintiffs to file the amended bundle of pleadings.

On 20 May 2024, all parties have signed a settlement agreement and agreed to withdraw their suit with no liberty to file afresh and with no order as to costs. On 21 May 2024, parties updated the Court and record the notice of discontinuances.

# 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 71 to 139 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 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: 24 July 2024

# 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 71 to 139, to the best of my knowledge and belief are correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Tan Hwai Lun, NRIC: 770815-10-5155, MIA: CA 24085, at Kuala Lumpur in the Federal Territory on 24 July 2024.

.....  
**Tan Hwai Lun**

Before me:

**Amir Bin Ismail**

No. W800

No. 33-4, Jalan Medan Tuanku

50300 Kuala Lumpur

Date: 24 July 2024

# 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 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 71 to 139.

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 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

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

## Independent Auditors' Report

To the Members of Hua Yang Berhad

### Key Audit Matters (cont'd)

Key Audit Matters	How we addressed the key audit matters
<p><b>Revenue recognition for property development activities</b></p> <p>The Group recorded revenue from sales of development properties and developed properties amounting to RM175,595,179 and RM13,441,146 respectively.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• Probability of collection of consideration from purchasers, especially cash and foreign purchasers.</li> <li>• Measurement of progress towards satisfaction of performance obligations using input method, in particular, relating to the estimation of the total costs required to complete the work used in the measurement of progress towards complete satisfaction of performance obligations.</li> </ul>	<ul style="list-style-type: none"> <li>• We reviewed contracts with customers and relevant supporting documents and assessed the appropriateness of revenue recognition under MFRS 15.</li> <li>• 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.</li> <li>• 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.</li> <li>• We corroborated the progress towards satisfaction of performance obligations using input method against the progress of construction works as stipulated in progress reports from contractors and our enquiry of site personnel. Based on the progress of the development, we considered the Group's exposure to liquidated ascertained damages claims from property buyers.</li> </ul>
<p><b>Valuation of developed properties</b></p> <p>Inventories of the Group comprised unsold developed properties amounting to RM44,378,354 from completed property development projects.</p> <p>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.</p> <p>Valuation of developed properties is identified as a key audit matter because these developed properties were available for sales since the launch of the property development projects in previous financial years and the challenges faced by the Group in selling these developed properties may indicate that the Group's expectation of future selling prices may not be attainable.</p>	<ul style="list-style-type: none"> <li>• We checked the valuation of developed properties against selling prices for developed properties sold subsequent to financial year end or selling prices of similar developed properties sold within the same development project to identify indications that net realisable value of developed properties are above their carrying amounts.</li> </ul>

## Independent Auditors' Report

To the Members of Hua Yang Berhad

### Key Audit Matters (cont'd)

Key Audit Matters	How we addressed the key audit matters
<p><b>Impairment of investments in subsidiaries and amounts due from subsidiaries</b></p> <p>Investments in subsidiaries with carrying amount of RM331,407,757 is reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investments in subsidiaries is estimated and impairment losses are recognised if the carrying amount of investments in subsidiaries exceeds their estimated recoverable amount.</p> <p>Amounts due from subsidiaries with carrying amount of RM178,239,320 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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>We have checked the impairment indicators reviewed by the Company in respect of investments in subsidiaries, which includes review of the financial performance for the financial year and financial position at the reporting date for respective subsidiaries.</li> <li>We have evaluated the reasonableness of the impairment loss in respect of investments in subsidiaries and amounts due from subsidiaries recorded by the Company, including the basis and assumption used to forecast future cash flows from subsidiaries in estimating the expected credit losses for the amounts due from subsidiaries and the calculation of recoverable amount for the investments in subsidiaries.</li> </ul>

### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

### Responsibilities of the Directors for the Financial Statements

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

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



## Independent Auditors' Report

To the Members of Hua Yang Berhad

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

## Independent Auditors' Report

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 6 to the financial statements.

### Other Matters

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

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

LIM GE RU  
03360/03/2026 J  
Chartered Accountant

KUALA LUMPUR  
24 JULY 2024